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David W. Black
Edward B. Deutsch
Steven W. Deutsch
Steven C. Elkin
Neil G. Frank
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Leorah G. Greenman
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Michael A. Kammer
Steven B. Katz
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Hofit N. Lottenberg
Joel M. McTague
Constantina A. Mirabile
Harry P. Mirabile
Randy J. Nathan
Marc A. Silverman
Robert T. Slatoff
Maria P. Spiliopoulos
A. Tom Spyredes
David Neal Stern
Leanne B. Wagner
Steven A. Weinberg

(January 7, 2014)
REVISED January 13, 2014

VIA EMAIL AND FEDERAL EXPRESS

City Manager, Lee R. Feldman
City of Fort Lauderdale, Florida
100 N. Andrews Avenue
Fort Lauderdale, FL 33301

RE: La Segunda Realty Corp
Our File Number: 11890.0015

Dear City Manager Feldman:

Thanks go to you, City Attorney Ginger Wald, Assistant City Attorney Bob Dunckel and the City Planning Staff that attended the meeting on January 2, 2014 at City Hall to discuss the above referenced matter with us. Per the outcome of the meeting this letter will set forth a Settlement Proposal for the City to consider as well as a brief history of the facts surrounding the circumstances that have led La Segunda Realty Corp., (La Segunda) to ask for this compromise from the City.

This letter is for settlement purposes only. All privileges associated with settlement communication are attached to this letter. In order to have an enforceable settlement agreement it requires an execution of a more formal settlement document, executed by the parties, which will contain additional terms. This letter in no way waives any rights or available remedies of the parties herein and should not be construed as any admission of liability by any of the parties herein.

SETTLEMENT PROPOSAL:

La Segunda is prepared to offer an initial \$25,000 lump sum payment to the City, to be paid at closing of the McDonald's Property sale (as defined herein), currently scheduled for on or before February 6, 2014; however, possibly later due to resolution of this City Lien; in exchange for the recording of an Administrative Partial Release of the McDonald's Property from the City Lien involving Case No: CE08042005 ("City Lien").

Additionally, La Segunda shall within 120 days of the closing of the McDonald's Property, take any and all actions necessary to complete the performance of, or cause the completion and performance of, the following additional improvements to the Shopping Center:

1875 N.W. Corporate Boulevard • Suite 100 • Boca Raton, FL 33431
Phone: 561-395-3350 • Fax: 561-395-3339 • www.fwblaw.net
Boca Raton • Daytona Beach • Plantation

The following items are in addition to the existing approved plans for the Shopping Center:

1. Install enhanced lighting in the Shopping Center substantially similar to the renderings attached hereto as Exhibit "1";
2. Remove the existing pylon sign and install a new pylon sign for the Shopping Center substantially similar to the renderings attached hereto as Exhibit "2";
3. Enhance the approved landscaping, by upgrading the tree specimen to Montgomery palms and upgrade oak tree maturity (200 gallon containers) and adding 7 Medjool date palms (instead of royal palms); add pervious pavers at the driveway entrances and end of each drive isle, install bike racks near school drop-off area at the Shopping Center in accordance with and substantially similar to the upgraded landscape design (Landscape Plan) attached hereto as Exhibit "3";
4. Attached hereto as Exhibit "4" is the Revised Site Plan and color rendering illustrating the upgraded landscape design as seen from Davie Boulevard.

Further, upon the earlier to occur of either (i) 120 days from the date of the closing of the McDonald's Property sale transaction or, (ii) completion of the above described work, La Segunda shall pay to the City a lump sum amount of \$35,000 and beginning on the first month after the payment of the \$35,000 and continuing monthly thereafter until paid in full, La Segunda shall pay to the City an additional amount of \$65,000 to be paid in monthly payments of \$5,416.67 for the next 12 months until the \$65,000 is paid in full, at which time, the City shall execute and record a Release of Lien as to the balance of the Shopping Center. This is a total settlement of the City Lien for \$125,000 calculated as follows: \$25,000 initial payment for the administrative partial release so that we may close the McDonald's transaction, plus the \$35,000 payment upon completion of the above outlined additional work, plus the 12 monthly payments of \$5,416.67, equaling \$65,000 for a total of \$125,000. La Segunda shall have the right to repay any portion or all of \$125,000 in advance of the any scheduled payments without penalty.

