



City of Eustis

P.O. Drawer 68 • Eustis, Florida 32727-0068 • (352) 483-5430

TO: EUSTIS CITY COMMISSION

FROM: TOM CARRINO, CITY MANAGER

DATE: MARCH 20, 2025

RE: **RESOLUTION NUMBER 25-16: REDUCTION OF FINE/RELEASE OF LIEN 2850 SOUTH BAY STREET, CODE ENFORCEMENT CASE 22-00270**

Introduction:

Resolution Number 25-16 approves a Code Enforcement Order reducing outstanding code enforcement fines from their current amount of \$103,250 to \$2,500 and releases the lien against 2820 South Bay Street upon payment.

Recommended Action:

The administration recommends the approval of Resolution Number 25-16.

Code Board Action:

On January 14, 2025, the Code Enforcement Board reviewed a fine reduction application submitted by Thomas R. Sullivan P.A., on behalf of RaceTrac Petroleum, Inc., owner of 2850 South Bay Street. The Board approved the applicants' request to reduce the accrued fines to \$2,500 payable within 30 days, or the original full fine imposed shall become due.

Case History:

On September 22, 2021, the Code Department issued a Notice of Violation and Order to Correct to Lake Hills Plaza Holdings, LLC because they failed to repair damage to the Shopping Centers multi-tenant sign that occurred during a vehicle crash.

On December 10, 2021, the Code Enforcement Supervisor met the property manager onsite to discuss unresolved code issues involving Lake Hills Plaza. During the meeting, the property manager was informed that the damaged multi-tenant sign was located on the neighboring RaceTrac property and if the sign was not repaired or removed, the city would have no other recourse than to cite RaceTrac, which could result in them removing the sign.

On April 15, 2022, the Supervisor located an Easement Agreement between Lake Hills Plaza and RaceTrac for construction of the sign on RaceTrac property. The contract required Lake Hills to maintain and repair the sign at Lake Hills' sole cost and expense. The contract also stated "in the event that Lake Hills fails to maintain and/or repair the sign as required by this paragraph or in the event that Lake Hills allows a lien affecting the RaceTrac property to attach, RaceTrac shall have the right (but not the obligation) to

maintain and/or repair the sign and/or to pay to have any such lien released in which event Lake Hills shall reimburse RaceTrac for any and all costs incurred by RaceTrac...”

On April 18, 2022, RaceTrac Petroleum, Inc. was issued a Correction Notice after Lake Hills Plaza took no action to repair or remove the sign. A copy of the Notice was hand delivered to the store manager, and a copy was mailed to RaceTrac’s General Council that was listed in a sign easement agreement between the two parties. However, it was returned by USPS undeliverable as addressed.

On May 25, 2022, a Notice of Violation/Hearing was issued, it was mailed Certified Return Receipt and delivered to RaceTrac at P.O. Box 2337, Smyrna GA on May 31, 2022. The Notice was also hand delivered to the store manager with a copy being emailed to the Lake Hills Plaza property manager. The Notice required repair or removal of the damaged sign by July 11, 2022, or the Case would go before the Code Enforcement Board on July 11, 2022.

On June 14, 2022, a Contractor called the Department advising that he was hired by RaceTrac to remove the sign, but he wanted legal assurance from the City that he would not be sued by the Shopping Center’s tenants. He was advised that any legal issues or concerns needed to be directed towards RaceTrac.

On July 11, 2022, the Eustis Code Enforcement Board issued an Order of Enforcement requiring compliance by August 10, 2022, or a fine of \$250 per day of non-compliance would be imposed. A copy of the Order was emailed to the Lake Hills Plaza property manager.

On August 12, 2022, a Notice of Hearing for certification of noncompliance and assessment of fine was mailed to RaceTrac. It was also emailed to the Lake Hills Plaza property manager.

On September 14, 2022, an Order Imposing Fine was mailed to RaceTrac with a cover letter stating if compliance was not obtained by October 12, 2022, the Order would be recorded in public records constituting a lien against the property.

On April 14, 2023, a Final Notice to repair or remove the sign was mailed to 200 Galleria Parkway SE, Ste 900, Atlanta GA. This address was located on RaceTrac’s company website. A copy was also emailed to realestate@racetrac.com, which was also located on their website.

On April 26, 2023, a Representative responded advising that RaceTrac was reviewing their option on the matter, and on May 30th she provided an update stating their general council had given them approval to remove the sign.

On June 22, 2023, the Representative advised of a delay because their inhouse council was communicating with the Lake Hills Plaza attorney regarding his client’s intentions to repair the sign.

On July 28, 2023, the Department notified the RaceTrac Representative that Lake Hills Plaza had not repaired the sign and that the daily fines had accrued to \$87,750 for which there was no response.

On September 5, 2023, the Department emailed the Representative again and received a response from RaceTrac's inhouse council stating they are moving forward with removing the sign.

On September 28, 2023, a building permit to demolish the sign was obtained, and the removal was completed the next day. Daily fines accrued for 413 days resulting in a total fine of \$103,250.

On March 1, 2024, Thomas Sullivan with GrayRobinson P.A. emailed requesting a fine reduction form, he was informed that a fine reduction application could not be provided because there was an open and unresolved code violation on the property involving the condition of the landscaping.

On December 13, 2024, the landscaping passed inspection, and a fine reduction application was provided to Mr. Sullivan, which was submitted on January 6, 2025.

Community Input

No adjacent property owners attended the Code Enforcement Hearings and there have been no citizen complaints.

Budget / Staff Impact:

If the Resolution is approved, the City would receive \$2,500, which exceeds the City's Administrative Costs.

Reviewed By:

Jon Fahning, Captain

Prepared By:

Eric Martin, Code Enforcement Supervisor

Attachments

- Resolution Number 25-16
- Fine Reduction Application
- Easement Agreement