

**MAY 19, 2017
MEDIA RELEASE**



LAUDERDALE-BY-THE-SEA COMMISSION TO CONSIDER PROPOSED LEGAL SETTLEMENT OVER HEIGHT LIMITS

Extensive negotiations have resulted in proposed legal settlements between the Town of Lauderdale-By-The-Sea and three land owners in an area annexed by the Town in 2000. The effect of these settlements would be to resolve all remaining litigation over a 2006 Town Charter amendment that applied restrictive existing Town height limits to the annexed area. The lawsuits did not challenge and have no impact on height limits or other regulations applicable to the south end of Town.

Town Commissioners scheduled a May 23rd public hearing at 6:30PM in Jarvis Hall on the proposed settlements, after which the Commission is expected to vote to accept or reject the settlement agreements. The proposed settlements will be considered individually. If approved by the Commission, the agreements will be submitted to the court for final approval, which will terminate the litigation. If not, the litigation will proceed.

If all three are approved, the legal settlements would eliminate the remaining claims for damages of \$16 million and bring an end to Town expenditures related to lawsuits dating back to 2009, which targeted a 2006 Town Charter amendment that changed less restrictive Broward County development rules to more restrictive Town rules. One of the pending lawsuits (Palm Club) also claims that the Town is required to install a sanitary sewer system for 99 single family residences in this barrier island community. A fourth property owner (Coastal Arms) had also challenged the height limits, but in 2015 agreed to drop its claims against the Town and waive any future claims based on the height limits imposed by the Charter amendment.

If the settlement agreements are approved, the following lawsuits would be settled and would result in specific outcomes, as follows:

- *The Palm Yacht & Beach Club, Inc., v. Town of Lauderdale-By-The-Sea* – Release height and damage claims in exchange for a sanitary sewer system:

The Palm Club, at 1438 S. Ocean Blvd. would permanently give up its claim to build taller than the height limit imposed by the 2006 Town Charter amendment on its property on the east side of Ocean Boulevard. In addition, this 99-unit co-op community located on the west side of Ocean Blvd. will grant utility easements to allow the Town to install a sanitary sewer system to replace its aging septic tanks. Town laws require property owners to hook up to sanitary sewers, and Palm Club is the last area of Town still on septic tanks. Construction of the sanitary sewer system is estimated to cost \$3 million and must begin within four years of the effective date of the approval of the agreement, if the Palm Club timely accepts the plans for the sewer system and establishes the utility easements within three years of the effective date of the agreement.

- *Delrado, Inc., v. Town of Lauderdale-By-The-Sea* – Release damage claims in exchange for height:

The El Dorado Club, a 35-unit co-op on the ocean at 1470 S. Ocean Blvd., would give up its claim for millions of dollars in compensation and retain the right to build to pre-annexation Broward County height limits, or 15 stories, which is the current height of many of its neighbors along the east side of Ocean Boulevard. Although the property owners insist they have no plans to build a 15-story structure at this time, they filed suit against the Town to protect that future right.

- *Edmondson v. Town of Lauderdale-By-The-Sea* – Release damage claims in exchange for height:

James Edmondson, owner of the Sea Watch on the Ocean restaurant at 6002 N. Ocean Blvd., will give up his claim for millions of dollars in compensation and retain the right to build to pre-annexation Broward County height limits, or 15 stories.

The Sea Watch Restaurant recently underwent extensive renovations and Edmondson says there are no plans to redevelop the site or sell the property and that he sued to protect his property rights and those of his family.

The net effect of approving the three settlement agreements would be to avoid all claims for monetary damages and interest, and prevent one property owner who sued the Town from building in excess of the Charter height limits. The other two property owners (Edmondson and Delrado) would be allowed to build to the County height limit of 15 stories. And the Town would construct a sanitary sewer system for Palm Club on the same terms that it constructed sewer systems for the remainder of the annexation area. All of the agreements provide that each party will be responsible for its own legal costs and fees.

For more information about the settlement agreements, residents are encouraged to reach out to Town Manager Bud Bentley of the Town of Lauderdale-By-The-Sea at 954-640-4203 or by e-mail at TM@LTBS-fl.gov.