La Segunda has extensively reviewed its budget and anticipates needing the time set forth above to pay the City. The intention is, and always has been, to close with McDonald's so that the work can commence to improve this Shopping Center. Without this significant compromise from the City, La Segunda will have no ability to make the improvements as set forth in the approved McDonald's Property plans and the approved Shopping Center plans. We truly do not want to continue to operate a run-down center. La Segunda is not receiving any proceeds from the sale of the McDonald's Property. La Segunda is putting all the monies and additional monies into the Shopping Center with the intention of creating an improved property.

HISTORY OF THE CENTER AND THE VIOLATION:

Our client's principal, Frank Diaz, as President of La Segunda Realty Corp., purchased the property described in Exhibit "A" (referred to herein as the "Property" or the "Shopping Center") in February of 2007. At the time of purchase, Frank Diaz owned (and still owns) the Tenant grocery store at the premises. At the time of purchase, the previous owner, Rovic Properties, Inc., was in financial distress, the Shopping Center was in disrepair and the intention of La Segunda and Frank Diaz was to purchase the Shopping Center to save its grocery business.

Since the time of purchase, La Segunda has attempted, to the best of its financial resources to improve the Property. The economic downturn has not helped. Since February 2007, La Segunda has expended monies to improve the Property using the best of its financial resources and taking care of those items that were of heightened significance in order to enter into a contract with McDonald's (to purchase a portion of the Shopping Center legally described on Exhibit "C" and referred to herein as "McDonald's Property") and to attempt to bring in tenants to the Shopping Center that would generate business, making the Shopping Center a more viable, performing property. La Segunda replaced/repainted storefront, fascia, columns, installed new sidewalks (costs totaling approximately \$1,200,000.00), new roof (totaling approximately \$250,000.00), High School (tenant) build-out contribution (\$257,000.00) and other interior build-outs (costs totaling approximately \$150,000.00). See Exhibit "B" showing before and after pictures of the Shopping Center around the time of purchase, compared to today.

On or around April 23, 2008, Case Number CE08042005 was opened by the City citing the Shopping Center with multiple violations to include parking area and sign disrepair. As the City may be aware, Donald Rosenthal (La Segunda's representative) the property manager appeared numerous times before the City to advise that negotiations were underway with McDonald's Corporation to purchase a portion of the Shopping Center. Part of the negotiations with McDonald's included significant improvements (the signs and parking lot included) to the Shopping Center (as a whole, not just the plans for the McDonald's portion). The City graciously adjourned and gave La Segunda more time to comply with the violations, knowing that these negotiations were underway with McDonalds and that the Shopping Center would be revitalized by this transaction.

Negotiations with McDonald's were extensive and during McDonald's investigations, hazardous material contamination was found at the Property. This discovery took the focus of the negotiations (no longer were the aesthetics of the Shopping Center the main issue, but rather the clean-up of the contamination was the focus). On October 2, 2012, a Real Estate Contract (the "Contract") was entered into which provided, in part, for an Escrow Agreement between the parties for an escrow hold back of \$400,000 from the sales proceeds of the transaction to be applied to the cost of certain work to be performed by McDonald's to the Shopping Center (which included, but is not limited to,

City Manager, Lee R. Feldman
City of Fort Lauderdale, Florida
REVISED January 13, 2014
January 7, 2014
Page | 4

improvements to the Shopping Center which would cure the violations, bringing the Shopping Center into compliance).

It should be noted that during the time of the negotiations with McDonald's and since the Contract was executed, McDonald's staff (engineers and planning staff) and La Segunda have met several times with the City and now have approved plans for the Shopping Center and McDonald's Property. La Segunda thought erroneously that that the City Code Enforcement and the City Planners together knew that all the meetings for the approval of plans for the Shopping Center and the McDonald's Property were for the benefit of the La Segunda and McDonald's sale transaction under its Contract and also for the compliance with the City Lien. This was a costly, but innocent, mistake on the part of La Segunda.

Both McDonald's and La Segunda now have plans approved by the City, to move forward and create a new and improved Shopping Center and McDonald's Property which will improve the community, revitalize businesses, benefit the community, the tenants of the Shopping Center, and the City. However, La Segunda is at the mercy of this approximate \$400,000.00 City Lien via the Order Imposing a Fine recorded in OR Book 47951 Book 1090 of the public records of Broward County, Florida.

