



MINUTES

City Commission Special Meeting

6:00 PM – Thursday, October 12, 2023 – City Hall

CALL TO ORDER: 6:00 P.M.

ACKNOWLEDGE OF QUORUM AND PROPER NOTICE

PRESENT: Commissioner Willie Hawkins, Vice Mayor Emily Lee, Commissioner Gary Ashcraft, Commissioner Nan Cobb and Mayor Michael Holland

1. RESOLUTION

1.1 Resolution Number 23-98: Settlement of Pending Litigation Concerning Sharps Mobile Home Park

Sasha Garcia, City Attorney, announced Resolution Number 23-98: A Resolution of the City Commission of the City of Eustis, Lake County, Florida; approving a compliance and settlement agreement between the City of Eustis and 44 Sharps Circle, LLC; and establishing an effective date.

Attorney Garcia explained 44 Sharps Circle, LLC had presented a settlement agreement to the City for consideration which was reviewed by the City Commission during a "shade" meeting. She stated the City Commission submitted a counterproposal to 44 Sharps Circle which has been accepted. She indicated that, since the proposal was accepted, Sharps has begun to start resolving some of the issues in the agreement in order to show progress. She commented on the lack of oversight which resulted in a number of residents coming to the Commission regarding living conditions at the park. She stated the Commission took action and authorized her, as City Attorney, to foreclose on some of the liens that had not been resolved by the park. She indicated that as a result a number of changes have been made at the park and some of the residents have spoken in support of those changes. She stated the purpose of the meeting is for consideration of the resolution approving the agreement. She noted Sharp's did request to speak to the Commission; therefore, staff wanted to have a forum to allow the residents and Mr. Rodriguez and his counsel, representing Sharp's Circle, to speak to the Commission only regarding the agreement. She emphasized that each speaker would be limited to three minutes. She opened the floor to public comment at 6:03 p.m.

Linda Libbey, former resident of the park, indicated she had not been able to see the agreement prior to the meeting and emphasized her lack of ability to speak without knowing the contents.

Ms. Garcia explained the agreement was available to the public and had been published on the City's website and indicated Ms. Libbey could be provided a copy.

Ms. Libbey commented on her experiences in the park during the three years she lived there and cited specific issues particularly with the wastewater infrastructure, lack of management and actions of the new property owner.

Joellen Mitchell, former resident, commented on issues with the wastewater infrastructure and the possibility of the City releasing the liens. She made comments regarding the lack of compliance, issues not being corrected, the possibility of the manager paying off people in exchange for the releases and the increases in lot rents.

Commissioner Hawkins stated that Ms. Mitchell's comments regarding payoffs were uncalled for with Police Chief Craig Capri and other Commissioners emphasizing that the speakers need to keep it civil.

Attorney Garcia explained the four liens involved in the agreement are as follows: 1) Two involve mobile homes that had tenants but that are no longer occupied; 2) A power pole for improper electrical work and 3) the roadways. She emphasized those are the only items being discussed as part of the agreement. She stated that any future code enforcement issues or those currently pending are not included. She stated the park owner has agreed to the following: 1) Repave all of the roadways on the northern parcel; 2) Take care of certain areas where there are concrete roadways with safety concerns; and 3) They will be paying fines in the amount of \$105,000. She added that the park is aware of the sewer and other issues and know they have to rectify that. She emphasized those are the only issues under consideration.

Commissioner Cobb emphasized that if it is not handled per the agreement then it will all be null and void and will revert back to the original.

Attorney Garcia stated that the City will be monitoring their progress. She explained they will provide the name of the contractor so the City can insure it is a licensed contractor, they will have 180 days to complete and are required to provide monthly reports. She emphasized the City will be actively monitoring the project in order to insure the safety of the residents. She added that rent increases have nothing to do with the City. She indicated that would be handled by DBPR, the regulatory agency for mobile home parks.

Tom Carrino, City Manager, announced that staff was making copies of the draft agreement for the audience.

Donna Manning indicated she lived in two different mobile homes in the park and commented on various health issues she attributed to living in filth and mold. She stated they evicted her three days after she returned home from the hospital with sepsis and averred that they were selling mobile homes that cannot be titled in Florida. She commented on issues she had with rats infesting her home.

Daniel DiVenanzo, owner of property adjacent to Sharps Park, commented on issues he has experienced with encroachment by Sharp's Park onto his property. He stated he had informed Mr. Rodriguez prior to them buying Sharp's Mobile Home Park that there were existing encroachment issues. He cited various issues that could be resolved and the circumstances that occurred when he previously attempted to purchase the park.

Attorney Garcia stated that it is her understanding that the park is no longer renting the mobile homes owned by the park. She also indicated that the encroachment issues are not part of the agreement.

