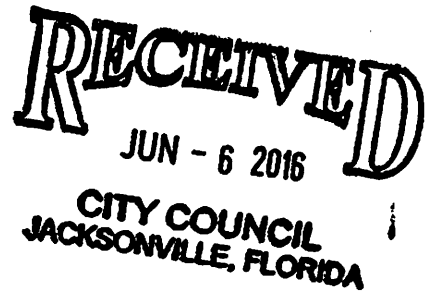
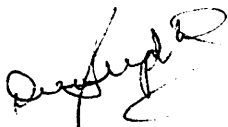
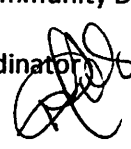


NEIGHBORHOODS DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT DIVISION



TO: City Council 

THROUGH: Diana M. Seydlorsky, Chief, Housing and Community Development Division

FROM: Dayatra M. Coles, Affordable Housing Coordinator 

DATE: May 25, 2016

SUBJECT: Chapter 179 Foreclosed Property Registry – Funding Recommendations

During the last N.I.C.E. Committee on May 16, 2016, the Committee Members requested information related to Ordinance 2015-240-E, amended Chapter 179 "Mortgage Foreclosure Regulation" and the established policy for the authorized use of funds in the Foreclosed Property Registry. This policy was established so that those neighborhoods and communities most negatively affected by the ongoing lack of adequate maintenance of properties; subject to mortgages in default or that have been foreclosed, can be eligible for funding for community development and maintenance, in addition to foreclosure intervention programs, code enforcement, community outreach, education, and training.

The Housing and Community Development Division presented the attached recommendations for funding from the Foreclosed Property Registry to the Jacksonville Housing and Community Development Commission (JHDC) at its meeting on Wednesday, May 25, 2016 at 9:30 am. These recommendations are in line with Ordinance 2015-340-E (Exhibit 1) "Strategies and Uses of Foreclosure Registry Funds" which is attached for your convenience.

Please note that the JHDC recommendations are required to receive review and approval from the Mayor's Budget Review Committee (MBRC) prior to the filing of legislation for appropriation.

Attachment(s): Chapter 179 Registry Funding Recommendations
Ordinance 2015-340-E

City of Jacksonville
 Neighborhoods Department
 Housing and Community Development Division
 Chapter 179 Registry

Revenue Available for Appropriation (03/31/2016).....	\$ 2,575,000
Projected Revenue Collections FY2016/2017.....	\$ 1,300,000
Total Recommended Appropriation FY2016/2017.....	\$ 3,875,000

Strategy 1 - Directly Impact Properties on the Foreclosure Registry (30% Minimum)

▶ Foreclosure Intervention - Provides direct cash assistance up to \$8,500 to individuals and families who are in default or facing possible foreclosure action that meet the eligibility criterion.	\$ 994,500	117 Units of Assistance at \$8,500 Each Maximum
▶ Foreclosure Mediation - Provides consumer credit counseling and mediation services to eligible homeowners to prevent foreclosure actions through possible loan modification and/or other variable resolutions, including legal services not related to foreclosure litigation.	\$ 175,000	500 Clients at \$350 Each Maximum
▶ Education brochures, including the creation, production and distribution of informational materials to assist with foreclosure prevention and foreclosure intervention. Promote the education and advertisement of the accomplishments of the vacant registry initiative.	\$ -	Funding for this activity not recommended at this time. Intervention & Mediation Agencies have existing informational outlets
Total Strategy 1 Recommended Appropriation -		
	\$ 1,169,500	30.18%

Strategy 2 - Neighborhood Development (40% Minimum)

▶ Provide resources for community revitalization efforts such as mowing, board-up, demolition and other ancillary rehabilitation improvements of blighted private properties on or in proximity to homes on the foreclosure registry.	\$ 1,115,930	To support Municipal Code Compliance activities on or in proximity to homes on the foreclosure registry.
▶ Provide gap or construction financing to non-profit developers for the acquisition, rehabilitation and sale of vacant and/or REO homes in which the total development costs exceed the appraised value of the homes.	\$ 564,570	To support the redevelopment of affordable housing for ownership
▶ Batch Foreclosure	\$ -	Funding for this activity not recommended at this time.
▶ Administrative Funds to support staffing needs related to administering the Foreclosure Registry's programs.	\$ 387,500	Funding for a portion of the personnel costs for four (4) staff members responsible for managing the registry, managing contracts and providing supervisory oversight.

