

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

36-1

AGENDA ITEM SUMMARY

Meeting Date: April 21, 2015

Consent
 Workshop

Regular
 Public Hearing

Department: Office of Financial Management & Budget

I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to approve: a negotiated settlement agreement in the amount of \$110,000.00 for the full satisfaction of three (3) Code Enforcement Liens that were entered against NT Family Limited Partnership and Krishna Tripuraneni on June 1, 2009 and July 7, 2009.

Summary: The Code Enforcement Special Magistrate (CESM) entered three (3) separate Orders on a property currently owned by NT Family Limited Partnership and Krishna Tripuraneni. These orders gave NT Family Limited Partnership and Krishna Tripuraneni specific dates in which to bring the violations into full code compliance or daily fines ranging from \$50.00 to \$500.00 per day would begin accruing if compliance with the CESM's Orders were not achieved by the ordered compliance dates. The cited code violations were all fully corrected as of January 21, 2009 for the breeding and caring of horses, October 31, 2014 for the fence permit & September 19, 2014 for the building renovations/alterations. The total accumulated and aggregate lien amounts through October 31, 2014 totaled \$624,127.20 for which NT Family Limited Partnership and Krishna Tripuraneni has agreed to pay the County \$110,000.00 (17.6%) for full settlement of the three (3) outstanding Code Enforcement Liens. District 6 (SF).

Background and Policy Issues: The initial violations that gave rise to the Code Enforcement cases were a fence installation without a building permit, breeding and caring for horses in an Urban Service Area on less than five (5) acres, and renovations/alterations to a single family dwelling without a proper building permit and/or zoning approval. The Special Magistrate gave specific dates for compliance to be achieved or fines ranging from \$50.00 to \$500.00 per day would begin to accrue. Code Enforcement confirmed that the property was not in compliance by the specified ordered dates and daily fines began to accrue. Follow up inspections by Code Enforcement confirmed that the property was still not in compliance with obtaining the required building permits. Three code liens were subsequently entered against NT Family Limited Partnership (NTFLP) and Krishna Tripuraneni for case #C-2008-08120027 on June 1, 2009 and for cases # C-2008-04220060 (A) & (B) on July 7, 2009. The Collections Section of OFMB was contacted several times by NTFLP, Krishna Tripuraneni and Mr. Thomas J. Baird, Esq. to discuss settlement of the significant outstanding code liens. An agreement was reached on March 16, 2015 and the Collections section of OFMB, after careful review, evaluation, and several discussions, agreed to present the proposed settlement offer in the amount of \$110,000.00 to the Board for approval.

(continued on page 3)

Attachments:

Recommended by: Elizabeth Breen 4/7/15
Department Director Date

Approved by: ASW 4/10/15
County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$110,000)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$110,000)</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:

<p>_____ OFMB pm 4-7-15 RAL 4/7/15 ASD 4/7/15</p>	<p align="center">N/A _____ Contract Dev. and Control</p>
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B. Legal Sufficiency:

 Assistant County Attorney

C. Other Department Review:

 Department Director

Background and Policy Issues Continued

The violations which resulted in the three (3) liens being placed against (NTFLP) and Krishna Tripuraneni were partly due to the former tenant and mis-communications with Mr. Tripuraneni and his property manager, whom Mr. Tripuraneni assumed was taking care of the issues that gave rise to the liens.

The fence on the property had been installed by the prior owner. When the permit was finally obtained, the fence was found to have been installed and in full building code compliance.

The two (2) horses that were on the property were not owned by Mr. Tripuraneni. They were placed on the property by a neighbor who was having heavy construction work done on his property and who apparently received permission, unbeknownst to Mr. Tripuraneni, from his property manager at the time. After speaking with the former neighbors who observed the horses, the last confirmed day for the horses being on the property would have been November 4, 2008 which would substantially reduce the actual fine down to 23 days. This violation, for some reason, was assessed at \$500.00 per day which is normally reserved for life safety type of violations, which this was not. Further, although there was a barn located on the property, it did not meet the minimum 5 acre requirement to have horses on the property.

The third violation, renovations/alterations to a structure without proper permits, wasn't verified as being in full code compliance until September 19, 2014. The substantial delays are attributed to NTFLP's contemplation as to what they were going to do with the house that had a barn structure on the property as well. The barn structure, if the house were to be demolished, would not be permitted because a principle structure (home) is required for auxiliary structures to be on a property. NTFLP proceeded with a unity of title with the connecting property they owned, which had a house as well on the property, and would allow the barn structure to remain on the unified parcels. The house with the building code violations, based on documents provided, was demolished and removed around May 14, 2011, albeit, without a building demolition permit. The building demolition permit was later obtained with the final building permit close out dated October 31, 2014.

The OFMB Collections Section, received a letter from Mr. Thomas J. Baird, Esq., legal representative for Mr. Tripuraneni, asking to have Mr. Tripuraneni's code liens mitigated down. Staff responded to Mr. Baird's letter explaining the circumstances surrounding each lien and then a meeting was set with Mr. Baird and Mr. Geoffrey Sluggett, lobbyist from Geoffrey B. Sluggett & Associates Inc. to go over the liens in person and negotiate. Said liens were negotiated and staff has agreed to present \$110,000.00 as a settlement to the Board of County Commissioners for approval.

Affidavits of Compliance have been issued by Code Enforcement and state that all of the cited violations were corrected as of the dates ranging from January 21, 2009 through September 19, 2014 and that the property is in full compliance with the CESM's Orders.

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.