City of South Daytona

Office of the City Attorney

1672 S. Ridgewood Avenue • South Daytona, FL 32121 • 386/322-3014



MEMORANDUM

To: James L. Gillis Jr., City Manager

From: Wade C. Vose, City Attorney

Re: Approval of the Settlement Agreement between the City of South Daytona,

Yelvington Big Tree, LLC, and Chadd Collins

Date: December 13, 2022

Yelvington Big Tree, LLC ("YBT") owns the real property and improvements located at 802 Big Tree Road, South Daytona, Florida ("Subject Property"). Over the past year and a half, YBT and City have expended valuable time and resources in protracted litigation over the validity of code enforcement violations concerning shipping container structures located on the Subject Property.

On June 22, 2021, the City of South Daytona Code Compliance Department issued to YBT a Citation of Violation and Notice of Hearing in Code Case No. 21-000128 with respect to shipping container structures located on the Subject Property. The Special Master held a hearing on the violation on July 8, 2021, and entered an order finding that YBT had violated the code as alleged. YBT went on to appeal this decision to the Circuit Court of the Seventh Judicial Circuit, where the City ultimately prevailed in defending the decision of the Special Master. YBT then appealed the decision of the Circuit Court to the Fifth District Court of Appeal, where the case is currently pending.

On November 30, 2021, the City of South Daytona Code Compliance Department issued additional Citations of Violation to YBT in Code Case Nos. 21-000356 and 21-000357 with respect to the aforementioned shipping container structures. After several lengthy hearings on these violations spanning nearly ten months, both our office and YBT have requested the Special Master withhold his decision to facilitate the negotiation of a Settlement Agreement ("Agreement") between the City, YBT, and Chadd Collins, individually. The proposed agreement with YBT addresses the City's main concerns with the outstanding code violations in a way that protects the public interest served by the underlying code provisions at issue while providing the City with appropriate safeguards to enforce the terms of the Agreement.

The City Attorney's Office therefore recommends that the City Council approve the Agreement, resolving the ongoing code cases and associated appellate litigation. As previously discussed, in the event the City prevailed in all current and future appellate litigation associated with the pending code cases, the City could nevertheless thereafter be subject to a Bert Harris Act suit under Sec. 70.001, Fla. Stat., on the theory that the

City of South Daytona

Office of the City Attorney

1672 S. Ridgewood Avenue • South Daytona, FL 32121 • 386/322-3014



application of the upheld code requirements inordinately burdened the Subject Property in light of the historical use of the Subject Property, as alleged by the property owner. This Agreement eliminates the financial and regulatory risks associated with such a claim, addresses the City's main concerns with the outstanding code violations in a way that protects the public interest served by the underlying code provisions at issue, and provides the City with appropriate safeguards to enforce the terms of the Agreement if ever necessary.

If approved, the pending appellate litigation and code case before the Special Master will be dismissed, and City staff will monitor YBT's compliance with the ongoing obligations and limitations outlined in the Agreement.

SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into this 13th day of December 2022, ("Effective Date") by and between Yelvington Big Tree, LLC, a Florida limited liability company ("Owner") and the City of South Daytona, a Florida municipal corporation ("City"), collectively referred to as the "Parties."

RECITALS

WHEREAS, Owner owns the real property and improvements located at 802 Big Tree Road, South Daytona, Florida, specifically that real property presently encompassed by Volusia County Property Appraiser Parcel IDs 5344-16-00-0899, 5344-26-00-0060, 5344-26-00-0070, 5344-26-00-0080, and 5344-26-00-0090 (collectively, the "Property"); and

WHEREAS, on April 26, 2021, the City of South Daytona Code Compliance Department provided Owner with a Notice of Violation for an alleged violation of Section 5.5(C)(2) of the South Daytona Land Development Regulations ("South Daytona LDRs") for shipping containers in the R1A zoning district, and for a violation of Section 105.1 of the Florida Building Code for constructing a roof spanning two shipping containers without required permits; and

