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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

Memorandum

MIAMI-DADE COUNTY

Date: June 30, 2009

Agenda Item No. 9(A)(7)

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Resolution No. R-853-09

Subject: Creation of Implementing Order 10-14 Relating to Foreclosure Registry

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Recommendation

It is recommended that the Board adopt the attached resolution creating Implementing Order 10-14 relating to registration by the lender, operator or other responsible party of residential properties subject to foreclosure, in accordance with Ordinance 08-134. Through this registry, residences that have become vacant or are at risk of becoming vacant, or are overgrown, dilapidated or in poor repair, can be tracked and remediated in order to prevent blight or unsightly conditions.

Scope

This change shall apply to all single family residential dwelling units, including condominium, duplex, and townhome units, in unincorporated Miami-Dade County.

Fiscal Impact/Funding Source

Any additional operating costs, such as property records research, data entry and additional property inspections will be supported by the registry fee included in the companion Implementing Order (ONC Schedule of Fees).

Track Record/Monitor

The Office of Neighborhood Compliance (ONC) shall collect the registry fee and maintain a list of registered properties and the fees collected. The property registration must be renewed and the annual registry fee paid every 12 months based upon the month in which the property was registered.

Background

On December 2, 2008, the Board of County Commissioners, through Ordinance 08-134, approved changes to Chapter 17A of the Code of Miami-Dade County to create a registry to track single family dwellings that are subject to foreclosure. The intent is to monitor and track these residences to prevent blight or unsightly conditions. Registrants, including lenders, operators or other responsible parties have thirty (30) days from the date of foreclosure action to register a residential property with ONC. Failure to register on a timely basis may result in penalties in the form of civil citations. Upon registration, all properties are inspected for compliance by ONC. Failure to properly maintain a registered property will result in enforcement action against the registrant, including cost recovery for enforcement activities, costs to abate violations and civil penalties.

ONC recently held two workshops to receive comments from interested stakeholders regarding the proposed Foreclosure Registry Implementing Order 10-14. The first workshop, held on May 4, 2009, was attended by 198 people. County staff in attendance included members of ONC, Department of Planning and Zoning, Clerk of the Courts, Miami-Dade Police Department, Building Department and a

representative from the County Attorney's Office. A sheet containing the five most frequently asked questions regarding the foreclosure registry was distributed at the meeting and appears on the ONC webpage. All questions received at the workshop were answered by County staff.

Based on the workshop discussion, two changes were made to the proposed Foreclosure Registry Implementing Order. These changes include: (1) The foreclosure registration requirement will become effective ten (10) days after the Board approval, rather than being retroactive to the effective date of Ordinance 08-134; and (2) The responsible parties will have thirty (30) days to correct violations. These changes were presented and discussed at a second workshop held on May 28, 2009 and were well received. The second workshop was attended by 32 people, along with representatives from both ONC and the Department of Planning and Zoning.

Alex Muñoz
Assistant County Manager

cmo08909

MEMORANDUM
(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: June 30, 2009

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 9(A)(7)

Please note any items checked.

_____ **"4-Day Rule" ("3-Day Rule" for committees) applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Bid waiver requiring County Mayor's written recommendation**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **Housekeeping item (no policy decision required)**

_____ **No committee review**

3

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 9(A)(7)
6-30-09

RESOLUTION NO. **R-853-09**

RESOLUTION CREATING IMPLEMENTING ORDER 10-14 RELATING TO FORECLOSURE REGISTRY

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board approves the creation of Implementing Order 10-14 relating to Foreclosure Registry, in substantially the form attached hereto and made a part hereof; and authorizes the County Mayor or Mayor's designee to exercise any and all rights conferred therein.

The foregoing resolution was offered by Commissioner **Jose "Pepe" Diaz**, who moved its adoption. The motion was seconded by Commissioner **Rebeca Sosa** and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman **aye**
Jose "Pepe" Diaz, Vice-Chairman **aye**

Bruno A. Barreiro	**absent**	Audrey M. Edmonson	**aye**
Carlos A. Gimenez	**aye**	Sally A. Heyman	**aye**
Barbara J. Jordan	**aye**	Joe A. Martinez	**absent**
Dorrin D. Rolle	**aye**	Natacha Seijas	**aye**
Katy Sorenson	**aye**	Rebeca Sosa	**aye**
Sen. Javier D. Souto	**absent**		