The sale of the McDonald's Property to McDonald's is currently scheduled for on or before February 6, 2014. Accordingly, we are asking for the City to approve the proposed settlement set forth herein.

We thank you for your consideration herein and hope that the City will agree, so that La Segunda (and McDonald's) can move forward with its sale and approved plans to make this property what it should be, consistent with the City's goals to have an improved Shopping Center for its citizens and business owners.

We look forward to your reply, and direction as to how we move forward.

Very truly yours,
FRANK, WEINBERG & BLACK, PL



LEORAH G. GREENMAN, ESQUIRE
For the Firm

LGG/dlb
Enclosures

cc: Client
City Attorney Ginger Wald (via email)

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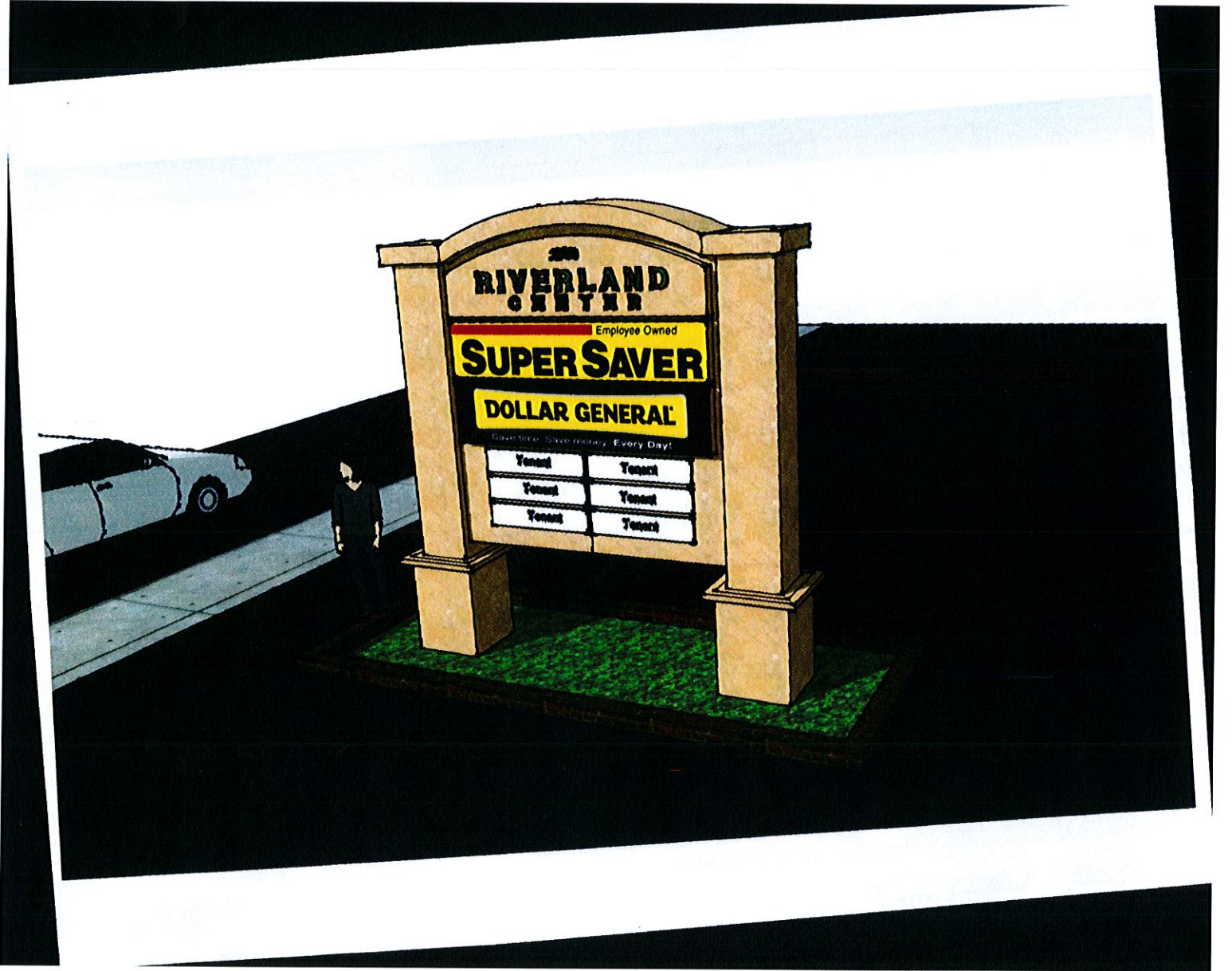
EXHIBIT “1”



