TO:	ALL COUNTY PERSONNEL
FROM:	DOUGLAS B. WISE, CBO, CFM, MCP BUILDING DIVISION DIRECTOR
PREPARED BY:	<b>BUILDING DIVISION</b>
SUBJECT:	CONSTRUCTION LIEN LAW
PPM #:	PB-O-038
ISSUE DATE January 1, 2024	<u>EFFECTIVE DATE</u> January 1, 2024
<u>PURPOSE</u> :	The purpose of this PPM is to provide for the implementation F.S. 713.01.
<u>UPDATES</u> :	Future updates to this PPM are the responsibility of the Director of the Building Division, Deputy Building Official, Assistant Deputy Building Official, or Codes Product & Training Supervisor, under the authority of the Director of the Building Division.
<u>AUTHORITY</u> :	F.S. Chapter 713, Part 1
<u>SCOPE</u> :	Permit value greater than \$5,000 or \$15,000 for HVAC
<u>DEFINITIONS</u> :	"Contractor" means a person other than a materialman or laborer who enters into a contract with the owner of real property for improving it or who takes over from a contractor as so defined the entire remaining work under such contract. The term "contractor" includes an architect, landscape architect, or engineer who improves real property pursuant to a design-build contract authorized by s. 489.103(16). The term also includes a licensed general contractor or building contractor, as those terms are defined in s. 489.105(3)(a) and (b), respectively, who provides construction services, which include scheduling and coordinating preconstruction and construction phases for the construction project, or who provides program management services, which include schedule control, cost control, and coordinating the provision or procurement of planning, design, and construction for the construction project.
	"Owner" means a person who is the owner of any legal or equitable interest in real property, which interest can be sold by legal process, and who enters into a contract for the improvement of the real property. The term includes a condominium association pursuant to chapter 718 as to improvements made to association property or common elements. The term does not include any political subdivision, agency, or department the state, a municipality, or other governmental entity.
	"Lessee" of a commercial space may also be listed (713.10) when an improvement is made by a lessee in accordance with an agreement between such lessee and her or his lessor, the lien shall extend also to the interest of

such lessor. (2)(a) When the lease expressly provides that the interest of the lessor shall not be subject to liens for improvements made by the lessee, the lessee shall notify the contractor making any such improvements of such provision or provisions in the lease, and the knowing or willful failure of the lessee to provide such notice to the contractor shall render the contract between the lessee and the contractor voidable at the option of the contractor.

"Improvement" means any building, structure, construction, demolition, excavation, solid-waste removal, landscaping, or any part thereof existing, built, erected, placed, made, or done on land or other real property for its permanent benefit.

"Private Provider" means a person licensed as a building code administrator under part XII of chapter 468, as an engineer under chapter 471, or as an architect under chapter 481. For purposes of performing inspections under this section for additions and alterations that are limited to 1,000 square feet or less to residential buildings, the term "private provider" also includes a person who holds a standard certificate under part XII of chapter 468.

ePZB Portal is the online permitting website <u>www.pbcgov.com/epzb</u>.

"Copy of the Notice of Commencement" means a certified copy of the recorded notice of commencement, a notarized statement that the notice of commencement has been filed for recording along with a copy thereof, or the clerk's office's official records identifying information that includes the instrument number for the notice of commencement or the number and page of book where the notice of commencement is recorded, as identified by the clerk. "Clerk" refers to the Clerk of the Circuit Court and Comptroller for Palm Beach County.

- **BACKGROUND:** A hold is automatically applied to all permits for scheduling inspections when the value of the work is greater than \$5,000 or \$15,000 for HVAC replacement. The hold remains in effect until applicant uploads copy of the Notice of Commencement ithe ePZB portal, and once accepted as meeting statutory requirements, the hold is released.
- **POLICY:** This policy applies to all primary permit applications and permits with an aggregate (total cost for all improvements, and not just the work authorized by the individual permit) having a value of greater than \$5,000, except for HVAC system repair or replacement of \$15,000.00 and greater. This policy is effective on all primary permit applications for the improvement of real property in accordance with F.S. Chapter 713.13 (e), Part 2. This is also applicable to primary permits utilizing Alternative Plan Review and Inspections as per F.S. Chapter 553.791 Alternative Plan Review and Inspections

Furnish to the applicant two or more copies of a form of notice of commencement conforming with s. 713.13 upon request. (Said form is also available via Clerk of the Circuit Court and Comptroller's web site <u>www.mypalmbeachclerk.com</u> as a fillable PDF.)

Require the applicant to file with the issuing authority before the first inspection, a certified recorded copy of the notice of commencement if the direct contract is greater than \$5,000, (\$15,000 for HVAC).

**<u>PROCEDURE</u>**: County staff shall require and verify the following information submitted by the applicant matches the application filed:

That the name and address of the owner, the name of the contractor, and the location or address of the property being improved which is contained in the copy of the notice of commencement is consistent with the information in the building permit application.

Provide the recording information on the copy of the notice of commencement to any person upon request.

The Name and Address of the Owner of the Real Property;

The Name and Address of the Contractor/Qualifier;

A Description Sufficient to Identify the Real Property being improved;

The Fee Simple Titleholder's Name and Address (If other than the owner);

The Bonding Company Name and Address (as applies);

The Architect/Engineer Name and Address;

The Mortgage Lender's Name and Address.

<u>Staff shall NOT require that a notice of commencement be recorded as a condition of the application for, or processing or issuance of, a building permit.</u> However, this paragraph does not modify or waive the inspection requirements set forth in F.S. 713.13 and 713.135. This provision also applies to Private Providers.

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DOUGLAS B. WISE, CBO, CFM, MCP BUILDING DIVISION DIRECTOR

Supersession History

- 1. PPM# PBO-038, issued 09/01/89
- 2. PPM# PBO-038, effective 09/01/89
- 3. PPM# PBO-038, issued 07/09/91
- 4. PPM# PBO-038, issued 08/01/91
- 5. PPM# PBO-038, issued 08/22/91
- 6. PPM# PBO-038, issued 09/24/91
- 7. PPM# PBO-038, issued 11/21/91
- 8. PPM# PBO-038, issued 04/18/12
- 9. PPM# PBO-038, issued 01/01/24 (D.Wise/R. Maher/P. Barrack

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