The Chairperson thereupon declared the resolution duly passed and adopted this 30th day of June, 2009. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **DIANE COLLINS**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Thomas H. Robertson

CHAPTER 17A - REGISTRY
MOST FREQUENTLY ASKED QUESTIONS

Q. *Does the registry apply to all properties in Miami-Dade County?*
A. The registry applies only to those properties that are in the unincorporated portions of the County. Any property with a folio number beginning with 30 is in the unincorporated portion

Q. *If the property is not vacant, but a Lis Pendens is being filed and the property is registered, is the lender responsible for the maintenance of the property?*
A. No, the occupant is responsible for the maintenance of the property, however, should the property become vacant the lender will need to maintain the property.

Q. *Will the lender be notified if the property is vacant or does the lender notify ONC that the property is vacant?*
A. A lender should monitor a property to determine if it is or becomes vacant. If a property is vacant and the County observes a maintenance violation, the lender will receive a notice of violation.

Q. *When the lender registers the property, and it is vacant, does the lender have the legal right to access the property for maintenance?*
A. Most mortgages give the lender the right to go onto the mortgaged property to make repairs and to protect the property. This would fall with in that authority

Q. *If a lien is placed on a property, does it affect other properties the lender may have?*
A. A recorded lien that is in the name of the lender can affect other properties owned by the lender.

QUESTIONS AND ANSWERS FROM THE REGISTRY WORKSHOP CONDUCTED ON 5/4/2009

Q. *When does annual registration terminate?*
A. The Registration terminates when a Certificate of Title is issued or when the foreclosure action is withdrawn

Q. *Does issuance of Certificate of Title terminate annual registration?*
A. Yes, the Certificate of Title ends the registry requirement

Q. *Can the Registry form be re-created without the Miami-Dade logo?*
A. Yes, the form can be duplicated however, the Form must carry the words "MIAMI-DADE COUNTY FORECLOSURE REGISTRY FORM"

Q. *If property is occupied by tenants, and owner does not cure violations, will lender be required to cure violations with tenants still in possession?*

A. No, the County will take appropriate action against the occupant and issue violations to the owner on file in the records of Miami-Dade County Tax Collector. Fines will be the responsibility of the owner.

Q. *If foreclosure action is dismissed, will the lender still be liable for violations incurred during the time the case was filed?*

A. If the property was vacant and a foreclosure action was ongoing at the time of the violation, the lender is responsible. If the violation occurs after the foreclosure action is dismissed, the owner of record is responsible for compliance and payment of fines.

Q. *When does the implementation begin? Does it apply to actions filed from 12/02/2008?*

A. Implementation of the Foreclosure Registry will start 10 days after the Registry Implementing Order is approved by the Board of County Commissioners. The Office of Neighborhood Compliance will announce the effective date on its web page as soon as the Registry is approved by the Board of County Commissioners.

Q. *Do criminal penalties cited in the Ordinance apply to corporate lenders? How will they be enforced?*

A. The ordinance will be enforced through a Notice of Violation, a Civil Citation or through a civil suit.

Q. *Why a registry fee? Will the fee be used to maintain the property?*

A. The Foreclosure Registry was passed by the Miami-Dade County Board of County Commissioners. The proposed $125.00 fee will cover the costs of initial inspections, file case management, processing and postage

Q. *Why not use Florida Statute 162 as the guiding principle?*

A. Miami-Dade County is a Home Rule County with the powers to create its own local regulations. Instead of Chapter 162, Miami-Dade County has Chapter 8CC which covers Code Enforcement.

Q. *Will there be a place (website) where real estate agents can confirm if a property has already been registered by the lender prior to foreclosure?*

A. The department is working on a Registry list that it will post on the website.

Q. *Is the County aware of the Bank Shield Amendment being introduced by the FBA to the Florida Legislature? If so, how does that impact the maintenance of the property?*

A. This item was not passed by the Florida Legislature and has no effect on Miami-Dade County.

Q. *When is the Ordinance effective?*

A. The Ordinance creating the Foreclosure Registry was effective on December 12, 2008.

Q. *When and where will the public be able to obtain the registration form?*

A. The registration form will be available on the ONC website and at their administrative office, as well as at the Clerk of the Courts Foreclosure Filing Unit, as soon as the Implementing Order is approved by the Board of County Commissioners.