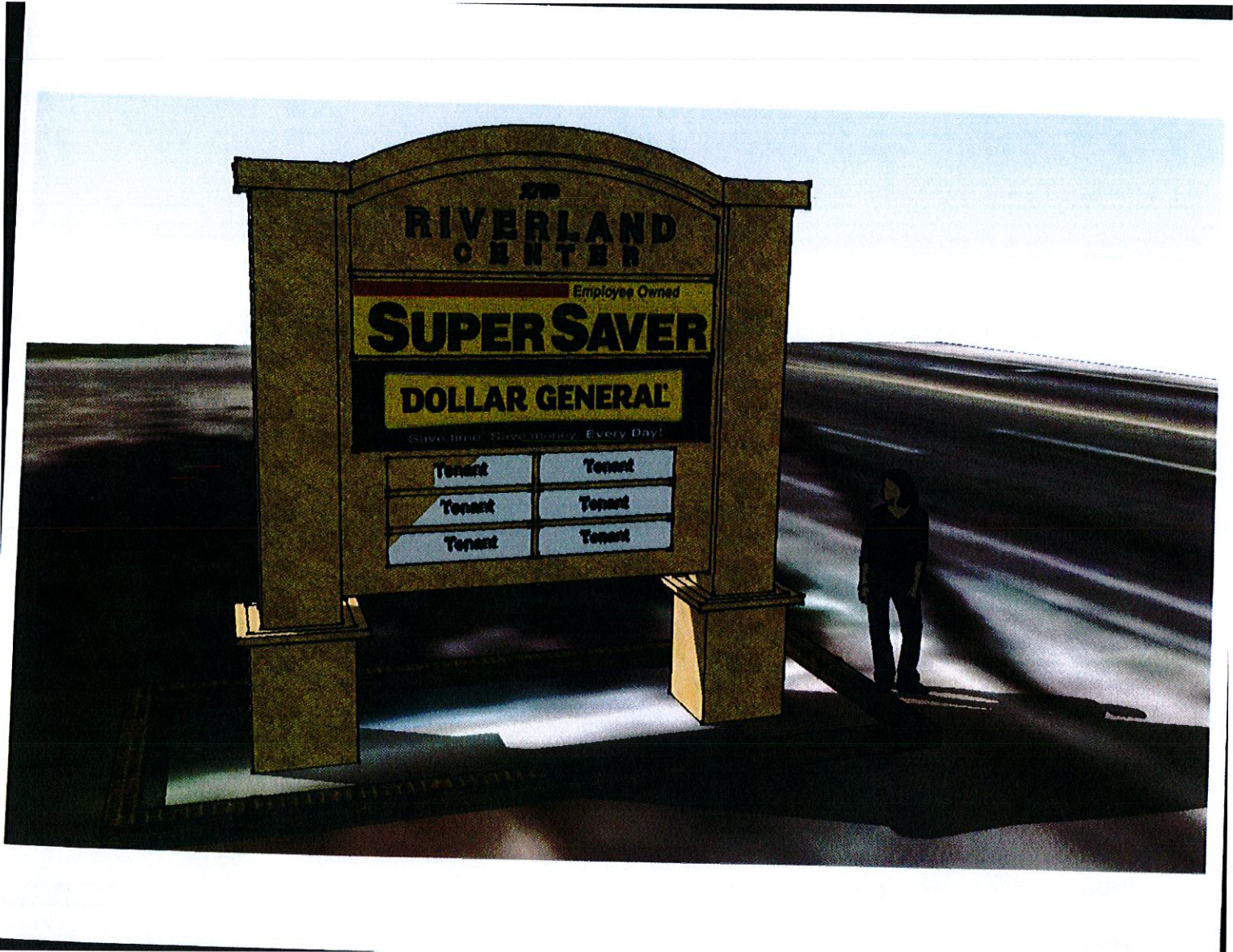
LSI LIGHTING "GFR" SERIES

EXHIBIT “2”

