

AFFORDABLE HOUSING ADVISORY COMMITTEE

Sumter County, FL

Meeting: July 8, 2010

Present: PJ Lewis-Lewis Bros. Construction; Virginia Watson-Watson/Moffitt Realty; Richard Cole-Zoning and Adjustment Board; Diana Couillard-Dibarco Building Corporation; Gary Schick-Citizens Bank; Brad Burris-Sumter County Fire Rescue; Kelly Pisciotta-Habitat for Humanity; Matt Yoder-T&D Concrete; Kathy Young and Sandie Purvis-Sumter County Housing Department

Public Attendees: Lori Roscoe-Century 21

A copy of the public notice for this meeting is on file.

Hand-outs to members: today's agenda

Call to Order. Gary Schick called the meeting to order promptly at 10:00am.

First order of business: *Approval of minutes dated April 8, 2010.*

A motion to approve the minutes was made by Virginia Watson and seconded by Diana Couillard. The motion carried.

Second order of business: *New Member review (Lori Roscoe).* Kathy Young introduced Lori Roscoe, a realtor with Century 21; Ms. Roscoe is poised to serve as alternate for Virginia Watson and very proactive in assisting people. Ms. Young stated the application for Ms. Roscoe is slated to go before the Board of County Commissioners for approval on July 13, 2010. Ms. Young also reiterated Kelly Pisciotta's appointment by the BOCC to the AHAC Committee in May 2010 and welcomed her to her first meeting as an official member.

No action

Third order of business: *New Business.* Ms. Young stated the use of 08/09 funds are almost finished and suggests discussing the Affordable Housing funds, specifically the direction and level of involvement from this committee. Ms. Young indicated more involvement would likely suggest the AHAC would meet on a more regular basis than the current quarterly meetings. Gary Schick requested Ms. Young's input since she has daily involvement. Ms. Young stated she will adhere to the plan as presented and approved by this AHAC committee. Ms. Young continued by noting her receipt of the new housing assistance plan from Florida Housing with notes. Ms. Young stated Florida Housing specifically targeted the rent deposit strategy indicating the funds should be in the form of a grant versus a loan. Ms. Young noted her disagreement based on prior experience when the strategy was a grant; deposits were paid and the tenants did not pay their rent and were forced to move for non-payment. Currently, Ms. Young explained credit reports and income are reviewed for repayment ability prior to moving a family into a unit. Ms. Young gave a brief overview of the Hurricane Housing Recovery grant program, in which rent was paid up front to a landlord up to \$5,000. on the tenants behalf and approximately 90% of those tenants were looking for more assistance to pay their rent when the grant funds expired. Ms. Young noted those recipients of rent deposit loans are paying the funds back and the program has been successful, and feels it should be carried over in the Affordable Housing Fund as well. Members briefly discussed grant versus loan, and it was the consensus of this committee to keep the program as a loan.

Mr. Cole reminded members of Ms. Young's original request of the direction and involvement this committee seeks in the use of Affordable Housing funds; in addition, Mr. Cole noted this committee

serves as an advisory committee and feels responsibility lies in setting policy and procedure rather than the daily operations. Diana Couillard stated a quarterly report should be sufficient. Gary Schick stated a summary which would include the disbursement of funds would suffice.

A motion for Kathy Young to provide summary reports at quarterly intervals to include disbursement of funds was made by Rich Cole. A second to the motion was made by Virginia Watson, and the motion carried.

Diana Couillard questioned the amount of Affordable Housing funds available; Ms. Young noted that amount was \$496,666. Ms. Young gave a brief review of current strategies and how the funds might be used, the applicant selection process and the opening of a waiting list.

Ms. Young asked Brad Burris if any new information was available concerning the inspection of rental units or a way to initiate that process. Mr. Burris stated the process would have to be done by county ordinance, noting the Fire Prevention Bureau does not have jurisdiction over private residences; however by means of an ordinance that jurisdiction could be established. Ms. Young noted the City of Center Hill conducts inspections on rental units in the event a utility service is disconnected or other reason an inspection may be warranted. Ms. Young also noted the large amount of renters which have contacted housing staff with safety concerns on the units they are renting. Virginia Watson questioned who would be responsible for the cost of the inspection and whether it would prevent landlords from making their unit(s) available. Ms. Young was not aware of a specific answer, but agreed to research options. Diana Couillard stated she felt this was another government regulation on the private sector and disagrees unless it was a county funded building. Mr. Burris reviewed a recent incident publicized in the local paper of a mother arrested for deplorable conditions and charged with child abuse, noting his staff encounters this type of situation on a routine basis which sometimes leads to fire. Mr. Burris provided a scenario to members for example only in which a unit was lost to fire and occupants were left with nothing. The cause of the fire was a result of condition(s) unknown to most homeowners such as improper installation of gas appliances; however Mr. Burris continued, as a landlord, you are accepting responsibility and payments for someone occupying your unit, you have a legal and moral responsibility to maintain that property safely just as the owner of a hotel or motel. Ms. Couillard identified herself as a landlord of properties ranging from high end to mobile homes and acknowledged her responsibility for safety of the structures by means of adequate insurance to cover her liability. Ms. Couillard continued noting a tenant's responsibility in renting a \$300 monthly unit, all the tenant can expect is a \$300 unit. Virginia Watson stated the objective is to provide affordable housing, noting additional government regulation will cost more money coupled by the increased court fees for the eviction process, makes it difficult to get bad tenants out of a unit. Ms. Watson stated, in her line of work in the real estate business, she sees many landlords seeking to get out of the business which she feels will reduce the availability of affordable housing; Ms. Watson maintains the bottom line is affordable housing. Ms. Couillard discussed the weatherization program and it's funding without such inspections. Ms. Young countered the weatherization program does deny applicants as does Housing when units are in need of replacement versus emergency repair or weatherization. Ms. Young noted her experience in dealing with landlords who continue to rent "trash" and applicants who have no other options because they can only afford \$300 to \$400 rent. Mr. Cole stated the removal of these units from the market may leave many people without any options and impose additional restrictions on the land owners as they may have to update/upgrade their units prior to having them occupied. Mr. Burris noted an inspection fee would be based on what was set in the ordinance, noting the majority of those fees are approximately \$50. Ms. Couillard questioned what type of items would be inspected and who would be responsible for conducting these inspections (i.e. building official, fire personnel, etc.). Mr. Burris noted he feels the current conversation is moving in the wrong direction and there appears to be some misunderstanding. Additionally, Mr. Burris noted Sumter County has been providing fire prevention services for the past 7 years. Prior to that there were none. Subsequently a large amount of commercial buildings have been inherited and the cost to bring these structures up to current code by Florida law is very expensive. The cost associated is so expensive