Q. *What date should be used for "Date Lis Pendens" filed?*

A. The date on which the Lis Pendens is filed.

Q. *What responsibility will this put on title companies at time of sale to new buyer of property?*

A. This will not impact title companies

Q. *How can we distinguish between the "Servicer" vs. actual owner of mortgage? Owner may be a foreign bank "Servicer" and "Owner."*

A. The plaintiff initiating a foreclosure action is the responsible party under the Registry Ordinance

Q. *If a condominium or townhouse is being maintained by the Association, will the registration still be required?*

A. Yes, a registry is still required if a foreclosure action has been filed on the dwelling.

Q. *How many times is the property inspected? Is it only done at inception?*

A. The property is inspected at the time of registration. If there is a violation on the property, there will be a second inspection to ensure compliance.

Q. *If the effective date is 12/12/2008 and the Implementing Order is not approved yet, will fees have to be paid for all cases filed during the interim?*

A, No, there will be no registry fee required for properties until the Implementing Order is passed by the Commission.

Q. *How will these cases be monitored?*

A. The Lis Pendens filing date will determine if a property has to be registered.

Q. *The property manager may be changed during the marketing time – what form is to be used and is there a fee?*

A. Notification of such action may be made to the Office of Neighborhood Compliance in writing, either through a letter, e-mail or written document. There is no fee associated with this notification.

Q. *Once the property is registered and the inspection completed, how do the responsible party obtain a copy of the inspection report/violations?*

A. Once an inspection has been conducted of the property, the responsible party will receive notification of any conditions that might not be in compliance with the Code and afforded a reasonable time to remedy those violations.

Q. *Why doesn't the County build a relationship with the lenders to achieve a mutually beneficial outcome?*

A. The Office of Neighborhood Compliance builds relationships with lenders who have properties under enforcement. It is the department's practice to notify lenders and it frequently received requests for information from them.

Q. *While the goals of the Ordinance are understandable, it imposes a new obligation on lenders to maintain vacant foreclosure properties at a considerable expense – even though they lent money at terms decided before passage of the Ordinance. Is there any intent to exclude from enforcement lenders whose mortgages pre-date the Ordinance?*

A. The ordinance addresses the lenders or parties who file a foreclosure action regardless of date of the mortgage.

Q. *Is there an intention for implementation by the County to verify vacancy and pendency of Lis Pendens before commencing enforcement? During enforcement process?*

A. The enforcement process starts with an inspection of the property. The code enforcement officer must verify a violation exists before initiating enforcement action.

Q. *Is it the intent to leave the criminal enforcement mechanism out of the process?*

A. The County's preferred methods of enforcement are through a notice of violation or the issuance of a civil citation. Civil action or criminal action are reserved for extreme situations when there is no compliance using

the preferred methods of enforcement.

Q. *What are the penalties ($) for the following:*

a) Failure to register?

The penalty is $500 for failure to register within 30 days after filing the Lis Pendens or foreclosure action

b) Failure to maintain?

After the initial warning time expires, if violation has not been remedied, a citation of $250 may be issued.

Q. *Why are you not accepting registrations online so that data is fed into a database automatically? This would allow for real-time information access to public online.*

A. The department agrees with you, however, County funds must be available for the changes necessary to our information system to enable online registration and payments.

Q. *Fourteen days to correct is not sufficient time when working with banks/FHA requirements. Would you consider extending time period?*

A. Yes, the department has decided to allow thirty (30) days to comply with a code violation.

Q. *If a neighbor calls the police, will the police have a database as to correct parties who have access to the property?*

A. The police will determine the ownership information from the property records of the County.

Q. *If it is determined to be vacant, but later the occupants return to the home, who will be the responsible party for the violations?*

A. If a dwelling is occupied, the occupant or owner of record is responsible for the maintenance.

Q. *Is there a system in place to notify the County in the event the foreclosure is cancelled/paused?*

A. If a foreclosure is cancelled the registrant must notify the Office of Neighborhood Compliance and submit documentation to show the property is no longer subject to the registry requirement. There is no cost for this request to the County.

Q. *Does this Ordinance apply to Bank Lis Pendens only?*

A. This ordinance applies to all actions to file a foreclosure action against a residential dwelling.

Q. *Is the property to be registered annually from the time of foreclosure action is filed until it is sold?*

A. Yes, a property shall remain on the registry until a certificate of title is issued or until a foreclosure action is withdrawn. In either case, the lender or responsible party must notify the county and send a copy of the documentation so the registry requirement is cancelled. There is no cost to have this record changed by the county.