(4 pages)



NEW



NEW



NEW

2701 Davie Blvd, Fort Lauderdale, FL 33312, USA

Search

Select Region



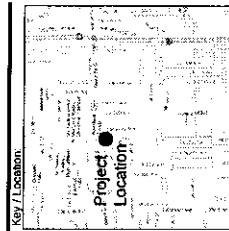
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9/9/2011

EXISTING

EXHIBIT “3”

(2 pages)



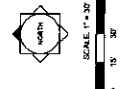
Project Name: Riverland Shopping Center
Location: Ft. Lauderdale, Florida
Client: Broward County
Project Number: 100-2013
Revision: 14-02014

Riverland Shopping Center

Ft. Lauderdale, Florida
 Broward County

Landscape Plan

Date: 8-21-2013
 By: Landscape Submittal Plan
 10-3-2013 Address Staff Comments
 14-02014 Revisions



Scale: 1" = 30'
 REG. # 1008
 Thomas F. Lucido

Sheet
1 of 2

Project Number: 100-2013
 Project Name: Riverland Shopping Center
 Project Location: Ft. Lauderdale, Florida
 Project Date: 8/21/2013

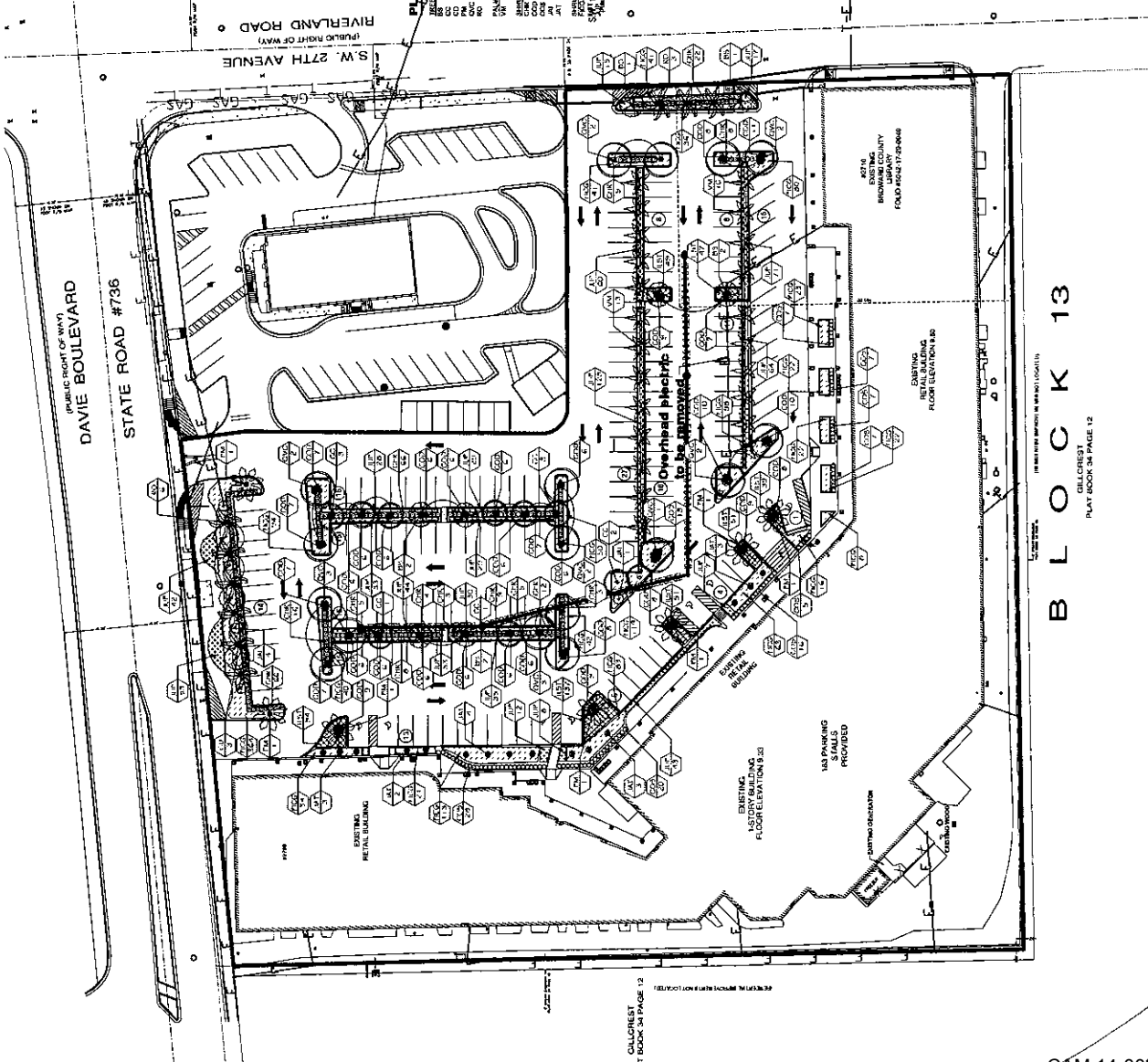
Landscape Data Calculations

- Zoning: B-1
- Provided Trees: 49 trees
- Provided Shrubs: 420 shrubs
- Required Tree Mix
- Shade Trees @ 3' min (25%) Required: 12 trees
- Shade Trees Provided: 17 (4' trees)
- Shade Trees @ 2' min (25%) Required: 12 trees
- Shade Trees Provided: 11 (3.5' trees)
- Flowering Trees Required (20%): 10 trees
- Flowering Trees Provided: 10 trees
- Palm Trees Required (20%): 10 trees
- Palm Trees Provided: 18 trees

PLANT SCHEDULE

SYMBOL	QTY	SCIENTIFIC NAME	COMMON NAME	REMARKS
1	12	SHADE TREES @ 3' MIN	Various species	Shade trees
2	17	SHADE TREES @ 2' MIN	Various species	Shade trees
3	10	FLOWERING TREES	Various species	Flowering trees
4	10	PALM TREES	Various species	Palm trees
5	18	PALM TREES	Various species	Palm trees

Notes regarding tree specifications, including minimum heights, trunk diameters, and planting instructions. Includes notes on tree selection and site preparation.



BLOCK 13

REAR COURT
 PLAY BOOK 28 PAGE 12

EXHIBIT “4”

(2 pages)