WHEREAS, on June 22, 2021, the City of South Daytona Code Compliance Department issued to Owner a Citation of Violation and Notice of Hearing in Code Case No. 21-000128 with respect to the aforementioned violations, with a Special Master hearing to be held concerning the violation on July 8, 2021 (the "First Code Case"); and

WHEREAS, on July 8, 2021, the City of South Daytona Code Enforcement Special Master entered an order in the First Code Case finding that Owner had violated the code as alleged and set a deadline for compliance and the amount of a daily fine for failure to cure the violations; and

WHEREAS, Owner appealed the Special Master's order in Case No. 2021-31036-CICI, in the Circuit Court of the Seventh Judicial Circuit (the "Appellate Case"); and

WHEREAS, on November 11, 2021, the City of South Daytona Code Compliance Department provided Owner with Notices of Violation for, *inter alia*, alleged violations of Section 5.6(R) of the South Daytona LDRs for shipping containers on the Property not in conformity with that regulation; and

WHEREAS, on November 30, 2021, the City of South Daytona Code Compliance Department issued to Owner Citations of Violation and Notices of Hearing in, *inter alia*, Code Case No. 21-000356 and 21-000357 with respect to the aforementioned violations, with a Special Master hearing to be held concerning the violations on January 6, 2022 (the "Second Code Cases"); and

WHEREAS, the January 6, 2022, Special Master hearing was continued until February 10, 2022, whereupon a 4½ hour hearing was held on the matter, with the matter continued for final determination by the Special Master first to April 14, 2022, and then further continued by mutual



B

stipulation of the parties to May 12, 2022, to afford the parties time to negotiate a potential settlement of pending matters; and

WHEREAS, Owner has asserted that a landscaping and sod business has operated on the Property as a legal non-conforming use pursuant to Section 3.13 of the South Daytona LDRs since prior to the time the Property became subject to the City's ordinances by annexation; and

WHEREAS, Owner has further asserted that the use of shipping containers on the Property for storage for the operation of Owner's landscaping and sod business is essential and integral to the use of the Property for the landscaping and sod business, and that Owner and its predecessors in interest's use of shipping containers on the Property for storage for the operation of a landscaping and sod business has occurred for decades and predates the Property becoming subject to the City's ordinances by annexation; and

WHEREAS, Owner has further asserted that historically up to twenty-five (25) shipping containers have been used on the Property at once for storage for the operation of the landscaping and sod business, and has further asserted that Owner is entitled to bring at least 25 shipping containers onto the Property for such use; and

WHEREAS, City has asserted that whether a given shipping container is considered non-conforming under Section 3.13 of the South Daytona LDRs should properly be evaluated under that section's non-conforming structure provisions, and that to the extent a given shipping container has been altered to increase its non-conformity or has been moved for any reason for any distance whatsoever, such shipping container's non-conforming status is lost; and

WHEREAS, Owner has further asserted that the application of the City's ordinances to prevent the use of shipping containers on the Property for storage for the operation of Owner's landscaping and sod business, which Owner asserts is essential and integral to the use of the Property for the landscaping and sod business, and which Owner asserts has occurred for decades and predates the Property becoming subject to the City's ordinances by annexation, would constitute an inordinate burden of an existing use of real property or a vested right to a specific use of real property under the provisions of Section 70.001, Florida Statutes, the Bert J. Harris, Jr., Private Property Rights Protection Act (the "Harris Act"); and

WHEREAS, the Harris Act affords property owners the right to seek compensation from a local government where a court finds that a specific action of a governmental entity (including acting on an application or a permit or adopting or enforcing any ordinance, resolution, regulation, rule, or policy) constitutes an inordinate burden of an existing use of real property or a vested right to a specific use of real property, and further affords property owners the right to recover from a local government the property owner's attorney's fees incurred pursuing a Harris Act claim after the service of a written claim pursuant to the Harris Act; and