Q. *What are the differences between the Certificate of Use and the Registry Ordinances?*

A. The Registry Ordinance impacts properties that are subject to a foreclosure action while the CU Ordinance impacts foreclosed properties that are being sold to a buyer.

Q. *Please clarify "Other Responsible Party."*

A. The other responsible party is the plaintiff in a foreclosure action or "Lis Pendens" of foreclosure

Q. *Posting the registered properties would advertise properties to vandalize. Do you see this as a problem?*

A. The registry only lists properties which are subject to a foreclosure action. It will not state whether the property is vacant or occupied.

Q. *The MERS (Mortgage Electronic Registration System)) would have more current information. Please explain why you do not believe it is the best option?*

A. Participation in this database is voluntary in the State of Florida and not all properties are listed. In addition, this is a service which is subject to the rules of procurement by the County because there may be other providers that track real estate transactions

Q. *The Frequently Asked Questions sheet states that a lien will affect other properties that the lender may have; does this mean a lien upon a property on which the lender holds a mortgage, or does it mean a lien against a property that the lender owns?*

A. The Frequently Asked Questions sheet states that a lien may affect other property owned by the lender. This will depend on the attitude of title companies in closing with other properties owned by the lender. It would only affect properties that the lender owns.

Q. As the lender or responsible party, how many days will I have to cure violations?

R. You will have thirty (30) days from the date of the warning notice to cure the violations.

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QUESTIONS AND ANSWERS DISCUSSED AT THE REGISTRY WORKSHOP CONDUCTED ON MAY 28, 2009

Q. *If a condo association fails to maintain common areas and the bank owns a single unit in the complex, how will the responsibilities of this code be distributed?*

A. ONC would contact the condo association for maintenance of the common areas.

Q. *Sometimes the lender does not have all the information needed to fill out the registry form (ie. Property manager). In that case, can we still fill out the form and submit it without the information?*

A. ONC would need to have a contact information for the responsible party. Once a property manager is hired that information could be provided to ONC in writing.

Q. *Looking in the future, would violations of this ordinance be recorded with the Clerk of Courts?*

A. No, our violations are not recorded with the Clerks unless we place a lien on the property.

Q. *Who will monitor the cost of the board-ups/securing the property?*

A. The banks/lenders would be responsible for the board-ups/securing the property. If they fail to secure the property, the County will do it, but the cost will be charged to the responsible party.

Q. *What is the concern of the county in dissuading third party bidders of foreclosures in the future?*

A. The County's main concern is to make sure that the vacant properties are maintained and secured; we are not involved in real estate transactions.

I.O. No.: 10-14
Ordered:
Effective:

MIAMI-DADE COUNTY
IMPLEMENTING ORDER

FORECLOSURE REGISTRY

AUTHORITY:
Section 1.01 of the Miami-Dade County Home Rule Amendment and Charter

POLICY:
It is the intent of the Board of County Commissioners, through the enactment of sections 17A-18 to 17A-20 of the Code of Miami-Dade County to provide a registry of single family residential dwelling units, including condominium, duplexes and town home units, where the individual unit is the subject of a Foreclosure Action. Through this registry, residences that are at risk of or have become vacant, overgrown, dilapidated or in poor repair can be tracked and remediated to prevent blight or unsightly conditions.

The party who registers a property according to the requirements of Chapter 17A-19 shall be responsible for maintenance of a property in foreclosure action when the property is vacant.

PROCEDURE:

Requirement to Register Residential Property Subject to Foreclosure:
Upon the filing of a Lis Pendens or an action to foreclose upon a mortgage or other instrument of debt, which debt is secured by the real property of a single family dwelling unit, whether a house, townhouse, condominium or duplex, the holder or owner of said mortgage or other debt instrument, or the party bringing the foreclosure action, shall immediately register the single family dwelling unit with the Office of Neighborhood Compliance. This Implementing Order shall apply to all property for which a Lis Pendens or other foreclosure action is filed after December 12, 2008.

