

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

3G-2

AGENDA ITEM SUMMARY

Meeting Date: January 24, 2012

☒ 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 \$54,750 for the full satisfaction of a Code Enforcement Lien that was entered against West Boynton Auto Services, Inc. on August 2, 2006.

Summary: The Code Enforcement Special Master (CESM) entered an Order on April 5, 2006, giving West Boynton Auto Services, Inc. (WBAS) until May 5, 2006, to cease operating their Budget Rental Trucks business on the property without BCC approval. This accessory business was not part of the original BCC approval and was not shown on an approved site plan for the property. Compliance with the CESM's Order was not achieved by the ordered compliance date and a fine in the amount of \$500.00 per day was imposed. The CESM then entered a claim of lien against WBAS on August 2, 2006. The cited code violations were fully corrected as of December 13, 2006. The total accumulated lien amount through April 30, 2009, the date settlement discussions began, totaled \$164,260.17 of which WBAS has agreed to pay the County \$54,750 (33.33%) for full settlement of their outstanding Code Enforcement Lien. (District 5) (PGE).

Background and Policy Issues: The initial violation that gave rise to this code enforcement case was for a vehicle rental operation of Budget Rental Trucks on the property which was not part of the original BCC approval and was not indicated on an approved site plan for the property. The Special Master gave WBAS until May 5, 2006, to obtain compliance or a fine of \$500.00 per day would begin to accrue. A follow-up inspection by Code Enforcement on May 8, 2006, confirmed that the property was still not in compliance and that the truck rental operation was still on the property. A code enforcement lien was then entered against WBAS on August 2, 2006. The Collections Section of OFMB was initially contacted by WBAS' Land Planning Consultant on April 30, 2009, and then subsequently by their attorney to discuss a settlement of the outstanding code lien. The Collections Section of OFMB, after extensive review, evaluation and lengthy discussions, agreed to present the proposed settlement offer in the amount of \$54,750.00 to the Board for approval.

(continued on page 3)

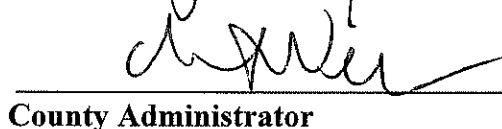
Attachments: None

Recommended by:


Department Director

1/12/12
Date

Approved by:


County Administrator

1/15/12
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>(\$54,750)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$54,750)</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

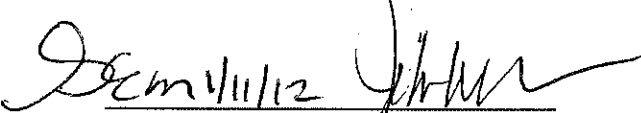
Reporting Category _____


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

C. Departmental Fiscal Review:

III. REVIEW COMMENTS

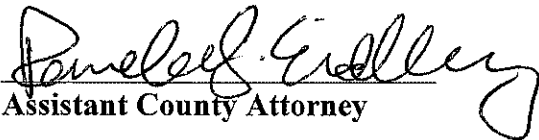
A. OFMB Fiscal and/or Contract Dev. and Control Comments:


OFMB


Contract Dev. and Control

RA 1/11/12
SA 01/12/12

B. Legal Sufficiency:


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. The original BCC approval for the property included an auto service station (major repairs) to sell fuel and repair vehicles. WBAS added an additional accessory Budget Truck Rental business on the property which was not a part of the original BCC approval and was not shown on an approved site plan. They were given until May 5, 2006, to either obtain BCC approval and an approved amended site plan or cease the accessory truck rental business, or a fine in the amount of \$500.00 per day would begin to accrue.
2. WBAS hired Miller Land Planning Consultants on May 2, 2006, to review and assist with obtaining BCC approval and an approved site plan amendment to permit the truck rental business on the property. After working with the DOR and Zoning, WBAS received approval to operate the accessory Budget Truck Rental business up to five (5) rental trucks and obtained an approved site plan for their location on December 13, 2006.
3. In January 2010, after lengthy discussions and several meetings with WBAS' attorney, OFMB's Collections Section agreed to present the \$54,750 lien settlement to the BCC once WBAS was able to secure the funds to pay the settlement. They have been unable, up until now, to get the needed financing. The subject property, which is the only property the corporation owns, is currently in the midst of foreclosure and part of the restructuring negotiations and new loan discussions requires that the code lien be settled and released.
4. The gravity of the violations, together with the fact that no life/safety issues were involved, warrants consideration of a reduction of West Boynton Auto Services, Inc.'s substantial lien amount.

An Affidavit of Compliance was issued by Code Enforcement and states that the cited violation was corrected as of **December 13, 2006**, 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