#25-0572

TO: Honorable Mayor & Members of the

Fort Lauderdale City Commission

FROM: Rickelle Williams, City Manager

DATE: June 17, 2025

TITLE: Code Enforcement Lien Collection and Administrative Cost Recovery –

(Commission Districts 1, 2, 3 and 4)

City staff will present an overview of the City of Fort Lauderdale's code enforcement lien recovery efforts, detailing both historical collection strategies and current program performance. The presentation will highlight that the City currently has significant lien value owed, connected to 1,991 code enforcement cases across 1,321 properties. Notably, 44 properties account for 38% of this total lien value owed, with individual liens exceeding \$300,000. Factors limiting the City's ability to enforce code enforcement liens such as homestead exemption, bankruptcy, foreclosure, and expired statutes of limitations, will also be discussed.

Over the past two decades, the City of Fort Lauderdale has used multiple approaches to recover over \$130 million in outstanding lien value which resulted in the collection of approximately \$13 million in lien revenue. These initiatives include:

- Third-Party Collection Efforts (2015-2018): This involved submitting \$948,316 in claims based on 1,526 individual code enforcement cases, resulting in \$81,599 collected. This amounted to a collection rate of 8.6%.
- Lien Foreclosure (2018-2021): Pursuant to Florida Statute, Chapter 162 and City of Fort Lauderdale Code of Ordinances, Chapter 11, unpaid liens were referred to the City Attorney's Office to pursue foreclosure of properties with liens. Criteria for referral for lien foreclosure included those properties with nuisance violations, were abandoned and neglected, as well as non-compliant vacation rentals. Properties with homestead exemptions were excluded based on statutory protection of homesteaded properties. Of the 64 properties referred for lien foreclosure, 15 received a Notice of Intent to Foreclose, leading to all the properties' violations being brought into compliance by the property owners.
- Lien Reduction Program (2015-2023): Over this period, 1,021 properties were addressed, with approximately \$106 million in total property liens, resulting in \$4,973,000 in reduced amounts ordered. The percentage reduction ordered ranged

from 3% to 12% annually.

Lien Amnesty Programs:

- 2004 Lien Amnesty: From February 2 to March 1, 2004, this program offered a 25% reduction, collecting \$1.3 million and addressing 400 cases.
- 2013 Lien Amnesty: From December 2012 to September 2013, this program offered a 4% reduction, collecting \$119,620 and addressing 129 properties, with over \$3 million in liens reduced.
- 2024-Present Lien Amnesty: 263 applications received, with 216 approved for processing (121 properties in FY24, 95 in FY25). This program has resolved 283 enforcement cases, addressing \$16 million in liens, with \$2.4 million in approved mitigation and \$1.6 million collected.
- The goals of lien amnesty is to reduce longstanding debt, encourage voluntary compliance, incentivize proactively addressing violations, and streamline administrative processes.
- Non-Ad Valorem Assessment (2017-2024): Unpaid lot clearing and board-up liens were placed on the tax roll, with 1,036 assessments recorded totaling \$897,333, and \$430,819 collected from 443 paid assessments.

The presentation will include comparative data from neighboring municipalities regarding their fine and lien values versus collection rates, and their current lien mitigation and lien discharge policies. For example, Fort Lauderdale's collection rate of 20% (FY20-FY25) is higher than Sunrise (9%), Hollywood (1%), Miramar (8%), Coral Springs (3%), and Miami Gardens (4%).

Finally, the presentation will outline next steps, including a Modified Lien Amnesty Program to be discussed at a future City Commission meeting. Key proposed changes include adjusting the amnesty discount from 90% to 85% and limiting the discount to 50% for repeat violations, noise violations, vacation rentals violations, and irreparable/irreversible violations. The possibility of restarting lien foreclosure and revising the existing "Account Write-off Policy" for uncollectible liens will also be presented.

Strategic Connections

This item advances the Fast Forward Fort Lauderdale 2035 Vision Plan: We Are Community.

This item supports the Press Play Fort Lauderdale 2029 Strategic Plan, specifically advancing:

- The Neighborhood Enhancement Focus Area, Goal 1: Be a community of strong, beautiful, and safe neighborhoods.
- The Infrastructure and Resilience Focus Area, Goal 3: Be a sustainable and resilient community.

Attachment

Exhibit 1 – Code Enforcement Lien Collection and Administrative Cost Recovery Presentation

Prepared by: Katrina Johnson, Code Compliance Manager, Development Services Department

Department Director: Porshia L. Garcia, Acting Director, Development Services Department