

Exhibit 2

RESOLUTION NO.

2010-27496

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING A SETTLEMENT AGREEMENT BETWEEN K.T.K.L. CORPORATION AND THE CITY OF MIAMI BEACH, AND AUTHORIZING THE MAYOR AND CITY MANAGER TO EXECUTE THE ATTACHED SETTLEMENT AGREEMENT IN A FORM ACCEPTABLE TO THE CITY ATTORNEY AND CITY MANAGER, AND FURTHER AUTHORIZING THE CITY ATTORNEY AND CITY MANAGER TO TAKE SUCH FURTHER ACTIONS AS MAY BE NECESSARY TO ACCOMPLISH THE INTENT THEREOF.

WHEREAS, in November, 1993, K.T.K.L. Corporation ("KTKL") as Seller, and the City of Miami Beach ("City") as Buyer, entered into a Purchase and Sale Agreement ("Contract") for a property ("Property") located at 1027 Collins Avenue, Miami Beach, Florida; and

WHEREAS, pursuant to the Contract, the City was required to begin construction of a parking garage within eighteen (18) months; and

WHEREAS, the Contract also provided that if construction of the garage was not commenced within eighteen (18) months, the City was required to offer the Property to KTKL for \$428,000.00; and

WHEREAS, construction of the garage did not begin within the eighteen (18) month period; and

WHEREAS, in 1997, KTKL filed suit against the City in a case styled *K.T.K.L. Corporation v. The City of Miami Beach*, Case No. 97-2687 CA 03, in the Circuit Court of the 11th Judicial Circuit in and for Miami-Dade County, Florida (the "Lawsuit"); and

WHEREAS, in 1999, KTKL and the City (the "Parties") executed a memorandum agreement (the "Memorandum Agreement") to resolve the issues raised in the Lawsuit; and

WHEREAS, on July 21, 1999, Resolution 99-23266 was adopted by the Mayor and City Commission of the City of Miami Beach, Florida, approving the Memorandum Agreement between KTKL and the City; and

WHEREAS, a dispute arose as to the interpretation of paragraph 6 of the Memorandum Agreement and the calculation of the annual payment that the City was required to make to KTKL; and

WHEREAS, in January, 2007, KTKL filed a motion to enforce the Memorandum Agreement (the "Motion") wherein KTKL claimed that it had not been paid the correct amount for years 2002, 2003, 2004, 2005, and 2006 pursuant to paragraph 6 of the Memorandum Agreement; and

WHEREAS, the Parties have reached a tentative settlement, subject to City Commission approval; and

WHEREAS, the Parties have negotiated a Settlement Agreement ("Settlement Agreement"), attached hereto and incorporated herein by reference, which, inter alia, clarifies the Memorandum Agreement and replaces paragraph 6 thereof; and

WHEREAS, approval of the proposed Settlement Agreement is in the best interest of the City in that it avoids further costs and risks of litigation, and protects the City from future litigation and expense; and

WHEREAS, for the foregoing reasons, among others, the City Attorney recommends that the City Commission approve the Settlement Agreement, authorize the Mayor and City Manager to execute the Settlement Agreement in a form acceptable to the City Attorney and City Manager, and authorize the City Manager and the City Attorney to take such further actions as may be necessary to

accomplish the intent thereof.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby approve the attached Settlement Agreement between K.T.K.L. Corporation and the City of Miami Beach and authorize the Mayor and City Manager to execute the Settlement Agreement in a form acceptable to the City Attorney and City Manager, and further authorizing the City Attorney and City Manager to take such further actions as may be necessary to accomplish the intent thereof.

PASSED and ADOPTED this 15TH day of SEPTEMBER, 2010.

ATTEST:


MAYOR


CITY CLERK

F:\atw\SALLROTH\Resolution KTKL.doc

**APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION**


City Attorney 9/15/10
Date

IN THE CIRCUIT COURT OF THE
11TH JUDICIAL CIRCUIT IN AND FOR
MIAMI-DADE COUNTY, FLORIDA

GENERAL JURISDICTION DIVISION

CASE NO. 97-2687 CA (03)

ANTHONY KARPAWICH, KENT
KARPAWICH, AND LISA KARPAWICH,
as assignee for K.T.K.L. CORPORATION, a
dissolved Florida Corporation,

Plaintiff,

vs.

