

3G-1

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: November 20, 2018

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 \$22,000.00 for the full satisfaction of a code enforcement lien that was entered against 2015 1 IH2 Borrower LP on October 5, 2016.

Summary: The Code Enforcement Special Magistrate (CESM) entered an Order on July 14, 2016 for property owned by 2015 1 IH2 Borrower LP (IH2) giving them until August 13, 2016 to bring their property located at 174 Ohio Road in Lake Worth into full code compliance. The property had been cited for erecting/installing a wood fence without first obtaining the required building permits. Compliance with the CESM's Order was not achieved by the ordered compliance date and a fine in the amount of \$50 per day was imposed. The CESM then entered a claim of lien against IH2 on October 5, 2016. The Code Enforcement Division issued an affidavit of compliance for the property on July 12, 2018 stating that as of June 19, 2018 the cited code violation had been fully corrected. The total accrued lien amount on July 10, 2018, the date on which settlement discussions began, totaled \$42,208.04, of which IH2 has agreed to pay Palm Beach County \$22,000.00 (52.1%) for full settlement of their outstanding code enforcement lien. District 2 (SF).

Background and Justification: The violation that gave rise to this code enforcement lien was for erecting/installing a wood fence without first obtaining the required building permits. The Special Magistrate gave IH2 until August 13, 2016 to bring their property into full code compliance or a fine of \$50 per day would begin to accrue. A follow-up inspection by the Code Enforcement Division on August 15, 2016 confirmed that the property was still not in full compliance. A code lien was then entered against IH2 on October 5, 2016. The Code Enforcement Division issued an affidavit of compliance for the property on July 12, 2018 stating that as of June 19, 2018 the cited code violation had been corrected. The Collections Section of OFMB was originally contacted by Mary Untch, IH2's representative, on July 10, 2018, to discuss a settlement of IH2's code lien. Collections, after extensive review, evaluation, and discussions with the Code Enforcement Division and IH2's representative, has agreed to present a proposed settlement offer in the amount of \$22,000.00 to the Board for approval.

(continued on page 3)

Attachments: none

Recommended by:


Department Director

10/29/18
Date

Approved by:


County Administrator

11/5/18
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2019	2020	2021	2022	2023
Capital Expenditures					
Operating Costs					
External Revenues	(\$22,000)				
Program Income(County)					
In-Kind Match(County)					
NET FISCAL IMPACT	(\$22,000)				
#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

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:

John Doe 10/26/18
 OFMB *sf 10/24* *AM 10-24-18*
 10/25/18

N/A
 Contract Dev. and Control

B. Legal Sufficiency: *RAF 10/26/18*

[Signature]
 Assistant County Attorney

C. Other Department Review:

N/A
 Department Director

Background and Policy Issues Continued (2015 1 IH2 Borrower LP)

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

1. The violation that gave rise to this code enforcement lien being placed against 2015 1 IH2 Borrower LP (IH2) was for a fence that was installed on the property prior to IH2s ownership. IH2 purchased the subject property by Certificate of Title in a bank foreclosure sale.
2. Once the fence permit was issued on June 18, 2018 it passed final inspection on the following day, June 19, 2018.
3. The fence that preceded their ownership, was found to be constructed to code and did not encroach on any neighboring properties or set-back boundaries for the said property
4. The Building Department listed the value of the fence at \$1,330.00.
5. The building code violation did not present any life safety issues.

An affidavit of compliance was issued by the Code Enforcement Division stating that the cited code violations were fully corrected as of June 19, 2018 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.