



Community Development Block Grant (CDBG)
Neighborhood Stabilization Program (NSP)
Citizen Advisory Task Force (CATF)

Minutes

There was a meeting of the NSP CDBG Citizen Advisory Task Force **at 3:00 p.m.** on **Monday, March 16, 2009**, at the Community Development Department in **Conference Room A1-411** of the **County Administration Building "A"**, 1800 27th Street, Vero Beach

PRESENT

Anjani Cirillo	Appointee, District 1
Sal Neglia	Appointee, District 2
Donald Hart, Sr.	Appointee, District 3
Cathy Thomas	Appointee, District 4
Larry Lauffer	Appointee, District 5

STAFF

Sasan Rohani	Chief, Long-Range Planning, Community Development Department
Bill Schutt	Senior Planner, Long-Range Planning, Community Development Department
Bob Keating	Director, Community Development Department
George Glenn	Assistant County Attorney, Legal Department
Beth Casano	District 5 Commissioner Assistant/Recording Secretary
Bob Solari	Indian River County Commissioner, District 5

OTHERS

David Fox	Fred Fox Enterprises, Consultant
Dennis Bartholomew	Sun Up Center
Pete Sherrill	Grace Point Global Foundation
Andy Bowler	Habitat for Humanity
Louise Hubbard	Treasure Coast Homeless Services
Bob Walsh	Every Dream has a Price

1. Call to Order

Mr. Glenn called the meeting to order at 3:01 p.m. followed by introductions and instructions for those in attendance.

2. Election of Chairman and Vice-Chairman

ON A MOTION BY Mr. Neglia, SECONDED BY Ms. Cirillo, the members voted unanimously (5-0) to elect Mr. Lauffer as Chairman of the Task Force for 2009.

ON A MOTION BY Ms. Cirillo, SECONDED BY Ms. Thomas, the members voted unanimously (5-0) to elect Mr. Neglia as Vice-Chairman of the Task Force for 2009

3. Discussion of Sunshine Law (County Attorney's Office)

Mr. Glenn gave a brief outline (on file in BCC Office) of the Sunshine Law emphasizing the importance of members not discussing (among each other, outside of the Task Force's Public Meetings) any business that has been or could be brought before the NSB CDBG CATF. Mr. Glenn then turned the meeting over to the newly elected Chairman Lauffer.

4. Review of the NSP application and NSP Housing Assistance Plan

Mr. Rohani introduced Mr. Fox, Consultant for the Neighborhood Stabilization Program (NSP) who provided some background information on the program.

Mr. Lauffer expressed concern regarding the progression of the presentation and pointed out some members might not be familiar with the acronyms being used. Mr. Lauffer asked if Mr. Keating would mind backing things up and first defining what is expected of the Task Force members.

Mr. Keating explained that the Task Force members were an advisory group for the IRC Board of County Commissioners (BCC.) In that capacity, today, were being asked to review the NSP Application and the Housing Assistance Plan and make a recommendation to approve, deny or approve with changes. He explained that the Housing Assistance Plan is like a guide book or a road map depicting how the County and the Consultant plan to implement the NSP. Mr. Keating gave the members what he termed a "Readers Digest" version of the NSP as follows: The government has recognized the national problem with foreclosures and allocated money to the states, the most, 500 million, going to Florida out of which approx. 4.6 million will be coming to IRC that would go into 2 different pots; regular and special low income supplemental application. He pointed out that the primary and overall objective of the program was to facilitate the purchase of foreclosed properties, fix them up and get them occupied as soon as possible in order to stabilize neighborhoods. The secondary objective was to help people with low to very low income to obtain housing. The way the program works is that "we" (the county, consultants and nonprofit partners) go out and identify the foreclosures in the community. We filter the homes by looking no higher than a value of \$200,000.

