

CITY OF FORT LAUDERDALE City Commission Agenda Memo REGULAR MEETING

#15-0479

TO: Honorable Mayor & Members of the

Fort Lauderdale City Commission

FROM: Lee R. Feldman, ICMA-CM, City Manager

DATE: May 5, 2015

TITLE: Tri-Party Lien Settlement Agreement for Property Located at 1621 NW 26

Avenue

Recommendation

It is recommended that the City Commission approve a tri-party lien settlement agreement for the property located at 1621 NW 26 Avenue.

Background

The property was cited for various property maintenance and Florida Building Code violations that date back to 2003 and 2011 respectively, and has amassed \$86,141.05 in fines (Exhibit 3). The property was presented to the Unsafe Structures Board (USB) on September 18, 2014 due to substantial damage caused by weather, rainwater penetration, neglect and failure of the roofing membrane. On October 16, 2014, the USB ordered the property owner to demolish the structure within ninety (90) days. The City was required to demolish thereafter failing action by the owner. The property has not been demolished due to the pending settlement agreement.

The property owner, Christine Edwards, resides in Stone Mountain, Georgia and is physically incapable of making the needed corrections for the property. As a result of Ms. Edwards' health and the scope of work needed to bring the property into compliance, Ms. Edwards appointed Limited Power of Attorney for Sale of Real Estate to Richard Conner (Exhibit 5). Mr. Conner entered into a contract to sell the property to Sunny Rentals Corporation (Exhibit 4), submitted a timeline for compliance (Exhibit 2), and agreed to enter into a tri-party agreement with the City to settle all outstanding issues related to the property (Exhibit 1).

The key terms and conditions of the Agreement are stipulated below:

- Payment of \$25,000.00 to satisfy outstanding liens and \$10,000.00 escrow deposit to the City upon execution of the Agreement;
- Release of code enforcement liens pertaining to code cases CE03011505, CE06081314, CE09082443, CE11032272, CE11041722, CE12100232, CE13060443, CE13090980, CE13091092, CE13110162, and CE14061084 within 14 days of the date of executing the agreement;
- Completion of specified improvements to bring the property into full compliance within the 120-day time period; and

5/5/2015 **15-0479**

- Refund of escrow deposit if improvements are completed within the 120-day time frame; or
- Forfeiture of the escrow deposit to the City if the buyer fails to finish the work before the mandated compliance period.

The Agreement contains a provision that allows the buyer to request an extension of time for compliance if any delays were caused by acts of God or by the City in the issuance of permits.

The approval of the tri-party lien settlement agreement prevents further deterioration of the building and enables the new owner to rehabilitate the property for occupancy.

Resource Impact

There is a positive fiscal impact to the City in the amount of \$25,000.00 in lien settlements. Funds will be deposited into the General Fund, Index Code DSD040101, Sub Object M103.

Funds deposited as of April 24, 2015:					
ACCOUNT NUMBER	INDEX NAME (Program)	OBJECT CODE/ SUB-OBJECT NAME	AMENDED BUDGET (Object Code)	FUNDS RECEIVED (Object Code)	REVENUE AMOUNT
001-DSD040101- M103	Community Inspections	Fines & Forfeitures/ Code Enforcement Board Fines	\$600,000	\$613,512	\$25,000
				TOTAL ►	\$25,000

Strategic Connections

This item is a *Press Play Fort Lauderdale Strategic Plan 2018 initiative* included within the *Neighborhood Enhancement* Cylinder of Excellence, specifically advancing:

- Goal 5: Be a community of strong, beautiful and healthy neighborhoods.
- Objective 2: Enhance the beauty, aesthetics and environmental quality of neighborhoods.
- Initiative 4: Implement findings from the Code Enforcement Process Improvement Initiative.

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

Attachments:

Exhibit 1 – Proposed Lien Settlement Agreement

Exhibit 2 – Compliance Timeline

Exhibit 3 – Code Enforcement Fine and Lien Report

Exhibit 4 – Contract and Addendum to Contract for Sale and Purchase

Exhibit 5 – Limited Power of Attorney for Sale of Real Estate

Exhibit 6 – Property Information Worksheets

Prepared By: Sharon P. Ragoonan, Sustainable Development

Department Director: Jenni Morejon, Sustainable Development