

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

3G-1

AGENDA ITEM SUMMARY

Meeting Date: January 24, 2012

☒ 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 \$22,500 for the full satisfaction of a Code Enforcement Lien that was entered against Marvin Parsoff on October 3, 2007.

**Summary:** The Code Enforcement Special Master (CESM) entered an order on August 1, 2007 giving Marvin Parsoff until August 15, 2007 to cease the continued group assembly in the residential building or to obtain a new Certificate of Occupancy to use the building (SFD) as a group assembly building. 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 Marvin Parsoff on October 3, 2007. The cited code violations were fully corrected as of May 6, 2008. The total accumulated lien amount through October 31, 2011, the last day of the month in which date settlement discussions resumed, totaled \$95,644.54 of which Marvin Parsoff has agreed to pay the County \$22,500 (23.52%) for full settlement of his outstanding Code Enforcement Lien. (District 5) (PGE).

**Background and Policy Issues:** The initial violation that gave rise to this code enforcement case was for using the unoccupied single family dwelling as a group assembly hall in violation of the original Certificate of Occupancy issued for the home. The Special Master gave Mr. Parsoff until August 15, 2007 to obtain building code compliance or a fine of \$250 per day would begin to accrue. A follow-up inspection by Code Enforcement on August 18, 2007, confirmed that the property was still not in compliance and was still being utilized in non-compliance with the building's originally issued Certificate of Occupancy. A Code Lien was then entered against Mr. Parsoff on October 3, 2007. The Collections Section of OFMB was originally contacted in October 2008 and most recently in October 2011 by legal counsel for one of the group members who has offered to pay the proposed settlement amount on behalf of Mr. Parsoff. The Collections Section of OFMB, after extensive review, evaluation, and lengthy discussions, has agreed to present the proposed settlement offer in the amount of \$22,500.00 to the Board for approval.

(Continued on page 3)

Attachments:

Recommended by:

  
Department Director

1/12/12  
Date

Approved by:

  
County Administrator

1/19/12  
Date

## II. FISCAL IMPACT ANALYSIS

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

Fiscal Years	<u>2012</u>	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$22,500)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$22,500)</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 1/11/12  
OFMB

Red 1/11/12  
01/12/12

\_\_\_\_\_

N/A

Contract Dev. and Control

### B. Legal Sufficiency:

[Signature]  
Assistant County Attorney

### C. Other Department Review:

\_\_\_\_\_

N/A

Department Director

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

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

1. Although a daily fine of \$250.00 per day was to be assessed against the owner for each day the property was not in compliance with the Special Master's Order after August 15, 2007, the subject property was not being utilized as a group assembly building seven (7) days per week. The Collections Section of OFMB and Code Enforcement have met with the representative attorney and have reviewed the days that the property was in actual non-compliance with the Special Master's Order and were able to determine the actual number of days the property was being utilized in violation of the Order. This proposed settlement will recover the actual accrued principal (using the days the single family dwelling was used in non-compliance), case costs, and some accrued interest on the principal fine amount.
2. Compliance was achieved when the owner of the single family dwelling entered into a residential lease of the dwelling to a full time resident who, under existing building code regulations, could entertain groups of people in the home. The daily fine ceased accruing once the lease was executed.
3. The owner is planning on selling the single family dwelling which has a mortgage that is senior to the County's lien. The property value has declined to well below the outstanding \$280,000 mortgage amount; the current fair market value per the County Property Appraiser's Office is \$162,142.
4. A member of the group has come forward and has offered to pay the proposed settlement amount and, upon Board approval, will remit payment to the County.
5. The gravity of the violations, together with the fact that there were no life/safety issues involved and the violation, for the most part, was occurring twice a week, warrants consideration of a reduction of Mr. Parsoff's substantial lien amount.

An Affidavit of Compliance was issued by Code Enforcement and states that the cited violation was corrected as of **May 6, 2008** and that the property is in full compliance with the CESM's Order. Further, the cited violations 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