City of Jacksonville
 Neighborhoods Department
 Housing and Community Development Division
 Chapter 179 Registry

Total Strategy 2 Recommended Appropriation - \$ 2,068,000 53.37%

Strategy 3 - Community Development, Outreach & Education (20% Maximum)

<p>▶ Neighborhood Matching Grants - Communities in neighborhoods with high foreclosure rates/blight could apply for funds up to \$5,000 for physical improvements in their communities. The funds awarded would be linked to what the neighborhoods could match in funds, donations and/or sweat equity. Some of the possible uses could be 1) clean up graffiti, 2) repair and install new fencing, 3) replace or develop neighborhood identification or entrance signs, 4) community gardens, and 5) painting/landscaping of pre-selected homes in areas surrounding the properties on the vacant registry.</p>	<p>\$ 100,000</p>	<p><i>To provide Neighborhood Matching Grants for up to 20 neighborhoods with high foreclosure rates and/or blight.</i></p>
<p>▶ CommUniverCity - The CommUniverCity was a multi-week leadership training course that was offered to potential community leaders citywide. The goal of CommUniverCity was to teach skills that would establish and maintain successful neighborhood organizations.</p>	<p>\$ 50,000</p>	<p><i>To cover costs associated with the creation and execution of a CommUniverCity training course in fiscal year 2016/2017.</i></p>
<p>▶ Communication/Educational Tools - Create and develop communication and educational tools for outreach activities that can be citywide and/or in neighborhoods with high foreclosure rates which include, but are not limited to neighborhood forums, foreclosure/housing educational fairs, a citywide newsletter (email and/or printed publication), newspaper advertisements, flyers and other promotional activities to inform residents of upcoming meetings and events in their community.</p>	<p>\$ 100,000</p>	<p><i>To cover costs associated with Community Education. Could be used toward the City's Blight Initiative.</i></p>

Total Strategy 3 Recommended Appropriation - \$ 250,000 6.45%

Contingency (10% Maximum)

▶ Can be appropriated to a Strategy 1 or Strategy 2 funding need or carried-forward to fund balance. \$ 387,500 *Recommend carrying forward the contingency.*

Total Recommended Appropriation - \$ 3,875,000 100.00%

PLANNING AND DEVELOPMENT DEPARTMENT
HOUSING AND COMMUNITY DEVELOPMENT DIVISION



Revised: May 4, 2015

Strategies and Uses of Foreclosure Registry Funds

**Strategy 1: Directly Impact Properties on the Foreclosure Registry
Foreclosure Prevention Strategy – Direct Services to Homeowners with
Properties on the Registry
Funded at a minimum of 30% of the annually budgeted appropriation**

- Foreclosure Intervention – Provides direct cash assistance, up to \$8,500, to individuals and families who are in default or facing possible foreclosure action that meet the eligibility criterion.
- Foreclosure Mediation – Provides consumer credit counseling and mediation services to eligible homeowners to prevent foreclosure actions through possible loan modification and/or other variable resolutions; including legal services not related to foreclosure litigation.
- Education brochures, including the creation, production and distribution of informational materials to assist with foreclosure prevention and foreclosure intervention. Promote the education and advertisement of the accomplishments of the vacant registry initiative.

**Strategy 2: Neighborhood Development
Housing and Community Development Strategy – Provide Services to
Residential Properties on the Registry and Neighboring Properties Impacted
by Properties on the Registry
Funded at a minimum of 40% of the annually budgeted appropriation**

- Provide resources for community revitalization efforts such as mowing, board-up, demolition and other ancillary rehabilitation improvements of blighted private properties on or in proximity to homes on the foreclosure registry.
- Provide gap or construction financing to non-profit developers for the acquisition, rehabilitation and sale of vacant and/or REO homes in which the total development costs exceed the appraised value of the home.
- Batch Foreclosure
- Administrative funds to support staffing needs related to administering the Foreclosure Registry's programs.

**Strategy 3: Community Development, Outreach and Education
Assistance to Neighborhoods and Organizations in which Foreclosure
Registry Properties are Located
Funded at a maximum of 20% of the annually budgeted appropriation**

- Neighborhood Matching Grants – Communities in neighborhoods with high foreclosure rates/blight could apply for funds up to \$5,000 for physical improvements in their communities. The funds awarded would be linked to what the neighborhoods could match in funds, donations and/or sweat equity. Some of the possible uses could be: 1) clean up graffiti, 2) repair and install new fencing, 3) replace or develop neighborhood identification or entrance signs, 4) community gardens, and 5) painting/landscaping of pre-selected homes in areas surrounding the properties on the vacant registry.
- CommUniverCity – The CommUniverCity was a multi-week leadership training course that was offered to potential community leaders citywide. The goal of CommUniverCity was to teach skills that would establish and maintain successful neighborhood organizations.
- Communication/Educational Tools – Create and develop communication and educational tools for outreach activities that can be used Citywide and/or in neighborhoods with high foreclosure rates which include, but are not limited to: neighborhood forums, foreclosure/housing educational fairs, a citywide newsletter (email and/or printed publications), newspaper advertisements, flyers and other promotional activities to inform residents of upcoming meetings and events in their community.

Contingency: 10% available to be appropriated to Strategy 1 or 2 funding need, or carried forward to fund balance.

