

### REQUEST FOR MITIGATION

To: City of Key West  
Code Compliance Division  
3139 Riviera Drive  
Key West, FL 33040  
Phone: 305-809-3740 - Fax: 305-809-3739

Case #: 10-950

As owner, I, Mary Rice, VP, Iberiabank am requesting that the Special Magistrate consider mitigating the accrued fines at (address) 1208 Florida Street. The amount of the fine is (~)

\$ 52,850.00. I am offering

\$ 5,000.00 to settle the above fine. *Please see attached narrative in support of mitigation request.*

I will represent myself at the Mitigation Hearing

My Attorney ROBERT CINTRON will represent me at the Mitigation Hearing and is empowered to negotiate the above fine.

My representative \_\_\_\_\_, with attached Power of Attorney, is empowered to negotiate the amount of the fine.

This document must be received at least 15 days prior to the Hearing.

Mary Rice  
Signature of Owner

5-22-12  
Date

**MITIGATION REQUEST**  
**1208 Florida Street**  
**Code Compliance Case Number: 10-950**

IberiaBank acquired title to 1208 Florida Street on July 20, 2011, through a mortgage foreclosure sale. The prior owner(s) of the property, the last of whom was Russell Lane, apparently engaged in unpermitted work on the premises resulting in code enforcement proceedings. When IberiaBank took title to the property, it unfortunately inherited the code violations created by the prior owners. Florida is a lien state meaning that the holder of a mortgage against real property has a lien against the property, not an ownership interest. The mortgagee has no control over the activities of its mortgagor as it relates to repairs and improvement to the property unless the mortgagee learns that the owner is engaging in conduct that it materially reducing the value of the collateral. IberiaBank had no idea that its mortgagor had engaged in unpermitted work on the property.

In July 2011, soon after IberiaBank obtained title, IberiaBank's representative contacted and retained the services of a local general contractor. The local general contractor was engaged to assist IberiaBank in clearing up the multiple code violations on the property as soon as practicable since IberiaBank wanted to ready the property for resale. Unfortunately, the general contractor retained by IberiaBank, who enjoys an excellent reputation in Key West, and who was retained by IberiaBank for that reason, was backed-up with other construction work and was not able to promptly resolve the issues at 1208 Florida Street. In mid-November 2012, IberiaBank finally received a proposal from its contractor to perform the necessary work for \$28,453.53. Bank policy required that a second, competitive quote be obtained, which IberiaBank did obtain on January 23, 2012. IberiaBank's communications with its first contractor were difficult at best. Because the prior contractor was on file with the City as the contractor on the job, IberiaBank had a difficult time locating a contractor who would step in for the prior contractor. Ultimately, IberiaBank retained a new contractor, RC Miller Builders.

The following time line hopefully will be helpful in your review of this mitigation request.:

On **September 22, 2011** (about two months after IberiaBank obtained title to the property), the prior contractor applied for the appropriate building permits.

On **March 9, 2012**, IberiaBank notified the City in writing that its prior contractor should be removed from the permit.

On **March 9, 2012**, the appropriate building permit was issued by the City.

On **March 9, 2012**, RC Miller Builders, IberiaBank's new contractor, picked up the permits from the City.

On April 2, 2012, the City inspected and approved the work performed under the permit.

As can be seen, there was a substantial delay between September 22, 2011 and March 9, 2012, during which IberiaBank was patiently waiting for its first contractor to find time to complete the required work and was also having difficulty communicating with its first contractor. Once IberiaBank ended the relationship with its prior contractor and retained a new contractor, the work was completed in good order and the code violations were cleared.

For the reasons stated above, IberiaBank requests that the City of Key West mitigate the code enforcement fine because of circumstances that in part were beyond its control.