



## Cover Memorandum/Staff Report

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**File #:** 25-751

**Agenda Date:** 6/17/2025

**Item #:** 8.B.

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**TO:** Mayor and Commissioners  
**FROM:** Lynn Gelin, City Attorney  
**DATE:** June 17, 2025

RESOLUTION NO. 121-25: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, APPROVING THE CONVEYANCE OF THAT CERTAIN PARCEL OF REAL PROPERTY LOCATED AT 196 NW 8<sup>TH</sup> AVENUE, DELRAY BEACH, FLORIDA, AND THE LOT ADJACENT THERETO, AS MORE PARTICULARLY DESCRIBED HEREIN, TO THE AMERICAN LEGION POST NO. 188, INC.; AUTHORIZING THE MAYOR TO EXECUTE ALL DOCUMENTS NECESSARY TO EFFECTUATE SUCH CONVEYANCE; PROVIDING AN EFFECTIVE DATE AND FOR OTHER PURPOSES.

**Recommended Action:**

Motion to approve Resolution No. 121-25 conveying that certain parcel of real property located at 196 NW 8<sup>th</sup> Avenue, Delray Beach, Florida, and the lot adjacent thereto, as more particularly described herein, to the American Legion Post No. 188, Inc.; and authorizing the Mayor to execute all documents necessary to effectuate such conveyance.

**Background:**

The City owns the real property located at 196 NW 8th Avenue, Delray Beach, Florida, as well as the real property directly adjacent to the Property used for parking (collectively, the Property"). On or about September 9, 1947, the City approved a 99-year lease of the Property to the American Legion Post No. 188, Inc. (the "American Legion") to be used for the construction of an American Legion Hall located at 196 NW 8<sup>th</sup> Avenue.

On or about November 11, 2021, the American Legion initiated a lawsuit against the City sounding in claims for inverse condemnation, injunctive relief, trespass, breach of contract and conversion ("Lawsuit") after the City terminated its lease. The parties have decided to settle the dispute and, pursuant to the settlement agreement, the City is required to hold a public hearing for the City Commission to consider conveyance of the Property to the American Legion.

This agenda item proposes to convey the Property via Quitclaim Deed subject to express conditions regarding the use of the Property and the right of reverter.

**Automatic Right of Reverter:** If any condition or obligation imposed on the American Legion is violated, the conveyance of the Property automatically and immediately terminates and all rights, title and interest in the Property (as well as any and all improvement and fixtures) revert back to the City.

**Reverter Conditions:** (1) Reverter conditions commence when a certificate of completion for all improvements or certificate of occupancy is issued by the City for the use and occupancy of the

Property, or July 1, 2028, whichever occurs first, and continuing without interruption thereafter (except for force majeure); (2) American Legion shall use and occupy the Property for the non-profit purpose of a meeting hall for the American Legion Post 188, and may use and occupy the Property for attendant community activities and for no other use or purpose; (3) American Legion shall keep the Property open year-round and to the public at least 5 days a week, and hours of operation shall be at least from 9:00 am to 6:00 pm. The number of days per week and the number of hours of operation may be reduced only upon advance written approval of the City Manager or his or her designee; (4) American Legion shall maintain its tax exempt status throughout its ownership of the Property; (5) American Legion shall pay when due, and without requiring any notice from City, all taxes, assessments of any type or nature and other charges, levied or assessed against the Property; (5) American Legion shall pay and discharge any claim, mortgage, lien or encumbrance against the Property before a default or delinquency.

“Attendant community activities” must be approved in writing in advance by the City Manager or his or her designee, and are limited to community activities consistent with the American Legion’s historical use of the Property for the occasional use of the Property by non-profit organizations, social gatherings by members and family members of the American Legion and/or members of the community for special events, such as gatherings for graduations, funerals, weddings, baby showers, birthdays, community service events, and gatherings for fund-raising.

**City Attorney Review:**

Approved as to form and legal sufficiency.