

## AFFORDABLE HOUSING ADVISORY COMMITTEE

There was a meeting of the Indian River County (IRC) Affordable Housing Advisory Committee (AHAC) on Wednesday, February 18, 2009 at 9:30 a.m. in the Conference Room B1-501 of the County Administration Building B, 1800 27<sup>th</sup> Street, Vero Beach, Florida.

**\*As a quorum was not met, the following meeting notes give a brief summary of the discussion. An audio copy of the meeting can be found in its' entirety at <http://www.ircgov.com/Boards/AHAC/2009.htm>.**

### Board Members Present

**Julianne Price**, Advocate for Low Income Persons  
**Andy Bowler**, Non-Profit Provider of Affordable Housing  
**Kevin Sawnick**, City of Vero Beach Appointee  
**Bob Solari**, Board of County Commission Non-Voting Liaison  
**William Ahrens**, Town of Indian River Shores  
**Pete Clements**, Residential Home Building Industry  
**Allen, Green**, For-Profit Provider of Affordable Housing  
**Penny Chandler**, Citizen Who Represents Employers within the County

### Board Members Absent

**Yolanda Gomez**, City of Fellsmere Appointee  
**Mark Seeberg**, Real Estate Professional in Connection with Affordable Housing  
**Deb Branwell**, Town of Orchid Appointee  
**Gerard Weick**, County Planning and Zoning Commission  
**Greg Amaral**, Representative of Labor Engaged in Home Building  
**Rev. Sylvester McIntosh**, Citizen Who Resides within the County  
**Mary Cone**, Banking or Mortgage Industry  
**Al Minner**, City of Sebastian Appointee  
**Donald R. Hart**, Citizen Who Represents Essential Services Personnel

### IRC Staff Present

**Sasan Rohani**, Chief Community Development Planner  
**Beth Casano**, Commissioner Assistant, District 2  
**Bob Keating**, Community Development Director  
**Jim Davis**, Public Works Director  
**Jason Brown**, Budget Director

### Also Present

**Althea Mckenzie**, Concerned Citizen  
**Bridie Beutelle**, Mental Health Collaborative  
**Todd Heckman**, Habitat for Humanity

### **Call to Order**

Chairman Bowler called the meeting to order at 9:33 a.m. followed by the Pledge of Allegiance.

### **Approval of Minutes**

The minutes of November 19, 2008 could not be approved due to lack of quorum.

### **Consideration of Affordable Housing Infrastructure Capacity Reservation**

Mr. Rohani reminded board members that they had reviewed and approved the Evaluation and Appraisal Report (EAR) at the November meeting but some had expressed interest in being able to have affordable housing projects vested upfront. He provided a brief explanation of the use of State Housing Initiative Partnership (SHIP) by Affordable Housing Organization to cover closing costs and impact fees. Mr. Rohani provided the case of Habitat for Humanity (HFH) as an example and explained the approval process and requirements. He added Affordable Housing Organizations had the option, as had been exercised by HFH, to go before the Board of County Commissioners (BCC) and get approval to have SHIP funds to cover closing costs and impact fees. Mr. Rohani stressed that such an option would only be viable for those who could work within the funding parameters which give a project completion deadline of 2 years.

A lengthy discussion ensued regarding the use of SHIP funds and capacity reservations.

### **Consideration of Impact Fee Credit Transfers to Off-site Affordable Housing Projects**

Mr. Rohani summarized why Impact Fee Credit Transfers would not be feasible option to off-site affordable housing projects, i.e., impact fees collected in a particular district must be used for that district; the use for such fees was established in 1986 and pre-existing properties were grandfathered in; and the differences between commercial and residential fund usage.

A lengthy discussion ensued regarding the use of impact fees credits for affordable housing projects.

Mr. Green expressed frustration with the use of SHIP funds and thought there should be a way to use impact fees. Mr. Keating explained why impact fees were not the place to find funding and reiterated that when homes are bought with impact fee funds then the Impact Fee fund owns the credit and the County had an obligation to make sure the proceeds of that fund are used for the limited purpose of the fund which it relates to. Ms. Price sought clarification and asked if Mr. Brown was recommending Affordable Housing advocates should go to the BCC to find funding for their projects. Mr. Brown said that it was an option. Mr. Davis explained his thoughts from the last meeting for issuing impact fee credits to an affordable housing account when residential housing units were demolished by local state or federal government and units would never be replaced.

### **Analysis of Clustered VS Scattered Affordable Housing Units**

Mr. Rohani presented the analysis report that staff had completed in response to the December 9, 2009 Board of County Commissioner's directive. Citing the report's case studies, Mr. Rohani concurred with the conclusion that well built and well maintained affordable housing subdivisions do not have a negative impact upon adjacent neighborhoods.

Discussion ensued regarding Affordable Housing notification process/requirements to adjacent neighbors.

Mr. Bowler said that historically they never had any issues but since the Winter Beach issue, going forward, they would make sure to have better dialogue. Ms. McKenzie expressed concerns that there was not a better system of notification or communication with affected neighbors.

