



## SPECIAL ASSESSMENT LIEN MODIFICATION OPTIONS & CRITERIA

### **OPTION A: Interest Waiver upon payment of all Special Assessment Lien Principal**

- Waiver of interest and release of Special Assessment Liens shall occur upon payment of all Special Assessment Lien principal amounts, subject to the following criteria:
- Only interest accrued on Special Assessment Liens levied on the property prior to Applicant's acquisition of the property shall be waived. Any additional Special Assessment Liens levied under the current ownership must be paid in full (principal and interest) prior to or contemporaneous with making application.
- Property must be currently maintained in accordance with the City Code.

### **OPTION B: Offer of Deed in Lieu of Paying Special Assessment Liens**

- The owner may offer to convey the property to the City, and the City may accept conveyance of the property in lieu of paying the Special Assessment Liens where:
- There is *clear unencumbered title* as demonstrated by the *Applicant*.
- The property meets the City Real Estate policy, including but not limited to investigation of items that would disqualify the property from being conveyed to the City, including but not limited to substantive real estate taxes owed, title concerns, contamination, property in litigation or bankruptcy proceeding.

*The City may accept a property with real estate taxes owed in certain situations.*

### **OPTION C: Principal Reduction when the Just/Market Value is less than the Special Assessment Lien principal amount**

- The current Pinellas County Property Appraiser's market value of a vacant parcel of land must be less than the Special Assessment Lien amount.
- Applicant must have planned new construction, substantive rehab, or development that will increase the tax base, result in job creation, or have other significant economic benefit to the City to support the request to waive any principal.
- Applicant shall pay the principal amount of the Special Assessment Lien or the Pinellas County Property Appraiser's market value or a state certified independent real estate appraiser's market value of the property, whichever is less, in full settlement of the Special Assessment Lien with interest and any principal released upon completion of substantive rehab or new construction and compliance with all terms of an agreement to release said Special Assessment Liens, subject to any such appraisals being reviewed by Real Estate prior to acceptance.
- Reduction or release of principal and interest shall occur upon completion of aforementioned as evidenced by a final inspection, certificate of occupancy or similar documentation.
- Release of any principal amount greater than \$10,000 shall require approval of City Council.

*Option D on next page*

## SPECIAL ASSESSMENT LIEN MODIFICATION OPTIONS & CRITERIA

*(Continued)*

### **OPTION D: Removal of Principal and Interest on Special Assessment Liens and Recommendation of Release of Code Enforcement Board Liens for properties located within the Southside Community Redevelopment Area in accordance with the following:**

- The intent of this section is to encourage new construction to further the goals of the Southside Community Redevelopment Area plan.
- Option D is not available to properties in which a final judgment of foreclosure has been entered in a foreclosure proceeding initiated by the City.
- If an application under this Option D is approved, the Development Agreement shall require an administrative fee of \$1,000 and, if a Lis Pendens has been filed against the property in relation to a foreclosure proceeding initiated by the City, payment of all legal fees incurred by the City up to the point of approval of Option D, payable at the time of execution of the Development Agreement. These fees shall not be refundable under any circumstances.
- If an application under this Option D is approved, the Development Agreement shall require an administrative fee of \$1,000 and, if a Lis Pendens has been filed against the property in relation to a foreclosure proceeding initiated by the City, payment of all legal fees incurred by the City up to the point of approval of Option D, payable at the time of execution of the Development Agreement. These fees shall not be refundable under any circumstances.
- The “Option D Effective Date” shall be the day the City transmits notification, either by email or letter, to an applicant that an Option D application has been approved.
- Only Special Assessment Liens levied on the property prior to Applicant’s acquisition of the property shall be considered. Any additional Special Assessment Liens levied under the current ownership must be paid in full (principal and interest) prior to or contemporaneous with making application.
- A Developer must return an executed Development Agreement with 30 days of the Option D Effective Date in order to be eligible to continue the Option D program.
- Any authorized release of Special Assessment Liens shall only be effective:
  - Upon the issuance of a certificate of occupancy for the proposed residence within 365 days from the date of the Development Agreement and in compliance with all terms of said Development Agreement that will be administered by the POD (currently Housing and Community Development Department); or

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## **SPECIAL ASSESSMENT LIEN MODIFICATION OPTIONS & CRITERIA**

*(Option D Continued)*

- Upon the Developer providing to the City a Financial Guarantee Bond (“Bond”), an irrevocable letter of credit (“LOC”) or funds deposited in an escrow account pursuant to a written escrow agreement (“Agreement”) in a form approved by the City and meeting the following criteria:
  - Payment in an amount equal to the outstanding balance of the Special Assessments Liens, (principal and interest) shall be made to the City from the issuer of the Bond or LOC or the escrow agent if the Developer fails to obtain a certificate of occupancy for the property pursuant to the Development Agreement within 365 days from the date of the Development Agreement.
  - Bond shall be executed by a surety company duly authorized to do business in the state of Florida and have a rating no lower than “A-” by A.M. Best or a similar rating agency approved by the City.
  - LOC shall be issued by a Qualified Public Depository (as defined in Section 280 Florida Statutes). If applicant submits a LOC, the LOC shall automatically renew for one year on each anniversary of the Agreement Date unless earlier released by the City.