ORDINANCE/BUDGETING EXAMPLE:

Measure of Fund balance determines Fiscal Year Available Funds = \$1,000,000

Council Approval required for the use of any part of Fiscal Year Available \$1,000,000

Uses of Foreclosure Registry Funds

Strategy 1 - Foreclosure Prevention Strategy minimum use = 30%	= \$300,000
Strategy 2 - Housing and Community Development Strategy minimum use = 40%	= \$400,000
Strategy 3 - Community Development, Outreach & Education maximum use = 20%	= \$200,000
Contingency funds available = 10% for Strategy 1 or 2 funding needs only	= \$100,000

REFERRED TO: (1) Finance (3) _____
(2) RCDPHS (4) _____

DECLARE EMERGENCY _____ MOTION BY C/M _____ CARRIED _____ FAILED _____

DATE: MAY 26 2015 SECOND READING ITEM # _____

REPORT OF COMMITTEE ON:	RECOMMENDATION	VOTE	PUBLIC HEARING
<u>Finance</u>	<u>READ 2nd TIME & RE-REFER</u>	_____	Opened <input checked="" type="checkbox"/>
<u>RCDPHS</u>	<u>READ 2nd TIME & RE-REFER</u>	_____	Closed <input checked="" type="checkbox"/>
_____	_____	_____	Cont'd _____
_____	_____	_____	Addnl _____

REREFERRED TO THE COMMITTEE(S) OF RECORD _____

DECLARE EMERGENCY _____ MOTION BY C/M _____ CARRIED _____ FAILED _____

DATE: JUN 09 2015 THIRD READING ITEM # _____

REPORT OF COMMITTEE ON:	RECOMMENDATION	VOTE
<u>Finance</u>	<u>Amend/Enact</u>	<u>9-0</u>
<u>RCDPHS</u>	<u>Amend/Enact</u>	<u>6-0</u>

C/M HOLT AMEND/ENACT

ENACTED As: Amended Substituted _____ ORDINANCE # 2015-340-E

COUNCIL PUBLIC HEARINGS Pursuant to Chapt. 166, F.S. &/or CR 3.601: 5/26/15

SPECIAL COUNCIL PUBLIC HEARINGS: _____

COMMITTEE PUBLIC HEARINGS: _____



OFFICE OF MAYOR ALVIN BROWN

ST. JAMES BUILDING
117 WEST DUVAL STREET, SUITE 400
JACKSONVILLE, FLORIDA 32202

June 23, 2015

PH: (904) 630-1776
FAX: (904) 630-2391
www.coj.net

The Honorable Clay Yarborough
City Council President
c/o Legislative Services
117 West Duval Street, Suite 430
Jacksonville, FL 32202

Re: Ordinance 2015-340-E

Dear President Yarborough:

Enclosed is Resolution 2015-340-E, which I am returning to City Council without my signature.

Thank you very much for your service to Jacksonville.

Sincerely,

A handwritten signature in black ink that reads "Alvin Brown". The signature is written in a cursive style with a long, sweeping underline.

Alvin Brown

1 Introduced by Council Members Lee, Jones, Gulliford, Crescimbeni,
2 Anderson, Love and Bishop and amended by the Finance Committee:

5 ORDINANCE 2015-340-E

6 AN ORDINANCE AMENDING CHAPTER 179 (MORTGAGE

7 FORECLOSURE REGULATION), ORDINANCE CODE;

8 AMENDING SECTIONS 179.102 (DEFINITIONS),

9 179.104 (INSPECTION AND REGISTRATION OF VACANT

10 REAL PROPERTY BY MORTGAGE HOLDING MORTGAGES IN

11 DEFAULT) AND 179.106 (SECURITY REQUIREMENTS),

12 ORDINANCE CODE, TO INCREASE THE REGISTRATION

13 FEE FROM \$150.00 TO \$250.00; REQUIRING AN

14 ANNUAL RENEWAL FEE; PROVIDING FOR A FINE IN

15 THE AMOUNT OF \$500.00 FOR THOSE MORTGAGEES WHO

16 DO NOT REGISTER PROPERTIES AS REQUIRED UNDER

17 CHAPTER 179; CREATING A NEW SECTION 179.110

18 (ADOPTION OF POLICY AND RULES AND REGULATION;

19 DECLARATION OF MUNICIPAL PURPOSE), ORDINANCE

20 CODE, PERTAINING TO ADOPTION OF A POLICY BY

21 THE HOUSING & COMMUNITY DEVELOPMENT DIVISION

22 OF THE PLANNING AND DEVELOPMENT DEPARTMENT FOR

23 AUTHORIZED USE OF FUNDS IN REGISTRY AND

24 DECLARING A PUBLIC PURPOSE FOR EXPENDITURE OF

25 THE FUNDS; CREATING A NEW SECTION 179.111

26 (EXPENDITURE OF FUNDS; MONITORING AND

27 COMPLIANCE), ORDINANCE CODE, FOR EXPENDITURE

28 OF FUNDS AND PROVIDING FOR INTERNAL TRACKING

29 AND COMPLIANCE; CREATING A NEW SECTION 179.112

30 (AUDITING RIGHTS; INSPECTION OF BOOKS AND

31 RECORDS; MONTHLY AND ANNUAL REPORTS),

1 ORDINANCE CODE, FOR AUDITING RIGHTS,
2 INSPECTION OF BOOKS AND RECORDS, AND MONTHLY
3 AND ANNUAL REPORTS; PROVIDING FOR ADOPTION BY
4 COUNCIL OF A POLICY FOR THE EXPENDITURE OF
5 FUNDS CONSISTENT WITH THIS CHAPTER AND ANNUAL
6 REVIEW OF THE POLICY; PROVIDING FOR REVIEW OF
7 THE REGISTRATION FEE AND OTHER FEES ANNUALLY
8 FOLLOWING THE FIRST TWO YEARS OF ENACTMENT;
9 PROVIDING FOR SEVERABILITY; PROVIDING AN
10 EFFECTIVE DATE.