THE CITY OF MIAMI BEACH, a
Municipal corporation,

Defendant.

SETTLEMENT AGREEMENT

In consideration of the promises, covenants and conditions contained herein,
ANTHONY KARPAWICH, KENT KARPAWICH, AND LISA KARPAWICH, as assignees
for K.T.K.L. CORPORATION, (collectively, "KTKL") a dissolved Florida Corporation, and
THE CITY OF MIAMI BEACH ("CITY") agree as follows:

1. **Background.** On or about July 10, 1999, KTKL and the City executed a
memorandum agreement in which the parties settled the instant litigation ("the Memorandum
Agreement"). On June 29, 2007, KTKL filed a motion to enforce the Memorandum Agreement.
The motion claimed that KTKL had not been paid amounts due for the years 2002, 2003, 2004,
2005, and 2006 under paragraph 6 of the Memorandum Agreement. Pursuant to negotiations
between KTKL and the City, the issues raised in KTKL's motion to enforce have been amicably
resolved.

(22)

2. Amounts claimed through December 31, 2008. KTKL and the City agree that the City shall pay to KTKL, the sum of five hundred ninety five thousand dollars (\$595,000) in full satisfaction of all amounts claimed as due and owing under the above referenced Memorandum Agreement through December 31, 2008, including attorneys fees, costs and prejudgment interest through the execution of this settlement agreement.

3. Additional terms:

a) KTKL and the City agree to be bound by the terms set forth in this agreement subject only to the approval of the Miami Beach City Commission. Both sides agree that this settlement agreement will be scheduled on the Commission's agenda for a hearing scheduled for September 15, 2010, and that the City Attorney, Jose Smith, will recommend acceptance of this settlement agreement to the Commission. The payment of five hundred ninety five thousand dollars (\$595,000) shall be made within twenty (20) days of the execution of the Resolution authorizing this settlement and shall be made payable to Ellsworth Law Firm, P.A., Trust Account in trust for Anthony Karpawich, Kent Karpawich, and Lisa Karpawich. KTKL shall withdraw its motion to enforce within five (5) days of receipt of the money.

b) KTKL and the City agree that the evidentiary hearing presently scheduled before the Honorable Magistrate Judge Elizabeth Schwabadissen on September 8, 2010, shall be continued until October 20, 2010, and heard at that time only if the Commission rejects the terms of this settlement agreement or if the City has not paid the amount owed pursuant to Section 3a of this settlement agreement.

c) KTKL and the City agree that if the Commission rejects this agreement, KTKL will be free to pursue its full claim for damages, attorney fees, costs, and prejudgment interest - as provided by the Memorandum Agreement - through the conclusion of this litigation.

d) Sean Ellsworth, counsel for KTKL, will submit an affidavit in support of KTKL's claim for attorneys fees and costs through August 6, 2010. The affidavit will identify the total amount of attorney's fees to date, the lawyers involved, and their respective hourly rates.

e) KTKL and the City agree to waive any right to appeal any aspect of the withdrawn motion to enforce.

4. Future payments: KTKL and the City agree to delete Paragraph 6 of the Memorandum Agreement and replace it with the following provision:

a) Beginning with calendar year 2009, and continuing thereafter through October 31, 2032, the City shall pay to KTKL the fixed sum of ninety thousand dollars (\$90,000) per calendar year (and a pro rated amount for the final year). The payments will increase at a rate of 3% per year through October 31, 2032, and are set forth on the attached amortization schedule. KTKL acknowledges receipt of the City's payments of \$28,000 in 2009, and \$14,000 in 2010, and agrees that these amounts will be set off against the amount due in 2009, reducing the amount due for 2009 to \$48,000, which amount will also be paid within twenty (20) days of the execution of the Resolution authorizing this settlement.

b) The City will pay KTKL \$92,700 for the calendar year 2010 on January 10, 2011, or the next business day should January 10 fall on a Saturday, Sunday or holiday. Thereafter, payments consistent with the attached amortization schedule will be made on January 10 for every calendar year through 2032.

