

**CHARLOTTE COUNTY
AFFORDABLE HOUSING ADVISORY COMMITTEE
MINUTES
December 19, 2012
Human Services
Main Conference room
1050 Loveland Blvd.
Port Charlotte, FL 33980**

I. ROLL CALL: The meeting was called to order at 10:03 am by James Kelley. Roll was taken and a quorum was not present.

Committee members present:

Mike Mansfield	Not for Profit Housing Provider
James Kelley, Chairman	Banking/ Mortgage

Committee members Excused:

Barbara Melanson	Charlotte County Employee-CCSB
Christine Cupp	Residential Home Building
James Sweeney	Low Income Advocate

Committee members Unexcused:

Earlene Oliver	Citizen who resides within the County
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Others present:

Bob Hebert	Charlotte County Housing
Doreen Stoquert	Charlotte County Budget & Fiscal Services
Wilda Rock	Charlotte County Housing
Rose Brooks	Charlotte County Housing
Richard Gromalski	Charlotte County Housing
Marty Burton	Charlotte County Attorney's Office
Ken Quillen	Charlotte County Community Development

II. Approval of Previous Meeting Minutes

Minutes of the May 16, 2012 AHAC meeting - to approve a quorum was not present.

Staff: No quorum present. Meeting is mainly for reporting only will not be taking any actions. We do have a new member; new appointee is Earlene Oliver who will represent low income housing neighborhood live in Punta Gorda Trabue Woods. She was given a new member welcome packet. James Sweeney currently lives and works in Lee County will continue to serve in the committee till end of his term. Those present discussed potential members.

Staff stated that one of the issues without funding the Committee will not have a lot to do. The County is closing some of the grants, currently we are going thru SHIP funds remaining from previous periods. It is desired to coordinate the meetings to not waste member's time.

Mr. Kelley: What areas are we looking for to fill in?

Staff: 11 different positions:

Residential Home Building – Christine Cupp
Banking/Mortgage Bank – James Kelley
Home Building – Mike Mansfield
Advocate for Low-Income People – James Sweeney
For-Profit Provider – Vacant
Not-for-Profit – Vacant
Real Estate Professional – Vacant
Planning & Zoning Board Member – will offer future member to rotate with other board members
Citizen who resides within the County – Earlene Oliver
Charlotte County Employer – Barbara Melanson
Charlotte County Essential Service Personnel - Vacant
For profit provider for affordable housing – go to one of the complexes and locate a future member

Mr. Mansfield suggested Nick Kulka who currently serves as a member on Parkside Community Redevelopment Area and is a realtor working for Exit Realty as a potential member.

Staff has contact of another person from Waste Management - Stephanie for the Essential Services slot.

Commissioner Deutsch will be coming is not a mandatory, will be a liaison.

No approval of previous meeting minutes – May 16, 2012 meeting

Mike: Question on the minutes dated May 16th, thinks also previous meeting quorum was present – shows 6 members, 3 members attended & 3 absents incorrect need to revise minutes to show: Jeff Ahrens & James Marshall are no longer members.

III. Old Business

A. Approved plan for settlement of SHIP Liens and mortgages

The proposed plan for settlement or forgiveness program for people going through foreclosure or short sale was taken to the Board for approval. It was reported that this plan was approved by the Board.

B. Approved Extreme Hardship amendment for settlement of SHIP Liens and mortgages

There have been two extreme hardship cases presented to staff with cases of death or terminal illness the home was being sold through short sale or pending foreclosure. This scenario was also taken to the Board of Commissioners. Banks have been unwilling to refinance or short sale properties with the County liens in place. The Board of Commissioners was asked for permission to settle or forgive cases of documented extreme hardships. The Board of Commissioners approved a policy of Extreme Hardship. These two cases as well as others can now be considered for settlement.

Staff was asked if the homeowner can now sell their home. Answer was yes, they are able to short sale the property if the bank has agreed to this sale and therefore, sell for less than the mortgage amount, contingent that in the sale the seller is not to receive any cash which is the same for the other mortgages, or subordinations of mortgages.

Mr. Mansfield: stated that this it is a good program

C. Funding status report - Staff: This report is for the quarter July – September 2012.

1. HHR – This report shows HHR has a negative balance of \$8,000. Since this report there has been around \$40,000.00 in program income and recovered funds making the balance now approximately \$30,000.