11
12 WHEREAS, in 2010 the Jacksonville City Council adopted
13 Ordinance 2010-327-E to create a foreclosed property registry for
14 mortgaged real property which is in default, distress or in the
15 process of foreclosure; and

16 WHEREAS, the foreclosed property registry established a
17 process to mitigate the level of deteriorating property within the
18 City of Jacksonville by providing that funds from the registration
19 of properties, in addition to covering administrative costs of the
20 registry, go into programs for foreclosure intervention programs
21 and code enforcement; and

22 WHEREAS, there are certain areas within the City that suffer
23 from blighted conditions and devaluation in property values at a
24 greater intensity and frequency than other areas of the City,
25 particularly in the following zip codes: 32202, 32205, 32206,
26 32208, 32209, 32254 due to the lack of adequate maintenance of
27 properties subject to mortgages that are in default or have been
28 foreclosed; and

29 WHEREAS, the City desires to establish a policy so that those
30 neighborhoods and communities most negatively affected by the
31 ongoing lack of adequate maintenance of properties subject to

1 mortgages in default or that have been foreclosed can be eligible
2 for funding for community development and maintenance, in addition
3 to foreclosure intervention programs and code enforcement; and

4 WHEREAS, the City of Jacksonville further finds that
5 improvements and efficiencies can be made to the current
6 registration process to enhance the program; and

7 WHEREAS, the City Council of the City of Jacksonville has
8 determined that the following additions and modifications to the
9 City's *Ordinance Code* will meet a public purpose by serving and
10 contributing to the promotion and protection of the general health,
11 safety and welfare of the residents of the City of Jacksonville;
12 and,

13 WHEREAS, upon passage, duly noticed public hearings as
14 required by law will have been held by the City Council of the City
15 of Jacksonville, at which public hearings all residents and
16 interested persons were given an opportunity to be heard; now
17 therefore

18 BE IT ORDAINED by the Council of the City of Jacksonville:

19 Section 1. Recitals Incorporated. The above recitals are
20 true and correct and by this reference are incorporated herein and
21 made an integral part hereof.

22 Section 2. Amending Chapter 179 (Mortgage Foreclosure
23 Regulation), Ordinance Code. Chapter 179 (Mortgage Foreclosure
24 Regulation) is amended to read as follows:

25 CHAPTER 179. MORTGAGE FORECLOSURE REGISTRATION

26 * * *

27 Sec. 179.102 Definitions.

28 The following words, terms and phrases, when used in this
29 Chapter, shall have the meanings ascribed to them, except where the
30 context clearly indicates a different meaning. Where the context

1 will permit and no definitions are provided herein, the definitions
2 provided in the Florida Building Code shall apply.

3 *Abandoned real property* means any real property that is
4 ~~vacant, and is~~ under a public notice of default, notice of
5 mortgagee's sale, pending tax assessor's lien sale, or is pending a
6 mortgage foreclosure, ~~or notice of mortgagee's sale, or lien sale~~
7 and/or properties that have been the subject of a mortgage
8 foreclosure sale where title is retained by the mortgagee, and/or
9 any properties transferred under a deed-in-lieu of foreclosure
10 sale, a short sale or any other legal means.

11 Annual registration shall mean 12 months from the date of the
12 first action that required registration, as determined by the City
13 of Jacksonville's Housing and Community Development Division, or
14 its designee, and every subsequent 12 months. The date of the
15 initial registration may be different than the date of the first
16 action that required registration.

17 ~~Default means that the mortgagee has filed a foreclosure~~
18 ~~action or public notice of default on the mortgage. A mortgage~~
19 ~~shall be considered in default at such time as the mortgagee~~
20 ~~declares said mortgage to be in default either in writing, by~~
21 ~~recording a lis pendens, by commencing foreclosure proceedings, or~~
22 ~~by any other actions demonstrating a breach of a security covenant~~
23 ~~on a property. a claim by a mortgagee, or other lien holder, that~~
24 ~~the mortgagor has not complied with the terms of the mortgage on~~
25 ~~the property or other evidence of the debt referred to in the~~
26 ~~mortgage.~~

27 *Enforcement officer* means any fulltime law enforcement
28 officer, building official, fire inspector or code enforcement
29 officer employed by the City of Jacksonville.

30 *Evidence of vacancy* means any condition that on its own, or
31 combined with other conditions present, would lead a reasonable

1 person to believe that the property is vacant. Such conditions may
2 include, but are not limited to: overgrown and/or dead vegetation;
3 electricity, water or other utilities turned off; stagnant swimming
4 pool; or statements by neighbors, passers-by, delivery agents or
5 government agents.

