



**CITY OF FORT LAUDERDALE
City Commission Agenda Memo
REGULAR MEETING**

#18-0401

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

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

DATE: May 1, 2018

TITLE: Motion to Approve an Extension of Lien Settlement Agreement with 301
Second Corp and City Center Properties Inc.

Recommendation

It is recommended that the City Commission approve a ninety (90) day extension of the Lien Settlement Agreement (LSA) with 301 Second Corp and City Center Properties Inc., owners of the properties at 301 and 307 SW Second Street.

Background

At its August 16, 2016, meeting the City Commission approved the LSA between the City of Fort Lauderdale and 301 Second Corp and City Center Properties Inc. (Exhibit 1).

Per the LSA, the construction must be completed and a Certificate of Occupancy (COO) obtained within fifteen (15) months of starting construction. The first inspection for the master permit took place on February 16, 2017, with the expiration of the (15) months will be on May 16, 2018. As outlined within item number nine (9) of the LSA (Exhibit 1), if the redevelopment project is delayed due to circumstances beyond the control of the owner, a written request may be submitted to the City, before expiration of the applicable term, describing the reasons and requested change in any compliance date. At this time, the owner is requesting a ninety (90) day extension of the compliance date and for that date to be moved to August 14, 2018.

A written request for a 90-day extension of the LSA from Les. H. Stevens, Esquire, counsel for the owners Eric and Diana Magid is attached as Exhibit 2. The exhibit lists several issues encountered during construction that have led to a request to extend the Lien Settlement Agreement. City Administration supports the request based upon the issues presented in the request.

The City of Fort Lauderdale recorded a code enforcement lien in case numbers CE13051125 and CE13051225 against the owners, 301 Second Corp and City Center Properties Inc., (hereinafter together referred to as "Owner") for code enforcement violations for failure to comply with the City of Fort Lauderdale Code of Ordinances as the properties were unlawfully used as parking lots. The lien amount for CE13051125 was

\$782,150 which continued to accrue at \$1,100 per day, and the lien amount for CE13051225 was \$592,600 which continued to accrue at \$1,000 per day.

As part of the LSA, the City received one hundred and twenty five thousand dollars (\$125,000) in fiscal year 2016. If the property owner fails to adhere to the conditions of the LSA or re-institutes the use of the property as a parking lot, without bringing the property into compliance with the current applicable Florida Building Code, City of Fort Lauderdale Unified Land Development Regulations (ULDR) and obtaining a Certificate of Occupancy for the Redevelopment Project, then the City shall have the right to reinstate the code liens, less the lien settlement payment on the property, plus per diem fine accruals through the date the owner ceases to use the property as a parking lot, and record said liens in the public record of Broward County. Any liens that are recorded shall remain against the property until the total amount of the liens are paid in full. Any daily fine accruals shall continue at the rate previously set forth (Exhibit 1).

The owner terminated its use of the property at 301 and 307 SW Second Street as a parking lot within fifteen (15) days from the adoption of the LSA by the City Commission. Upon said termination in use, in addition to the mitigation of the Code Liens, the owner was deemed in compliance with the code cases.

Resource Impact

There is no resource 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.
- Objective 2: Enhance the beauty, aesthetics, and environmental quality of neighborhoods.
- Initiative 4: Implement the finding from the Code Compliance Process Improvement.

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

Attachments

Exhibit 1 – Executed Lien Settlement Agreement

Exhibit 2 – Request for Extension

Prepared by: Trisha Logan, Planner III, Sustainable Development

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