

**City of Coral Gables City Commission Meeting
Agenda Item K-6
November 14, 2017
City Commission Chambers
405 Biltmore Way, Coral Gables, FL**

City Commission

**Mayor Raul Valdes-Fauli
Vice Mayor Pat Keon
Commissioner Vince Lago
Commissioner Frank Quesada
Commissioner Michael Mena**

City Staff

**City Manager, Cathy Swanson-Rivenbark
Assistant City Manager, Peter Iglesias
City Attorney, Craig E. Leen
Deputy City Attorney, Miriam Ramos
City Clerk, Walter J. Foeman
Deputy City Clerk, Billy Urquia
Historic Preservation Officer, Dona Spain**

Public Speaker(s)

Alexander Palenzuela

Agenda Item K-6 [12:02:43 p.m.]
Update on Abandoned Property cases.

Mayor Valdes-Fauli: Next item is an update on abandoned property cases, K-6.

City Attorney Leen: Thank you, Mr. Mayor. One thing that this Commission has been extraordinarily focused on, like a laser, is eliminating abandoned properties from the City of

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Coral Gables and making sure they're kept to the same condition that our Code requires and that their neighbors maintain their homes. One issue with abandoned properties is that often there's a foreclosure that's involved and the property owner no longer has an equitable interest in maintaining the property up to the Code and the bank doesn't take responsibility for maintaining the property. So, the City of Coral Gables, several years ago, adopted an ordinance requiring banks to maintain these properties. And since then, we have had a list -- a Commission list of approximately 20 properties at any one time where the City takes extraordinary action to ensure that those houses are brought up to the appropriate code, and that can include through a lawsuit, through seeking an injunction. It can include a forfeiture action. It can include asking for receivership, et cetera. And, Alex Palenzuela has been doing that work, along with Code Enforcement and Peter Iglesias, and really appreciate that. So, Alex, if you would do your report. And, this will be the last report with me as City Attorney, but I know Miriam is equally committed to this project, and I know the Commission will continue to be so.

Alexander Palenzuela: Thank you. The first property on the list, 25 Arvida. This property lost its seawall in Hurricane Irma. And so, the owner had started work on the new seawall without permit, so the City was called out. There were urgent complaints from the neighbors, because of the breach in the seawall and it was causing their properties to be affected, and in some places, washed away. So, the owner has already started the efforts to comply legally, and they've obtained their emergency permit for the seawall on November 3. The next property is in the West Grove, 117 Florida Avenue. This is an historic property that the owner acquired a few years back and has allowed to deteriorate to the point where the City has put it on the list for further enforcement action. Dona Spain and I met with the owner at the property on November 3 and conducted an inspection. At first, he said he would use his old architect's plans to try to get approvals to fix up the house. Then he started talking about seeking permission for demolition, but the City is opposed. So, the owner has said he's going to start the process to try to seek whatever approvals he can get and the City's closely monitoring that case to make sure that he does renovate the structure. The next case is 134 Florida Avenue, also an historic property in the West Grove. The issue here, though, is that the owner was reluctant to sign the restrictive

covenant that the County required in order to obtain the grant monies to renovate the home, so the City is reassessing what can be done here, because the grant monies are no longer available for that property. The next case, 657 North Greenway Drive, here...

Vice Mayor Keon: Can I ask a question about...?

Mr. Palenzuela: Yes.

Vice Mayor Keon: Those? Are they -- are those -- are the structures safe?

Mr. Palenzuela: In the case of 134 Florida Avenue, I can't speak for the Building Official, but I do believe it's inhabited and safe. However, 117 Florida Avenue, I don't think you have to be a certified building official to know that it's completely uninhabitable. The floor is missing in part...

Vice Mayor Keon: Is anyone living there?

Mr. Palenzuela: I'm sorry?

Vice Mayor Keon: Is anyone living there?

Mr. Palenzuela: It has been vacant, according to the owners, for some time. But, I'll be happy to...

City Attorney Leen: We've been working with Mr. Iglesias and Ms. Spain on all these projects. So -- and they've been very helpful. So, if either of you'd like to come up and add -- also, I should note, any of these properties, if the Commission wants something else done or if there's another property, this is the opportunity to direct our attorney.

Historic Preservation Officer Spain: On 117 Florida, that's been vacant for many years. I think it's going to the Code Enforcement Board...

Unidentified Speaker: Tomorrow.

Historic Preservation Officer Spain: Tomorrow and someone from my office will be there. I believe -- my view is it's demolition by neglect and we should absolutely be very strong -- it's one of the wood frame homes that are a contributing structure and a historic building in a national historic district, and so I'm pretty upset about it.