6 ~~Foreclosure means the judicial process by which a property,~~
7 ~~placed as security for a mortgage loan, after a judicial process,~~
8 ~~is to be sold at an auction to satisfy a debt upon which the~~
9 ~~borrower has defaulted.~~ the legal process by which a mortgagee, or
10 other lien holder, terminates or attempts to terminate a property
11 owner's equitable right of redemption to obtain legal and equitable
12 title to the real property subject to the lien held by that
13 mortgagee or other lien holder. This definition shall include, but
14 is not limited to, public notice of default, deed-in-lieu of
15 foreclosure, sale to the mortgagee or lien holder prior to
16 certificate of title, certificate of title and all other processes,
17 activities and actions, by whatever name, associated with the
18 described process. The process is not concluded until title to the
19 property is transferred to a third party either before or after
20 certificate of title or until the legal process is dismissed.

21 "Local" means within the boundaries of the City of
22 Jacksonville, Florida.

23 "Local Agent" means the property manager or agent designated
24 by the mortgagee upon registration as required under this Chapter.
25 The Local Agent's office must be located within twenty (20) miles
26 of the City of Jacksonville.

27 "Mortgagee" means the creditor, including but not limited to,
28 trustees; servicing companies; lenders; any agent, servant or
29 employee of the creditor; any successor in interest; or any
30 assignee of the creditor's rights, interests or obligations under
31 the mortgage agreement.

1 (b) Property inspected pursuant to subsection (a) above that
2 ~~is occupied but~~ remains in default, shall be inspected ~~on a regular~~
3 ~~basis~~ every 30 days by the mortgagee or mortgagee's designee.

4 (c) Within ten (10) days of the date any mortgagee declares
5 its mortgage to be in default, the mortgagee shall register the
6 real property with the City of Jacksonville's Housing &
7 ~~Neighborhood Department~~ Community Development Division, or its
8 designee, on forms promulgated by the ~~Housing & Neighborhood~~
9 ~~Department,~~ Housing & Community Development Division, or other
10 manner as directed, and, at the time of registration, indicate
11 whether the property is vacant, shows evidence of vacancy or is
12 occupied, and shall designate in writing a ~~local property manager~~
13 Local Agent to inspect, maintain and secure the real property
14 subject to the mortgage in default. A separate registration is
15 required for each property, whether it is found to be vacant or
16 occupied.

17 (d) Registration pursuant to this section shall contain at a
18 minimum the name of the mortgagee, the mailing address of the
19 mortgagee, e-mail address, ~~and~~ telephone number, and name of the
20 ~~local property manager~~ Local Agent and said person's address, e-
21 mail address, and telephone number. The ~~local property manager~~
22 Local Agent shall be responsible to inspect, secure and maintain
23 the property. The ~~property manager~~ Local Agent named in the
24 registration shall be located within twenty (20) miles of the City
25 of Jacksonville and available to be contacted by the City, Monday
26 through Friday between 9:00 a.m. and 5:00 p.m., legal holidays ~~and~~
27 ~~lunch hours~~ excepted.

28 (e) At the time of registration each ~~Each~~ registrant shall
29 pay a non-refundable annual registration fee of ~~\$150.00~~ \$250.00 for
30 each registration. Subsequent annual registrations and fees in the
31 amount of \$250.00 are due within 30 days of the expiration of the

1 previous registration. Said fees shall be used to offset the costs
2 of (1) registration and registration enforcement, (2) code
3 enforcement and mitigation related to blighted and deteriorating
4 foreclosed properties that were owner-occupied, (3) post-closing
5 counseling and foreclosure intervention limited to owner-occupied
6 persons in default, which may include cash and mortgage
7 modification assistance- ,and (4) may be used for any related
8 purposes as may be adopted in the policy set forth in Section
9 179.110 below. Said fees shall be deposited to a special account
10 in the ~~Planning and Development Department~~ Housing & Community
11 Development Division dedicated to the cost of implementation and
12 enforcement of this ordinance, combatting blight in affected
13 neighborhoods consistent with the policy adopted by the Housing &
14 Community Development Division in Section 179.110, and any
15 registries so required. None of the funds provided for in this
16 section shall be utilized for the legal defense of foreclosure
17 actions.

18 (f) ~~This section shall also apply to properties that have~~
19 ~~been the subject of a foreclosure sale where title is transferred~~
20 ~~to the mortgagee as well as any properties transferred to the~~
21 ~~mortgagee under a deed in lieu of foreclosure.~~ Beginning on July
22 1, 2015, each individual property on the registry that has been
23 registered for twelve months or more prior to that date shall have
24 thirty (30) days to renew the registration and pay the \$250.00
25 annual renewal fee. The anniversary date for annual renewal of
26 registration for these properties shall be deemed to be July 1 each
27 subsequent year. Properties registered less than twelve months
28 prior to July 1, 2015 shall use the date of initial registration as
29 their annual renewal date and shall pay the \$250.00 annual renewal
30 date on the anniversary of the initial registration each subsequent
31 year.

1 (g) If the defaulted mortgage and/or servicing on a property
2 is sold or transferred, the new mortgagee is subject to all the
3 terms of this Chapter. Within ten (10) days of the transfer, the
4 new mortgagee shall register the property or update the existing
5 registration and pay a registration update fee of \$50.00. Any and
6 all previous unpaid fees, regardless of who the mortgagee was at
7 the time of registration was required, including but not limited to
8 unregistered periods during the foreclosure process shall be the
9 responsibility of the new mortgagee and are due and payable with
10 the updated registration.

