

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

36-4

AGENDA ITEM SUMMARY

Meeting Date: November 21, 2006

☒ Consent

☐ Regular

☐ Workshop

☐ Public Hearing

Department: Office of Financial Management and Budget

I. EXECUTIVE BRIEF

**Motion and Title:** Staff recommends motion to approve a negotiated settlement offer in the amount of \$15,000.00 for the full satisfaction of a Code Enforcement Lien that was entered against Peter & Melissa Movic on January 11, 1996.

**Summary:** The Code Enforcement Board (CEB) entered an Order on December 6, 1995 giving the Movics until December 16, 1995 to obtain a permit for an existing fence, to trim their hedges to the maximum allowed height per the approved 1991 Board of Adjustments variance, and to remove the inoperable/unregistered vehicles and the truck in excess of one (1) ton that were being kept on the property. Compliance with the CEB's Order was not achieved by the ordered compliance date and a fine in the amount of \$250.00 per day was imposed. The CEB then entered a claim of lien against the Movics on January 11, 1996. The cited code violations were fully corrected as of March 12, 1998. The total accumulated lien amount through December 16, 2005, the date settlement discussions began, totaled \$431,580.39, of which the Movics have agreed to pay the County \$15,000.00 (3.5%) for full settlement of their outstanding Code Enforcement Lien. (District 3) (PM)

**Background and Policy Issues:** The initial violations that gave rise to this code enforcement case were for an un-permitted fence, hedges exceeding the maximum approved height, and the outdoor storage of inoperable/unregistered vehicles together with a truck in excess of one (1) ton on the property. The CEB gave the Movics until December 16, 1995 to obtain compliance or a fine of \$250.00 per day would begin to accrue. A follow-up inspection by Code Enforcement on December 19, 1995 confirmed that the property was still not in compliance. A code lien was then entered against the Movics on January 11, 1996. The Collections Section of OFMB was recently contacted by the Movics to discuss a settlement of their outstanding code lien. The Collections Section of OFMB, after careful review, evaluation, and discussions, agreed to present the proposed settlement offer in the amount of \$15,000.00 to the Board for approval.

(Continued on Page 2)

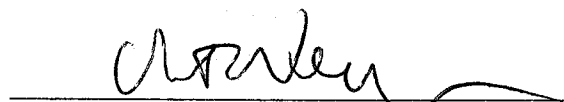
Attachments:

Recommended by:

  
Department Director

11/9/06  
Date

Approved by:

  
County Administrator

11/13/06  
Date

**Background and Policy Issues Continued**  
**Page 2**

The mitigating factors considered during our review and evaluation are as follows:

1. Two of three violations (the vehicles and hedge height) were cleared up within about thirty days of the ordered compliance date. The four-foot high fence, which had been on the property prior to their purchase, and which is in the middle of the hedges that surround their property, was the violation that kept the case open and the daily fine accruing. Mrs. Movic states that when she tried to pull the fence permit back in December 1995, she was informed that she would need a new survey in order to pull the permit and that the original survey she had from when they purchased the house in 1989 was not sufficient. They got upset and wrongly stopped pursuing the required fence permit. In February 1998, Mrs. Movic submitted another application for the required fence permit along with their original survey. The fence permit was issued on February 19, 1998, and the fence passed its one and only inspection on March 11, 1998. This completed all of the compliance requirements, the daily fine accrual stopped, and their code enforcement case was closed.
2. The \$250.00 per day fine was based on three violations – the two most serious of which were corrected shortly after the required compliance date. However, the fine continued to accrue at \$250.00 per day. The fine for the single violation (failure to obtain a permit for a conforming fence) would likely have only resulted in a fine of \$50.00 per day.
3. Subsequent to the entry of the CEB's December 6, 1995 Order, the Movics have maintained their property in conformity with Palm Beach County's Codes.
4. The Movics are in the process of refinancing their home to stave off foreclosure and consolidate their debts, and need to resolve their outstanding code lien. The mortgage company has confirmed that there will be sufficient proceeds to pay the proposed \$15,000.00 settlement from the loan proceeds.
5. The subject property is the Movics' homestead property and the only property that they own.
6. The gravity of the violations, together with the fact that there were no life/safety issues involved, warrants consideration of a reduction of their substantial lien amount.

An Affidavit of Compliance has been issued by Code Enforcement and states that the cited violations were corrected as of March 12, 1998 and that the property is in full compliance with the CEB's Order.

Settlement offers that reduce any debt amount due to Palm Beach County by more than \$2,500 require the approval of the Board of County Commissioners, per Countywide PPM# CW-F-048. This settlement offer exceeds the \$2,500 limit and requires Board approval.

In light of the above stated circumstances, Staff believes that the proposed settlement is fair and in the best interest of Palm Beach County.

## II. FISCAL IMPACT ANALYSIS

### A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$15,000)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$15,000)</u>	_____	_____	_____	_____

# ADDITIONAL FTE  
POSITIONS (Cumulative)

Is Item Included In Current Budget? Yes \_\_\_\_\_ No X  
 Budget Account No.: Fund 0001 Department 600 Unit 6241 Object 5900

Reporting Category \_\_\_\_\_

### B. Recommended Sources of Funds/Summary of Fiscal Impact:

### C. Departmental Fiscal Review:

## III. REVIEW COMMENTS

### A. OFMB Fiscal and/or Contract Dev. and Control Comments:

Dem [Signature]  
 OFMB CN 11/9/06

N/A  
 Contract Dev. and Control

### B. Legal Sufficiency:

[Signature]  
 Assistant County Attorney

### C. Other Department Review:

\_\_\_\_\_  
 Department Director

This summary is not to be used as a basis for payment