

36-1

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: December 18, 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 \$20,000.00 for the full satisfaction of three (3) code enforcement liens that were entered against Eire LW Road, LLC on March 6, 2013.

Summary: The Code Enforcement Special Magistrate (CESM) entered three (3) Orders on December 5, 2012 for property owned by Eire LW Road, LLC (Eire) giving them until January 4, 2013 to bring their properties located at 2664 2nd Avenue North, 2665 Lake Worth Road and 2648 2nd Avenue North in Lake Worth into full code compliance. The properties had been cited for uncultivated vegetation. Compliance with the CESM's Orders was not achieved by the ordered compliance date and a fine in the amount of \$100 per day was imposed for each code lien. The CESM then entered three (3) claims of lien against Eire on March 6, 2013. Eire filed for Chapter 11 Bankruptcy on June 25, 2013 and the aggregate pre-petition claim for our three (3) liens was \$51,614.61. The three (3) code liens are still attached to the subject parcels and are junior to a senior bank mortgage. Eire and their legal counsel have agreed to pay \$20,000.00 (38.8%) to settle all three (3) liens. The three (3) subject parcels were annexed into the Village of Palm Springs on December 11, 2014 and are no longer under Palm Beach County's jurisdiction. District 3 (JB).

Background and Justification: The violations that gave rise to these code enforcement liens was for uncultivated vegetation. The Special Magistrate gave Eire until January 4, 2013 to bring their properties into full code compliance or a fine of \$100 per day would begin to accrue. Code Compliance was not achieved by the ordered date and the CESM then entered three (3) code liens against Eire on March 6, 2013. Soon after, Eire filed for Chapter 11 Bankruptcy on June 25, 2013 and the three (3) code liens still remain as a cloud on title. The County Attorney's office was originally contacted by Mr. George Zinkler, Eire's bankruptcy attorney, on June 22, 2018, to discuss a settlement of Eire's three (3) code liens. Collections, after extensive review, evaluation, and discussion with the County Attorney's office and Eire's bankruptcy attorney, and in lieu of further bankruptcy litigation in this matter, has agreed to present a proposed settlement offer in the amount of \$20,000.00 to the Board for approval.

Attachments: none

Recommended by:


Department Director

12/10/18
Date

Approved by:


County Administrator

12/14/18
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	(\$20,000)				
Program Income(County)					
In-Kind Match(County					
NET FISCAL IMPACT	(\$20,000)				
#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:

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III. REVIEW COMMENTS

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

OFMB 


Contract Dev. and Control

B. Legal Sufficiency:

Chris Brook 12/11/18
Assistant County Attorney

C. Other Department Review:

N/A

Department Director

(This summary is not to be used as a basis for payment)