11 (h) If the mortgagee of a foreclosed real property sells or
12 transfers the property in a non-arm's length transaction to a
13 related entity or person, the transferee is subject to all the
14 terms of this Chapter, and within ten (10) days of the transfer the
15 transferee shall register the property or update the existing
16 registration and pay a registration update fee of \$50.00. Any and
17 all previous unpaid fees, regardless of who the mortgagee was at
18 the time registration was required, including but not limited to
19 unregistered periods during the foreclosure process, are the
20 responsibility of the new owner of the foreclosed property and are
21 due and payable with the updated registration.

22 (i) If the property is not registered and the registration
23 fee is not paid within thirty (30) days of when the registration is
24 required pursuant to this section, a late fee of \$50.00 per
25 property shall be charged and shall be due and payable with the
26 registration. This section shall apply to the initial registration
27 and registrations required by subsequent owners of the defaulted
28 mortgage and/or foreclosed property. Each period where the
29 registration fee is late shall be assessed a late charge of \$50.00.
30 Registrations delinquent greater than 30 days are subject to
31 additional fines as described by Section 179.106(g) herein.

1 of the property and/or structure. Broken windows shall be secured
2 by reglazing or boarding.

3 (c) If a mortgage on a property is in default, and the
4 property has become vacant or abandoned, a ~~local property manager~~
5 Local Agent shall be designated by the mortgagee to perform the
6 work necessary to bring the property into compliance with the code
7 of ordinances and the ~~local property manager~~ Local Agent must
8 perform regular inspections to verify compliance with the
9 requirements of this section, and any other applicable laws or
10 ordinances of the City of Jacksonville.

11 (d) When a property subject to this Chapter becomes vacant or
12 abandoned, it shall be posted with the name and twenty four (24)
13 hour contact telephone number of the ~~local property manager~~ Local
14 Agent. The sign shall be placed in a window facing the street and
15 shall be visible from the street. The posting shall be no less than
16 18 inches x 24 inches and shall be of a font that is legible from a
17 distance of 45 feet. The posting shall contain the following
18 language with supporting information:

19 THIS PROPERTY IS MANAGED BY
20 AND IS INSPECTED ON A REGULAR BASIS.
21 THE PROPERTY MANAGER CAN BE CONTACTED
22 BY TELEPHONE AT
23 OR BY EMAIL AT

24 (e) The posting required in subsection (d) above shall be
25 placed on the interior of a window facing the street to the front
26 of the property so that it is visible from the street, or secured
27 to the exterior of the building/structure facing the street to the
28 front of the property so that it is visible from the street or if
29 no such area exists, on a stake of sufficient size to support the
30 posting in a location that is at all times visible from the street
31 to the front of the property but not readily accessible to vandals.

1 Exterior posting shall be constructed of and printed with weather-
2 resistant materials.

3 (f) Failure of the mortgagee and/or property owner of record
4 to properly inspect and secure a property subject to this Chapter,
5 and post and maintain the signage noted in this section, is
6 unlawful and a Class C violation and shall be subject to
7 enforcement by any of the enforcement means available to the City
8 of Jacksonville. Pursuant to a finding and determination, the City
9 of Jacksonville may take the necessary action to ensure compliance
10 with this section, and recover costs and expenses in support
11 thereof.

12 (g) Failure of the mortgagee to register a property pursuant
13 to this Chapter shall authorize the City to impose a civil penalty
14 in the amount of \$500.00 against the mortgagee for each offense.
15 Upon written notice of noncompliance from the City or its designee,
16 the mortgagee shall have 20 days from the date of the notice of
17 noncompliance to pay the registration fee and any additional fees
18 (such as any late fee or update fee noted within the letter of
19 noncompliance). If the mortgagee fails to timely make these
20 payments within the time allotted above, the \$500.00 civil penalty
21 shall be imposed upon mortgagee and shall be payable to the City of
22 Jacksonville within 15 days of receipt of notice of delinquent
23 payment, along with any other registration fees which have not been
24 paid by that date. The provisions of this section are cumulative
25 with and in addition to other available remedies. Moreover, the
26 Housing and Community Development Division Staff of the Planning
27 and Development Department is authorized and empowered to refer the
28 Notice of Noncompliance to the City Code Enforcement Special
29 Magistrate for disposition.

30 * * *

1 Sec. 179.110. Adoption of policy and rules and regulations;
2 declaration of municipal purpose.

3 Subject to the review and approval of City Council, the
4 Housing and Community Development Division of the Planning and
5 Development Department is authorized and empowered to adopt any
6 policies, rules and regulations necessary, and expend funds as may
7 be reasonably necessary and available to carry out the terms of
8 this Chapter, the expenditure of such funds having been declared a
9 proper public purpose herein.