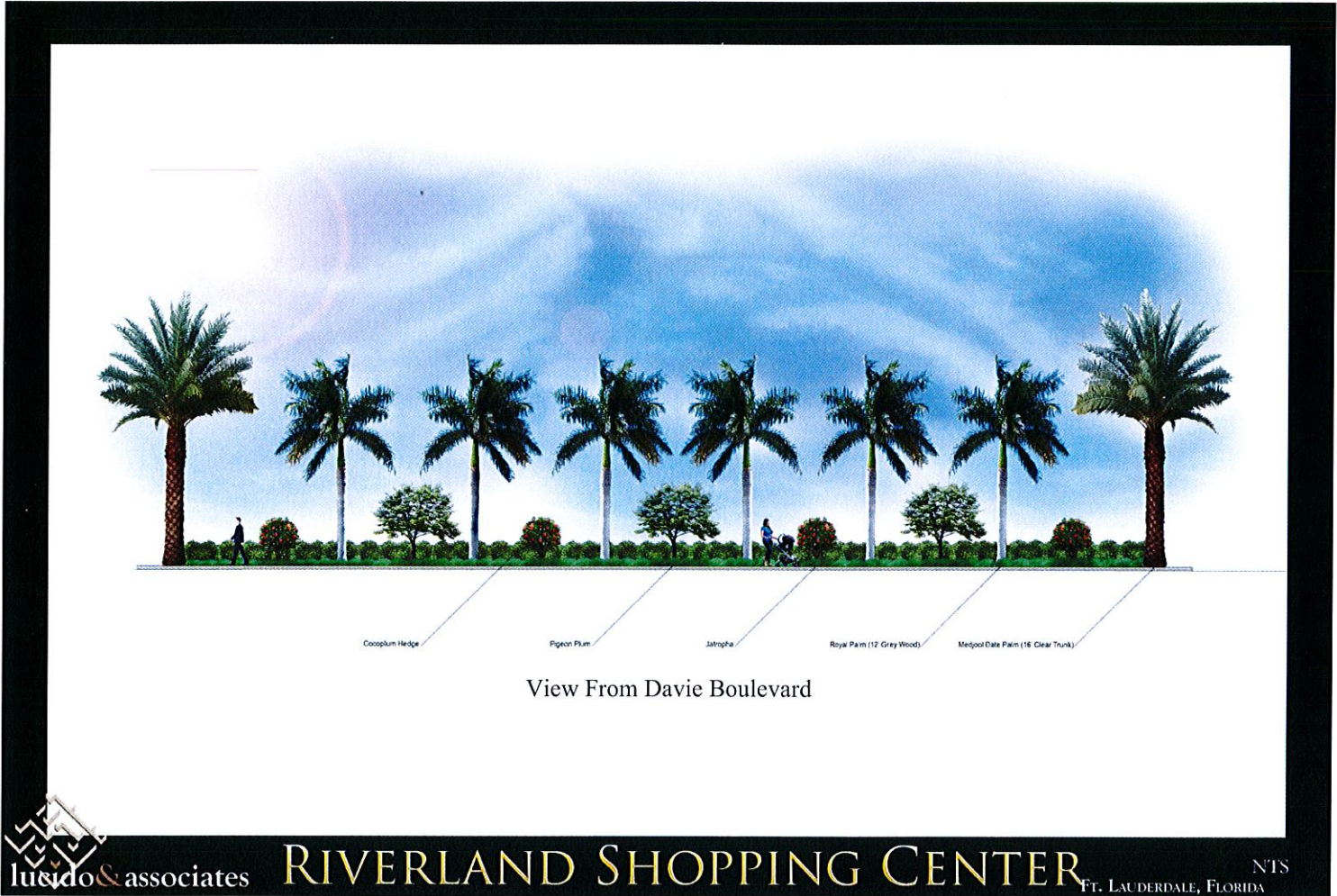


EXHIBIT "A"

EXHIBIT "A"

SHOPPING CENTER LEGAL DESCRIPTION

Parcel A, WESTOWN SHOPPING CENTER, according to the map or plat thereof as recorded in Plat Book 35, Page(s) 34, Public Records of Broward County, Florida, less and except therefrom that portion of the South 195 feet lying east of the following described line: Commencing at the southeast corner of said Parcel A, thence westerly along the south line of Parcel A a distance of 131.10 feet to the Point of Beginning of the herein described line; thence northerly perpendicular to the said south