



Memorandum

File #: Item # 2017-190, Version: 1

MEMORANDUM

To: Honorable Mayor and Town Council

From: Rafael G. Casals, Town Manager

Date: November 15, 2017

Re: Proposed Annual Registration Fee for Vacant Properties (***Changes between First and Second Reading Highlighted***)

REQUEST

AN ORDINANCE OF THE MAYOR AND TOWN COUNCIL OF THE TOWN OF CUTLER BAY, FLORIDA, AMENDING CHAPTER 26 "PROPERTY MAINTENANCE AND CONTROL" OF THE TOWN CODE OF ORDINANCES RELATING TO THE REGISTRATION OF ABANDONED REAL PROPERTY; PROVIDING FOR SEVERABILITY; PROVIDING FOR CONFLICT, AND PROVIDING FOR AN EFFECTIVE DATE.

BACKGROUND AND ANALYSIS

On September 17, 2008, Town Council adopted Ordinance 08-16, to include provisions related to the registration, maintenance and security of abandoned real property in order to address the growing number of foreclosed property that the Town was experiencing at the time. In February 2010, the Town contracted Community Champions, to facilitate the process of registering properties within the Town and obtaining lender property preservation department contact information. The Community Champions contract was subsequently renewed on March 17, 2016.

On November 17, 2010, Town Council adopted Ordinance 10-14, amending Ordinance 08-16 to include language requiring that the registration be required at the time of lis pendens, regardless of occupancy, in order to address the issue of abandoned properties in disrepair early in the potential sale and/or foreclosure process. With the adoption of the Town Code on October 19, 2016, Chapter 19 was codified into Chapter 26 of the Town Code. The Code section pertaining to the Registration of Abandoned Real Property has been codified to read as, Section 26-251 which reflects changes from both Ordinance 08-16 and Ordinance 10-14 (*Attachment "A"*).

Town Code section 26-251 as is currently in effect, does not require registration renewals and establishes the Town as one (1) of two (2) municipalities contracted with Community Champions without annual renewals (*Attachment "B"*). The Code Compliance Department staff have encountered situations in which, property registrations have not been updated due to the frequent turnover in ownership of the foreclosed properties. As a result of not knowing which financial institution owns the property in question, Code Compliance Officers are delayed in obtaining ownership information to seek compliance for unmaintained vacant properties.

An initial registration fee of \$150.00 accompanies all registration forms, and the Town receives an estimated annual revenue of approximately \$29,000.00. As of October 2017, there are approximately 1,800 active registered properties within the Town. It is estimated that approximately 1,000 registered properties, have been on the vacant property list for over one (1) year and may have changed ownership and/or sold. This number is an estimation, and may not be accurate as the Town does not require a renewal of registration.

The proposed amendment to Code section 26-251 will require an annual renewal of the foreclosed property registration. The annual registration will create accurate data in the Vacant Registry as it will be updated at least once a year. In addition, the annual renewals process will ensure that properties that are no longer in foreclosure will be removed from the list.

RECOMMENDATION

Staff recommends the Council adopt the attached Ordinance requiring Mortgagees to renew registration of foreclosed properties annually.

ATTACHMENTS

- Attachment "A" - Town Code -Chapter 26, Section 26-251
- Attachment "B" - Community Champions Local Government Client List
- Attachment "C" - Advertisement Miami Herald Local Section (November 2, 2017)