Jet Firm thanked the Commission's for their efforts in getting improvements done in the park. He expressed support for the owner establishing a beautification committee. He emphasized the need for anyone contemplating buying in the park conduct their due diligence before they buy. He contemplated on the need for the City and owner to continue to work together to improve the park.

Amy Baker spoke about issues in the past and expressed support for the recent changes. She stated the issues with her home have been resolved and indicated that Hansel Rodriguez paid out of his own pocket to fix the issues in her home. She noted that Mr. Rodriguez and his district manager are there every day and addressing issues.

Eileen Fontaine noted that she came before the Commission previously and asked for help. She thanked the Commission for their help and emphasized they are getting results. She stated they have addressed the lack of good management and indicated that Mr. Rodriguez is communicating with the residents. She expressed appreciation to both the Commission and Mr. Rodriguez.

Steven Gubler commented positively on the park and its management and support for the agreement.

Jack Ramey expressed concern regarding the water in the park. He indicated that code enforcement had the water tested but he never received the results. He commented on the threat of a lawsuit needed to get the park management to take action. He expressed support for the City doing something to punish the management for their lack of action and the possibility of setting a precedent. He encouraged the City to look at the infrastructure.

Juan Aguayo commented on how poorly the management has treated the residents and cited specific issues in his home. He indicated he still has not received the title to his home and noted the threat for him to be evicted.

Attorney Garcia closed public comment at 6:42 p.m.

Hansel Rodriguez, representing 44 Sharps Circle LLC, commented on issues he had with hiring personnel. He indicated he hired a new Community Manager and a new District Manager. He discussed the progress they have made on the issues. He cited the lack of maintenance under the previous owner. He stated they had 54 violations and they resolved 53 of them. He explained that if they had to pay all of the fines, they would not have the funds to construct the new roads. He commented on their negotiations with the City and other issues they need to address. He cited their efforts to be ahead of the settlement agreement and referred to their frequent communications with the City.

Mr. Rodriguez responded to comments about discrimination and emphasized there have been no FHA violations that he is aware of. He stated the violations cited were under the former managers that have been let go. He commented on the uniqueness of the business of a mobile home park and noted that the homes are owned by the residents. He discussed how they will be held to the agreement and will be required to meet the stipulations. He thanked the Commission for working with them.

Commissioner Ashcraft asked why it required the City getting involved for them to address the concerns with Mr. Rodriguez responding that initially he was very involved in the company's efforts to buy other properties. He noted they have hired a larger staff and cited their turnover. He commented on various issues he experienced during the process including problems with communications and changes with legal representation.

Attorney Garcia explained that only 34 of the violations occurred while 44 Sharps Circle owned the property. She also cited a problem with misinformation being provided to the public creating a negative environment regarding the Commission's intent.

Commissioner Ashcraft asked what steps they are taking to make sure the situation does not recur.

Mr. Rodriguez responded they have brand new managers, who are also present and who are communicating daily regarding any problems. He stated they have a daily call regarding the park. He added that the City reducing the fines is allowing them to put all of the money into repairing the roads. He commented on recent issues regarding an infrastructure problem that did not result in a code enforcement violation due to them resolving the issue.

Commissioner Ashcraft commented on the safety issues for the residents.

Commissioner Hawkins questioned how long the company has owned the mobile home park with Mr. Rodriguez responding since February 2019. He confirmed that Mr. Rodriguez had not met the Commissioners nor had he ever written a check to any of the Commissioners. He then asked how many times Mr. Rodriguez had visited the park following the purchase.

Mr. Rodriguez indicated he was on site frequently during the first 30 days after which they hired a manager to handle the park. He explained everything they were doing at that time.

Commissioner Hawkins confirmed there were a number of vacancies at the time of purchase. He also confirmed that Mrs. Sharp had informed them that some of the units needed to be condemned. He questioned whether or not Mr. Rodriguez should have been on site more often due to the condition of the units.

Mr. Rodriguez disagreed with the number of units that needed to be condemned stating that most of those needed rehab rather than condemned. He noted that they now have 98 units occupied so they have done a lot of work. He estimated that the cost of rehab was \$15,000 per unit not including infrastructure repairs.

Commissioner Hawkins questioned how often Mr. Rodriguez intends to be onsite with Mr. Rodriguez responding that, once everything is complete, he will probably be onsite once every six months. He added that the managers will be onsite daily.

Commissioner Hawkins urged Mr. Rodriguez to listen to the residents regarding the issues and address them including eviction concerns and other issues. He urged Mr. Rodriguez to be a good landlord. He also encouraged him to resolve the issue with Daniel DiVenanzo.

Commissioner Cobb thanked Mr. Rodriguez for attending. She questioned the concern with the lack of the issuance of a title for one of the mobile homes. She commented on the amount of due diligence his company should have done when purchasing a mobile home park from the 1940s. She expressed disappointment in the lack of response by his company and questioned why they bought it. She added that the City cannot force them to make repairs unless it is brought forward through code enforcement. She cited issues with the roadways and infrastructure.