it has the potential to put an owner out of business, which also has the potential to negatively affect the local economy. An action plan and time to comply often avoids that situation which ultimately could mean life and death when structures have not been properly maintained. Mr. Burris reminded members, in his line of fire services, money never enters the picture; it is strictly life saving. Ms. Couillard maintains this scope of work does not belong in the private sector. Matt Yoder questioned whether landlords are checked for maintaining insurance on their properties. Ms. Young stated in the Section 8 realm of work, it is not a requirement of HUD, only that the unit meets housing quality standards and ownership is verified. Additionally, renters, at their option, can obtain renters insurance to cover their personal belongings. Mr. Cole noted when a mortgage is not held on a property; many times the owner does not insure it. Ms. Young stated she feels it takes advantage of people who are not able to afford decent, safe and affordable housing, when the only availability is uninsured, uninhabitable units. Mr. Schick notes the obligation to provide affordable housing, in addition to safe, affordable housing and suggests some research be done pertaining to the legalities involved. Ms. Young requested the committee's direction on the matter. Ms. Couillard briefly discussed a poor rental experience which cost her several thousand dollars in damage repairs and questioned Ms. Young if the rental properties were checked prior to tenants moving in. Ms. Young stated the housing staff conducts housing quality standard inspections by HUD guidelines for housing participants only, and notes landlords are informed they should conduct their own background checks for potential tenants. Housing staff conducts background checks for violent criminal behavior and drug related activities only. Ms. Couillard stated she does not feel this advisory committee should get involved in pursuing an ordinance for this county for rental properties in the private sector, and suggests the fire marshal may want to initiate a campaign state-wide but not within this advisory committee.

A motion was made by Diana Couillard that Kathy Young not pursue research on county wide inspections of private sector rental units. A second was provided by Virginia Watson and the motion carried.

Kathy Young stated she will provide a quarterly report of the affordable housing funds at the next meeting of the AHAC committee, as funds are expended.

Gary Schick requested an update from Kelly Pisciotta on the current events of Habitat of Lake-Sumter, Inc. Ms. Pisciotta reported Habitat is currently geared toward rehabilitation projects of foreclosed properties versus new construction. Ms. Pisciotta continued, noting the current fiscal year has seen 6 new construction homes and 12-20 rehabs throughout Lake and Sumter counties, and their greatest need is for families. Ms. Pisciotta stated Habitat is currently working with the Neighborhood Stabilization Program (NSP) in Lake County, purchasing foreclosed properties and rehabilitating them; the average cost being approximately \$85,000. Habitat is currently looking into a couple of foreclosed units in the Wildwood area for a similar process. Diana Couillard briefly discussed getting homeowners into these homes and what they must have in the way of funds for property taxes and insurance to maintain that home, since many can not afford that expense. Ms. Couillard also discussed her experience in purchasing foreclosed properties, noting how they have decreased the value of surrounding properties; however the tax roll assessment of the foreclosed property maintains the original value. Mr. Cole briefly discussed the gulf oil spill situation and the effect it will have on coastal properties and counties, noting the decrease in market value which likely will not be reflected in the tax roll because counties can not afford the loss of revenue. Ms. Pisciotta stated Habitat has recently seen a lot of applicants with very poor credit which they are not able to assist; these cases are referred immediately to consumer credit counseling. Ms. Pisciotta additionally noted applicants with little or no credit or job is on the rise as well as those on unemployment.

Fourth Order of Business: *Old Business.* None

Fifth Order of Business: Public Input. Lori Roscoe stated she has found today's meeting to be very interesting and she is looking forward to working with the committee.

Items for next agenda:

- Quarterly review of Affordable Housing funds (Kathy Young)
- Approval of Lori Roscoe by the BOCC to AHAC Committee

Next Meeting:

- October 14, 2010 @ 10:00am in Room 142 (as published for public notice)

A motion was made to adjourn the meeting by Diana Couillard at 10:45am and a second was provided by Rich Cole. The motion carried unanimously.

Submitted by: Virginia Watson
Virginia Watson, Secretary

Approved on the 13 day of January, 2010th.

By: Gary Schick
Gary Schick, Chairperson