line a distance of 195 feet to a point on the north line of the said south 195.00 feet of said Parcel A and the point of termination of the herein described line. Also excepting therefrom so much of the premises as was conveyed to Broward County by Deeds recorded in O.R. Book 9431, Page 579 and O.R. Book 9856, Page 545 of the of the Public Records of Broward County, Florida.

a/k/a 2700-2790 Davie Blvd, Fort Lauderdale, FL 33312

EXHIBIT “B”

(4 pages)

THRIFT STO



SUPER SAVI
SuperMark



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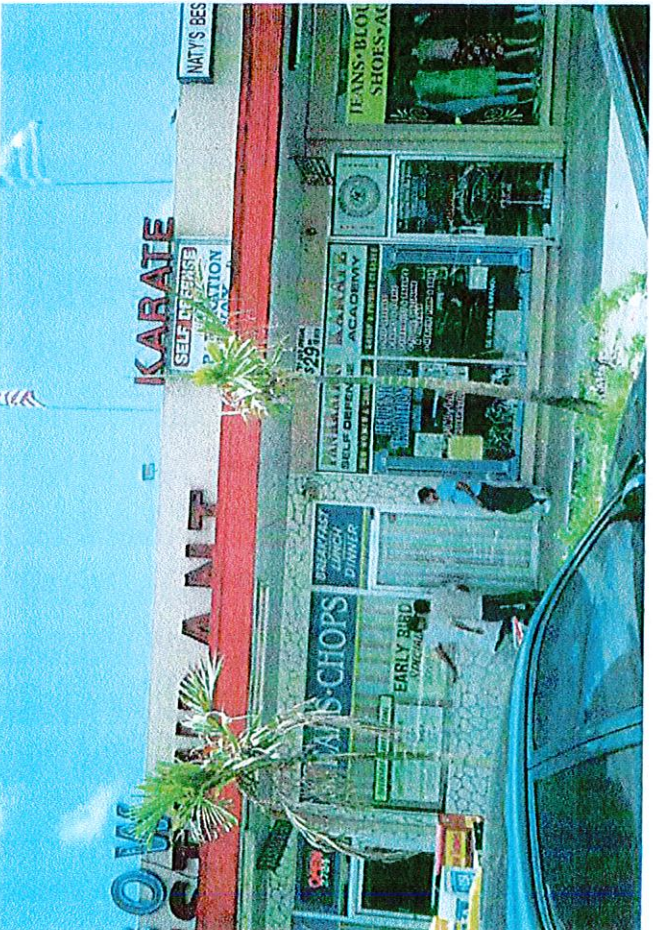
BEFORE