Registration Procedure:
Registration Forms from the Office of Neighborhood Compliance (ONC) shall be available on the ONC website and at their administrative offices, and at the Clerk of Courts Foreclosure Filing Unit. Registrants shall mail the completed and executed form to the ONC at the address indicated on the registry form, along with a check made payable to the Board of County Commissioners for the registry fee amount indicated on the ONC Fee Schedule. A registry form is required for each house, townhouse, condominium or duplex that is the subject of a foreclosure action. Registrants shall have thirty (30) days from the lis pendens or other foreclosure action filing date in which to register with the ONC. Property registrations shall be renewed every 12 months. The renewal form shall be due at the end of the 13th month following the original registration date. Failure to register a property on a timely basis may result in penalties in the form of civil citations.

It shall be the responsibility of the Registrant to notify the Office of Neighborhood Compliance in writing when there is a change of registrant contact information.

I.O. No.: 10-14
Ordered: 06/30/2009
Effective: 07/10/2009

MIAMI-DADE COUNTY
IMPLEMENTING ORDER

FORECLOSURE REGISTRY

AUTHORITY:
Section 1.01 of the Miami-Dade County Home Rule Amendment and Charter

POLICY:
It is the intent of the Board of County Commissioners, through the enactment of sections 17A-18 to 17A-20 of the Code of Miami-Dade County to provide a registry of single family residential dwelling units, including condominium, duplexes and town home units, where the individual unit is the subject of a Foreclosure Action. Through this registry, residences that are at risk of or have become vacant, overgrown, dilapidated or in poor repair can be tracked and remediated to prevent blight or unsightly conditions.

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Registration Procedure:
Registration Forms from the Office of Neighborhood Compliance (ONC) shall be available on the ONC website and at their administrative offices, and at the Clerk of Courts Foreclosure Filing Unit. Registrants shall mail the completed and executed form to the ONC at the address indicated on the registry form, along with a check made payable to the Board of County Commissioners for the registry fee amount indicated on the ONC Fee Schedule. A registry form is required for each house, townhouse, condominium or duplex that is the subject of a foreclosure action. Registrants shall have thirty (30) days from the lis pendens or other foreclosure action filing date in which to register with the ONC. Property registrations shall be renewed every 12 months. The renewal form shall be due at the end of the 13th month following the original registration date. Failure to register a property on a timely basis may result in penalties in the form of civil citations.

It shall be the responsibility of the Registrant to notify the Office of Neighborhood Compliance in writing when there is a change of registrant contact information.

Registration Inspection and Enforcement Procedure:
Upon registration of any dwelling unit as set forth in this implementing order, the Minimum Housing Enforcement Officer, or their assistant, shall conduct an inspection of the registered real property to determine its compliance with the provisions of Chapter 17A and/or the provisions of Chapter 19 of the County Code.

In the event the property is not in compliance, a courtesy Notice of Violation shall be sent to the person or entity responsible for the property and to the owner of the property as listed in the Property Tax Records of Miami-Dade County. Failure to abate the violations within the time given in the notice shall result in formal enforcement action pursuant to Chapter 17A and 19.

Failure of the registrant, property owner, operator, or other responsible party to maintain the property shall result in enforcement action in the form of enforcement cost recovery fees, civil penalties, and costs to abate violations in accordance with the provisions of Chapter 17A and 19. Remediation and securing costs shall be charged to the registrant, property owner, operator, or other responsible party subject to the provisions in these Chapters.

This Implementing Order is hereby submitted to the Board of County Commissioners of Miami-Dade County, Florida.

County Manager

Approved by the County Attorney as
to form and legal sufficiency ____

MIAMI-DADE COUNTY
BOARD OF COUNTY COMMISSIONERS
OFFICE OF THE COMMISSION AUDITOR

Legislative Notes

Agenda Item:	**9(A)7**
File Number:	**091719**
Committee(s) of Reference:	Board of County Commissioners
Date of Analysis:	June 5, 2009
Type of Item:	Resolution Creating Implementing Order 10-14
Commission District(s):	Countywide

Summary

This ordinance creates Implementing Order 10-14 relating to registration by the lender, operator or other responsible party of residential properties subject to foreclosure.

Background and Relevant Legislation

On December 2, 2008, the Board of County Commissioners adopted Ordinance 08-134 which provided for the registration of all single family dwelling units that are the subject of a mortgage foreclosure action with the Office of Neighborhood Compliance. The ordinance sought to address the proliferation of vacant, neglected properties by requiring the holder of a mortgage or other debt instrument to register the single family dwelling unit with the Office of Neighborhood Compliance (ONC) upon the filing of a *Lis Pendens* or an action to foreclose.

