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32 Contingent Lien/Encumbrance Settlement Program.

33 **BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF**
34 **BOYNTON BEACH, FLORIDA:**

35 **Section 1.** The foregoing "WHEREAS" clauses are hereby ratified and confirmed
36 as being true and correct and are hereby made a specific part of this Ordinance upon adoption
37 hereof, as if fully set forth herein.

38 **Section 2.** Part II, Chapter 2, Article V, "Code Compliance Board; Special
39 Magistrate", is amended by creating a new Section 2-93 of the Code of Ordinances entitled
40 "Contingent Lien/Encumbrance Settlement Program," to read as follows:

- 41
- 42 1. The City may enter into a Contingent Lien/Encumbrance Settlement Agreement
43 (hereinafter "Agreement") with a contract purchaser of real property when the City
44 determines the Agreement will advance, in the City's sole discretion, the development
45 or re-development of a chronically blighted/nuisance property. An Agreement with
46 the City is an opportunity and not a matter of right.
47
- 48 2. A party who has a contract to purchase real property encumbered by a City lien or a
49 property on which daily code compliance fines are accruing may submit a written
50 application to the Code Compliance Division by fully completing the City's
51 application. Incomplete applications shall be returned to the applicant prior to
52 acceptance by the City, and if not returned with all required information completed
53 within thirty (30) days the application shall be considered withdrawn.
54
- 55 3. The applicant shall pay a non-refundable application fee of one thousand dollars
56 (\$1,000), payable at the time the application is submitted. The amount of the
57 application fee may be revised by the City Commission by resolution.
58
- 59 4. Upon receipt of an application, the City shall confirm that subject property is free of
60 all outstanding debts (including taxes) due to the city. The Agreement shall delineate
61 all outstanding debt owed to the City and settlement amount of each and a total
62 settlement amount.
63
- 64 5. In addition to the documentation required as part of the application, the applicant may
65 provide any documentation, including, without limitation, photographs, receipts,
66 permits, and similar items, which the applicant wishes to have considered as part of
67 the request.
68
- 69 6. Upon the City's receipt of a complete application and payment of the application
70 fee, a City code enforcement officer shall inspect the applicant's property to

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- 71 ascertain outstanding violations existing at the property. The code enforcement officer
72 shall provide the applicant with a written explanation of the remaining items that
73 must be completed in order to bring the property into compliance.
74
- 75 7. Upon the completion of the property inspection, the Code Compliance Coordinator
76 and Building Official, or their department designee, and any other member of City
77 staff designated by the City Manager, shall consider the factors required by this
78 section and determine the amount to which the accrued fines set forth in the lien(s)
79 should be reduced, if at all, and an appropriate time for bring the property into
80 compliance. This time for compliance is subject to negotiation and reflected in the
81 Agreement. The Agreement shall contain a provision for recordation of new liens
82 against the property due to failure to comply.
83
- 84 8. When determining a settlement amount, the Code Compliance Coordinator and
85 Building Official, or their department designee, and any other member of City staff
86 designated by the City Manager, shall consider the following:
87
- 88 a) The gravity of the violation;
89 b) Efforts, if any, taken by the violator/property owner to come into compliance;
90 c) Efforts, if any taken by the contract purchaser to come into compliance on other
91 properties in the City in which the contract purchaser has or had an interest;
92 d) Any previous code violations by violator or contract purchaser;
93 e) the length the violation remained in place, any difficulties or unique circumstances
94 affecting the ability to come into compliance,
95 f) the level of investment necessary to bring the property into compliance,
96 g) accrued amount of the lien,
97 h) current property value compared to the accrued lien,
98 i) time and incurred costs by City to bring the property into compliance,
99 j) current ownership of the property, ie. Owner-occupied, REO or investment
100 property and any other factors the City deems relevant.
101
- 102 9. The City's costs of enforcement, including, without limitation, any charges resulting
103 from City's abatement of health and safety violations on the property and
104 administrative costs shall be listed separately in the Agreement and may
105 not be mitigated or reduced.
106
- 107 10. The Agreement shall indicate the status of the violations on the property, the total fine
108 accrual, the lien settlement amount, the administrative fees and costs incurred by the
109 City, a provision stating that the City's agreement to settle the liens is contingent on
110 the owner/buyer entering into a Agreement with the City to bring the property into
111 compliance, and the Agreement by a date certain. If there are any outstanding debts
112 owed to the City, the agreement shall indicate that the City's agreement to settle and
113 provide a release of the lien(s) is conditioned upon the owner/buyer providing the City
114 with proof of payment.
115

