



Pinellas County

Staff Report

File #: 16-1889A, Version: 1

Subject:

Resolution establishing a fee for the Foreclosed Property Registry.

Recommended Action:

Following a public hearing, approve the resolution establishing an annual fee for properties falling under established Foreclosed Property Registration procedures.

Strategic Plan:

Ensure Public Health, Safety, and Welfare

2.1 Providing planning, coordination, prevention, and protective services to ensure a safe and secure community

Summary:

Approval of the proposed resolution will establish a \$200 per property annual fee for properties on the Foreclosed Property Registry.

Properties located within unincorporated Pinellas County that have been foreclosed upon and/or those properties that remain in the possession of the mortgagee, in accordance with the Foreclosed Property Registration ordinance, will be required to register and pay the associated fee.

The fee will be used to create, maintain, administer, and regulate the registry database as well as address those properties on the registry or that should be listed on the registry.

Background Information:

On October 11, 2016, the Board of County Commissioners adopted an Ordinance establishing Foreclosed Property Registration procedures. Pursuant to Florida Statutes Ordinance No. 16-52 was filed on October 14, 2016.

The overarching purpose of the ordinance is to return foreclosed properties that have been forgotten or slipped through the cracks, to functional, contributing properties that enhance, rather than detract from, the overall health and viability of a neighborhood. The ordinance provides an additional resource to augment existing Code Enforcement activities to further this purpose.

The ordinance requires that all foreclosed properties be identified, registered, routinely inspected and certain information posted (local property manager, registered agents, mortgagee, etc.) such that valid points of contact are readily available to Code Enforcement staff, as well as the public. The ordinance also provides for a required annual registration fee for such properties, to be adopted via this separate resolution.

Research of other local governments within Pinellas County and county governments throughout the State indicated an annual fee range from \$100 - \$250, per foreclosed property (see attached Foreclosure Registry Comparison). The recommended fee for Pinellas County is \$200 per foreclosed property.

This fee would allow the County to hire an outside service provider to create and administer the registry database. Typically, the service providers are paid a flat rate from the registration fee to cover the costs of services with no additional payment from the jurisdiction. It is anticipated that this rate would be \$100 per registered property. The remaining balance of the registration fee would be retained by the County. Upon implementation of the registry, the County would conduct further evaluation of the registry's impact to Code Enforcement operations to determine how best to allocate the funds.

At the time of this report, the County's Property Appraiser Office had identified 1,393 parcels located in unincorporated Pinellas County in open foreclosure. An additional 982 parcels have their latest conveyance as a Certificate of Title, which is a strong indicator the property is still in possession of the mortgagee. Therefore, it is anticipated that as many as 2,375 parcels may be eligible for registration.

Upon approval of the resolution, staff will continue to coordinate with the Purchasing Department to complete the procurement process to obtain an outside service provider to operate/maintain the registry. The County has been researching the scope of work and contract established by other local governments in the State and anticipates the ability to piggy back on an existing qualified contract.

Fiscal Impact:

While the number of registrants may vary depending on the degree of voluntary compliance versus enforcement, overall the fee structure is anticipated to create a neutral or net positive fiscal impact.

More specifically, using the 2,375 parcels eligible for the registry, if it's assumed that 80% voluntarily register that would equate to 1,900 registered properties at \$200 per parcel equaling \$380,000. Half of those fees would be paid to the service provider leaving \$190,000 for the County. Should the County determine the need to hire a fulltime office administrator, a Code Enforcement Specialist is estimated, at the minimum pay rate for a CL10 position (\$15.85/hour), to have a total cost of \$56,811 (\$32,968 salary + 23,843 benefits). This would leave approximately \$133,000 annually to be used for salary increases, operating or capital expenditures associated with managing the registry or addressing foreclosed properties. The fee structure is established such that all costs (direct and indirect) associated with the implementation of Ordinance No. 16-52 are covered by the collected fee, so that there is no impact to current Code Enforcement services.

Furthermore, it is recommended that the fee and cost of the program be evaluated based on actual costs (within 3 years of implementation), since the fee was derived by a jurisdictional comparison and not by actual costs to the County.

Staff Member Responsible:

Renea Vincent, Planning Director
Blake Lyon, Development Review Services Director
Todd Myers, Code Enforcement Manager

Partners:

N/A

Attachments:

Resolution

Foreclosure Registry Comparison