

36-1

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: April 5, 2016 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 \$18,000.00 for the full satisfaction of a Nuisance Abatement-Unsafe Structure Lien that was entered against Denver D. Hayes on March 21, 2000.

Summary: The Building Official for the Planning Zoning & Building Department (PZ&B) initiated a Nuisance Abatement-Unsafe Structure (NAUS) Claim of Lien on February 10, 2000 against the former property owner, Denver D. Hayes. The property, located at 1103 Bertha Street in Lake Worth, was found to constitute a nuisance and a menace to the health, safety and welfare of the citizens of Palm Beach County in accordance with Ordinance 99-9. The unsafe structure on the property was demolished and removed by Palm Beach County on January 10, 2000. On March 21, 2000 the Board of County Commissioners adopted Resolution R-2000-0386 approving the imposition of this lien. The total accumulated lien amount (inclusive of principal, recording fees, interest and collection agency fees) through December 15, 2015, the date settlement discussions began, totaled \$45,431.93. The current owner, American Residential Investments Inc., acquired the property on April 19, 2004, via a Tax Deed for \$21,436.11 and intends to construct two workforce housing homes on the property. County staff has agreed to accept \$18,000.00 (40%) for full settlement of the outstanding NAUS lien, which will cover all County costs. (District 3) (AH).

Background and Policy Issues: The initial violation that gave rise to this NAUS lien was for a structure that was in serious disrepair and was originally cited by Code Enforcement on January 29, 1998, with nothing being done by the owner to remedy the problem. This case was later referred to the Building Department for their review and determination whether the structure was unsafe. The Building Department inspected the property on March 22, 1999 and found it to be unsafe and posted the property for demolition. It was ultimately demolished and removed on January 10, 2000.

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Attachments: none

Recommended by: Edizuluwa Blessen 3/8/16
Department Director Date

Approved by: R. Baker 3/14/16
County Administrator 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>(\$9,000)</u>	<u>(\$9,000)</u>	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$9,000)</u>	<u>(\$9,000)</u>	_____	_____	_____

ADDITIONAL FTE
POSITIONS (Cumulative)

Is Item Included In Current Budget? Yes _____ No X
Budget Account No.: Fund 0001 Department 600 Unit 6107 Object 4391

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:



N/A
Contract Dev. and Control

B. Legal Sufficiency:


 Assistant County Attorney

C. Other Department Review:

N/A
 Department Director

Background and Policy Issues Continued (Denver D. Hayes)

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The factors considered during staff's review and evaluation of this settlement are as follows:

1. American Residential Investments Inc. purchased two vacant lots on April 19, 2004 through a tax deed for \$21,436.11. The current value of the vacant property is \$22,464.00 which is less than the current amount due on the NAUS lien.
2. Since the acquisition of this property by American Residential Investments Inc., the fair market value, after twelve years, is only \$972.00 greater than their original acquisition cost. The County, by this settlement, will recover its full principal and costs. The accrued interest is the only amount of this lien being waived.
3. After recovering from the collapse of the real estate market, American Residential Investments Inc. is now ready to begin construction on two (2) Workforce Housing homes on this property which will improve the community and increase property values. A few teachers and nurses have already began inquiring about the soon to be built homes for which American Residential Investments Inc. is ready to move forward once this NAUS lien reduction settlement amount is approved.
4. The private lender that will be financing the construction of these homes requires an approved settlement payoff amount for the NAUS lien. Approval of this settlement will allow the construction of this project to proceed and it is anticipated that the first home will be completed by the end of September, 2016 as the plans are ready to be submitted to the County's Building Division.

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 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.