Mr. Solari suggested that if Affordable Housing builders were serious about communicating with potential neighbors then a stronger effort could be made to contact affected neighbors and invite them into the process earlier, beginning with the Affordable Housing Advisory Committee. He believed that early communication could go a long way in dispelling the type of animosity which results when people feel that something is being done behind their backs. Mr. Solari tried to explain that his comment was not relevant to creating new ordinances but to good politics.

Ms. Chandler stated that she felt AHAC was not an advisory committee solely concerned with Habitat. Mr. Solari responded in agreement with her statement while

clarifying that the committee is about affordable housing and that at the end of the day the more they can diffuse people being against affordable housing the more good the committee can accomplish. He pointed out that this agenda topic was a direct result of a planned Habitat Project that had gone afoul of its neighbors and thus, it would have been appropriate to have their input at the meeting.

Ms. Price redirected the Board members back to the report itself and questioned the examples given. She did not believe the examples, based upon west coast communities, should be applicable to decisions made for IRC and felt that staff should have looked at examples in neighboring counties and state of Florida for a more accurate report.

Ms. Chandler requested that Mr. Green's summary comment be reflected in the minutes, verbatim: Mr. Green said, "But, I mean, just saying it's (*clustered housing*) no different than an entry level subdivision and as long as it's well maintained and has a home owner's association crime doesn't seem to significantly rise, I mean that's all that we can really, we can't say anything about Winter Beach we can just respond to information that we gathered." Ms. Chandler reiterated her statement that there should be another venue to address residents' complaints other than having them come to an AHAC meeting.

Mr. Solari rebutted saying that he understood Ms. Chandler's opinion but that the constituents' point of view needed to be taken into consideration. He said the committee could be a simple, cost effective way to air neighbors' complaints and keep discontent from growing. Ms. Chandler said that she agreed with everything everyone was saying but thought the right forum for neighborhood complaints was the Board of County Commissioners and not AHAC

### **Consideration of Revised Local Housing Assistance Plan**

Mr. Rohani said that to meet the Florida Housing Finance Corporation submittal requirement, staff prepared a revised Local Housing Assistance Plan which was basically a continuation of the county's existing plan with only minor changes.

Mr. Keating further explained that past Lenders had to give the prevailing 60 day Fanny Mae rate which was not a problem as the underwriting standards were a little more lax. Today, with all the emphasis on the credit component nationwide the prevailing rate is now only available to borrowers who have a credit score in the upper 700's which is not usual in the SHIP clientele. Mr. Keating said that staff would be monitoring the

situation. Mr. Rohani touched on other changes such as: adjustable rate loans would no longer be available, only fixed rate; front end ratio should be between 20 & 30% and the backend ration should not exceed 41%, regardless. Mr. Rohani proceeded to answer specific questions from the board.

### **Discussion Regarding Neighborhood Stabilization Program (NSP)**

Mr. Rohani stated that he had attended 4 workshops pertaining to this new source of funding program. Basically, the monies are to be used to buy units that are already foreclosed and owned by a bank and if they need fixing to fix those homes. Houses in this program cannot be bought for more than 85% of their appraised value. The fund has approx. 4.6 million. 25% to be used for low-income rental housing and the other 75% can be used for rental or for homeowners. Mr. Rohani says that the state is emphasizing that this is not a housing program, and there is very little option for deviating from the program and applicants have only 10 months from the time an agreement is signed with the Department of Community Affairs to identify the units, negotiate and buy the units, and to have a contract. He stated that since the last AHAC staff had asked for letters of interest from local agencies and they received three: Coalition for Attainable Homes; Every Dream Has a Price; and Habitat for Humanity. Mr. Rohani suggested AHAC meet again in March since they only have six weeks left to apply for the program. Board members inquired about contractors and Mr. Rohani suggested that there would be a list of local contractors to choose from to bid. Mr. Keating added that the State has allocated 4.6 million that we are eligible for but we still have to meet all the rules, apply, and prepare a plan. Mr. Keating said that they've gone through all the hoops and are at the last stage and need to take this to the board by March 3<sup>rd</sup>. Ms. McKenzie wanted to know if this information was readily available to the public, if so, where and Mr. Rohani said at the DCA and HUD websites. Ms. McKenzie wanted to know if everything they had just reviewed was going to be made available to the public by the staff in a summary form and Mr. Rohani said yes. She then asked what the entitlement areas were in Indian River County and Mr. Rohani explained that we didn't have any in IRC. Mr. Bowler suggested calling a meeting for March 18<sup>th</sup>, Mr. Rohani would check the progress of the application and Mrs. Casano would check availability of rooms. Mr. Rohani said that a list would be provided to the non-profits of homes that would be applicable to the program but would like there to be some coordination between the organizations so they don't get into a bidding war. Mr. Green reminded the board that even though low-income housing may benefit, the purpose of the NSP is to stabilize communities as a whole. Miscellaneous discussion ensued about foreclosures and NSP details many of which Mr. Rohani felt could be

addressed better after he and Mr. Keating go to the workshop that was being held tomorrow. Mr. Bowler said that he would be meeting with the other interested parties as he had already seen 20 of the 50 potential homes. Mr. Rohani stated that the next meeting will be special and only focus on the NSP due to the upcoming deadlines.

There being no further business the meeting was adjourned at 11:31 a.m.