Mr. Rodriguez explained the reason the purchase took so long was because of the residents' concerns regarding the previously proposed development. He explained his company specializes in affordable housing. He indicated that Mrs. Sharp passed away in the interim which complicated the closing. He stated he was passionate about keeping it a mobile home park and commented on the number of parks disappearing.

Commissioner Cobb expressed the need to see a good faith effort by the company and indicated the residents have been neglected. She asked about the water situation with Mr. Rodriguez indicating they are making the repairs section by section. He noted that there is a question as to whether the issue is their's or how the City water feeds into their system. He stated he could not comment on the testing of the water system. He added that they will be considering the best way to address the problem.

Commissioner Cobb asked about an issue with a contractor neglecting to pull a permit with Mr. Rodriguez explaining that they went to dug into a wastewater issue which would have been routine maintenance and discovered that an electric pump needed to be replaced. He stated it was an emergency repair that resulted in a bigger issue than originally thought. He commented on the discussion that was held with Eric Martin after which they realized he needed to pull a permit.

Commissioner Cobb noted she had looked up the contractor and could not find him on DBPR. She emphasized that they must use licensed contractors.

Discussion was held regarding how the situation arose and the need for the contractors to obtain required permits.

Vice Mayor Lee expressed concern regarding how long it took the company to respond to the issues and what the residents experienced.

Mr. Rodriguez agreed they were late in responding and noted they were receiving the foreclosure notice before he responded. He added that some notices they received may have been intended for a resident. He also explained that a number of notices went to Michigan instead of to him. He emphasized that they have never received this number of violations from any other of their properties.

Vice Mayor Lee emphasized that the issue is not with the City's water with Mr. Rodriguez indicating he would have the local managers dig into that issue.

Commissioner Cobb urged Mr. Rodriguez to contact Mr. Aguayo regarding his title issue.

Commissioner Hawkins addressed the Sharp's Mobile Home Park current residents in the audience. He commented on the residents previously coming to the Commission with their concerns. He then commented on their accusations that the Commission had sold them out. He emphasized that the Commission is not there to hurt its residents but to help them.

Vice Mayor Lee noted that she and Commissioner Cobb had attended an America in Bloom conference and suggested that possibly the company could work with the City on its beautification efforts.

Mayor Holland expressed dismay about the situation. He indicated he would vote for the agreement so that the company has the funds to make the improvements. He noted he could have signed an executive order to shut the park down. He commented on his concerns regarding how the company has addressed the situation. He emphasized that as soon as code enforcement or the residents notifies them that there is an issue, the agreement will be null and void.

Mr. Rodriguez expressed his gratitude to the Commission and stated his promise to improve the park.

Mayor Holland stated they know the City water is good and cited the frequent testing the City is required to do. He emphasized the problem was within the park. He stated they need to make the required improvements and urged them to make it a showplace.

Further discussion was held with a suggestion that the Commission would like to have regular updates from Mr. Rodriguez.

Attorney Garcia recommended that Mr. Rodriguez make sure that their management is familiar with the City's codes and regulations. If there is a question regarding the need for a permit, they should call the City to find out. She noted the situation previously discussed regarding the electric pump, and stated the application has not been properly completed so a determination has not been made regarding whether or not a permit will be granted.

Mr. Carrino thanked the City Commission and staff for all of the time and work put into the property to insure the residents have a safe place to live.

Attorney Garcia informed the residents that if they see Mr. Martin or anyone else from Code Enforcement on site, please don't respond negatively, they are there for their best interest.

Jessica Icerman, attorney representing 44 Sharps Circle, provided a brief review of her background and emphasized she would counsel Mr. Rodriguez regarding the situation. She noted that Mr. Rodriguez has with him a \$25,000 check to make the initial payment under the agreement. She added that she had sent a digitally signed agreement to Ms. Garcia; however, they signed the wrong version. She indicated that they would sign the final version as soon as it is approved by the Commission. She assured the Commission that she would remain involved in the process. She commented on their need to keep the lines of communication open.

Attorney Garcia re-read Resolution Number 23-98 by title.

Motion made by Commissioner Hawkins, Seconded by Commissioner Ashcraft, to approve Resolution Number 23-98. The motion passed on the following vote:

Voting Yea: Commissioner Hawkins, Vice Mayor Lee, Commissioner Ashcraft, Commissioner Cobb, Mayor Holland

2. ADJOURNMENT: 7:33 p.m.

**These minutes reflect the actions taken and portions of the discussion during the meeting. To review the entire discussion concerning any agenda item, go to www.eustis.org and click on the video for the meeting in question. A DVD of the entire meeting or CD of the entire audio recording of the meeting can be obtained from the office of the City Clerk for a fee.*

CHRISTINE HALLORAN
City Clerk

MICHAEL L. HOLLAND
Mayor/Commissioner