- 116 11. The Agreement constitutes an offer by the City to settle the City liens or claims. The
117 City's offer is deemed withdrawn if not accepted by the contract purchaser and
118 returned to the City within thirty (30) days.
119
- 120 12. If more than thirty (30) days elapse from the date of the issuance of the City's offer,
121 the Applicant shall submit an updated Application, and a re-inspection fee in the
122 amount of \$150.00 so the City may confirm whether the condition of the property has
123 changed. Upon re-inspection, the City shall provide an updated offer of Agreement,
124 valid for an additional thirty (30) days. City staff may in its sole discretion waive this
125 requirement if the Property is scheduled to close within five (5) days of the expiration
126 of the previously issued offer of Agreement. An extension granted pursuant to this
127 Section shall only be granted by the City one (1) time. If additional extensions are
128 required, the Applicant shall be required to submit a new application in accordance
129 with Paragraphs 1, 2, and 3 above.
130
- 131 13. The City is authorized at its sole discretion to grant no more than two extensions to the
132 agreement for a period not to exceed 90 days each. The extension shall be requested in
133 writing with justifiable cause demonstrated prior to the expiration of the stipulated
134 agreement. The City shall assess a fee of 10% of the lien settlement amount as an
135 extension fee.
136
- 137 14. If the name of the actual buyer/applicant changes after the issuance of the City's
138 Agreement, the Applicant shall be required to submit a new application in accordance
139 with Paragraphs 1, 2, and 3 above.
140
- 141 15. An Agreement is not assignable.
142

143 **Section 3.** Part II, Chapter 2, Article V, "Code Compliance Board; Special
144 Magistrate", Section 2-85(4) of the Code of Ordinances is amended to read as follows:

145
146 Sec. 2-85. Criteria for lien reduction.

147
148 The following criteria must be complied with prior to a lien reduction hearing before the
149 Code Compliance Board or Special Magistrate:

- 150
- 151 (1) The property in question must be in total code compliance and an affidavit of
152 compliance must be issued for the code compliance case that is being appealed.
153
- 154 (2) The subject property must be free of all outstanding debts (including taxes) due the
155 city.
156
- 157 (3) An application fee of two hundred dollars (\$200.00) must be included for the
158 application to be processed.
- 159 (4) This section does not apply to lien waivers or reductions are sought in conjunction
160 with redevelopment of commercial and residential properties pursuant to the
provisions of Section 2-93 of this Chapter.

161
162

Section 4. If any section, sentence, clause, or phrase of this Ordinance is held to be invalid or unconstitutional by any court of competent jurisdiction, then said holding shall in no way affect the validity of the remaining portions of this Ordinance.

Section 5. It is the intention of the City Commission of the City of Boynton Beach, Florida, that the provisions of this Ordinance shall become and be made a part of the City of Boynton Beach Code of Ordinances; and that the sections of this ordinance may be renumbered or relettered and the word "ordinance" may be changed to "section," "article," or such other appropriate word or phrase in order to accomplish such intentions.

171 **Section 6.** This Ordinance shall become effective on the date of second reading set
172 forth below. All changes, additions, and implementation of any rate or fee shall take effect
173 immediately.

174 FIRST READING this _____ day of _____, 2016.

175 SECOND, FINAL READING AND PASSAGE this ____ day of _____,
176 2016.

177 CITY OF BOYNTON BEACH, FLORIDA

178			
179		YES	NO
180			
181	Mayor – Jerry Taylor	_____	_____
182			
183	Vice Mayor – Joe Casello	_____	_____
184			
185	Commissioner – David T. Merker	_____	_____
186			
187	Commissioner – Mack McCray	_____	_____
188			
189	Commissioner – Michael M. Fitzpatrick		

192 VOTE

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193

194 ATTEST:

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196

197

198 Judith A. Pyle, CMC

199 Interim City Clerk

200

201

202

203 (Corporate Seal)

204

205