



**FINANCE DEPARTMENT
MEMORANDUM 10-27**

Date: December 2, 2020

To: Mayor and City Commissioners

From: Andrew Jean-Pierre, Finance Director

Via: Greg Harrison, City Manager

Subject: Code Enforcement Amnesty Program

As you are aware, the City of Pompano Beach currently issues citations for a variety of alleged offenses of its Code of Ordinances. Common examples include construction debris, overgrowth, dismantled vehicles, fences in disrepair, presence of garbage or refuse, accumulation of stagnant water, unlicensed vehicles, parking vehicles on unpaved surfaces, etc. These efforts are aimed at preventing or eliminating blighted and unsafe properties. Although many violations are remedied simply through issuing warnings to property owners, when property owners fail to comply, they are ordered to appear before the Special Magistrate and comply or face fines.

In cases where a property owner fails to appear before the Special Magistrate or fails to comply with Special Magistrate orders, daily fines of up to \$1,000 per day, per violation, may be imposed and up to \$5,000 per day, per violation, for repeat violations. Fines continue to accrue on a daily basis until compliance is achieved. This daily accrual of fines means that a non-compliant property owner can easily accrue several thousand to hundreds of thousands of dollars and, in some cases, millions of dollars.

The severity of the "rolling fine" is intended to and generally does, act as an effective incentive for compliance. However, in circumstances when compliance is not achieved because there is an absentee owner who refuses to comply or the property owner lacks the financial means to correct the violation(s), the rolling fines become economically unfeasible and the system breaks down. In either of the foregoing scenarios, the goal of attaining compliance is not achieved and properties remain a blight on neighborhoods.

To date the City has approximately 1,679 active code cases. The approximate book value of all cases combined is \$484 million. However, as historical collections over the past two fiscal years demonstrate, the Special Magistrate, on average, settles the outstanding fine for approximately 1% of the book value of the accrued fine. Below is some data for past collections:

Fiscal Year 2018

- City collected on 182 cases
- Average collection percentage as compared to book value of the liens was 1%
- 87 of the 182 accounts (or 48%) were settled for \$1,000 or less

Fiscal Year 2019

- City collected on 173 cases
- Average collection percentage as compared to book value of the liens was 1%
- 65 of the 173 accounts (or 38%) were settled for \$1,000 or less

I am recommending the City Commission authorize staff to establish a Code Amnesty Program. It has been approximately 10 years since the City offered a period of partial amnesty for code amnesty liens. For the period of February 18, 2010 to February 18, 2011 the City ran the same program. Some key statistics from our last program

- Approximately 496 property owners participated in the program during this period.
- 420 of these property owners brought their properties into compliance status during the amnesty period.
- Total amount of liens removed was \$111.7 million.
- Total amount collected was \$271,919

Program Parameters

- 1) Reduction of lien to 25% of the face value of the Code Enforcement lien, or \$1000.00, whichever is less.
- 2) 180 days to pay the full reduced amount after an applicant is qualified for participation in the Program.
- 3) Available only for cases in which all violations cited in a case have been placed in compliance and which remain in compliance as of the time of application during the time period the program is in effect.
- 4) In addition no additional code enforcement cases that are not in full compliance may be pending on a property in order to qualify for the Amnesty Program.
- 5) The program will be in affect for a six (6) month period beginning February 18, 2020, through and including August 18, 2020,

The benefits of the Amnesty Program are (1) it will result in properties with outstanding non-compliant issues being brought into compliance thereby eliminating additional blight; (2) it will generate a lot of positive publicity for the City and extend an olive branch to residents; (3) it will allow residents a final opportunity to comply and satisfy their obligation to the City thereby preventing us from having to pursue more aggressive collection measures such as garnishment or foreclosure actions; and (4) it will allow the City to close out some cases, thereby avoiding court filing fees which the City would have to front should a determination be made to initiate litigation.

The success of an Amnesty Program will hinge on the City's ability to get the word out. I propose the following mediums of communication:

- Press Release
- Channel 78
- Social Media
- City website
- Sun-Sentinel
- Note on City water bill
- Letter Mailing (approx. cost \$2,000) **OR** public campaign mentions City's website address whereby property owners may search the database to identify outstanding violations.
- Tradewinds publication (depending how long the campaign is, Tradewinds will be out in April, 2020)
- Notices posted at City Hall
- Get the word out through CRA and OHUI workshops and other community Organizations