

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS**

301

AGENDA ITEM SUMMARY

Meeting Date: November 1, 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 \$9,296.82 for the full satisfaction of a Nuisance Abatement-Unsafe Structure (NAUS) Lien that was entered against Taylorco, Inc. on November 21, 2006.

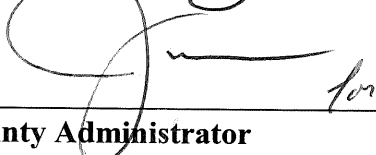
Summary: The Building Official for the Planning Zoning & Building Department (PZ&B) initiated a NAUS claim of lien on November 21, 2006 against the former property owner, Taylorco, Inc. The property, located at 13296 US Highway 441 North, Canal Point, was found to constitute a nuisance and a menace to 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 November 30, 2005. The total accumulated lien amount (inclusive of principal, administration fees, recording fees, interest and collection agency fees) through August 23, 2016, the date settlement discussions began, totaled \$18,574.10. The current owner, Anthony Genovese (Mr. Genovese), acquired the property on October 7, 2015 and became aware of the County's senior lien when he was in the process of selling said property. Mr. Genovese has a sales contract in place for \$5,000.00 and will, in order to pay proposed settlement, have to pay out of pocket to meet the proposed settlement amount of \$9,296.82. County staff has agreed to present the proposed settlement amount of \$9,296.82 to the Board of County Commissioners for approval. This proposed settlement amount will cover all County costs and only waives accrued interest. (District 6) (PM).

Background and Policy Issues: The first inspection of the unsafe structure by the Building Division was on November 17, 2004. A Notice to Owner (Taylorco, Inc.) was sent out on February 16, 2005 to remove the unsafe structure. No action was taken by Taylorco, Inc. within the required time period and the case proceeded to the demolition phase. After going through the required process, the structure was ultimately demolished and removed on November 30, 2005. The now current owner, Mr. Genovese, is in the process of selling the property which is surrounded by farmland and he has obtained a buyer. The sales price is well below the County's actual lien amount and since our lien is only attached to the subject property, our only chance of recovery on our lien is by the pending sale.

(continued on page 3)

Attachments: none

Recommended by:  _____ **10/19/16**
Department Director **Date**

Approved by:  _____ **10-28-16**
County Administrator **Date**

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$9,296.82)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$9,296.82)</u>	_____	_____	_____	_____

ADDITIONAL FTE
POSITIONS (Cumulative)

Is Item Included In Current Budget? Yes _____ No X
Budget Account No.: Fund 1402 Department 600 Unit 6241 *RSRC* 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:

J. P. Parks 10/19/16 *10/19/16* N/A
OFMB *10/19/16* *10-18-16* Contract Dev. and Control

B. Legal Sufficiency:

Philip Ngorenno
Assistant County Attorney

C. Other Department Review:

N/A
Department Director

Background and Policy Issues Continued
Page 3

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

1. Anthony Genovese purchased this vacant lot from Taylorco Inc. on October 7, 2015 via a warranty deed for \$1,000.00. The current fair market value of the vacant property is \$7,650.00 which is less than the current amount due on the NAUS lien.
2. Since the acquisition of this property by Anthony Genovese, the fair market value, after twelve years, is only \$6,650.00 greater than Mr. Genovese's original acquisition cost. The County, by this settlement, will recover its full principal and collection agency fees. The accrued interest is the only amount of this lien being waived.
3. The only remedy for the recovery of monies due on our lien is by the sale of the property. The County has no public purpose use for the parcel and if we were to take ownership, we would be responsible for the back taxes as well as the continued maintenance of the property.

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.