WHEREAS, the Harris Act provides the City with the authority to enter into a settlement agreement which would have the effect of a modification to the application of a rule, regulation, or ordinance as it would otherwise apply to the subject real property, provided that the relief granted protects the public interest served by the regulations at issue and is the appropriate relief





necessary to prevent the governmental regulatory effort from inordinately burdening the real property, with settlement offers made pursuant to this authority statutorily presumed to protect the public interest; and

WHEREAS, to the extent any term of this Agreement could be construed to modify the application of a rule, regulation, or ordinance as it would otherwise apply to the Property, the City has determined that such modifications effected by this Agreement protect the public interest served by the regulations at issue and are the appropriate relief necessary to prevent the governmental regulatory effort from inordinately burdening the real property; and

WHEREAS, the City finds the factual and historical circumstances relating to the Property to be distinguishable and entirely unique within boundaries of the City, in light of the assertion relating to the operation of a landscaping and sod business on the Property since prior to the time the Property became subject to the City's ordinances by annexation, and the assertion relating to the use of shipping containers on the Property for storage for the operation of a landscaping and sod business having occurred for decades, predating the Property becoming subject to the City's ordinances by annexation, and as such, the City finds that this Agreement shall not be interpreted or relied upon by non-parties to this Agreement to purportedly justify the relief of any non-party from the application of the ordinances and regulations of the City; and

WHEREAS, the Parties wish to avoid the expense, inconvenience, uncertainty and distraction of protracted litigation, and do so without any admission of liability whatsoever by any of them; and

WHEREAS, for the purposes of this Agreement, the First Code Case, the Appellate Case, the Second Code Cases, the potential Harris Act claim referenced hereinabove, and any potential claims by the Owner or Owner Releasing Parties (as defined herein) for takings without just or full compensation under the U.S. and Florida Constitutions, deprivation of property rights without due process of law, violation of constitutional rights under color of law, or such similar or related claims, collectively constitute the "Dispute;" and

WHEREAS, the Parties now desire to settle and finally resolve all disputes between and among them concerning the Dispute.

NOW, THEREFORE, the Parties hereby agree as follows:

- 1. **Recitals.** The above recitals are true and correct and are incorporated herein by reference.
- 2. **Shipping Containers on the Property.** The Parties agree that for so long as Owner and/or Owner's lessee operates a landscaping and sod business on the Property as a nonconforming use pursuant to Section 3.13 of the South Daytona LDRs, Owner and/or Owner's lessees may place and use up to 3200 square feet of shipping containers on the Property, in accordance with and subject to the terms of this Agreement. The square footage of shipping containers is to be measured from the exterior walls of each container. Shipping containers may be located on the portion of the Property labeled Area "A" as depicted in Exhibit "A" to this





Agreement. Shipping containers on the Property shall be used solely for storage for the operation of Owner's and/or its lessees' landscaping and sod business. No shipping container shall be rented. leased, or otherwise allowed to be used by any other person or entity for storage purposes, or for any other purpose other than for storage for the operation of Owner's and/or its lessees' landscaping and sod business. Additionally, and for the purposes of further clarification, all references to Owner's lessees in this Agreement refers to no more than two lessees at a time. Owner may not lease the Property or any portion thereof to more than two individuals or entities at a time, and may do so only for the purpose of operating a landscaping and sod business. Owner and/or its lessees may bring new or used shipping containers onto the Property and replace shipping containers on the Property, subject to the 3200 square footage maximum set forth above. Owner may relocate shipping containers from location to location on the Property, so long as such shipping containers are placed within the shaded area depicted in Exhibit "A" and subject to the additional limitations and conditions as set forth in this subsection. Shipping containers shall be maintained in good condition at all times. With the exception of the matter addressed in Paragraph 4, no roofs, overhangs, porches, additional doors or windows shall be added or affixed to shipping containers. Shipping containers shall not be stacked. Except as otherwise set forth herein, shipping containers on the Property are not required to adhere to the regulations set forth in Section 5.6.R. of the South Daytona LDRs. Within 15 days after the Effective Date of this Agreement, Owner shall remove from the Property the two white, rusted shipping containers that were the subject of Code Case No. 21-000356.