5. Alternative Dispute Resolution. KTKL and the City agree that before either side moves to enforce the terms of this settlement agreement, the party moving to enforce shall first serve a Notice of Intent to Move to Enforce on the opposing party. Within thirty (30) days of service of the Notice on the opposing party, the parties will jointly select a certified



mediator, schedule and conduct a mediation to try to resolve the dispute. The cost of the mediator will be shared equally by the parties. The parties may, by stipulation extend the time necessary to conduct the mediation.

6. Releases. Except for the obligations of this Agreement, which are not hereby released and which shall survive the execution hereof, KTKL, Kent Karpawich, Lisa Karpawich, and Anthony Karpawich, for themselves and for their respective successors and assigns, hereby remise, release, acquit, waive, satisfy and forever discharge the City, its officers, directors, shareholders, members, employees, agents, servants, representatives and insurers, and the respective personal representatives, heirs, successors and assigns of all of them, of and from all, and all manner of action and actions, cause and causes of action, suits, debts, sums of money, accounts, reckonings, bonds, bills, specialties, covenants, contracts, controversies, agreements, promises, guarantees, warranties (whether express or implied, and whether based on statute, common law or otherwise), third-party claims, bad faith claims, variances, trespasses, damages, judgments, executions, claims and demands whatsoever, which either has or may have against the other, whether arising in tort, by contract, by virtue of statute, or otherwise, and whether in law or in equity, regardless of whether the same are known or unknown, suspected or unsuspected, patent or latent, or have yet accrued or not accrued, provided the same arise from Paragraph 6 of the Memorandum Agreement as originally drafted or amounts due under this Settlement Agreement through and including December 31, 2008.

7. Notices. Notices to be given pursuant to this Agreement must be in writing, and shall be deemed delivered if delivered by hand-delivery, U.S. Mail, or by overnight delivery.

Such notices shall be delivered to the following addresses, which any party may change by giving notice to the other parties by the means set forth herein.

If to KTKL, such notices shall be sent to:

Sean M. Ellsworth, Esq.
1501 Collins Avenue, Suite 208
Miami Beach, FL 33139

and

Kent Karpawich
34 West San Marino Drive
Miami Beach, FL 33139

If to the City:

Jorge M. Gonzalez
City Manager, City of Miami Beach
1700 Convention Center Drive
Miami Beach, Florida 33139

and

Jose Smith
City Attorney
Office of the City Attorney
1700 Convention Center Drive
Miami Beach, FL 33139

8) Due Dates Falling on Weekends or Holidays. In the event that the date of any act required to be performed by this Agreement (including, but not limited to, the payment of any money) falls on a weekend or a federal holiday, then the same shall not be required to be performed until the next business day thereafter.

9) Modification of Agreement. This Agreement may not be amended or modified except by written instrument signed by all of the parties hereto, and the parties agree that this provision may not be waived except in writing.



10) Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction to be illegal, invalid or unenforceable for any reason, whether on its face or as applied, the remaining provisions shall remain in full force and effect.

11) Reservation of Jurisdiction. The parties shall request the Court to retain jurisdiction to enforce the terms of this Agreement.

IN WITNESS WHEREOF, the parties have executed this Agreement on this _____ day of September, 2010.

BY: [Signature]
ANTHONY KARPAWICH

BY: [Signature]
KENT KARPAWICH

BY: [Signature]
LISA KARPAWICH

BY: [Signature]
FOR: K.T.K.L. CORPORATION

By: [Signature]
Sean M. Ellsworth, Esq.
Attorney for Plaintiffs

[Handwritten mark]

IN WITNESS WHEREOF, the parties have executed this Agreement on this 19th day

of September, 2010.

CITY OF MIAMI BEACH

By:  _____
CITY ATTORNEY

#9770272_v1

(KZ)