10 Sec. 179.111. Expenditure of funds; monitoring and
11 compliance.

12 The City fee collected for Foreclosed Land Registry shall be
13 deposited in sub fund 1N1. Council shall authorize all
14 appropriations from the sub fund. The Planning and Development
15 Department, where Housing and Community Development operates, shall
16 commit to tracking expenses through a tiered strategy system
17 policy, adopted by City Council, and shall concurrently submit
18 annual reports to the Council Auditor's Office and the Finance
19 Committee. The expenditures from the Foreclosed Land Registry shall
20 be tracked allocating those funds to show how the funds were
21 requested, issued, and used in relation to the tiered strategy
22 policy and personnel. Such detail shall be in accordance with
23 instructions provided by the Council Auditor's Office. The annual
24 reporting of activity will provide the ability to substantiate the
25 appropriate use of the Foreclosed Land Registry fees in all years
26 going forward as of October 1, 2015 with the first report made
27 available sixty days after fiscal year end.

28 Section 179.112. Auditing Rights; Inspection of Books and
29 Records; Monthly and Annual Reports.

30 If the City selects a vendor to administer the provisions of

1 this Chapter through a contractual arrangement, the following
2 auditing provisions shall apply to the selected vendor and shall
3 be included in the contract with the vendor. The Planning and
4 Development Department, where Housing and Community Development
5 operates, and the City Council Auditors, shall have the right,
6 during normal business hours, to enter the vendor's business
7 property, upon reasonable prior notice, to inspect the operations
8 and facilities of the vendor and to audit, inspect and examine the
9 vendor's books and records and state and federal tax returns,
10 insofar as they relate to compliance with the contractual
11 provisions, this Chapter and any rules adopted by the Planning and
12 Development Department pursuant hereto. This information shall
13 include, but not be limited to, the following: billing rates,
14 billing amounts, accounts receivable and list of accounts.
15 Additionally, the City Council Auditors may communicate directly
16 with customers (mortgagees in this case) for the purpose of
17 confirming compliance with this Section. To the extent authorized
18 by Section 119.165, Florida Statutes, or other applicable law, this
19 information shall remain confidential. Refusal to permit inspection
20 shall be cause for suspension or revocation of the vendor contract.
21 The vendor shall deliver to the Planning and Development Department
22 a true and correct monthly report of gross receipts generated
23 during the previous month for all registrations, fees, and
24 penalties within the City on or before the last day of each month.
25 The vendor shall, on or before 90 days following the close of the
26 City's fiscal year, deliver to the Planning and Development
27 Department a statement of its annual gross receipts generated from
28 accounts within the City reflecting gross receipts within the City
29 for the preceding City fiscal year. The statement shall be audited
30 by an independent certified public accountant licensed to do
31 business in the state, and shall be accompanied by the certified

1 public accountant's opinion of its accuracy without qualifications
2 or reservations.

3 * * *

4 Section 3. Adoption of policy on expenditure of funds.

5 The Housing & Community Development Division of the Planning and
6 Development Department has established a policy for the expenditure
7 of funds deposited in the Foreclosed Property Registry consistent
8 with the purpose of combatting blight, particularly in
9 neighborhoods and communities inordinately impacted by the mortgage
10 foreclosure crisis, and to counteract the deterioration of
11 properties in the registry and to reduce the devaluation of
12 surrounding properties caused by deteriorating properties subject
13 to mortgage foreclosure. The City of Jacksonville hereby adopts
14 the policy created by the Housing and Community Development
15 Division attached hereto as Exhibit 1 and incorporated herein by
16 reference. This policy is subject to annual review by the Housing
17 and Community Development Division. Should the Housing and
18 Community Development Division determine that modifications to the
19 policy are necessary or recommended, the Housing and Community
20 Development Division shall file legislation through the Mayor's
21 Office to have such modifications to the policy adopted by the
22 Council.

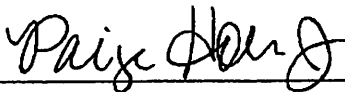
23 Section 4. Review of registration fees and fees related
24 to the foreclosed property registry. All fees related to Chapter
25 179 approved in this Ordinance shall be in effect for at least two
26 (2) City budget fiscal years from the Effective Date of this
27 Ordinance. This will provide time for the Housing and Community
28 Development Division to determine if said fees are reasonable and
29 appropriate, and in concert with the modifications to the Chapter.
30 After the completion of two (2) City budget fiscal years, the

1 Housing & Community Development Division of the Planning and
2 Development Department shall internally review the fee structure
3 provided for herein to assess the need to modify the fee structure.
4 Following that review, which may be in conjunction with the
5 submission of its annual budget proposal each year, the Housing &
6 Community Development Division of the Planning and Development
7 Department shall review the fee structure approved herein and make
8 a recommendation in writing to the Council as to any changes to the
9 fee structure, or may on its own directive, file legislation
10 through the Mayor's Office to amend the fee structure.

11 Section 5. Severability. It is hereby declared to be the
12 intention of the City Council of the City of Jacksonville that the
13 sections, paragraphs, sentences, clauses and phrases of this
14 ordinance are severable, and if any phrase, clause, sentence,
15 paragraph or section of this ordinance shall be declared
16 unconstitutional by the valid judgment or decree of a court of
17 competent jurisdiction, such unconstitutionality shall not affect
18 any of the remaining phrases, clauses, sentences, paragraphs and
19 sections of this Ordinance.

