

**CITY OF ATLANTIC BEACH
CODE ENFORCEMENT BOARD
CITY HALL, COMMISSION CHAMBER
JANUARY 12, 2016, 6:00 PM**

AGENDA

Call to Order

Pledge of Allegiance to the Flag

Roll Call

1. Approval of Minutes of the Regular Meeting of November 10, 2015.
2. Administration of Oath to Defendants/Witnesses.
3. Old Business

<u>CASE ID</u>	<u>NAME & ADDRESS</u>	<u>VIOLATION</u>
12-00000907	WILLIAM R BLACKARD JR	IPMC Sec. 304.7 Roofs and Drainage
	1595 BEACH AVE	IPMC Sec. 304.10 Stairway,Deck,Porch,Balco
		IPMC Sec. 304.2 Protective Treatment
		IPMC Sec. 304.4 Structural Members

4. New Business
None
5. Miscellaneous Business
None

Adjournment

Please Note: This meeting will be live-streamed and videotaped and can be accessed by clicking on the Meeting Videos tab located on the home page of the City's website at www.coab.us.

In accordance with the provisions of Florida Statute, Section 286.0105, if a person decides to appeal any decision made by the Board with respect to any matter considered at this meeting, he/she will need a record of the proceedings and for such purpose he/she may need to insure that a verbatim record of the proceeding is made, which record includes the testimony and evidence upon which the appeal is to be based.

In accordance with the provisions of Florida Statute, Section 286.26, persons with disabilities needing special accommodation to participate in this meeting should contact the Code Enforcement Board Secretary at (904) 247-5810 no later than 48 hours prior to the meeting.

DRAFT

CITY OF ATLANTIC BEACH
CODE ENFORCEMENT BOARD MINUTES
6:00 P.M. – NOVEMBER 10, 2015

IN ATTENDANCE:

Meade Coplan, Interim Chair
Louis Keith
Richard Lombardi
Lindsay Norman
Don Sasser

Richard Komando, City Attorney
John Markee, Code Enforcement Officer
Dayna Williams, Secretary

City Attorney Richard Komando called the meeting to order at 6:01 p.m., followed by the Pledge of Allegiance to the Flag.

Secretary Dayna Williams read the roll, finding a quorum was present.

1. Election of Chair and Vice Chair

City Attorney Komando stated it was appropriate for the Board to make a decision if they would like to nominate someone for the position of Chair. Mr. Komando stated, for the Board's purposes, there was some belief from the Board Member Review Committee that Mr. de Luna, who is not present, might be suitable for the position of Chair or Vice Chair. Mr. Komando stated City Staff contacted Mr. de Luna in advance and he indicated he is willing to serve in either position.

Motion: The Board moves to suspend the installation of a Chair and Vice Chair until the January meeting, at which time Mr. de Luna will be back along with our seventh member, Kirk Hansen, who comes on board in January.

Moved by Keith, Seconded by Coplan

Discussion ensued. Mr. Komando stated it is up to the Board to suspend the election at this time, but they still need to designate an Interim Chair for this meeting.

The motion was approved unanimously.

Mr. Komando stated we will defer Item #1 on the Agenda for the next meeting in January. Mr. Komando asked the Board who they would like to appoint as the Interim Chair.

Motion: The Board moves to appoint Meade Coplan as Interim Chair.

Moved by Keith, Seconded by Lombardi

The motion was approved unanimously.

2. Approval of Minutes

Motion: Approve the minutes of the Code Enforcement Meeting of September 8, 2015.

Moved by Sasser, Seconded by Keith

The motion was approved unanimously.

3. Administration of Oath to Defendants/Witnesses

Interim Chair Meade Coplan gave the oath to the defendants and witnesses.

4. Old Business

None

5. New Business

None

6. Rehearing

<u>CASE ID</u>	<u>NAME & ADDRESS</u>	<u>VIOLATION</u>
13-00000727	Obi Dorsey	<p>IPMC 302.4 Weeds. All premises and exterior property shall be maintained free from weeds or plant growth in excess of twelve (12) inches. All noxious weeds shall be prohibited. Weeds shall be defined as all grasses, annual plants and vegetation, other than trees or shrubs provided; however, this term shall not include cultivated flowers and gardens.</p> <p>IPMC 304.7 Roofs and drainage. The roof and flashing shall be sound, tight, and not have defects that admit rain. Roof drainage shall be adequate to prevent dampness or deterioration in the walls or interior portion of the structure. Roof drains, gutters, and downspouts shall be maintained in good repair and free from obstructions. Roof water shall not be discharged in a manner that creates a public nuisance.</p>

Code Enforcement Officer John Markee presented the case, stating the property address is 1227 Violet Street and this case is a rehearing to request a reduction of the fines. Mr. Markee stated the fines have accrued to \$47,587.76, which includes interest. Mr. Markee stated this was originally a Bennett property that went into foreclosure with HSBC Bank in 2014. Mr. Markee stated this property was previously before the Board in January 2014 for violation of IMPC 304.7 Roofs and drainage. He stated, at that time, the Board ordered that compliance be achieved on or before March 14, 2014. Mr. Markee stated the Affidavit of Non-Compliance was done on March 24, 2014.