- 3. **Storage of Materials.** The open storage of materials essential and integral to the operation of Owner's and/or its lessees' landscaping and sod business shall be limited to the portion of the Property labeled Area "A" as depicted in Exhibit "A" to this Agreement. Such materials shall be maintained and kept in a neat and organized manner, free and clear from overgrowth, stagnant water, or any other condition that may lead to further attracting pests and rodents or harboring such conditions favorable to mosquito nesting. For the purpose of clarification, storage of materials within shipping containers located and maintained in accordance with the provisions of this Agreement shall not constitute open storage of materials.
- 4. Accessory Structure. As soon as possible after the Effective Date of this Agreement, Owner shall cause to be submitted to the City the following with respect to the accessory structure consisting of a roof spanning two shipping containers that was the subject of the First Code Case with respect to construction without required permits (the "Accessory Structure"): (1) Engineering affidavit certifying that the construction of the accessory structure meets the requirements of the 2020 Florida Building Code 7th edition with amendments thereto within the 140 mph wind speed; (2) the Engineer must submit a Statement of Final Inspection, summarize inspections performed, and provide a final inspection report, which final inspection report must include a statement that the as-built Accessory Structure meets the requirements of the 2020 Florida Building Code 7th edition with amendments thereto. Upon Owner's submittal of the aforementioned submittals and the building official's satisfactory review thereof, a building permit shall be issued and satisfactorily closed out with respect to the Accessory Structure. The issuance and close out of the aforementioned building permit shall not be construed to authorize or serve as precedent for the permitting or construction of any other structure on the Property, except in complete conformity with the South Daytona Code of Ordinances and LDRs, or the enlargement or alteration of any non-conforming structure on the Property in a way which increases its nonconformity, or as otherwise specified in Section 3.13 of the South Daytona LDRs. Except as





expressly set forth herein, new structures may only be permitted and constructed on the Property in complete conformity with the South Daytona Code of Ordinances and LDRs.

- 5. Installation of Required Fence or Wall Along Front of Area "A". No later than 45 days after the Effective Date of this Agreement, Owner or its agents shall successfully apply for a permit to install, and then install, an opaque fence 8 feet in height along the line labeled "Required Fence Line" as depicted in Exhibit "A" to this Agreement (the "Required Fence"). The Required Fence shall be comprised of a metal fence with mesh fabric, as depicted in the photograph attached hereto as Exhibit "B". Except with respect to the height of the fence and placement of the fence along the Required Fence Line, the Required Fence shall be permitted and constructed on the Property only in complete conformity with the South Daytona Code of Ordinances and LDRs. In lieu of installing the above-referenced Required Fence, Owner may, no later than 100 days after the Effective Date of this Agreement, apply for a permit to install, and then install, a precast concrete wall 8 feet in height along the Required Fence Line (the "Required Wall"). Except with respect to the height of the wall and placement of the wall along the Required Fence Line, the Required Wall shall be permitted and constructed on the Property only in complete conformity with the South Daytona Code of Ordinances and LDRs. The Required Wall shall be comprised of precast concrete, as depicted in the example photographs attached hereto as Exhibit "C". Owner and its agents agree to remove and replace the portion of the existing chain link fence that runs from west to east and is located on the western most portion of the Required Fence Line as depicted in Exhibit "A" with the Required Fence or Required Wall and may contain a swing gate, double swing gate or sliding gate to allow for ingress and egress into the Property. The Required Fence and Required Wall may also contain a sliding, swing or double swing gate to allow for ingress and egress from the Property to the residentially zoned lot, identified by Parcel No. 534416000902 (owned by Yelvington Family Partnership), for the sole purpose of conducting regular maintenance on said lot. Owner shall not be required to erect any fence or wall on the Property other than the Required Fence or Required Wall described herein. Notwithstanding Paragraphs 2 and 3, Owner and/or Owner's lessees may not bring shipping containers onto the Property, may not move shipping containers around on the Property (except for the removal of the two white, rusted shipping containers as required by Paragraph 2), and may not engage in the open storage of materials anywhere except behind the principal structure on the Property, until the Required Fence or Required Wall is installed as required in this paragraph. Owner or its agents are not required to remove any existing chain link fencing on the Property other than the portion described above.
- 6. **Dismissal of Actions.** Owner and City shall file with the Court a Joint Stipulation for Dismissal with Prejudice of the Appellate Case within three (3) days after the Effective Date. City shall dismiss the First Code Case and the Second Code Cases with prejudice within three (3) days after the Effective Date by filing a Joint Stipulation with the Special Master by email. Each side agrees to bear their own attorneys' fees and costs with respect the dismissed actions.
- 7. Release by Owner Releasing Parties. In consideration of the promises and covenants contained herein, and for such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Yelvington Big Tree, LLC, and Chadd Collins, on behalf of themselves and each of them, and any of their respective agents, employees, family members, representatives, assigns, heirs, executors, trustees, and partners, along with anyone claiming by or through them (collectively, the "Owner Releasing Parties"), hereby fully release,