20 Section 6. Effective Date. This ordinance shall become
21 effective upon signature by the Mayor or upon becoming effective
22 without the Mayor's signature.

23 Form Approved:

24 
25 _____

26 Office of General Counsel

27 Legislation prepared by: Paige H. Johnston

28 G:\SHARED\LEGIS.CC\2015\Ord\2015-340-E.doc

- Provide resources for community revitalization efforts such as mowing, board-up, demolition and other ancillary rehabilitation improvements of blighted private properties on or in proximity to homes on the foreclosure registry.
- Provide gap or construction financing to non-profit developers for the acquisition, rehabilitation and sale of vacant and/or REO homes in which the total development costs exceed the appraised value of the home.
- Batch Foreclosure
- Administrative funds to support staffing needs related to administering the Foreclosure Registry's programs.

Strategy 2: Neighborhood Development
Housing and Community Development Strategy – Provide Services to Residential Properties on the Registry and Neighboring Properties Impacted by Properties on the Registry
 Funded at a minimum of 40% of the annually budgeted appropriation

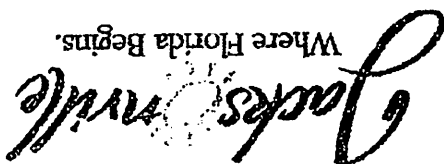
- Foreclosure Intervention – Provides direct cash assistance, up to \$8,500, to individuals and families who are in default or facing possible foreclosure action that meet the eligibility criterion.
- Foreclosure Mediation – Provides consumer credit counseling and mediation services to eligible homeowners to prevent foreclosure actions through possible loan modification and/or other variable resolutions; including legal services not related to foreclosure litigation.
- Education brochures, including the creation, production and distribution of informational materials to assist with foreclosure prevention and foreclosure intervention. Promote the education and advertisement of the accomplishments of the vacant registry initiative.

Strategy 1: Directly Impact Properties on the Foreclosure Registry
Foreclosure Prevention Strategy – Direct Services to Homeowners with Properties on the Registry
 Funded at a minimum of 30% of the annually budgeted appropriation

Strategies and Uses of Foreclosure Registry Funds

Revised: May 4, 2015

PLANNING AND DEVELOPMENT DEPARTMENT
 HOUSING AND COMMUNITY DEVELOPMENT DIVISION



2015-2-24/3

**Strategy 3: Community Development, Outreach and Education
Assistance to Neighborhoods and Organizations in which Foreclosure
Registry Properties are Located
Funded at a maximum of 20% of the annually budgeted appropriation**

- Neighborhood Matching Grants – Communities in neighborhoods with high foreclosure rates/blight could apply for funds up to \$5,000 for physical improvements in their communities. The funds awarded would be linked to what the neighborhoods could match in funds, donations and/or sweat equity. Some of the possible uses could be: 1) clean up graffiti, 2) repair and install new fencing, 3) replace or develop neighborhood identification or entrance signs, 4) community gardens, and 5) painting/landscaping of pre-selected homes in areas surrounding the properties on the vacant registry.
- CommUniverCity – The CommUniverCity was a multi-week leadership training course that was offered to potential community leaders citywide. The goal of CommUniverCity was to teach skills that would establish and maintain successful neighborhood organizations.
- Communication/Educational Tools – Create and develop communication and educational tools for outreach activities that can be used Citywide and/or in neighborhoods with high foreclosure rates which include, but are not limited to: neighborhood forums, foreclosure/housing educational fairs, a citywide newsletter (email and/or printed publications), newspaper advertisements, flyers and other promotional activities to inform residents of upcoming meetings and events in their community.

Contingency: 10% available to be appropriated to Strategy 1 or 2 funding need, or carried forward to fund balance.

ORDINANCE/BUDGETING EXAMPLE:

Measure of Fund balance determines Fiscal Year Available Funds = \$1,000,000

Council Approval required for the use of any part of Fiscal Year Available \$1,000,000

Uses of Foreclosure Registry Funds

Strategy 1 - Foreclosure Prevention Strategy minimum use = 30%	= \$300,000
Strategy 2 - Housing and Community Development Strategy minimum use = 40%	= \$400,000
Strategy 3 - Community Development, Outreach & Education maximum use = 20%	= \$200,000
Contingency funds available = 10% for Strategy 1 or 2 funding needs only	= \$100,000

ORDINANCE 2015-340-E

CERTIFICATE OF AUTHENTICATION

ENACTED BY THE COUNCIL

June 09, 2015

Clay Yarbrough

CLAY YARBROUGH
COUNCIL PRESIDENT

ATTEST:

APPROVED: _____

Cheryl L. Brown

CHERYL L. BROWN
COUNCIL SECRETARY

ALVIN BROWN, MAYOR



I HEREBY CERTIFY that the foregoing Ordinance was delivered to the Mayor

for approval or rejection on June 11, 2015.

The bill BECAME EFFECTIVE without the Mayor's signature on June 23, 2015.

ATTEST:

Cheryl L. Brown

CHERYL L. BROWN
COUNCIL SECRETARY

