



Legislation Text

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TO: Mayor and City Commission

FROM: Cale Curtis, City Manager

DATE: March 4, 2020

AN ORDINANCE OF THE CITY OF MARGATE, FLORIDA AMENDING CHAPTER 2 - ADMINISTRATION, ARTICLE I - IN GENERAL, SECTION 2-11 - REQUESTS FOR INFORMATION CONCERNING OUTSTANDING LIENS; PROVIDING FOR FEES; PROVIDING FOR REPEAL; PROVIDING FOR CODIFICATION; PROVIDING FOR SEVERABILITY; PROVIDING FOR AN EFFECTIVE DATE.

BACKGROUND: A municipal lien search ensures that home buyers and real estate investors won't find themselves responsible for any unforeseen debt. In Margate, a municipal lien search looks for property issues that traditional title searches won't find- Fire Inspection Fees, Code Violations, Special Magistrate Fees and Water Fees. The Building Department has its own search and fee, which is separate from this process.

In 1991, Margate instituted a lien search fee of \$25 with a 3 to 5 day turnaround time. In 2010, Margate instituted an expedited lien search fee of \$75 with a 24-hour turnaround time.

The intent of this agenda item is to bring our lien search fees in line with surrounding municipalities and to ensure the fee accurately represents the administrative costs to perform the lien search. The City Clerk's Office will notify lien search companies of this potential fee increase via United States Postal Service mailing. Additionally, this information will be posted on the City website and lien search forms will be revised to reflect the updated fees effective upon approval of Second Reading of this Ordinance.

The backup includes the proposed Ordinance and lien search fee data from local municipalities.

This Ordinance was approved at First Reading at the February 19, 2020, Regular City Commission meeting by a 5-0 vote.

RECOMMENDATION: It is the recommendation of staff to approve the following lien search fees:

Regular Lien Search Fee - \$75
(3 to 5 day turnaround time would stay the same)

Expedited Lien Search Fee - \$150
(24-hour turnaround time would stay the same)

FISCAL IMPACT: Based on an annual sampling of 1686 Regular Lien Searches and 343 Rush Lien Searches, the revenue increase is projected to be approximately \$110,000 for the General Fund.

CONTACT PERSON: Joseph J. Kavanagh, City Clerk, 954-935-5327