acquit, satisfy, and forever discharge the City of South Daytona, its past, present, or future employees, agents, officers, elected officials, appointed officials, attorneys and other representatives (collectively, the "Owner Released Parties"), from any and all claims, demands, liabilities, debts, judgments, expenses, actions, causes of action, sums of money, accounts, covenants, contracts, controversies, agreements, promises, and any and all other claims and demands whatsoever, in law or in equity, and suits of any kind whatsoever, for reimbursement of attorneys' fees, costs, expert fees, litigation expenses, and damages, including any compensatory, punitive, and any other damages, if any, and all other legal responsibilities which Owner Releasing Parties, or any of them, now has or ever had at any time up to the date of this Agreement arising from or related in any fashion to the Property or the Dispute (collectively, the "Owner Released Claims").

- 8. Release by City. In consideration of the promises and covenants contained herein, and for such other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City of South Daytona does hereby fully release, acquit, satisfy, and forever discharge Yelvington Big Tree, LLC, and Chadd Collins, their respective past, present, or future agents, employees, family members, officers, attorneys, other representatives, assigns, heirs, executors, trustees, and partners, along with anyone claiming by or through them (collectively, the "City Released Parties"), from any and all claims, demands, liabilities, debts, judgments, expenses, actions, causes of action, sums of money, accounts, covenants, contracts, controversies, agreements, promises, and any and all other claims and demands whatsoever, in law or in equity, and suits of any kind whatsoever, for reimbursement of attorneys' fees, costs, expert fees, litigation expenses, and damages, including any compensatory, punitive, and any other damages, if any, and all other legal responsibilities which the City now has or ever had at any time up to the date of this Agreement arising from or related in any fashion to the Property or the Dispute (collectively, the "City Released Claims").
- 9. **Obligations Excluded from Release.** The releases set forth in Paragraphs 7 and 8 shall specifically exclude the Parties' obligations as set forth in this Agreement, which obligations are in no way released. The release set forth in Paragraph 8 shall specifically exclude City's claims for taxes, assessments, fees, charges, utility rates and tariffs, and the like, and the City's application of laws and ordinances except as may be acknowledged or modified herein but does include the release of fines and costs related to the First Code Case and the Second Code Cases.
- 10. **Enforcement by City.** Without limitation to any remedy available to the City at law or in equity, the City may pursue violations of the requirements of Paragraphs 2 through 5 by code enforcement action under Ch. 162, Fla. Stat. and relevant city ordinances for violations of the regulations from which the Property is otherwise relieved pursuant to the terms of Paragraphs 2 through 5. Without limitation to any remedy available to the City at law or in equity, the City may also enforce the requirements of Paragraphs 2 through 5 by injunctive relief in circuit court, and in such cases, the Parties agree that the availability of an adequate remedy at law shall not be a bar to injunctive relief, that any alternative legal remedy shall be ignored, and that irreparable harm shall be presumed, all in the same matter as injunctive relief sought by a local government to enforce its police power. If the City seeks to enforce the requirements of Paragraphs 2 through 5 by injunctive relief in circuit court, the prevailing party in such action shall be entitled to recover



