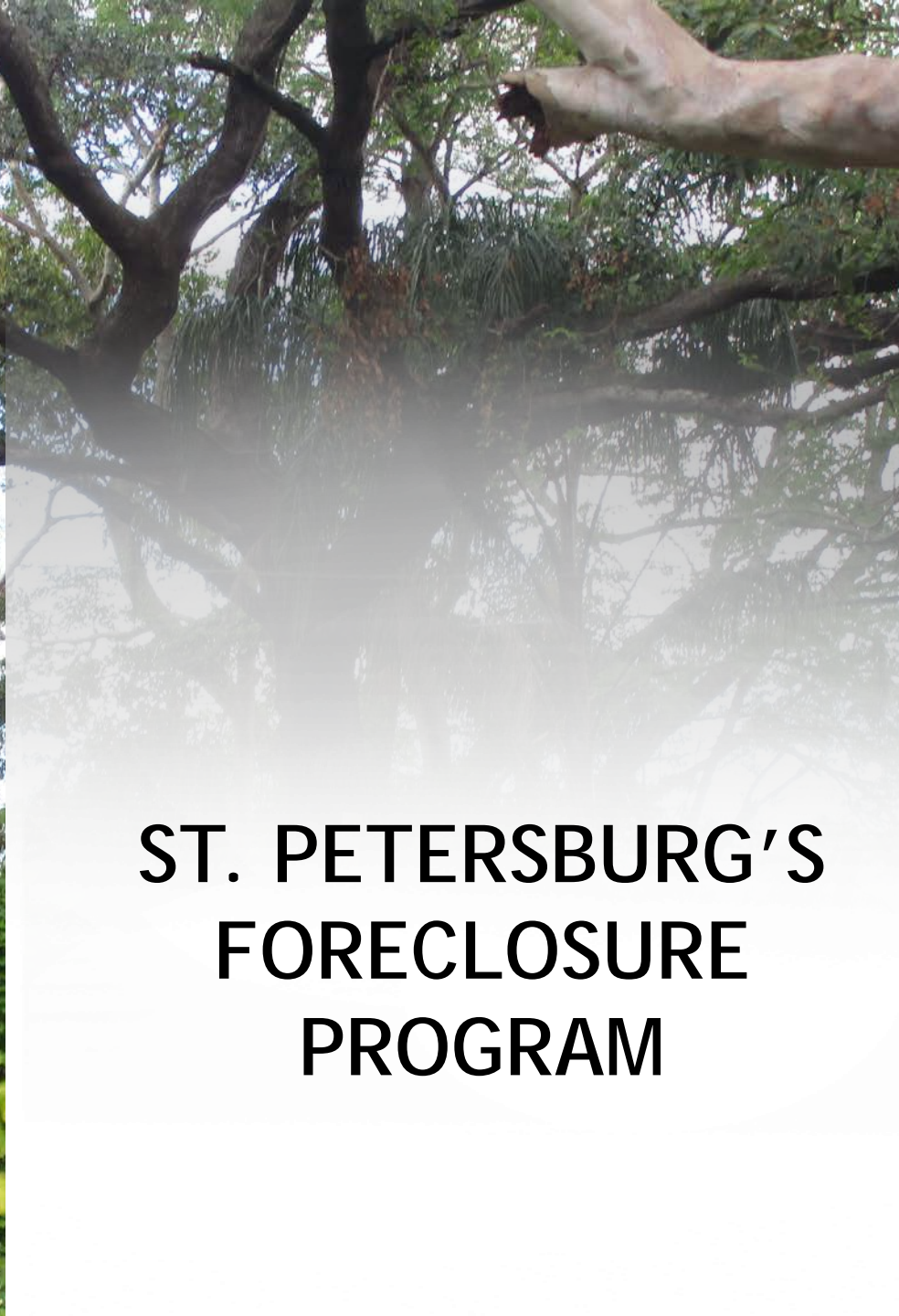


FORECLOSURE STAFF RECOMMENDATIONS

Terry Teunis
Code Compliance Manager



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ST. PETERSBURG'S FORECLOSURE PROGRAM

The city of St. Petersburg Foreclosure Program was Implemented in September 2014 in order to Address Properties with Code Enforcement Liens and No Compliance Efforts.



- St. Petersburg Council Recommends:
 - All Properties are Considered (Commercial, Residential, & Vacant Lots).
 - No Mortgage on Property.
 - Properties w/ Significant Code Enforcement Liens (under 20 years).
 - Determination Must Be Made re: Liens on Property (Contractor, Utilities, & Tax).
 - Properties Must Be Vacant.

ST. PETERSBURG PILOT PROGRAM

- Pilot Program Resulted in St. Petersburg's Hiring an Outside Law Firm w/ Experience in Foreclosure Process to Manage the Program.



ST. PETERSBURG PILOT PROGRAM

- Assistant City Attorney
 - More Problematic as Code Enforcement Staff Assisted w/ Info That Was Needed.
 - Produced Only 3-4 Judgments.
- Private Attorney
 - Successful Law Firm; Used Own Resources.
 - Produced Approx. 50 Judgments.
 - Successfully Litigated Challenges from Tarpon IV, LLC.

BEGINNING FORECLOSURE ACTION

- Pilot Program Resulted in St. Pete's Hiring Outside Law Firm w/ Foreclosure Experience to Manage Their Program.
- When a Determination is Made on a Property, St. Pete Sends 30-Day Demand Letter to Property Owner to Address Liens.
- After 30 Days, Case Goes to Outside Attorney to Begin Foreclosure Action. It Takes about 2 Months; Don't Foreclose on Properties w/ Mortgages.

BEGINNING FORECLOSURE ACTION

- St. Pete Currently Forecloses on Approx. 20 Properties Per Month.
- Upon Foreclosure in Favor of St. Pete, the Properties are Sold at Auction by Private Auctioneer.



ST. PETE FORECLOSURE RESULTS

- 200+ Properties Have Been Initiated.
- 18 Properties Settled at Demand-Letter Stage.
- 103 Properties Were Foreclosed & Sold at Auction.
- 44 Properties Paid Liens.
- 46 Properties Are Still in the Process.
- \$1.7M Was Collected to General Fund, Less Costs of \$486,000.



CLEARWATER STAFF RECOMMENDATIONS

CLEARWATER STAFF RECOMMENDATIONS

- Properties w/ High Code Enforcement Liens and/or Have Negative Impact on Community Are Priority.
- Residential, Commercial & Empty Lots.
- Properties/Structures Must Not Be Occupied.
- Low or No Mortgage on Property Is Preferable.

CLEARWATER STAFF RECOMMENDATIONS

- Hire Outside Counsel w/ Proven Track Record to Manage Foreclosure Program.
- Hire Auctioneer Company to Facilitate Sale of Property, but Clearwater Should Reserve Right to Maintain Ownership of Foreclosed Properties.




DIFFERENCES TO CONSIDER

- Results of Clearwater's Potential Program Could Differ from St. Pete's Results Due to:
 - Clearwater Has Less Properties to Consider.
 - There are Currently 140+ Properties w/ Code Compliance Liens.
 - Many Liens Have Mortgages; Some are Substantial.
 - Properties Will Need to be Vetted in Order to Determine If They Qualify.



QUESTIONS?



FORECLOSURE STAFF RECOMMENDATIONS

Terry Teunis
Code Compliance Manager



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