

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

36-2

AGENDA ITEM SUMMARY

Meeting Date: April 10, 2018

Consent
 Workshop

Regular
 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 \$10,617 for the full satisfaction of a Code Enforcement Lien that was entered against Realtyfire Investments WPB 11512, LLC on June 7, 2017.

Summary: The Code Enforcement Special Magistrate (CESM) entered an Order on September 7, 2016 for property owned by Realtyfire Investments WPB 11512, LLC (Realtyfire) giving them until September 17, 2016 to bring this property located at 11512 56th Place North in West Palm Beach into full Code Compliance. The property had been cited for a pool fence barrier in disrepair. Compliance with the CESM's Order was not achieved by the ordered compliance date and a fine in the amount of \$500 per day was imposed. The CESM then entered a claim of lien against Realtyfire on June 7, 2017. Code Enforcement issued an Affidavit of Compliance for the property on March 20, 2017 stating that as of November 7, 2016 the cited code violation had been fully corrected. The total accrued lien amount on December 7, 2017, the date on which settlement discussions began, totaled \$26,541.12, of which Realtyfire has agreed to pay Palm Beach County \$10,617 (40%) for full settlement of their outstanding Code Enforcement Lien. District 6 (SF).

Background and Policy Issues: The initial violation that gave rise to this Code Enforcement Lien was for a pool fence barrier in disrepair. The Special Magistrate gave Realtyfire until September 17, 2016 to bring this property into full code compliance or a fine of \$500 per day would begin to accrue. A Code Lien was then entered against Realtyfire on June 7, 2017. A follow-up by Code Enforcement of the Building Division's records showed the required fencing permit was activated on November 2, 2016. Code Enforcement issued an Affidavit of Compliance for the property on March 20, 2017 stating that as of November 7, 2016 the cited code violation had been corrected. The Collections Section of OFMB was initially contacted by Realtyfire in November, 2017 and then again in December, 2017, when all parties met to discuss settlement of this Code Lien. Collections, after extensive review, evaluation, and discussions with Code Enforcement and Realtyfire's representative, have agreed to present a proposed settlement offer in the amount of \$10,617 to the Board for approval.

(continued on page 3)

Attachments: none

Recommended by:


Department Director

3/14/18
Date

Approved by:


County Administrator

3/26/18
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>	<u>2022</u>
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>(\$10,617)</u>	_____	_____	_____	_____
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>(\$10,617)</u>	_____	_____	_____	_____

ADDITIONAL FTE POSITIONS (Cumulative)

Is Item Included In Current Budget? Yes _____ No **X**
 Does this item include the use of Federal Funds? 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:

Jan 3/14/18 *3/15/18* *3/15/18* *3/14/18* *3/15/18* *3/15/18* *3/15/18*
 OFMB _____ **N/A**
 Contract Dev. and Control

B. Legal Sufficiency:

[Signature]
 Assistant County Attorney

C. Other Department Review:

N/A
 Department Director

Background and Policy Issues Continued (Realtyfire Investments)

Page 3

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

1. The subject property was acquired by Realtyfire Investments WPB 11512, LLC (Realtyfire) on March 30, 2016 from U.S. Bank Trust N.A. Trustee who had foreclosed on the former owner and received a Certificate of Title on February 18, 2016. The partially damaged fence and pool with green water had already existed.
2. Realtyfire contacted Code Enforcement on May 20, 2016 immediately after receiving notice that there were code violations on their newly acquired property. The main Code Enforcement issue was for a damaged fence surrounding the pool and pool water clarity. The pool was drained per a Code Enforcement site inspection on June 10, 2016, but the damaged fence had still not been repaired.
3. After the Code Enforcement Special Magistrate (CESM) Hearing on September 7, 2016 in which Realtyfire was given until September 17, 2016 to secure the pool, a site visit by Code Enforcement on September 19, 2016 revealed that the pool had been covered and secured with wood and that a temporary orange fencing barrier had been installed next to the damaged fence. Realtyfire then contacted Code Enforcement on September 19, 2016 to see if the temporary corrective measures they took were sufficient to comply with the CESM Order while they were working to obtain a fence contractor to replace the damaged fence. The Building Department reviewed the covering and found that although the wood covering was covering the pool and a temporary barrier was installed it did not meet the applicable pool/spa building codes as both a permit and inspection of the covering is required.
4. Realtyfire hired a fence contractor in mid October, 2016 and the fence permit was activated on November 2, 2016. Code Enforcement confirmed compliance was achieved on November 7, 2016.
5. Code Enforcement has acknowledged that Realtyfire remained in continual contact with them until full code compliance was achieved.

An Affidavit of Compliance was issued by Code Enforcement stating that the cited code violation was fully corrected as of November 7, 2016 and the property is in full compliance with the CESM's Order.

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.