

3G-2

PALM BEACH COUNTY  
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: March 1, 2016

Consent

Regular

Workshop

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 \$20,000.00 for the full satisfaction of a Code Enforcement Lien that was entered against Paula D. Garcia on April 5, 2006.

**Summary:** The Code Enforcement Special Magistrate (CESM) entered an Order on December 7, 2005 on property owned by Ms. Garcia giving her until March 7, 2006 to bring the property into full Code Compliance. The property had been abandoned and was in disrepair when she purchased it. 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 Ms. Garcia on April 5, 2006. Code Enforcement issued an Affidavit of Compliance for the property on February 15, 2008. The total accrued lien amount through March 15, 2015, the date on which settlement discussions began, totaled \$71,824.17, of which Ms. Garcia has agreed to pay the County \$20,000.00 (28%) for full settlement of her outstanding Code Enforcement Lien. District 3 (PM).

**Background and Policy Issues:** The violations that gave rise to this Code Enforcement Lien were for the severely rundown structure. The Special Master gave Ms. Garcia until March 7, 2006 to obtain full code compliance or a fine of \$50.00 per day would begin to accrue. A follow-up inspection by Code Enforcement on March 10, 2006 confirmed that the property was still not in compliance so a code lien was then entered against Ms. Garcia. On February 15, 2008 an Affidavit of Compliance was issued stating that the cited code violations were corrected and the property was in full compliance with the CESM's Order. The Collections Section of OFMB (Collections) was first contacted by Ms. Garcia's son in April, 2009 to discuss the outstanding code lien balance. After no additional contact for several years, Collections received a letter from Ms. Garcia's attorney on March 15, 2015 to discuss settlement of the code lien. Collections, after extensive review, evaluation, and discussions with Ms. Garcia's attorney and Code Enforcement, has agreed to present a proposed settlement offer in the amount of \$20,000.00 to the Board for approval.

(continued on page 3)

**Attachments:**

Recommended by:

Elizabeth Brewer  
Department Director

2/3/16  
Date

Approved by:

W. Butler  
County Administrator

2/10/16  
Date

**II. FISCAL IMPACT ANALYSIS**

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

Fiscal Years	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$3,333.33)</u>	<u>(\$5,714.28)</u>	<u>(\$5,714.28)</u>	<u>(\$5,238.11)</u>	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
<b>NET FISCAL IMPACT</b>	<u><b>(\$3,333.33)</b></u>	<u><b>(\$5,714.28)</b></u>	<u><b>(\$5,714.28)</b></u>	<u><b>(\$5,238.11)</b></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><i>[Signature]</i> OFMB</p> <p><i>[Signature]</i> 2/8/16 <i>[Signature]</i> 2/1/16 <i>[Signature]</i> 1-28-16</p>	<p>N/A</p> <hr/> <p>Contract Dev. and Control</p>
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**B. Legal Sufficiency:**

*[Signature]*  
Assistant County Attorney

**C. Other Department Review:**

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

## Background and Policy Issues Continued

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

1. Ms. Garcia purchased the overgrown and severely rundown property on December 10, 2002 from the estate of the former owner. She immediately began to clear the overgrown vegetation that consumed the entire property and then filed the initial application for a building permit on May 28, 2003 with the intent of converting the Single Family Dwelling (SFD) into a triplex. Obtaining the necessary approvals for converting a SFD to a triplex is a lengthy process. Her goal, from the time she purchased the property, was to construct a triplex which would greatly transform and improve the property and the surrounding neighborhood.
2. The first contractor she hired to do the construction quit soon after the building permit application was submitted. She then had to find another licensed contractor to do the project. The building permit, which required zoning and variance approvals, was subsequently issued for a triplex, on March 18, 2007. Regular building inspections of the new structure began on April 23, 2007 with the final inspection being done on March 26, 2009.
3. Although full code compliance was not deemed fully achieved until February 15, 2008, construction of the new building was well underway in April 2007, with regular inspections being conducted by the Building Department showing that proactive efforts to obtain full code compliance was proceeding forward. A Code Enforcement officer went to the property on May 10, 2007 for a follow up inspection and noted that the work on the structure was being done but full code compliance with the CESM order had not yet been achieved.
4. Ms. Garcia had to borrow funds from family and friends to complete the building which has greatly transformed the property as well as substantially increasing the value. Further, the three (3) units provide much needed and affordable workforce housing in the area.
5. Ms. Garcia will begin paying the County monthly installments in the amount of \$476.19 until such time she has paid off the proposed settlement amount. The County's code lien will remain intact on the property until the full settlement has been received. Ms. Garcia is still paying back the funds she borrowed from her family and friends for the construction of the triplex.

An Affidavit of Compliance has been issued by Code Enforcement and states that the cited violations were corrected as of February 15, 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. In light of the above stated circumstances, staff believes that the proposed settlement is fair and in the best interest of Palm Beach County.

Settlement offers of any debt, when the full amount of the debt due to the County is over \$2,500, require the approval of the Board of County Commissioners, per Countywide PPM# CW-F-048. The total amount due to Palm Beach County pertaining to this settlement exceeds the \$2,500 limit and requires Board approval.