## CITY COUNCIL RESEARCH DIVISION LEGISLATIVE SUMMARY

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Bill Type and Number: Ordinance 2025-127

Introducer/Sponsor(s): Council Member Peluso

Date of Introduction: February 11, 2025

Committee(s) of Reference: NCSPHS, R, F

Date of Analysis: February 13, 2025

**Type of Action:** Authorization to execute nuisance abatement lien reduction agreement; Ordinance Code waiver; request for emergency approval

**Bill Summary:** This bill authorizes the execution of an agreement between the City and Terrawise Homes, Inc. to reduce nuisance abatement and demolition liens on the property located at 1324 Ionia Street (R.E. No. 072535-0010). The agreement authorizes an "after-the-fact" reduction of the liens, which total \$2,842.34 plus accrued interest. The Finance and Neighborhoods Departments are directed to work cooperatively to administer and monitor the lien agreement. The bill also waives Ordinance Code Subsection 518.145(d) - Collection and Settlement of Nuisance Abatement and Demolition Liens - which governs lien settlements. Emergency passage is requested as Terrawise Homes, Inc. has a scheduled closing for the property and requires execution of the lien agreement before the sale.

**Background Information:** The purpose of this legislation is to address outstanding nuisance abatement and demolition liens on the property at 1324 Ionia Street. The previous owner, Harmony Family Group, LLC, entered into an Agreement to Reduce Nuisance Abatement and Demolition ("HFG Agreement") with the City of Jacksonville to bring the property into compliance with the Ordinance Code. However, without the City's consent, Harmony Family Group conveyed the property to Terrawise Homes, Inc. As a result, the City terminated the agreement on January 13, 2025, effective immediately and requested full payment of outstanding liens on the property. Since acquiring the property, Terrawise Homes, Inc., has completed improvements to bring it into compliance but did not enter into a lien reduction agreement with the City beforehand. This bill approves a new lien agreement to reflect the completed improvements and provide an "after-the-fact" reduction of liens, currently \$2,842.24 plus accrued interest. The waiver of Subsection 518.145(d) allows for settlement of these liens, despite the improvements being completed before an agreement was executed. The request for emergency passage stems from Terrawise Homes Inc.'s need to finalize the lien settlement prior to a pending property closing.

The lien will be reduced by \$1 for every \$5 spent by the company to make the needed improvement up to the first \$30,000; thereafter the lien will be reduced by \$1 for every \$2 spent until the total amount of the principal and the accrued interest is extinguished.

Policy Impact Area: Lien reduction

Fiscal Impact: The lien will be extinguished after the owner makes the required repairs to reach compliance.

Analyst: Clements