

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

36-5

AGENDA ITEM SUMMARY

Meeting Date: August 16, 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 \$22,500.00 for the full satisfaction of a Code Enforcement Lien that was entered against Julio C. Azzaro on July 2, 2014.

Summary: The Code Enforcement Special Magistrate (CESM) entered an Order on February 5, 2014 on property owned by Julio C. Azzaro (Mr. Azzaro) giving him until April 6, 2014 to bring the property located at 4703 Holly Lake Drive, Lake Worth into full Code Compliance. The property had been cited for installing a balcony without obtaining the proper permits. 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. Azzaro on July 2, 2014. Code Enforcement issued an Affidavit of Compliance for the property on May 9, 2016 stating the code violations had been corrected as of April 8, 2016. The total accrued lien amount through April 30, 2016, the month in which settlement discussions began, totaled \$44,809.01, of which Mr. Azzaro has agreed to pay the County \$22,500.00 for full settlement of his outstanding Code Enforcement Lien. District 2 (PM).

Background and Policy Issues: The initial violations that gave rise to this Code Enforcement Lien was for installing a balcony without the required building permits. The Special Magistrate gave Mr. Azzaro until April 6, 2014 to obtain the required building permits, or a fine of \$50.00 per day would begin to accrue. A follow-up inspection by Code Enforcement on April 25, 2014 confirmed that the property was still not in compliance. A code lien was then entered against Mr. Azzaro on July 2, 2014. On May 9, 2016 an Affidavit of Compliance was issued stating that the cited code violations were corrected as of April 8, 2016 and the property was in full compliance with the CESM's Order. The Collections Section of OFMB (Collections) was first contacted by Mr. Lucas Vitaller, Mr. Azzaro's representative, on April 11, 2016 to discuss the outstanding code case and lien balance. Collections, after extensive review, evaluation, and discussions with Mr. Lucas Vitaller and Code Enforcement, has agreed to present a proposed settlement offer in the amount of \$22,500.00 to the Board for approval.

(continued on page 3)


Attachments: none

Recommended by:


Department Director

8/4/16
Date

Approved by:


County Administrator

8/9/16
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	(\$22,500.00)	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	(\$22,500.00)	_____	_____	_____	_____

ADDITIONAL FTE
POSITIONS (Cumulative)

Is Item Included In Current Budget? Yes _____ No X
Budget Account No. Fund 0001 Department 600 Unit 6241 Object 5900

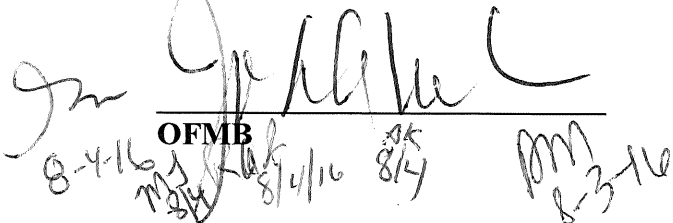
Reporting Category _____

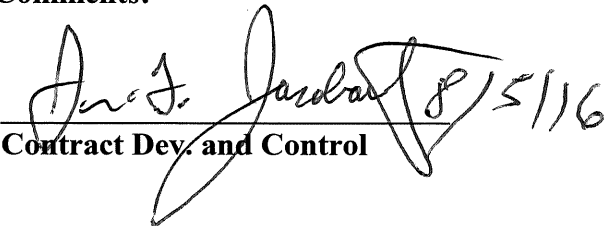
B. Recommended Sources of Funds/Summary of Fiscal Impact:

C. Departmental Fiscal Review:

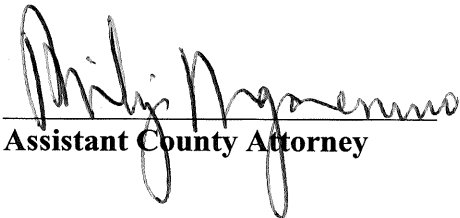
III. REVIEW COMMENTS

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


OFMB
8-4-16
8/4/16
8/4
8-3-16


Contract Dev. and Control
8/5/16

B. Legal Sufficiency:


Assistant County Attorney

C. Other Department Review:

Department Director

Background and Policy Issues Continued

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

1. Mr. Azzaro purchased the property in April, 2013 as an investment for the purpose of renovating and re-selling. The original balcony was removed from the property due to severe decay and disrepair. The replacement balcony was being constructed without the required building permits which was the basis for the code violations and subsequent lien.
2. Since the property was acquired as an investment property, a licensed contractor and building permits are required for improvements and renovations. The management company that Mr. Azzaro hired to oversee the construction renovations hired an unlicensed construction company to do the work. A licensed contractor was eventually, albeit long after the dues/fines began accruing, hired permits issued, and the balcony completed in conformance with all applicable building codes, and passed its final building inspection.
3. The balcony is very small and the estimated value is under \$1,000.00.
4. No one resided on the property while the renovations were being performed and the property is currently on the market.
5. Mr. Azzaro has acknowledged that he should have been more heavily involved in the oversight as the management company was remiss in their obligation to him.

An Affidavit of Compliance was issued by Code Enforcement stating that the cited code violations were fully corrected as of April 8, 2016 and that the property was in full compliance with the CESM's Order. Further, the cited violations did not involve any life/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 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.