Vice Mayor Keon: So, what happens?

Assistant City Manager Iglesias: I went personally to see the property, and there's no -- there's nothing...

Historic Preservation Officer Spain: That's a different one, Peter.

Assistant City Manager Iglesias: I'm sorry.

Historic Preservation Officer Spain: You're talking about 129 Frow, which we are going to rebuild. But, this is 117...

Commissioner Lago: When is that con...

Historic Preservation Officer Spain: Florida.

Commissioner Lago: Those are part of the monies that we got from the County, correct?

Historic Preservation Officer Spain: 117 Florida is not.

Commissioner Lago: When do we start those two projects that we're working on from the County?

Historic Preservation Officer Spain: The permits have all been pulled. They -- actually, the 129 Frow was damaged during the hurricane. We were going to demolish the front part of it anyway, because it was inappropriate. They had added block and had stuccoed over the wood frame, and in the back, the wood frame is damaged, so we're actually doing a demolition permit and rebuilding it. But, that should start -- that's already started. The demolition -- if it isn't taking place today, will be tomorrow. Everything is clear. The permit's pulled and they're working on -- also on 110 Frow.

Assistant City Manager Iglesias: Once you have a demolition permit, there's not much left...

Commissioner Lago: Since we're talking about this area, just to -- I'm sorry to hijack...

Assistant City Manager Iglesias: No, it's quite alright.

Commissioner Lago: I apologize. There's two other questions I've been meaning to ask you. What about those four shotgun homes that are owned by the church on the City of Miami side that we went to see?

Historic Preservation Officer Spain: Yeah.

Commissioner Lago: And, I know that I got some plans that were drawn up to hopefully revitalize that area. And number two, what about the fence that was illegally installed...

Historic Preservation Officer Spain: Miriam...

Commissioner Lago: To the rear of that -- of those properties?

Historic Preservation Officer Spain: I think Miriam Ramos -- is she still here?

Deputy City Attorney Ramos: I'm right here.

Assistant City Manager Iglesias: She's right here.

Deputy City Attorney Ramos: I'm here, Dona.

Historic Preservation Officer Spain: Oh.

City Attorney Leen: Come, go up.

Historic Preservation Officer Spain: You're in a different seat. It's confusing. She knows about the fence. We're talking about the fence on the -- in the...

Deputy City Attorney Ramos: So, the property transferred ownership before we were able to do the work. The person that's now there is more than willing to allow us to replace the fence. And, I've literally met with Ed Santamaria and Jorge and Ernesto Pino last week, and they're getting me -- what the -- the property owner's asked for what the fence is going to look like. They're getting me pictures and we should be moving -- oh, and she brought up a concern about her dog. The dog is outside, so we have to make sure we secure it.

Unidentified Speaker: Temporary fencing.

Deputy City Attorney Ramos: Right. And, we're moving forward and prompt...

Commissioner Lago: And, I think we -- I know that Ed and Peter being in the industry there, they're very aware. I think we need to do an existing -- find an existing survey and do a new survey to make sure that this fence is finally installed in the appropriate location.

Unidentified Speaker: And properly, yes.

Commissioner Lago: We also need to have a discussion to sit down and discuss these four shotgun homes, because I feel that -- and I don't want to use the word that they're hopefully going to fall down, because that's the effort that I see from the owner, demolition by neglect.

Historic Preservation Officer Spain: They didn't qualify for the affordable...

Commissioner Lago: Yeah.

Historic Preservation Officer Spain: Housing grant because they're not owner occupied.

Commissioner Lago: But the issue there -- yeah, but the issue -- they're part of a program of, I think, 30 or 40 units that they own in the West Grove. But, the issue there is that something needs to be done.

Historic Preservation Officer Spain: I agree.

Commissioner Lago: So, either -- again, these are four beautiful little shotgun homes that, you know, if we don't address this issue pretty soon, over the next two or three years, if it continues in the same way, we could lose these homes. And, Behar Font did pro bono work in regards to design for these four little beautiful shotgun homes. So, maybe we can address the issue again. Maybe we can have a sit-down meeting with the owners and see what...

Historic Preservation Officer Spain: I would like to do that.

Commissioner Lago: Their plan is because, I mean, from the last time I checked, I mean, there was even, you know, vagrants living in the property or squatters.

Historic Preservation Officer Spain: That's in the same situation as 117 Florida Avenue, which is just an issue. You know, there are properties that this is going to happen if the owners don't take care of them. And, it's not really enough for the City to do a running fine, because they don't have the money for...