Mr. Markee stated he received a complaint of squatters on the property on May 26, 2015 and his inspection found the property in poor condition. Mr. Markee stated Mr. Dorsey purchased the property on May 27, 2015 and on June 1, 2015, Mr. Dorsey requested an onsite meeting with him to discuss the violations on the property. Mr. Markee stated Mr. Dorsey had already cleaned up the mess from the squatters, cleaned up the lot and secured the property to ensure there would be no more intrusions. Mr. Markee stated an Affidavit of Compliance was done on June 16, 2015 and sent to Mr. Dorsey. Mr. Markee stated on June 23, 2015, Mr. Dorsey requested a rehearing with the Board. Mr. Markee stated he had to refer him to the September meeting, due to the fact that the July meeting was a workshop. He stated on August 14, 2015, a Notice of Rehearing was sent to Mr. Dorsey for the September meeting; however, the case was deferred due to a miscommunication, which Mr. Dorsey will explain when he addresses the Board. Mr. Markee stated Mr. Dorsey is present and would like to address the Board.

Obi Dorsey, 3955 Riverside Avenue, stated he would like to apologize for the miscommunication regarding the September meeting, stating he misinterpreted the dates and time of the meeting. Mr. Dorsey stated he would like to petition the Board regarding the fines. He stated in order to make this a viable project and allow him to complete the renovations as needed, he is requesting some forbearance regarding the outstanding liens and fines. Ms. Coplan asked if he purchased the property knowing there were fines in place, and he stated that is partially accurate. Mr. Dorsey stated he bought the property from a foreclosure auction and did not know what the title said until he had committed to buy the property, which required a substantial deposit or down payment. He stated he found out about the lien approximately one week before he was to close. Mr. Sasser asked, with the auction

procedures, would he have any way of knowing that during that time. Mr. Dorsey stated he did find out about the lien prior to purchasing the property, but after already committing to the purchase. Mr. Sasser stated, in summary, you had already put the bid and deposit at auction, so you are purchasing it with that as a caveat, and Mr. Dorsey stated yes. Discussion ensued.

Mr. Komando stated before submitting a bid you can check the property appraiser's website to see if there are any liens on a property. Mr. Dorsey stated the title company does that and we bid on a couple of hundred properties a week. Mr. Komando stated, so it is not that you could not do it, you just did not do it, and Mr. Dorsey stated that is correct. Mr. Dorsey stated our due diligence is that we bid on properties, we win the bids, and it goes through a second set of underwriting. Mr. Komando asked Mr. Dorsey to tell the Board who he is referring to when he says we. Mr. Dorsey stated he has partners on this deal. Mr. Dorsey stated they are aware it is a calculated risk when they commit to buying a property.

Mr. Komando asked Mr. Dorsey what he is asking the Board to do. Mr. Dorsey stated he is coming before the Board to settle the liens and get on with the renovation of the property. Mr. Norman asked what is your plan and timetable going forward. Mr. Dorsey stated the physical renovations should be a 60 to 90 day period and approximately the same amount of time to market and sell the property. He stated the cost of the renovations should be approximately \$90,000.00. Discussion ensued. Mr. Sasser asked Mr. Dorsey what is the estimated value of the property and what are you going to put it on the market for. Mr. Dorsey stated between \$180,000.00 and \$200,000.00. Discussion ensued.

Motion: The Board moves to reduce the lien to \$5,000.00.

Moved by Coplan, Seconded by Lombardi

Mr. Lombardi stated the Board has often discussed the need to come up with a daily rate for the administrative costs and time, and asked if a rate had ever been calculated. Mr. Komando stated no. He explained that after looking into it, it had been determined to be too much to calculate.

Mr. Keith stated he looks strongly at the sophistication of the investors, and this is a sophisticated investor. He stated they are in a risky business and the information is readily available to the public. Mr. Keith stated he did not think the recommendation from Ms. Coplan of \$5,000.00 is out of line.

Mr. Komando stated, it may help the Board if he provides some background numbers. Mr. Komando stated when the purchase was foreclosed it sold for \$62,700.00, and Mr. Dorsey expressed they are looking to put another \$90,000.00 in renovations. Mr. Komando stated their total costs are approximately \$153,000. He added, looking to sell it at \$180,000.00 to \$200,000.00 puts their profit margin at \$30,000.00 to \$40,000.00; understanding this is one side of the scale. He stated the other side of the scale is the obvious benefit to the City for this to become a taxable income producing property. Mr. Komando stated this is the balance the Board is looking at for any consideration of reducing a Code Enforcement lien.

Mr. Dorsey stated it is a moving target for us, so we do not have all the facts and we learn as we go. He stated if he had gone in eyes wide open on this, he probably would not have done the deal. He stated the risk the Board runs if you penalize people you will deter investor activity, and long term, it might not suit your end goal, which is to have a nice community.

Mr. Keith reiterated his comments that this is a risky business, but the information is public. He stated, perhaps when the word gets out in the investment community, the banks will clean up their acts before they unload properties with all these liens. Mr. Keith added, he thinks we need to have enough to recoup our costs and bring some deterrents to this.

Mr. Norman called the question. Mr. Komando interjected, asking Mr. Dorsey if the fine is reduced to \$5,000.00, when he would be able to pay the fine. Mr. Dorsey replied, tomorrow, and Mr. Komando stated the Board could put a time frame on that motion for the record.

Amended Motion: The Board moves to reduce the fine to \$5,000.00 to be paid by November 25, 2015.

The Board took a vote on the Amended Motion.
The motion was approved unanimously.

5. Miscellaneous Business
None

Adjournment

There being no further discussion, the meeting adjourned at 6:32 p.m.

Meade Coplan, Interim Chair

Dayna L. Williams, Secretary