Lis Pendens is a legal notice recorded to show pending litigation relating to real property and giving notice that anyone acquiring an interest in said property subsequent to the date of the notice may be bound by the outcome of the litigation. The notice is often filed prior to a mortgage foreclosure proceeding.

During the December 2, 2008, BCC meeting, representatives from the Florida Bankers Association raised concerns with maintaining the properties that were in the foreclosure process while the homeowner remained on the premises. The item was amended to clarify that compliance with maintaining the property is the responsibility of the mortgage owner/holder only when the residential unit is vacant. According to the cover memorandum of the resolution, the ONC's website further clarifies that if a *Lis Pendens* is being filed and the property is registered, the occupant is responsible for the maintenance of the property.

On December 16, 2008, the BCC authorized the County Administration to establish an Implementing Order relating to the registration of residential properties subject to foreclosure.

Policy Change and Implication
N/A

Survey
The Office of the Commission Auditor (OCA) conducted a survey of several jurisdictions for the purpose of reviewing how jurisdictions are addressing the problems associated with abandoned homes. The following jurisdictions were surveyed: Broward County; State of California; City of Deerfield; Coral Springs; Baltimore; Boston; and Cook County.

Findings

Broward County: The Foreclosure Prevention Blue Ribbon Panel (Panel) was formed in February 2008 to deal with the mounting foreclosure situation in Broward County. One of the Panel's recommendations mentioned that the Broward League of Cities take the lead, draft and adopt a countywide model ordinance for residential properties in foreclosure. The ordinance should include language regarding fees and assessments for a foreclosed property, an emergency property management plan, and aesthetic property maintenance.

State of California: On July 8, 2008, the state enacted SB 1137 which adds new procedural steps that a lender must follow before conducting a non-judicial foreclosure sale under a deed of trust covering the principal residence of any person made between January 1, 2003 and December 31, 2007. Section 5 of SB 1137 provides that a legal owner must maintain vacant residential property purchased by that owner at a foreclosure sale, or acquired by that owner through foreclosure under a mortgage or a deed of trust, and may be fined up to $1,000 per day for failing to maintain the property. Section 5 specifically targets excessive foliage, failure to prevent trespassers and squatters, and other conditions of public nuisance, including standing water and mosquito issues. **Furthermore, SB 1137 requires lenders to make contact with borrowers at least 30 days before filing a Notice of Default (NOD). During September 2008, California's NODs dropped 51 percent from the previous month, and that drop had a significant impact on the national numbers given that California accounts for close to one-third of the nation's foreclosure activity each month.**

City of Deerfield Beach and Coral Springs: According to a Sun-Sentinel article dated September 7, 2008, one of the impacts of the South Florida foreclosures mean homeowners have to reside next to eyesores. Deerfield Beach and Coral Springs passed laws this year that require banks of foreclosed property to register with the cities, maintain the foreclosed properties and reimburse the cities for the cost of repairs.

City of Baltimore: To combat the problem of who is responsible to maintain foreclosed, deteriorating properties, Baltimore City is considering a measure that requires all lenders to notify the Department of Public Works within 30 days after a property has been placed in foreclosure. The lender's contact information is added to a database maintained by the City within 45 days, listing the lender as the owner of the property, even if the title is not transferred.
City of Boston: On May 5, 2008, the Boston City Council signed into law an ordinance that seeks properties involved in foreclosure proceedings be registered with the city and the company holding the mortgage provide contact information of an office or agent responsible for maintaining the property.

Cook County, Illinois: Sheriff Tom Dart of Cook County suspended the execution of eviction orders because tenants and not the owners were paying highly for the landlords financial situations. Sheriff Dart stated that approximately 33 percent of the foreclosure evictions handled by his department involved tenants and not the property owners.

Budgetary Impact

According to the cover memorandum to Ordinance 08-134, the implementation of the registry would require additional research of foreclosure records, data entry and additional inspections in order to monitor the condition of abandoned properties ($127,000, two positions plus operating expenses). The memorandum further states that the one-time registry fee of $125 per property would fully offset the operating costs for approximately two years based on the expected amount of registrations.

Prepared By:

Tiandra D. Sullivan
Michael Amador-Gil