Vice Mayor Keon: They don't have the money to pay them, and they don't have the money to repair them.

Historic Preservation Officer Spain: The owner of 170 Florida, I believe, owns other properties.

Vice Mayor Keon: Oh.

Historic Preservation Officer Spain: It's not just owning this one, so I don't think that applies to him.

Deputy City Attorney Ramos: Right. And, he'll be -- and that matter's on the Code Enforcement Board agenda for tomorrow.

Historic Preservation Officer Spain: Yes.

Mr. Palenzuela: And also, 4600 Brooker, which is on the list of complied cases, in that case, the person that was living in the driveway, was there with the owner's permission.

City Attorney Leen: But, we still do not allow squatters in Coral Gables.

Unidentified Speaker: Right.

City Attorney Leen: And, we're taking act -- if any of these have squatters, we need to act immediately to have them removed within five days, except for with very extraordinary circumstances.

Vice Mayor Keon: But, we need to find a way to deal with these homes that are historic if you want to try and preserve them. And I don't know what efforts, but we need to come up with something. So, I would ask you to look at them closely and come back with some recommendation as to what you can do. I mean, if it's someone that doesn't have the money to do it, what are you going to do? You're going to just sit by and watch it happen.

Historic Preservation Officer Spain: I know, that's the issue. The two homes that we're doing with County bond money, though, they should start this week and it should move really fast, because the contractor's on board and you'll see a big difference.

Commissioner Lago: And, let's just try to get that meeting with the church, if possible...

Historic Preservation Officer Spain: Okay.

Commissioner Lago: To address the four shotgun homes.

Historic Preservation Officer Spain: Okay.

Commissioner Lago: I want to see what plan of action they have, and we've got to put some real deadlines -- hard deadlines on them, because it's been already two or three years.

Historic Preservation Officer Spain: You and I met with them.

Commissioner Lago: Yeah, I know, multiple times.

Historic Preservation Officer Spain: Long time.

Commissioner Lago: So, let's -- thank you.

Mr. Palenzuela: Okay. We were on 657 North Greenway Drive. Thank you. That property is in foreclosure. And actually, the current owner signed a stipulation with the bank giving them until February to try to find a buyer for the property. They've corrected most of the Code violations. However, there are some older violations relating to expired permits, which they misinterpreted as relating to some French doors they put up thinking that there was no evidence of a permit or of work done without permit. But we're looking into that now, so that the owners can determine whether they will correct the violation or if they would prefer -- if they find a buyer -- to allow the buyer or the bank, or ultimate owner after the foreclosure sale, to correct the violations, because they may lack the funds to do it.

Mayor Valdes-Fauli: What are the deadlines on this?

Mr. Palenzuela: Right now, the foreclosure sale is scheduled for February -- I want to say it's the 12th or the 18th. It's in the list of cases. But they're looking into it now. We just became aware of the extent -- the details of the violation. I communicated that to the owners just a couple of days ago, so I'm waiting to hear back. And of course, we'll encourage them to correct the violations. They did negotiate a fine reduction, so that they could try to do a short sale of the property with the understanding that they may be wiped out if there's a foreclosure sale. So, right now, I'm working with the attorney cooperating trying to figure out if financially they can do this and still have a short sale, or if the buyer in the short sale would do it. And if they can't make it work, it might make sense to wait until February rather than bring a separate court action for that, but that would be a determination the City would make once we hear back from the owners.

Vice Mayor Keon: You need to be careful, though, because the people sometimes that are buying these homes in a short sale...

Mr. Palenzuela: Right.

Vice Mayor Keon: Are not bringing them into compliance quickly. I mean, they are letting them sit while they make decisions about what they're going to do with them and whatever. So, although, you know, it gets -- it's like the problem just changes ownership. The problem doesn't get solved.

Mr. Palenzuela: We've been lucky in that the people who acquire the properties knowing of these violations have come into or demolished the structure or, in this case, correct the violations.

Vice Mayor Keon: Okay.

Mr. Palenzuela: Of course, we'll immediately -- what we do is, we wait until there's a change of ownership. As soon as that deed or certificate of title is recorded, I notify Code Enforcement. We send out new demand and cease and desist letters and notices of violation to inform the owner that they need to correct the violation promptly. And of course, failing their cooperation, the City would always retain the right to seek an injunction.

Vice Mayor Keon: Okay.

