

Memorandum

To: Mayor, Vice Mayor, and City Commission of the City of Deltona, Florida

From: Gemma Torcivia, Esq., City Attorney

Date: January 20, 2026

Re: *Howland Station Condo Developers LLC v. City of Deltona*; Mediated Settlement Agreement

The City of Deltona, Florida (the “City”) is currently involved in litigation in Florida’s 7th Judicial Circuit in and for Volusia County, styled as *Howland Station Condo Developers LLC v. City of Deltona* and identified by Case Number 2025-10821-CIDL (the “Litigation”), which is the result of a dispute between the City and Howland Station Condo Developers, LLC (“Howland Station”) related to an application for development (the “Application”) upon property located on Martin Luther King Jr. Boulevard and Howland Boulevard in the City of Deltona, Florida, which is identified as tax parcels 810807000020 and 810807000030 and is approximately 5.5 acres (the “Property”). Subsequent to filing the Litigation, Howland Station also issued a Presentation of Claim pursuant to Section 70.001, Florida Statutes, the Bert J. Harris Private Property Rights Protection Act (the “Bert Harris Claim”).

On January 6, 2026, the City and Howland Station participated in court-ordered mediation as part of the Litigation and were able to reach a mediated settlement agreement that resolves both the Litigation and the Bert Harris Claim (the “Settlement”), which is subject to approval of the City Commission at the January 20, 2026, Regular City Commission Meeting.

This memorandum will summarize the claims presented by Howland Station in the Litigation and the Bert Harris Claim, provide an estimate of litigation costs and potential damages in the Litigation and Bert Harris Claim, a summary of Settlement terms and a discussion of funding for payment of amounts due under the Settlement.

Summary of Claims

A. Howland Station Condo Developers LLC v. City of Deltona

The Litigation consists of allegations related to two counts for relief with a shared factual background tied to the City’s adoption of Ordinance No. 02-2025 on December 23, 2024, which clarified the City’s land development regulations related to implementation of the Live Local Act, and Howland Station’s application for development for development upon the Property.

The Property includes a portion of land, which is subject to a property agreement between the City of Deltona and Faith Bible Church of the Christian and Missionary Alliance, Inc., which requires City consent prior to any subdivision of the property (the “Church Property”).

Without City consent, the Church Property was conveyed to Howland Station through the Quitclaim Deed executed on October 23, 2024, between Faith Bible Church of the Christian and Missionary Alliance, Inc. and Howland Station Condo Developers, L.L.C., and the Special Warranty Deed that was executed on October 25, 2024, between the same parties.

Howland Station submitted the Application under the City's previous regulations related to the Live Local Act (the "Previous Regulations") during the City's declaration of zoning in progress prior to the adoption of Ordinance No. 02-2025. The Application was deemed incomplete by the City, in part because Howland Station presented no evidence that the Property was under valid, unified ownership, because there was no traffic study and because the proposed property did not meet all of the requirements of the Live Local Act. Since it was incomplete, the Application was not accepted for review under the Previous Regulations.

Following the City's notice to Howland Station that the Application would need to conform with the requirements of Ordinance No. 02-2025, Howland Station filed for declaratory relief and has asked the court to determine that the Application was complete and direct the City to accept the Application for review under the Previous Regulations.

Howland Station then amended its filing in July 2025, seeking a determination that Ordinance No. 02-2025 is null and void *ab initio* pursuant to Senate Bill 180, which prohibits all local government-initiated ordinances that impose "more restrictive or burdensome" comprehensive plan amendments, land development regulations, or procedures concerning review, approval, or issuance of site plans, development permits, or development orders for the period commencing retroactively from August 1, 2024, through October 1, 2027. Senate Bill 180 also provides that, in any action brought to declare a local government regulation null and void *ab initio*, the prevailing plaintiff shall be entitled to reasonable attorney fees and costs.

