

Exhibit 1: Background/Detail

It is recommended that the City Commission adopt an Abandoned Property Registration ordinance that would require any bank and/or lender (mortgagee) who files a lis pendens and/or action for foreclosure upon a mortgaged residential property, to be responsible for registering any such property that is vacant with the City and for maintenance pursuant to applicable City Ordinances.

Establishing a registration program for abandoned/vacant residential properties will provide the City a mechanism to protect neighborhoods from becoming blighted due to lack of adequate maintenance and security of abandoned properties that are under foreclosure action. This program will place the responsibility for maintenance on the mortgagee during the period of time the property remains vacant and in foreclosure. This maintenance responsibility would only shift from the mortgagee once the property is sold or transferred to a new owner, or the foreclosure action is dismissed. Holding the mortgagee accountable and subject to punitive penalties will serve to promote a more proactive approach by the mortgagee's in the proper maintenance of vacant properties.

A review was conducted of existing registration ordinances that are in effect in the City of Coral Springs, the City of Palm Bay and Miami-Dade County. Feedback from these agencies was positive as to the effectiveness of adopting this type of ordinance as well as generating revenue. Based on lis pendens filings, approximately 1000 single-family homes in the City are vacated on an annual basis. It is estimated that should the City adopt an Abandoned Property Registration Ordinance, approximately \$150,000 in revenue would be generated the first year it is implemented, with increased revenue generated in subsequent years. To implement the proposed ordinance the Code Enforcement Division would utilize existing staff and evaluate as to whether a position will need to be created to sustain the program on an annual basis.