Mr. Palenzuela: The next one is 803 Alhambra Circle. We had that presentation earlier regarding the Florida bonneted bats. They're working towards compliance, and they've also negotiated a fine reduction agreement. 806 Altara Avenue, this one we had sent -- drafted and are sending out demand and cease and desist letters and notices of violation went out. So, the Code Enforcement officer is going to provide me the contact information he had for the owner,

so we expect that they will cooperate. And if not, we will take further enforcement action. 820 Malaga Avenue, this one the owner is frequently out of town and the City has not been able to make contact with him, even though we did send out the cease and desist and demand letters. We're trying to exhaust all efforts to make contact with the owner before bringing legal action if we cannot. 829 Lorca Street, this one is also in foreclosure. The bank recently was able to evict the people who were occupying the property, and they are working towards compliance. There was a recent inspection, and we are presenting an agreed order at tomorrow's Code Enforcement Board with deadlines for the bank to correct the violations on the property. 1013 Castile Avenue, this is an historic property that Dona Spain was very concerned about, because the permits were allowed to expire and the structure's been gutted. It has no roof. I spoke to the owner after sending out the cease and desist and demand letters. And, he reassured me that they are going to reopen the permit, even though he had said there was no money for it when Ms. Spain was talking to him about it. But, he is trying to reopen the permit, so that he can obtain the financing to finish the home. He was supposed to call me today with an update. I haven't received it, so I will follow up with him when I get back to my office. 1222 Tangier Street, this was one that went through foreclosure and the buyers had been trying to fix up the house ever since. The City has been working with them, monitoring their progress, expediting the reviews, and they have an extension until the end of November at this point. They may be close to obtaining the permits; because they just need to pass the WASA pressure test and so it may soon be complied. 1243 Sorolla Avenue, this one the owners are in the Dominican Republic. And even though I sent a registered letter, I have not received confirmation that it was ever delivered. So, again, the City in this case, having had no contact with the owners, is trying to exhaust all efforts to do so before considering further legal action. 1364 Alegriano, the owner is working to correct the violations. I informed her yesterday that there were a couple of additional violations relating to the roof and fascia. She was very responsive when she received the cease and desist and demand letters, and so I expect she'll be in full compliance soon. They will need permits for that work, I think, so it may take a little longer. She was expecting to be done this week. 1433 Mendavia Avenue, this one the City has been monitoring and working with the owner. But only recently, the property failed historical inspection, because a lot of work was done in violation of

the approved plans, according to Ms. Spain. There's a list of about 13 violations. So, we're reassessing whether to bring further enforcement action at this point.

City Attorney Leen: That's an example...

Mr. Palenzuela: If they don't quickly correct that.

City Attorney Leen: That's an example of one where we very well may have to file suit and seek an injunction, because we don't have the choice of seeking demolition or things like that with an historic property. So, we would -- but Ms. Spain, I see you nodding.

Historic Preservation Officer Spain: I met with the owner and the architect on that, and we went over -- my department walked the property with the approved plans and gave him a list of items that they didn't do according to the plans. We went over them yesterday with him, and he's going to do -- either as-builts or bring it back into compliance with historic preservation, so I think we're good on that.

City Attorney Leen: Okay.

Historic Preservation Officer Spain: And, I have to say Alex Palenzuela is amazing. He's a pleasure to work with and very -- you're really good, and I really appreciate all your help.

Mr. Palenzuela: Thank you, thank you. Okay, the next one is 3933 Riviera Drive. This is another one that the City has been working with the buyers after a foreclosure for a long time, giving them extensions. Because they are working to bring the property into compliance, we're continuing to work with them. Their most recent extension expires tomorrow. I'll be following up. They probably will need a little bit more time, but as I said, they are working diligently. 4900 Alhambra Circle, this one, unfortunately, the City discovered additional violations after the owners thought they were in compliance. And so, they still hadn't complied on one of the

original violations, so the City is sending out a notice of intent to lien for that one, which is the painting of the structure. And, new notices of violation are going out for the screen enclosure. We expect they will comply. It's just that they've been (INAUDIBLE) and most recently are blaming Hurricane Irma and the lack of contractors at a reasonable price for not finishing the work. So, hopefully, they will be going to the Code Enforcement Board soon and complying. Again -- and the last one is also a foreclosure property, 5510 Le Jeune Road. Fortunately, in this case, the bank has been very diligent in correcting all the violations. They almost passed final inspection in October, except, again, tangentially related to Hurricane Irma, the sidewalk was damaged, so Public Works wouldn't allow them to pass final inspection. And after a brief inspection, we determined that it was because 42nd Avenue is a state road. The County will move the debris and it was their trucks that damaged the sidewalk, but the owner has -- the bank, in this case, has agreed...

City Attorney Leen: So...

Mr. Palenzuela: To correct the violation.