7

4



2



3



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BEFORE



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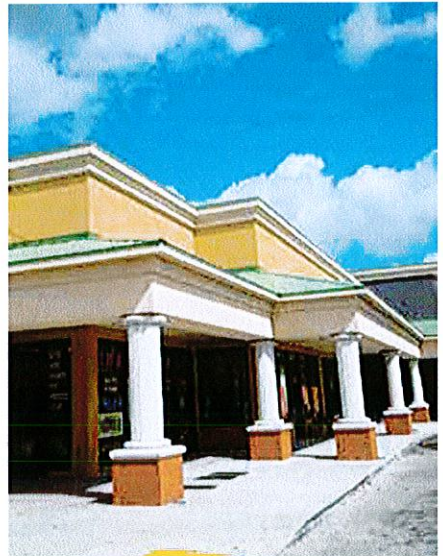
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592030.tif

AFTER (NOW)



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592033.tif



592034.tif



592035.tif

AFTER (NOW)

EXHIBIT “C”

Legal Description of McDonald's Property
(once purchased)
EXHIBIT "C"

A portion of Parcel "A", WESTOWN SHOPPING CENTER, according to the map or plat thereof as recorded in Plat Book 35, Page 34, of the Public Records of Broward County, Florida, and being more particularly described as follows:

Commence at the North 1/4 corner of Section 17 as shown on the Florida Department of Transportation Right Of Way Map of State Road No. 736 (Davie Boulevard), Section 86210-2550, Sheet 10 of 21 dated August 18, 2008; thence South 02°03'00" East along the Survey Base Line of S.W. 27th Avenue (Riverland Road) for 183.30 feet to the Survey Base Line of State Road No. 736 (Davie Boulevard) as shown on said Right Of Way Map; thence continue South 02°03'00" East along said Survey Base Line of S.W. 27th Avenue (Riverland Road) for 64.51 feet; thence South 87°57'00" West, at right angles to the previously described course for 43.00 feet to a point on the West Right Of Way line of said S.W. 27th Avenue (Riverland Road), as shown on said Right Of Way Map, being the Point of Beginning of the hereinafter described parcel of land, the following four (4) courses being along the South Right Of Way line of said State Road No. 736; (1) thence North 50°04'17" West for 37.20 feet to a point on a circular curve, concave to the South and whose radius point bears South 05°44'15" East; (2) thence Westerly along a 2824.79 foot radius curve, leading to the left, through a central angle of 01°56'44" for an arc distance of 95.92 feet to a point of tangency; (3) thence South 82°19'01" West for 50.00 feet along said South Right-of-Way line to a point of curvature; (4) thence Westerly along a 2904.79 foot radius curve, leading to the right, through a central angle of 00°09'00" for an arc distance of 7.61 feet along said South Right-of-Way line; thence South 06°01'21" East, departing said South Right-of-Way line, for 37.27 feet; thence South 00°14'36" West for 172.85 feet to a point of curvature; thence Southeasterly along a 15.00 foot radius curve, leading to the left, through a central angle of 91°02'21" for an arc distance of 23.83 feet to a point of tangency; thence North 89°12'15" East for 183.30 feet to a point on said West Right Of Way line of S.W. 27th Avenue (Riverland Road) as shown on said Right Of Way Map, the following three (3) courses being along said West Right Of Way line: (1) thence North 02°03'00" West for 3.27 feet; (2) thence North 09°27'25" West for 100.84 feet; (3) thence North 02°03'00" West for 114.79 feet to the Point of Beginning.

Together with an easement for the benefit of the above mentioned parcel as contained in the Shopping Center Easement Agreement by and between La Segunda Realty Corp. and McDonald's USA, LLC, dated ____, recorded ____ in Official Records Book ____, Page ____, of the Public Records of Broward County, Florida, over, under and across the lands described therein.