

**WORKSHOP
LAKE HELEN CITY COMMISSION
FEBRUARY 17, 2009
7:00 P.M.**

MINUTES

A WORKSHOP of the City Commission of the City of Lake Helen, Florida was called to order by **Mayor Duffy** at approximately 7:00 p.m. Present were Mayor Duffy, Vice-mayor Snowden, Commissioners Robbins, Burton and **Lane**. Also present were **City Attorney Lonnie Groot, City Administrator Don Findell** and **City Clerk Nancy Wilson**.

CALL TO ORDER: Mayor Duffy

COMMISSION DISCUSSION

Discussion about drafting an ordinance related to registration of residential rental properties, vacant residential properties and pre-foreclosure properties.

City Attorney Lonnie Groot is going to walk us through the ordinance and answer questions to see what the Commission wants to do. City Attorney This ord before you is a 3 part ord. It's not in final form, but it's in workshop form to see how you want to proceed.

1. Regulatory provision that would address properties that are res. Rental prop when they are owned by absentee landlords. Those being owners who are not residents of VC or an abutting county. If a landlord was an absentee landlord they would be required to have a local rep designated to be a contact person in the event of code enforcement actions and the like.
2. Regulatory provision dealing with props that are in the foreclosure process and requires registration by the mortgagee/lender and requires the duty of maintenance upon the mort/lender so that the City will know what properties are facing forecl and be able to address them and also be able to ensure those props are maintained when the resident mortgagor/borrower has departed or when the property is vacant. Handouts - first handout is an article that was just published in the Florida League of Cities magazine. OpEd arguing for a state legislation on this issue. Written by the Mayor of Lauderhill. Leg has already had leg filed (handout) very much in detail regulates property that are in the forec process. Leg sessions starts in two weeks 3/1. Likely that the leg will get into this field, preempt it and make local ord ineffectual if not unallowed. On that part of the ord, the leg, even if you decide to go forward with this generally, you might want to wait to see what the legislature does. What the introduced leg does is if a lender fails to register the foreclosed property on the statewide reg and other things that they fail to do there are fines associated with that. The way it's written is the first cut out of the fine goes to the local gov to satisfy any liens on that property. That's in there now. It may not be in there when it passes. Duffy: did

you indicate that the state would be keeping a registry? Groot: yes. There's still local gov work in the context of these foreclosures because they are using the registry and has confirmation. Lender has to register and has to notify the local gov and the local gov has to certify that they've been notified. There is activity going on about this on the state level and I think the leg will . We may be preempted

3. A mechanism to ensure that the city recoups expenditures that it makes on nuisance abatement activities. If the city is forced to demolish a building, clear a lot, clean a lot, there are costs involved. The city then places notice in the land records and places a lien against the property. The problem is if you have a foreclosure you don't have priority. This ordinance places a special assessment district throughout the entire city. Makes those types of activities not just activities that result in liens but activities that result from spec. ass. Spec. ass is treated at the same level as a tax. So, if there's foreclosure it won't get wiped out because of a low priority. Resulting in better collection. The way this ord is setup is the spec ass lien will be recorded and just sits there. When an event necessitates clear title. It won't go on the tax rolls as a special assessment would for roads, streetlights, etc. You can do that and I've seen ords that have done that. One issue that always comes up on this issue of putting it on the tax rolls is if the spec ass is placed on the tax roll and the property owner pays city, county, school, water, etc taxes but doesn't pay that special assessment that's due, it goes into the tax certificate process. Some people think that's the way it should be but other people think that's too harsh. That's the commission's decision.

Those are the 3 parts of the ordinance.

Robbins: how many foreclosures are there in Lake Helen? (he went into a great deal of detail about pre-forclosures and foreclosures but the bottom line...)Burton said he's been to a website realtytrac.com and enter our zip code. It reports 4 propertys in REO, 429 properties in currently in default but that included surrounding areas and as far back as November. 45 properties that have been since Nov.

The available figures report different activities so it's difficult to say exactly how many foreclosures there are in Lake Helen.

Duffy , in light of what mr. Groot just told us, what is your feeling about waiting to see what the state is going to do.

Burton: one more thing. There is a co. in Austin TX. While working in Sanford A sign saying the property has been secured by Field Assets Inc. Banks hire this comapy to manage their properties. They are nationwide. 55 billion dollars worth of property. Over 65,000 properties that they manage. One of the things they said is that they have a program instituted last year. Taken a proactive approach but getting in touch with code enforcement in localities to work together. 4 days after the company is notified by the bank they will go in change locks, clean property and maintain the lawn. What he saw today the sign said "we have gone into this property, we've secured the property on behalf of the property. Should the owner access to property, call us for the key." This

property was foreclosed on, bank was notified, they called this company, they changed locks, put notice on property. I gave them Pat C.'s number. We should be getting a call from this agency. I contacted them because of this meeting. This company has figured out that there's a market for this and they offer a valuable service. Once the bank determines that they have a property, we must maintain this property so it doesn't deteriorate we must pay somebody. They use local real estate offices who is an agent for this company who would hire local lawn care person or maintenance man, etc. They are forward looking which is what we are hopefully going to do. He's unable to give an exact figure on the number of foreclosures. He continued blabbing about the economy, foreclosures and the stimulus package.

Duffy asked if we wanted to table this until we hear more from the state.

Findell: You're dealing with multiple issues of which foreclosures is just one. Absentee landlords and maintenance of properties. The problems that we experienced the last couple of years with a number of properties not maintained were not a result of foreclosure action but absentee ownership. The primary problems were associated with one firm. We periodically others that have to be addressed as well that are a result of absentee ownership. The state is addressing foreclosure issues and trying to find some way to establish statewide database on one hand and to respond to the lending institutions concern about an undue financial burden on them by having to pay a resgistration fee.

Robbins: Other than the one absentee landlord who owned multiple properties, I see problem with single family residential properties looking like pig pens and these are people who own and live in these properties. There are many in Zone 1. There all over town but for the most part other than the absentee landlord who we all know, that's the only one I know of. I know most everybody in town.

Patrick: Code Enforcement is an ugly creature. Our standard of living can be a complete different standard of living than other peoples. The way other people live is not against our city ordinances or codes. We don't live in a gated community or deed restricted so there are only certain things or tell someone how to live. When I was hired we didn't want the gestopo in Code Enforcement. We wanted someone who was going to work with the general public. When I am able to work with somebody, I do that. We've dealt with the infamous absentee owner and we've tried to deal with that owner with our current ordinances. It's difficult to get people to do the right thing when it's not necessarily illegal – not against the ordinance.

Findell: in the last few years, outside of the one, how many other instances have you had where you've had to contact people outside of the area. He answered quite a few. In one case, they have a family member who lives in town but the owner lives oot. I'm able to go to that local person and say "the property is getting out of hand". Typically within 7-10 days, the problem is fixed. Having somebody locally who I can call and work with "what can we do to resolve this issue?" I don't have to track somebody down. Code enforcement is not a speedy process so being able to pick up the phone and call somebody is great. Sometimes, I can't even find who is responsible for the property

and don't know who owns the property. I can't issue a violation without knowing to whom it goes. I like what I've seen so far in the proposed ordinance. How long does a property have to be vacant before you have to register it? Lonnie: under part 2 of the ordinance related to foreclosure, vacant doesn't mean just vacant (p. 11)

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Vacant means any property not legally occupied and not properly maintained or secured from access by unauthorized person.

ADJOURNMENT