

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission

FROM: City Attorney Ricardo J. Dopico

DATE: April 23, 2025 1:50 p.m. First Reading Public Hearing

TITLE: AN ORDINANCE OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, AMENDING CHAPTER 58 OF THE MIAMI BEACH CITY CODE, ENTITLED "HOUSING," BY CREATING ARTICLE VII, ENTITLED "CONSUMER PROTECTION OF OWNERS OF RESIDENTIAL REAL PROPERTY," BY CREATING SECTION 58-600 THEREOF, TO BE ENTITLED "DEFINITIONS," TO ADOPT CERTAIN DEFINED TERMS; CREATING SECTION 58-601 THEREOF, TO BE ENTITLED "PROHIBITED CONTACTS FOR SOLICITATIONS," TO ADOPT REGULATIONS PROHIBITING CERTAIN PREDATORY SOLICITATIONS TO RESIDENTIAL CONDOMINIUM UNIT OWNERS; CREATING SECTION 58-610 THEREOF, TO BE ENTITLED "CIVIL PENALTIES," TO PROVIDE FOR PENALTIES AND ENFORCEMENT; AND PROVIDING FOR REFERENCES TO FLORIDA STATUTES, REPEALER, SEVERABILITY, CODIFICATION, AND AN EFFECTIVE DATE.

BACKGROUND/HISTORY

The attached Ordinance is presented on First Reading by the sponsor, Commissioner Alex J. Fernandez, for the consideration of the Mayor and City Commission.

Condominiums are a popular form of residential real property ownership in the City of Miami Beach and are featured among the City's most cherished historic buildings within both local and National Register districts.

Recent changes to the Florida Condominium Act, chapter 718, F.S., and other relevant state statutes in the wake of the Champlain Towers South disaster have contributed to increased attempts to terminate older condominiums in the City of Miami Beach.

The City of Miami Beach Office of the Inspector General ("OIG") has identified instances where condominium unit owners experienced unwanted and threatening solicitations to sell their units to buyers for the purpose of terminating the condominium.

ANALYSIS

The Ordinance prohibits certain contacts by a developer to condominium unit owners that solicit them to sell, convey, or transfer their ownership interests to the developer, or to modify existing agreements to sell, convey, or transfer ownership interests to the developer.^[1]

The sponsor's intent is to protect unit owners from experiencing unfair pressure to sell their units and to encourage developers to engage in more transparent negotiations and business practices.

If enacted by the Mayor and City Commission, the proposed Ordinance would prohibit any person or entity from contacting condominium unit owners to solicit the sale of their units in furtherance of a condominium termination if the unit owner has rejected a solicitation, requested not to be contacted, or if the solicitation contains a threat (as defined in the attached Ordinance).

The proposed Ordinance would be enforced by the City's code compliance department with fines per violation of \$500.00 for a first offense; \$1,000.00 for a second offense; \$2,000.00 for a third offense; and \$5,000.00 for a fourth or subsequent offense.

^[1] A prohibition on predatory tactics in condominium buy-out solicitations is not in conflict with or expressly preempted by the Florida Condominium Act or the Florida Deceptive and Unfair Trade Practices Act.

FISCAL IMPACT STATEMENT

N/A

Does this Ordinance require a Business Impact Estimate? No
(FOR ORDINANCES ONLY)

If applicable, the Business Impact Estimate (BIE) was published on:
See BIE at: <https://www.miamibeachfl.gov/city-hall/city-clerk/meeting-notices/>

FINANCIAL INFORMATION

CONCLUSION

Applicable Area

Citywide

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-17?

Yes

Is this item related to a G.O. Bond Project?

No

Was this Agenda Item initially requested by a lobbyist which, as defined in Code Sec. 2-481, includes a principal engaged in lobbying? No

If so, specify the name of lobbyist(s) and principal(s):

Department

City Attorney

Sponsor(s)

Commissioner Alex Fernandez

Co-sponsor(s)

Condensed Title

1:50 p.m. 1st Rdg PH, Prohibit Predatory Solicitations to Residential Condo Owners.
(Fernandez) CA

Previous Action (For City Clerk Use Only)