

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

30-1

AGENDA ITEM SUMMARY

Meeting Date: December 4, 2007

Consent  
 Workshop

Regular  
 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 \$50,000.00 for the full satisfaction of a Code Enforcement Lien that was entered against Family Inc. of Palm Beach on August 3, 2005.

**Summary:** The Code Enforcement Special Master (CESM) entered an Order on February 2, 2005 giving Family Inc. of Palm Beach until June 2, 2005 to bring their property into compliance with the approved site plan, per Petition Number 87-33 (A) & (B) and Resolution Number R-93-1537 for required landscaping, paint the exterior walls of the building, maintain wooden fence, and clean up the litter on the property. Compliance with the CESM's Order was not achieved by the ordered compliance date and a fine in the amount of \$250.00 per day was imposed. The CESM then entered a claim of lien against Family Inc. of Palm Beach on August 3, 2005. The cited code violations were fully corrected as of April 11, 2007. The total accumulated lien amount through August 2, 2007, the date settlement discussions began, totaled \$220,131.62, of which Family Inc. of Palm Beach has agreed to pay the County \$50,000.00 (22.7%) for full settlement of their outstanding Code Enforcement Lien. (District 2) (PGE)

**Background and Policy Issues:** The initial violations that gave rise to this code enforcement case were for non-conformity with the approved site plan, which required landscaping, repairs to a wooden fence, painting of exterior building walls, and removal of trash on the property. The Special Master gave Family Inc. of Palm Beach until June 2, 2005 to obtain compliance or a fine of \$250.00 per day would begin to accrue. A follow-up inspection by Code Enforcement on June 7, 2005 confirmed that the property was still not in full compliance. A code lien was then entered against Family Inc. of Palm Beach on August 3, 2005. The Collections Section of OFMB was recently contacted by the General Manager and owner of the business to discuss a settlement of the 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 \$50,000.00 to the Board for approval.

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**Attachments:**

Recommended by: Richard Roberts 11/27/07  
Department Director Date

Approved by: [Signature] 11/29/07  
County Administrator Date

**II. FISCAL IMPACT ANALYSIS**

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

<b>Fiscal Years</b>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>20011</u>	<u>2012</u>
<b>Capital Expenditures</b>	_____	_____	_____	_____	_____
<b>Operating Costs</b>	_____	_____	_____	_____	_____
<b>External Revenues</b>	<u>(\$50,000)</u>	_____	_____	_____	_____
<b>Program Income (County)</b>	_____	_____	_____	_____	_____
<b>In-Kind Match (County)</b>	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u>(\$50,000)</u>	_____	_____	_____	_____

**# ADDITIONAL FTE  
POSITIONS (Cumulative)**

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

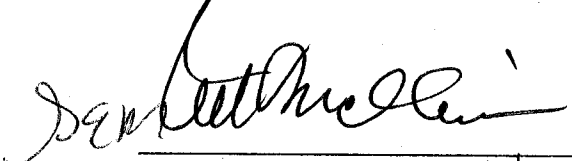
**Reporting Category** \_\_\_\_\_

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

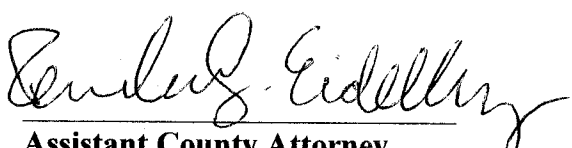
**C. Departmental Fiscal Review:**

**III. REVIEW COMMENTS**

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

 _____ OFMB	CN 11/27/17	N/A _____ Contract Dev. and Control
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**B. Legal Sufficiency:**

  
 \_\_\_\_\_  
 Assistant County Attorney

**C. Other Department Review:**

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

## **Background and Policy Issues Continued**

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

1. An inspection by the code officer on June 7, 2005 revealed that maintenance and painting of the exterior wall had been corrected. However, some of the violations contained in the Notice of Violation and the CESM Order dated February 2, 2005, regarding required landscaping and fence maintenance still remained unresolved. The business owners have produced receipts dating back to August 2005 for landscaping work and materials, but never contacted Code Enforcement for a follow-up inspection to confirm if anything else still needed to be done. Apparently the president of the business, Ms. Mahbuba Chowdhury, had been battling cancer during this time and she and her husband had hired a manager to run their family business (a mini-mart on Congress Avenue just south of Okeechobee Boulevard) while she was receiving medical treatment in New York. The manager they had hired was to have contacted Code Enforcement in August 2005 to follow up on their outstanding violations, and make sure everything was fine, which he did not do. In April of this year when the owners were trying to secure financing to renovate the business, they discovered that the Code Enforcement issues were not completely resolved and that the code fine was still running. They immediately contacted Code Enforcement on April 4, 2007 and quickly addressed the outstanding violations. All of the outstanding violations were fully corrected and confirmed by Code Enforcement on April 11, 2007.
2. A major problem that has continued to be a challenge for the business' owners is that vagrants in the area tend to congregate around the business destroying the shrubbery, fencing, and littering on their property. As soon as the owners repair and fix up the damage, new damage occurs. The wood fence at the rear of store (one of the cited violations) was destroyed as fence pieces would be removed by vagrants to gain easier access to the property. The business' owners, together with the neighborhood association and the CRA are continuing in their efforts to revitalize the community and clean up the blight in the area.
3. Staff has received copies of letters from Ms. Chowdhury's doctors confirming her health problems, along with letters from Westgate/Belvedere Homes Neighborhood Association and Westgate CRA supporting Family Inc. of Palm Beach and both have stated that Family Inc. is a good neighbor and also a strong supporter of the community.
4. The owners are in the process of securing financing to renovate and modernize their store and to pay off the proposed code lien settlement. Approval of the lien reduction will allow the owners to obtain the financing they need to move forward.
5. The gravity of the violations, together with the fact that there were no life/safety issues involved, warrants consideration of a reduction of Family Inc. of Palm Beach's substantial lien amount.

An Affidavit of Compliance has been issued by Code Enforcement and states that the cited violations were corrected as of April 11, 2007 and that the subject property is in full compliance with the CESM's Order. Further, the cited violation did not involve any health/safety issues.

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.