



Town Council Agenda Report

SUBJECT: Resolution

TITLE OF AGENDA ITEM:

A Resolution of the Town of Davie, Florida, subordinating the lien of the Town of Davie on property owned by Jolmy Enterprises, Inc., with respect to certain mortgage indebtedness and providing an effective date.

REPORT IN BRIEF:

Subordinating the lien interest of the Town in the Jolmy parcel relative to the Oaks Road reconstruction project. This Subordination Agreement maintains the Town's 80% valuation margin provided for in R-97-108.

The Town and Jolmy Enterprises jointly received an economic development grant from the State of Florida which in conjunction with development of the Jolmy Transportation Complex provided funds for reconstruction of Oakes and Burris Roads. Reimbursement of the roadway construction costs are subject to satisfactory completion of the development elements associated with the Transportation Complex and the Town has secured a lien against the Jolmy Properties to protect this interest.

Resolution No. R-97-108 provides a mechanism for the Town to subordinate our lien interests to future mortgage indebtedness subject to the total encumbrances on the property not exceeding 80% of the appraised land value. The current encumbrances including those proposed for Council consideration total \$5,701,551.36 which reflected against the appraised land value equate to 66% of the appraised value.

PREVIOUS ACTIONS:

The Town has previously granted lien subordinations consistent with the provisions of Reso-97-108 which currently total 66% of the appraised value including the Town's lien. Subordinating Resolutions may be considered up to a maximum 80% of the current appraised valuation.

CONCURRENCES:

Not Applicable

FISCAL IMPACT:

Not Applicable

RECOMMENDATION(S): Motion to approve the Resolution.

Attachment(s): Resolution
Letter from Jolmy Enterprises, Inc.

RESOLUTION _____

A RESOLUTION OF THE TOWN OF DAVIE, FLORIDA, SUBORDINATING THE LIEN OF THE TOWN OF DAVIE ON PROPERTY OWNED BY JOLMY ENTERPRISES, INC. WITH RESPECT TO CERTAIN MORTGAGE INDEBTEDNESS AND PROVIDING AN EFFECTIVE DATE.

WHEREAS, the Town Council of the Town of Davie entered into an agreement between the Town and Jolmy Enterprises, Inc. on the 19th day of March 1997, which was approved by Resolution No. R97-108, adopted by the Town Council on the 19th day of March, 1997; and

WHEREAS, said Agreement provided for a lien in favor of the Town of Davie imposed upon the property owned by Jolmy Enterprises, Inc. as described in Exhibit "A" attached hereto; and

WHEREAS, the Town Council has determined that based upon a written request submitted to the Town requesting subordination of the lien to proposed mortgages, there is sufficient evidence to the satisfaction of the Town that the total encumbrances against the subject property including the proposed indebtedness as represented by the note and mortgage in favor of Louise Cicchini in the amount of \$220,000.00 when added to the Town's lien does not exceed 80% of the value of the property; and

WHEREAS, those conditions being met, the Town wishes to subordinate its lien created by the aforementioned agreement between the Town of Davie and Jolmy Enterprises, Inc. to the note and mortgage.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF DAVIE, FLORIDA.

SECTION 1. That the lien created by Resolution R-97-108 and the agreement appended thereto is hereby subordinated to the interest created by the mortgagee in that mortgage to be recorded in favor of Louise Cicchini securing indebtedness in the amount of \$220,000.00.

SECTION 2. The recording of this Resolution among the Public Records of Broward County, Florida shall constitute subordination of the Town's lien against the property described in Exhibit "A" to the mortgage described above to the extent of \$220,000.00.

SECTION 3. In the event the aforementioned mortgage is not recorded among the Public Records of Broward County, Florida, within 120 days of the date of this Resolution, this subordination shall automatically terminate with respect to that mortgage which is not recorded within the 120 day time period.

SECTION 4. This Resolution shall take effect immediately upon its passage and adoption.

PASSED AND ADOPTED THIS _____ DAY OF _____, 1999.

MAYOR/COUNCILMEMBER

ATTEST:

TOWN CLERK

APPROVED THIS _____ DAY OF _____, 1999.

JOLMY ENTERPRISES, INC.
4751 SW. 30th STREET
DAVIE, FLORIDA 33314
954/683-7212

October 28, 1989

Mr. Robert Rawls
Town Administrator
TOWN OF DAVIE
6591 SW 45th Street
Davie, Florida 33314

Dear Mr. Rawls:

Pursuant to Town of Davie Resolution ^{97-10 E} ~~98-88-1~~ I am hereby requesting that the Town subordinate its lien to the following mortgage(s):

<u>AMOUNT</u>	<u>LENDER(S)</u>
\$220,000.00	Louise Ciuchini

Thank you for your prompt attention to this matter.

Very truly yours,


William E. Myers
President


Louise Ciuchini
President