Once identified, the non profits will determine which ones they want for their clients and in conjunction with the county, using NSP funding, purchase the homes. Mr. Keating emphasized that the County would not take title; not be on the deed; houses would be titled to the nonprofit right away and stay in their ownership while they were being rehabilitated. He explained how a county building inspector would be doing an assessment of each house to determine the amount of rehabilitation work necessary. When rehabs are completed some homes will be rented out (by the nonprofit who owns title) to households with incomes less than 50% of the median. Those homes must be rental properties for approximately 25 years. The County will hold a mortgage (a deferred payment) in case something happened to nonprofit and house was sold. The rest of the homes will be sold to households from very low to moderate income; less than 120% of the median. With the homes that are sold, we anticipate financial institutions giving a principle mortgage up to an amount that the household can afford which may be 50 or 60% of the value and the county will hold a mortgage for the rest of that which basically keeps in place those funds used to purchase the house.

Mr. Keating said that turnaround time for the NSP was very short and like most federal grants there were countless rules to follow as well as procurement procedures that would involve: appraisers, surveyors, title companies, contractors, engineers, etc. He concluded by emphasizing that the responsibility of the members today was to look at the application and make a recommendation to the Board.

Board members and staff discussed the following: a Pro Forma which showed that rental homes for very low income households would probably not cover the cost without the nonprofit providing some subsidy in the future (copy on file); the anticipation of being able to do twice as many houses as identified on the application but keeping the number conservative due to the federal nature of the program; a list of qualifying potential homes was distributed (copy on file); when seeking potential homes cannot be bought for more than 80% of their appraised value; the opportunity to hire local labor where possible; having at least 3 non-profits involved those presently being Habitat for Humanity, Every Dream has a Price, and Coalition for Attainable homes; deciding on a home by using a team of qualifiers that would include a representative from the particular non-profit and from SHIP; the unpredictability of the economy and what effect it could have on a binding contract between the County and the State.

Mr. Fox then turned the members' attention to specifics of the application. He reviewed the applicable Program Strategies: Housing Acquisition/Rehab for very low incomes; Housing Finance; and, Housing Acquisition/Rehab for very low to moderate incomes.

5. Comments and Discussion

Members discussed banking environment, appraisals, and overall objectives in terms of the depressed homes effecting neighborhoods. Members expressed concerns with \$200,000 being allocated to buy a house until staff explained that it was the total cost of buying, maintaining and then rehabbing a house. Staff believes it may be less but after discussion, members agreed it was best to be conservative.

Chairman Lauffer opened the discussion to the public/non-profit representatives present at the meeting and inquired as to their role at the meeting. Mr. Keating explained that for a non-profit to participate there were many rules and regulations but the biggest was that they had to have a minimum of 5 years experience in non-profit rental housing. Mr. Walsh wondered what percentage of the foreclosed houses had already been ravaged. Board members discussed the list of houses and Mr. Keating commented that he had seen very little damage.

Mr. Bartholomew said that he and Ms. Hubbard were at the meeting to show their support of the program. A concern was raised as to the need for responsible home owners since the point of the program was to curb deterioration of neighborhoods. Ms. Hubbard said that there had never been and would not be an issue in terms of deterioration as her agency and others could always tap into their own staff and support services while continuing the tradition of obtaining federal and state funds to fill any gaps.

Chairman Lauffer called the question and

ON A MOTION BY Ms. Cirillo, SECONDED BY Mr. Neglia, the members voted unanimously (5-0) to recommend approval of the NSP CDBG Application and the Housing Assistance Plan as presented.

Chairman Lauffer engaged some of the representatives from other non-profit organizations that had not spoken earlier. Mr. Sherill said that he was from Orange County and looking into partnering opportunities. Mr. Bowler summarized some of Habitat's experience with Home building and renovation and said that they showed trepidation going into the program for many reasons not least being the inconsistency in rules between HUD and DCA but he believes they will work out. He expressed hopes that there would be no conflicts of interest between the agencies and assured board members that the owners of their homes would have to invest the same "sweat" equity as Habitat's normal programs. Staff informed the committee that there were still a lot of options, questions and rule clarifications to address.

Chairman Lauffer wanted to know if the Task Force meetings were to be held to the standards of Robert's Rules of Order. Mr. Glenn and Mr. Keating informed him that IRC committees are run by the chairman's discretion.

6. Adjournment (4:16 p.m.)

ON A MOTION BY Mr. Neglia, SECONDED BY Ms. Thomas, the members voted unanimously (5-0) to adjourn.