



Metropolitan Nashville and Davidson County, TN

Legislation Text

File #: RS2020-562, **Version:** 1

A resolution authorizing the Metropolitan Department of Law to compromise and settle the Metropolitan Government's judgment lien against the property located at 365 Monaco Drive.

WHEREAS, on July 23, 2020, the Metropolitan Nashville Police Department obtained a judgment against the property owners at 365 Monaco Drive, for the expenses incurred by the Metropolitan Nashville Police Department in the investigation and execution of a padlock order related to the public nuisance at the property; and,

WHEREAS, after investigation, the Department of Law believes that the settlement listed in Section 1 is fair and reasonable and in the best interest of the Metropolitan Government and recommends that the Metropolitan Government accept payment in the amount of \$15,000.00 as compensation for the expenses incurred by the Metropolitan Nashville Police Department related to this public nuisance matter.

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE METROPOLITAN GOVERNMENT OF NASHVILLE AND DAVIDSON COUNTY:

Section 1: The Metropolitan Department of Law is authorized to compromise and settle the judgment lien issued against the property owners at 365 Monaco Drive, in an amount totaling \$15,000.00, which shall be deposited into an appropriate fund and account as determined by the Department of Finance.

Section 2: This resolution shall take effect from and after its adoption, the welfare of The Metropolitan Government of Nashville and Davidson County requiring it.

This resolution authorizes the Department of Law to settle Metro's judgment lien against the property located at 365 Monaco Drive. This property was declared by the court to be a nuisance and the court ordered MNPd to padlock the house. In addition, Metro Codes issued a demolition order for the structure since it is not habitable in its current state. MNPd obtained a judgment lien against this property in the amount of \$30,628 related to the costs of investigating the property and the execution of the padlock order.

Rebuilt Investments is a Nashville company that rehabilitates and flips houses. Rebuilt Investments has entered into a contract with the homeowners to purchase the property if Metro's judgment lien and the Codes demolition order can be resolved. In addition to the judgment lien, there are two mortgages on the property totaling \$79,500. Given the extensive repairs required, Rebuilt Investments has informed the Department of

Law that it could not afford to rehabilitate and sell the property if it had to pay the full judgment lien given the property values in the area.

The Department of Law recommends settling Metro's judgment lien for \$15,000 to be paid to Metro at closing. Otherwise, Metro Codes will have to incur the upfront costs to demolish the house. Further, it is unlikely Metro could ever recover all of the judgment lien given the two existing mortgages on the property and the property's value.

Fiscal Note: Metro would receive \$15,000 as payment for the judgement lien from Rebuilt Investments.