their reasonable attorneys' fees and costs incurred in connection therewith from the non-prevailing party.

- 11. **Non-Admission of Liability.** This Agreement is the result of a compromise and settlement of disputed claims and shall never be construed as an admission of any liability, wrongdoing, responsibility, unlawful conduct, or specific legal or factual position by Owner Released Parties. The Parties acknowledge that this Agreement has been entered into by the Parties to avoid the costs and uncertainty of litigation and to effectively buy peace.
- 12. **Attorney's Fees.** Each Party to this Agreement shall bear its own attorneys' fees and costs associated with the First Code Case, the Appellate Case, the Second Code Cases, all other components of the Dispute, and all other matters settled or released by this Agreement.
- 13. **Mutual Drafting.** The Parties have mutually drafted this Agreement, and to the extent that there are any ambiguities or uncertainties contained herein, they will not be construed for or against any Party hereto as the drafter of the Agreement.
- 14. **Binding Nature of Agreement.** The benefits conferred and obligations created under this Agreement shall apply to each of the Parties and their respective heirs, administrators, representatives, executors, successors, and assigns, and shall inure to the benefit of each Party and to its respective heirs, administrators, representatives, executors, successors, and assigns.
- 15. **Authority.** Each Party represents and warrants that it has full right, legal capacity, and authority to enter into this Agreement and carry out the obligations provided herein and that the natural person or persons executing this Agreement on its behalf have full authority and capacity to execute this Agreement.
- 16. **Invalidation.** If any part of this Agreement is adjudicated invalid, unenforceable, or illegal by a court of competent jurisdiction, such adjudication shall not affect or impair, in whole or in part, the validity, enforceability, or legality of any remaining portions of this Agreement. All remaining portions remain in full force and effect as if the original Agreement had been executed without the invalidated, unenforceable, or illegal part.
- 17. **Governing Law; Venue.** This Agreement will be governed by the laws of the State of Florida without regard to its conflict of laws principles. Venue for any proceeding related to this Agreement will be exclusively in the Circuit Court of the Seventh Judicial Circuit in and for Volusia County, Florida. The parties expressly consent to such agreed jurisdiction and venue and waive any objections thereto.
- 18. **Entire Agreement.** All terms, covenants, and conditions of this Agreement are set forth herein and there are no warranties, agreements, or understandings, expressed or implied, except as are expressly set forth herein. This Agreement constitutes the entire agreement and understanding between the Parties hereto and supersedes any prior agreement or understanding relating to the subject matter of this Agreement. This Agreement may only be modified or amended by a written instrument executed by the Parties hereto.



- 19. **No Reliance.** The Parties acknowledge the contested and adversarial nature of the disputes and disagreements described in the recitals of this Agreement and stipulate that in executing this Agreement they are not relying on any representation by any other party or its agents, representatives, or attorneys with regard to: (1) the subject matter or effect of this Agreement and (2) any facts or issues which might be deemed material to the decision to enter into this Agreement, other than as specifically set forth in this Agreement.
- 20. Advice of Counsel. The Parties acknowledge that this Agreement is executed voluntarily by each of them, without duress or undue influence on the part of, or on behalf of, any of them. The Parties further acknowledge that they, or each of them, have had the opportunity for representation in the negotiation for, and in the performance of, this Agreement by competent legal counsel of their choice and that they have read this Agreement and that they are fully aware of the contents and their legal effect.
- 21. **Counterparts; Execution.** This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which taken together shall constitute one and the same instrument. This Agreement may be delivered by facsimile or electronic transmission in PDF or substantially equivalent format of signed counterparts. Facsimile or electronic signatures will be treated in all respects as having the same effect as an original signature.

