

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

36-2

AGENDA ITEM SUMMARY

Meeting Date: December 4, 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 \$8,900.00 for the full satisfaction of a Code Enforcement Lien that was entered against Gregory Pashkow on August 6, 2008.

Summary: The Code Enforcement Special Master (CESM) entered an Order on April 2, 2008 giving Mr. Pashkow until June 2, 2008 to mow the property, repair/replace all damaged windows and screens, clean up of mold and mildew, repair/replace missing/damaged siding and screens, repair/replace non-working refrigerator and chest freezer and replace all missing/damaged electrical outlet covers. Compliance with the CESM's Order was not achieved by the ordered compliance date and a fine in the amount of \$50.00 per day was imposed. The CESM then entered a claim of lien against Mr. Pashkow on August 6, 2008. The cited code violations were fully corrected as of January 16, 2009. The total accumulated lien amount through October 12, 2012, the date settlement discussions began, totaled \$19,270.70 which Mr. Pashkow has agreed to pay the County \$8,900.00 (46.2%) for full settlement of his outstanding Code Enforcement Lien. District 2 (PGE)

Background and Policy Issues: The initial violations that gave rise to this code enforcement case were for property maintenance code violations including, grass height, broken/damaged windows and screens, clean up of mold and mildew, repair/replace missing/damaged siding and screens, repair/replace non-working refrigerator and chest freezer and replace all missing/damaged electrical outlet covers. The Special Master gave Mr. Pashkow until June 2, 2008 to obtain compliance or a fine of \$50.00 per day would begin to accrue. Follow-up inspections by Code Enforcement on June 6, 2008 and June 12, 2008 confirmed that the property was still not in full compliance, although some work had been done. A code lien was then entered against Mr. Pashkow on August 6, 2008. The Collections Section of OFMB was recently contacted by Mr. Pashkow 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 \$8,900.00 to the Board for approval.

Attachments:

Recommended by:

Elizabeth Glass
Department Director

11/15/12
Date

Approved by:

[Signature]
County Administrator

11/16/12
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$8,900.00)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$8,900.00)</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:

[Handwritten Signature]
OFMB 11/15/2012 N/A
 Contract Dev. and Control

B. Legal Sufficiency:

[Handwritten Signature]
Assistant County Attorney

C. Other Department Review:

N/A
 Department Director

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

1. On August 1, 1999, Mr. Pashkow entered into an amended life estate agreement with R.A. "Bobbi" Valentine, the previous owner of the subject property, who was in the midst of being foreclosed, in order to redeem the mortgaged default and provide Ms. Valentine with a life estate interest in the property. The agreement called for her to pay Mr. Pashkow \$355.00 per month and to fully maintain the property. The agreement also provided Ms. Valentine with the option to purchase the property back from him in December 2006. Ms. Valentine stopped making payments and on June 6, 2008 Mr. Pashkow filed suit against Ms. Valentine for Breach of Agreement, Quiet Title, Ejectment and Injunctive Relief.
2. Mr. Pashkow was able to get the exterior code violations corrected in a timely manner, which code enforcement confirmed on June 6, 2008. However, due to the Life Estate interest Ms. Valentine had in the property, he had no legal authority to go inside the home to do the required interior repairs which were solely up to the tenant, Ms. Valentine. Mr. Pashkow, after he filed legal action against Ms. Valentine, then started to get cooperation from her to get the interior code violations corrected. Finally, on January 16, 2009, all code violations were corrected.
3. Mr. Pashkow was in constant contact with Code Enforcement the entire time and was proactively working to get the property into compliance. He received a final judgment from the court on March 14, 2011 against Ms. Valentine for the past due payments and had her evicted from the premises. Since then, and with no rent coming in on the property for a couple of years, the mortgage was again in default and the mortgage company agreed to substantially reduce the amount to allow for the short sale of the property. The County will receive \$6,900.00 from the sales proceeds with zero proceeds going to Mr. Pashkow. Mr. Pashkow will then pay the County the additional \$2,000 for the remaining balance of the proposed settlement amount.
4. The gravity of the violations, together with the fact that there were no life/safety issues involved, warrants consideration of a reduction of Mr. Pashkow's substantial lien amount.

An Affidavit of Compliance has been issued by Code Enforcement and states that the cited violations were corrected as of January 16, 2009 and that the 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.