



070777

Removal of Liens

Community Development Committee

CDC Referral

- Partial release of lien affecting 1245 Southeast 4th Avenue and 1239 Southeast 3rd Avenue.
- CEB lien enforced on property where code violation existed and other properties owned by the property owner.
- Request was made to release the lien on a secondary property.

CEB Lien Release Process

- Liens are enforced when property owners fail to comply with a Code Enforcement Board (CEB) order and fines exist. Liens apply to all property owned by the subject property's owner.
- If the property comes into compliance, the CEB can rescind a fine the board imposes which effectively removes the lien.
- City Commission has the authority to release a lien imposed by the city.

CEB Fines/Liens

CEB finds
property owner
guilty and
imposes fine

Violation exceeds
CEB imposed
deadline and fines
begin to accrue

CEB enforces a
lien on the
property and other
properties owned
by the property
owner to secure
the city's interest
in the fine

Violation
corrected by
property owner
and a request to
reduce or rescind
the CEB fine is
submitted

Options to Resolve a CEB Lien

- Appeal CEB decision to the county court
- Appeal to the CEB an affidavit of non-compliance issued by a code enforcement officer
- Request a reduction or rescission before the CEB
- Only the City Commission can release a lien.

Staff Recommendation

- Staff would not recommend changes to the current process to reduce or rescind a CEB fine on the primary property.
- Staff Guidelines for removal of liens on secondary properties.
 - New ownership with plans for productive use or redevelopment
 - Affordable Housing
 - Within a CRA District
 - Economic Development
 - Do sufficient assets exist which can be attached to secure the city's interest after releasing any liens?
 - Consider
 - Was a title search completed by the new owner
 - Title company's responsibility
 - Do code violations exist

Staff Recommendation, Cont.

- Because the City Commission must release a CEB lien:
 - If the aforementioned conditions are met staff will provide that information to the City Commission and recommend removal of the lien from the subject property and retain the lien on the primary property where the violation exists / existed.
 - If any of these conditions are not met staff will recommend denial of the request.

Administrative Liens

- The reduction or rescission of Administrative liens was not part of the original referral, however the City Commission has received two requests in the last year.
- Administrative liens are placed on a property as a result of action taken by the city to abate a code violation.
- Generally a result of abating a dangerous building or hazardous land violation and include the abatement costs, title search advertisement, and recording costs.
- Liens range from approximately \$500 - \$10,000.
- Current Process – Requests for removal of administrative liens are submitted to the City Commission for approval.

Administrative Liens



Violation is
identified by city
staff

Violation is not
corrected and the
city takes action to
abate the violation

Property owner is
billed for
abatement costs
and if unpaid a
lien is placed on
the property

Staff Recommendation

- Administrative liens are in place to recover city funds used to abate a city ordinance violation on a private property therefore staff would not recommend reducing or rescinding an administrative lien.
- Alternative Recommendation
 - The Community Development Committee discuss guidelines for reducing or rescinding administrative liens
 - Direct staff to bring a program back to the CDC to discuss at a future meeting.