B. Bert J. Harris Private Property Rights Protection Act

Based on the events described above, Howland Station issued a Presentation of Claim pursuant to Section 70.001, Florida Statutes, the Bert J. Harris Private Property Rights Protection Act (the "Bert Harris Claim") on November 12, 2025. In the Bert Harris Claim, Howland Station alleges the City's imposition of Ordinance No. 02-2025 on the Property has inordinately burdened an existing use of the Property and Howland Station has entered a claim for one million one hundred and seventy thousand dollars (\$1,170,000.00) in diminution of value of the Property. Howland Station also has a demand for attorney's fees as part of their Bert Harris Claim.

C. Quiet Title Action

In the event that the Litigation is not successfully settled, the City has the option to bring a Quiet Title Action as a counterclaim based upon the transfer of the Church Property without the City's consent.

Estimate of Litigation Costs and Potential Damages

The City's insurance carrier denied coverage for the Litigation, so all costs related to the City's defense thereof and damages incurred must be paid by the City directly and without offset.

The City's insurance carrier did accept coverage for the Bert Harris Claim. The coverage provided is equal to three hundred thousand dollars (\$300,000.00) per claim per aggregate per year, with defense costs deducted from the limit. An estimate of the City's expenses to date and potential damages is provided below in table format.

Claim	Cost Description	Dollar Amount
Howland Station Condo Developers LLC v. City of Deltona	Estimated City litigation expenses through trial	\$195,000.00
Howland Station Condo Developers LLC v. City of Deltona	Estimated prevailing party fees the City would pay if unsuccessful at trial solely on the Senate Bill 180 count which permits recovery of attorney's fees	\$250,000.00
Bert J. Harris Private Property Rights Protection Act	Estimated City litigation expenses above insurance cap through trial	\$150,000.00
Bert J. Harris Private Property Rights Protection Act	Actual maximum City judgment costs if unsuccessful	\$1,170,000.00
Bert J. Harris Private Property Rights Protection Act	Estimated prevailing party fees the City would pay if unsuccessful	\$400,000.00
Quiet Title Action	Estimated City litigation expenses if Quiet Title Action is filed	\$80,000.00
Total		\$2,245,000.00

Proposed Settlement

On January 6, 2026, the City and Howland Station participated in court-ordered mediation for the Litigation. After eight hours of negotiation, a mediated settlement that requires the approval of the City Commission (the "Settlement") was reached in which Howland Station will execute a General Release extinguishing any and all claims including all past, present, and future claims for damages arising from the Dispute, including the Bert Harris Claim, and will convey the Property to the City. Howland Station will also bear their own attorney's fees and costs. To effectuate the settlement, the City will pay Howland Station three million one hundred and twenty five thousand dollars and zero cents (\$3,125,000.00) (the "Settlement Amount"). As a further condition of the Settlement, the City will ratify the transaction in which Howland Station obtained the Church Property (the "Church Property Transaction").

Settlement Funding

The City's Finance Department has identified two reserve funds from which the Settlement Amount can be withdrawn with consent of the City Commission. Those funds are: (1) Economic Development, which has a current balance of five hundred and twenty five thousand six hundred dollars (\$525,600.00); and (2) Economic Emergency Reserves, which has a current balance of twelve million dollars (\$12,000,000.00). Once the City Commission agrees upon a use for the Property, it is possible that the reserve funds could be reimbursed using impact fees if eligible.

Commission's Consideration of the Settlement

The Settlement Agreement provides a means for the City to avoid the uncertainties and expense of litigation, while providing the City with the Property (which consists of approximately 5.5 acres of real property adjacent to existing City facilities).

The City Commission's consideration and approval of Resolution No. 2026-06 will authorize the approval of the Settlement Agreement, ratify the Church Property Transaction, direct the City Manager to schedule a City Commission Workshop within ninety (90) days to discuss future use of the Property, and amend the budget for the fiscal year beginning October 1, 2025, and ending September 30, 2026, to provide for the payment of the Settlement Amount.