City Attorney Leen: So, just to conclude -- so, there's 43 properties that have been addressed on the list since the inception of this list.

Mr. Palenzuela: Right. There's a table...

City Attorney Leen: Twenty-seven of them are in compliance; sixteen of them we're working on; twelve, we're working towards -- are under agreement or court order to comply. Now -- and we've added five properties since the last report. Every one of these properties that have been fixed up means a lot to that street. We've gone out and looked at a lot of these properties, and it really makes an impact on that street. This is beyond typical code enforcement. Code Enforcement deals with many properties, and they make sure that they are maintained appropriately. These are the deteriorating ones that look abandoned, vacant often, no one living

there, and they can really harm a street. So, your leadership in this, the Commission, has led to at least 27 streets being much nicer, and it increases property values on those streets, as well. And the goal is to have always twenty on the list, so we would like to have at least four more properties. So, if any of you know of any properties, please email the City Attorney designate or Mr. Palenzuela, or the City Manager and we address all of these properties as you present them. I think you have a question.

Vice Mayor Keon: Well, I had a question about why through Code Enforcement -- I would think that these -- that Code Enforcement would be aware of all of these properties either just as a result of their patrolling the streets or, you know, when they get -- I mean, I think if a home is very deteriorated, generally, the neighbors will call the City and ask what could be done about it. I mean, I think the whole issue started because of neighbors complaining about, you know, severely deteriorating properties in their neighborhood. So, I mean, when those complaints come in, they should be -- Code Enforcement -- I don't know if you need to work with IT or what you need to work with that when those homes and the complaints of those homes come in -- you know, and one, if the homes are not occupied, you know, you need to figure out why. If they're abandoned, then you figure out who it is we need to go after to have them fixed up or if it's somebody that can't or whatever. But you know, they -- Code Enforcement should be replenishing this list on a regular basis. I mean, I know that it's -- you know, you can deal with them in batches of twenty seems to be a manageable amount to really be able to deal with and handle. But you know, the thought of, you know, we -- having to have particular action to replenish a list, it should be, you know, just like your Justice Advocate Program. You know, every one of them that comes to our attention should be addressed so that, you know, we should be working on every home that is creating an issue within a neighborhood or affecting the valuation of other properties within that neighborhood or, you know, could maybe be, you know, a structure that could create problems for children or whatever else that are in and play in the neighborhood and all those things. I mean, it should be -- I really would like Peter to maybe talk with Code Enforcement to set up a mechanism for them to be aware of these properties and to

add them automatically and work with the County Attorney's Office -- or the City Attorney's Office, so it's never a matter of having to replenish.

Mayor Valdes-Fauli: I agree.

Vice Mayor Keon: You don't have replenish when there's not a single property that exists in the city that is in this level of disrepair.

Mayor Valdes-Fauli: That's right. Yeah, we agree.

City Attorney Leen: But, one thing I would note is we have eliminated a lot of the really bad ones. So -- they -- and Code Enforcement has worked with us and we do get...

Mr. Palenzuela: Right.

City Attorney Leen: Properties from them. But you know, the reason why we call it the Commission list is because ultimately, we file suit, and really, the Commission oversees that under our Code, and you've given us permission to file suit on these, but that's why we like to keep you updated. And, if you're receiving complaints about a particular property, please forward them to both the City Manager...

Mayor Valdes-Fauli: Right.

City Attorney Leen: And, the City Attorney and they can address the matter.

Mr. Palenzuela: Right. And I work closely with Code Enforcement. It's my understanding they are reminded at staff meetings to forward these kinds of difficult cases to me or to the City Attorney to approve me to work on them, and they also frequently contact me to obtain the most recent information on the status of a foreclosure or who the new owner -- if they hear a rumor

that the property was sold, but the property appraiser's information hasn't been updated. I run the title and I figure out who they can contact...

City Attorney Leen: Yeah...

Mr. Palenzuela: And if they can't, then I get involved.

Mayor Valdes-Fauli: Thank you very much.

City Attorney Leen: One other thing -- Mr. Mayor, a lot of -- you know, when it came up originally, Code Enforcement was acting. There would be hundreds of thousands of dollars in fines.

Mayor Valdes-Fauli: Yeah.

City Attorney Leen: But, that wasn't leading anyone to do anything. That's why we started this list.

Mayor Valdes-Fauli: Thank you. Thank you very much.

Mr. Palenzuela: Thank you.

Unidentified Speaker: Thank you, sir.

Mayor Valdes-Fauli: Very, very...

Mr. Palenzuela: Thank you. I appreciate it.

Vice Mayor Keon: Thank you.

