



CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING

#17-1054

TO: Honorable Mayor & Members of the
Fort Lauderdale City Commission

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

DATE: October 17, 2017

TITLE: Motion Authorizing the Release of Housing Property Liens

Recommendation

It is recommended that the City Commission approve allowing the satisfaction or settlement of all “forever loans” secured by mortgages in favor of the City of Fort Lauderdale provided the neighbor has resided on the subject property a minimum of fifteen (15) years and can provide satisfactory evidence of residency.

Background

The Housing and Community Development Division administers the Housing Rehabilitation and Purchase Assistance Program for repair of owner-occupied homes and first time homebuyers. Funds are awarded as a deferred loan secured by a soft second mortgage and note for a specific affordability period. The affordability period is the time which the property must be kept affordable to households of a designated income and the neighbor is required to maintain the property as their primary residency. Some projects prior to 2013 did not specify a term thereby leaving the lien on the properties for an indefinite period including those that state that it is a non-forgivable deferred payment loan for as long as the property owners hold title. Many of the projects have liens that are 20 years old or more which are not enforceable but nonetheless prohibit the neighbors from selling, transferring or mortgaging their properties. Many others that have not reached 20 years yet are affixed to properties that are either worth less than the mortgage lien or have so little equity in them that it prevents the neighbor from selling the property.

City staff recommends that all requests for satisfaction or settlement of liens by the neighbor or legal representative on behalf of that neighbor for properties with liens of fifteen years old or older be granted by the City Manager without further authority from the City Commission if the neighbor has resided on the property for fifteen years with supportive documents. This requirement would be consistent with the current policy where the property is secured by a mortgage or note and must be occupied as the primary residency for fifteen years. The neighbor will be required to pay any applicable administrative fee to the City for recording of the mortgage satisfaction in a money order or cashier check.

Resource Impact

There is no fiscal impact.

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.
- Option 2: Ensure a range of housing options for current and future neighbors.

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

Attachments

Exhibit 1 - Letter for 623 NW 13th Terrace, Fort Lauderdale, Florida 33311

Exhibit 2 - Letter for 833 NW 2nd Street, Fort Lauderdale, Florida 33311

Prepared by: Avis A. Wilkinson, Housing Programs Administrator

Department Director: Mario DeSantis, Acting Housing and Community Development Manager