**KTKL/City of Miami Beach Settlement Agreement
Payment Schedule**

Year	Amount Due	Due Date
2009	48,000.00	
2010	92,700.00	January 10, 2011
2011	95,481.00	January 10, 2012
2012	98,345.43	January 10, 2013
2013	101,295.79	January 10, 2014
2014	104,334.67	January 10, 2015
2015	107,464.71	January 10, 2016
2016	110,688.65	January 10, 2017
2017	114,009.31	January 10, 2018
2018	117,429.59	January 10, 2019
→ 2019	120,952.47	January 10, 2020
2020	124,581.05	January 10, 2021
2021	128,318.48	January 10, 2022
2022	132,168.03	January 10, 2023
2023	136,133.08	January 10, 2024
2024	140,217.07	January 10, 2025
2025	144,423.58	January 10, 2026
2026	148,756.29	January 10, 2027
2027	153,218.98	January 10, 2028
2028	157,815.54	January 10, 2029
2029	162,550.01	January 10, 2030
2030	167,426.51	January 10, 2031
2031	172,449.31	January 10, 2032
2032	148,018.99	January 10, 2033

(Handwritten initials)

R9 - New Business and Commission Requests

**R9G . Discussion About A Proposed Settlement Agreement Regarding K.T.K.L Corporation,
Vs. City Of Miami Beach, In The Eleventh Judicial Circuit Of Florida, General
Jurisdiction, Case No.: 97-2687 CA 03.
(City Attorney's Office)**

Agenda Item R9G
Date 9-15-10

Marajh, Asha

From: Sean Ellsworth <sean@ellslaw.com>
Sent: Monday, December 16, 2019 10:54 AM
To: Rothstein, Steven
Cc: Marajh, Asha; Carvajal, Michelle; Alba, Rocio
Subject: RE: KTKL Payment

[THIS MESSAGE COMES FROM AN EXTERNAL EMAIL - USE CAUTION WHEN REPLYING AND OPENING LINKS OR ATTACHMENTS]

Good morning Steve,

Yes, same wiring instructions.

Hope you have a great holiday.

Sean

Sean M. Ellsworth
Ellsworth Law Firm, P. A.
1000 5th Street
Thyssen Building, Suite 223
Miami Beach, Florida 33139
(305) 535.2529 phone
(305) 535 2881 fax
www.ellslaw.com

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From: Rothstein, Steven <StevenRothstein@miamibeachfl.gov>
Sent: Monday, December 16, 2019 10:05 AM
To: Sean Ellsworth <sean@ellslaw.com>
Cc: Marajh, Asha <AshaMarajh@miamibeachfl.gov>; Carvajal, Michelle <MichelleCarvajal@miamibeachfl.gov>; Alba, Rocio <RocioAlba@miamibeachfl.gov>
Subject: FW: KTKL Payment

Sean

Happy Holidays! Hope all is well.

It is that time of the year again to confirm the wiring instructions for the upcoming installment.

Steven

MIAMIBEACH

Steven H. Rothstein, Deputy City Attorney
OFFICE OF THE CITY ATTORNEY
1700 Convention Center Drive, Fourth Floor
Miami Beach, FL 33139
Tel: 305-673-7470; ext. 26514 / Fax: 305-673-7002 ./ www.miamibeachfl.gov

We are committed to providing excellent public service and safety to all who live, work, and play in our vibrant, tropical, historic community.

From: Marajh, Asha <AshaMarajh@miamibeachfl.gov>
Sent: Monday, December 16, 2019 9:04 AM
To: Rothstein, Steven <StevenRothstein@miamibeachfl.gov>
Cc: Alba, Rocio <RocioAlba@miamibeachfl.gov>; Carvajal, Michelle <MichelleCarvajal@miamibeachfl.gov>
Subject: KTKL Payment

Good morning Steven,

We will process a wire transfer for the KTKL settlement agreement in the amount of \$120,952.47 due on Jan. 10., 2020 as per Reso. 2010-27496, see attached payment schedule on page 11.

Please confirm if the information below is correct.

Routing / ABA : 121000248
Acct #: 1000548512855
Wells Fargo
1901 Alton Road
Miami Beach, FL 33139

Company address:
KTKL Corp.
34 W. San Marino Drive
Miami Beach, FL 33139

Thank you,

Asha Marajh, Office Associate IV

Asha Marajh, Parking Account Coordinator
PARKING DEPARTMENT
1755 Meridian Avenue, Suite 200, Miami Beach, FL 33139
Tel: 305-673-7000 Ext. 26729 / Fax: 305-673-7402
Email: ashamarajh@miamibeachfl.gov / www.miamibeachfl.gov We are committed to providing excellent public service and safety to all who live, work and play in our vibrant, tropical, historic community.

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