	IN WITNESS WHEREOF, we hereunto set our hands and seal on this	Thay
of_	December, 2022.	

[Remainder of page left intentionally blank.]



Signature of Witness # 1 Phisha L Delleugh' Name	OWNER: Yelvington Big Tree, LLC, a Florida limited liability company By: Darlene Yelvington, Manager
Signature of Witness # 2 Michael A Tyle Name	Dariene Tervington, Ivianager
STATE OF FLORIDA COUNTY OF VOLUSIA	
online notarization thisday of	before me by means of physical presence or
TRISHAL. DELLINGER MY COMMISSION # HH 142593 EXPIRES: October 15, 2025 Bonded Thru Notary Public Underwriters (NOTARY SEAL)	Signature of Notary Print or type name My Commission Expires:



Name STATE OF FLORIDA **COUNTY OF VOLUSIA** The foregoing instrument was acknowledged before me by means of physical presence or □ online notarization this Hay of Dec , 2022, by Chadd Collins, an individual, who is personally known to me or who has/have produced ___ as identification and who did not (did) take an oath. (NOTARY SEAL) Print or type name

CHADD COLLINS:



My Commission Expires: _

CITY OF SOUTH DAYTONA

ATTEST:	William C. Hall, Mayor
James L. Gillis, Jr., City Manager	
CERTIFIED AS TO FORM:	
Wade C. Vose, City Attorney	





Volusia County Property Appraiser

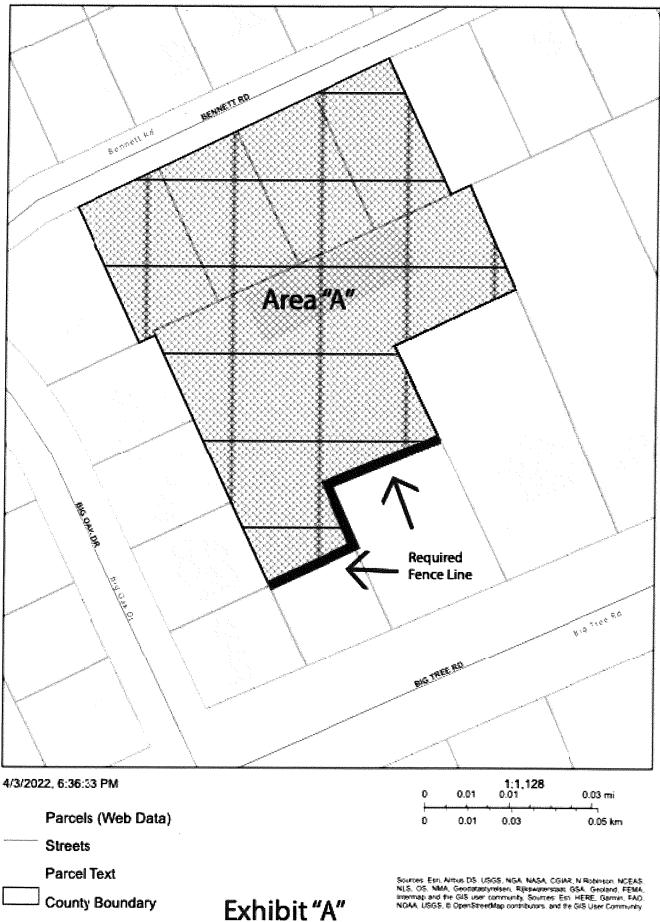




EXHIBIT "B"



20 y E

EXHIBIT "C"





LOW @