RESOLUTION NO. 2025-3404

A RESOLUTION OF THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, URGING THE FLORIDA STATE LEGISLATURE TO ENACT LEGISLATION PROTECT TOWN'S TO THE CONDOMINIUM OWNERS FROM EXPLOITATIVE AND PREDATORY TACTICS BY REAL ESTATE DEVELOPERS OR OTHER BAD ACTORS, TAKING INTO ACCOUNT THE FINANCIAL STRAIN OF COSTLY DEFERRED MAINTENANCE. **NECESSARY** STRUCTURAL REPAIRS, AND RISING INSURANCE COSTS: PROVIDING FOR **TRANSMITTAL: PROVIDING FOR SEVERABILITY: AND PROVIDING** FOR AN EFFECTIVE DATE.

WHEREAS, the Town of Surfside ("Town") is home to a substantial number of condominiums; and

WHEREAS, for many Town residents, condominium ownership represents the achievement of the American dream; and

WHEREAS, as a result, the Town is home to numerous condominium communities that provide housing for a diverse population, including working families, long-term residents, and retirees; and

WHEREAS, many condominium owners are facing financial hardships as insurance premiums skyrocket across the State of Florida and hefty special assessments are levied in the wake of legislation following the tragedy of Champlain Towers South in the Town; and

WHEREAS, during special legislative session D in 2022, the Florida Legislature — in response to the Surfside tragedy and in the hopes of preventing a similar catastrophe — passed the well-intentioned but unduly burdensome 2022 Building Safety Bill (SB 4-D); and

WHEREAS, SB 4-D imposed onerous financial burdens on condominium owners in a short timeframe, including a requirement that associations existing on or before July 1, 2022, which are controlled by unit owners other than the developer, must have a structural integrity reserve study completed by December 31, 2024, for each building on the condominium property that is three stories or higher in height; and

WHEREAS, the 2023 Condominium and Coop Safety Law (SB 154) modified the regulations set forth in SB 4-D, but not in a way that adequately relieved the substantial financial burdens that SB 4-D imposes on condominium owners; and

WHEREAS, the impact of these changes is especially felt by seniors, who potentially face large and unaffordable special assessments to finance these new requirements imposed by SB 4-D and SB 154; and

WHEREAS, in the wake of these financial challenges, certain predatory developers and other bad actors have sought to take advantage of vulnerable condominium unit owners by employing unfair, unethical, and manipulative tactics such as repeated and unsolicited contacts, bulk purchasing of units, aggressive termination of condominium associations, and coercive buyout strategies that do not fairly compensate unit owners; and

WHEREAS, for example, as noted in City of Miami Beach Resolution No. 2025-33537 enacted on February 26, 2025, the City of Miami Beach's Office of Inspector General recently led an investigation into claims made by condominium residents who allegedly faced harassment and abusive tactics from companies looking to take control of condominium buildings; and

WHEREAS, in that instance, the City of Miami Beach found that condominium unit owners were offered a sale price based on a bulk sale of units, rather than each unit's market price, and condominium unit owners were promised full payment within weeks of signing the sales contracts, only to find that full payment would be delayed by several years due to certain extensions; and

WHEREAS, in Resolution No. 2025-33537, the City of Miami Beach urged the Florida legislature to enact legislation to protect condominium owners from predatory tactics by real estate developers, taking into account the financial strain of costly deferred maintenance, necessary structural repairs and rising insurance costs;

WHEREAS, on May 6, 2025, Miami-Dade County enacted Resolution No. <u>R-444-25</u> further recognizing the unfair, unethical and manipulative tactics engaged in against vulnerable condominium owners, also urging the Florida legislature to take action to protect those owners from exploitation; and

WHEREAS, in the Town there are at least ten (10) condominium buildings that are more than thirty (30) years old, rendering the owners particularly vulnerable to these attacks;

WHEREAS, this Commission is concerned that unit owners in aging buildings can face harassment and high-pressure tactics including continuous and repeated emails and calls urging them to sell immediately, making lowball buyout offers; and

WHEREAS, several condominium properties in the Town have already been targeted by developers engaging in the same predatory tactics seen in Miami-Beach and Miami-Dade County; and

WHEREAS, protections at the state level from certain exploitative tactics by predatory real estate developers or other bad actors will mitigate unfair trade practices while providing security to the Town's long-term residents looking to remain in their homes; and

WHEREAS, the Town Commission joins the City of Miami Beach and Miami-Dade County in their efforts to urge the Florida Legislature to address this critical issue, and

WHEREAS, the Town Commission finds it is in the best interest and welfare of the Town that the State enact legislation to protect condominium unit owners from exploitative tactics by predatory real estate developers or other bad actors.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COMMISSION OF THE TOWN OF SURFSIDE, FLORIDA, AS FOLLOWS:

<u>Section 1.</u> <u>Recitals Adopted.</u> Each of the above-stated recitals are hereby adopted, confirmed, and incorporated herein.

<u>Section 2.</u> <u>Urging Enactment of Protective Legislation.</u> The Mayor, Vice Mayor and Town Commission hereby urge the Florida State Legislature to enact legislation to protect condominium unit owners from exploitative tactics by predatory real estate developers or other bad actors.

<u>Section 3.</u> <u>Transmittals.</u> The Town Clerk is hereby directed and authorized to send a certified copy of this Resolution to Governor Ron DeSantis, the Senate President Ben Albritton, House Speaker Daniel Perez, the Miami-Dade County Legislation Delegation, Senator Jason Pizzo, Senator Jennifer Bradley, and Representatives of the Town of Surfside.

<u>Section 4.</u> <u>Effective Date.</u> This Resolution shall be effective immediately upon adoption.

PASSED AND ADOPTED this <u>13th</u> day of <u>May</u>, 2025.

Motion By: Vice Mayor Paul

Second By: <u>Commissioner Velasquez</u>

FINAL VOTE ON ADOPTION:

Commissioner Ruben A. Coto Commissioner Nelly Velasquez Commissioner Gerardo Vildostegui Vice Mayor Tina Paul Mayor Charles W. Burkett	Yes Yes Yes Yes
ATTEST: Sandra N. MeCready, MMC 1, Port 9, 3, 5, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1, 1,	
APPROVED AS TO FORM AND LEGALITY FOR THE USE	

AND BENEFIT OF THE TOWN OF SURFSIDE ONLY:

Thais Hernandez, Esq. Town Attorney