



## EXECUTIVE SUMMARY

To: Jim Scholl, City Manager  
Cc: Greg Veliz, Assistant City Manager  
From: Jim Young Director of Code Compliance  
Date: August 1, 2016  
Subject: 1010 Whitehead Street Release of Lien

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### **Action statement:**

Bank of America, NA has sent a request to mitigate a lien placed on the property located at 1010 Whitehead Street, Key West, FL. The total amount of the lien is Two Hundred and Twenty Eight Thousand and Fifty Dollars, (\$228,050.00). Bank of America, NA is offering Ten Thousand Dollars, (\$10,000.00) for the release of the lien placed by the City of Key West Code Compliance Department on the subject property pursuant to City of Key West Code of Ordinances Sec 2.635 and FL Statute 162.09 (to place the lien) and Sec. 2-646 (to remove lien).

### **Background:**

On November 5, 2012 the City of Key West Code Compliance Department received a complaint that construction debris from 1010 Whitehead Street was deposited in front of 1012 Whitehead Street. An inspection was done by a code compliance officer and found the roof was being replaced without the benefit of a building permit or a HARC certificate of appropriateness.

On November 6, 2012 a stop work order was posted at 1010 Whitehead Street.

On November 13, 2012 a Notice of Code Violation issued via certified mail, the notice was returned as unable to forward.

On December 3, 2012 the property was posted.

On January 7, 2013 a Notice of Hearing was issued via certified mail the notice was returned as unclaimed.

On February 3, 2013 the Notice of Hearing was posted at the property.

On February 27, 2013 the hearing was held and the Special Magistrate issued a Findings of Fact, Conclusions of Law and Order assessing Administrative Costs in the amount of Two Hundred and Fifty Dollars, (\$250.00) and a daily fine in the amount of One Hundred Dollars, (\$100.00) per count, of which there were two counts, if compliance was not obtained by April 23, 2013.

On April 24, 2013 a compliance hearing was held whereupon, the Special Magistrate found the property was not in compliance and ordered the daily fines to begin.

On July 10, 2013 a Notice of Non-Compliance Payment Update was issued via certified mail with good service on July 11, 2013. The notice advised the property owner, Orlando Alvarido, that compliance had not been obtained and that the fines had accrued to the amount of Fifteen Thousand Six Hundred and Fifty Dollars, (\$15,650.00).

On September 6, 2013 a Notice of Lien Hearing was issued for a hearing to be held on October 2, 2013 and good service was received on September 7, 2013.

On October 17, 2013 the lien was filed with the Monroe County Clerk of Courts Office and a copy was sent to the owner of record Orlando Alvarido.

On June 6, 2016 compliance was achieved and the fines had accrued to the amount of Two Hundred and Twenty Eight Thousand and Fifty Dollars, (\$228,050.00).

It should be noted on May 28, 2008 Bank of America NA filed a Lis Pendens on 1010 Whitehead Street and on April 10, 2014 obtained the Certificate of Title.

**RECOMMENDATION:**

The City Manager recommends the City Commission accept the proposed mitigated amount of Ten Thousand Dollars, (\$10,000.00).