2. SHIP – Fiscal Year SHIP 9/10 had an extension till end of December that is wrapping up, report show we had a negative balance of \$160,000.00 is because expenses of \$235,419.78 Sibley Bay project at the November 27th Board meeting – the Board approved the reimbursement of the SHIP funds from the General funds. Most of the funds have been spent on finishing Fitzhugh, which was a NSP1 project in which more funds were needed to finish the project and what was left over was spent on rehab. We will be closing out in a couple days.

Staff: Discussed the Sibley Bay property which was acquired from foreclosure and is located on South Tamiami Trail behind Wilson Realty. This property had 10 buildings with 12 units which were condemned. It was inhabited by 4 illegal aliens, 1 convicted murderer who had his sentence set aside because of technicality. We bought it from a bank out of Miami for \$213,000.00 sale conditions included that if they had any other commercial offers they had to either accept them or reject them. The second condition was they had to empty the property. Because of grant HUD requirements for URA – Uniform Relocation Act. The County SWAT team did make good use of the property so did the Fire Department, before the demolitions occurred. The plan was to go to bid for a developer partner to develop affordable housing, we had no response. This is a Community Redevelopment Area and there were two viable partners applicants that wanted to discuss density and zoning issues. The Zoning Department showed property was zoned for commercial property, so the envisioned units could not accomplished as affordable homes. The Economic Development department wanted to make mixed use with shops downstairs & upstairs would be apartments. We had a developer that was interested in making it 27 units but they needed an exception for height. The estimate to make this property usable would take over a year and the grant will have expired by the time. This was presented to the Board of County Commissioners and they agreed to buy property for land use and transferred the money back to us to the Affordable Housing Trust Funds. These funds can then be rolled into SHIP for use on another multifamily project or programs in the Local Housing Assistance Fund.

SHIP 10/11, SHIP 11/12 and SHIP12/13 basically has \$1.2 million that we are currently working on for down payments and rehabs. Staff had 28 SHIP Rehab applications and 2 down payments application will take care of the majority of the money. \$244,000.00 that was recovered from the Sibley Bay project was put into SHIP12/13 and needs to be spent by June 2015.

Staff has suspended taking in any more applications because the financial commitment is \$781,438.00 worth of applications. We have started a waiting list. Staff does work estimates and works with homeowner, since the homeowner selects the contractors. It takes about 60 to 90 days to work thru this process. When we finish the current applications we will then start taking in more depending how much funds we have left.

Mr. Mansfield: What are you are hearing coming out of the government for the coming year as far as funds?

Staff: in a typical year the County received about \$350,000.00. As you know the governor and Legislature has raided these funds for the last four years to balance the state budget. The Florida Housing Finance Corporation (FHFC) had reserves about \$60 million dollars, and was directed to spend it down. The County received \$350,000.00 for SHIP10/11. What we are hearing now that there is a national settlement with large banks regarding a legal action regarding unacceptable practices for some of the mortgages. The State of Florida is rumored to be receiving \$330 million. These funds were given to the Attorney General of the State of Florida. At this point these funds will be committed to Affordable Housing. If that happens it will go to FHFC and the local governments may get their normal

allocation of \$350,000.00. The Legislature may not let this happen if they can change the course of these funds.

There is lot of push to push this year to use the Sadowski Trust Fund for what it was intended. During the last session the governor wanted to put all the trust funds to a super fund restricted to Economic Development, Tourism & Housing. Every year the governor and Legislature will decide how these funds would be used. We'll get a better sense after the holidays, from the legislature.

3. NSP1 – this grant has been closed from our standpoint with all funds spent on 27 units that are occupied and were rehabbed or rebuilt. The last two conveyances were to the Punta Gorda Housing Authority which two (2) duplexes two (2) story buildings were built with 3 of the 4 units are occupied still working on the 1 unit to have it occupied soon.

Next to it 318 Fitzhugh Ave – cottage – The City has inferred that this property has historical value. One of the Bailey brothers lived there when he returned from the War. Therefore there may be historical value. We cannot get historical clearance to do anything to the building until this is cleared up. It is about seven hundred (700) square foot, half of which was added without permit. Currently it is leased to a non-for-profit faith based group which does educational programs out of Trabue Woods to get people to become self-sufficient. They will lease it to their clients most of which are homeless or at risk.

Mr. Mansfield: so it has been painted & everything?

Staff: Charlotte County Habitat for Humanity donated the exterior paint and the appliances were purchased through Charlotte County Habitat for Humanity, there was electrical work on the house and a partial replacement of the HVAC unit using a slightly used unit from another house taken out because it was too small. A single mom studying for a CNA nursing program now occupies this house. This is a very low income rental which is part of the responsibility of the grant. We are ready to close NSP1, but Department of Economic Opportunity (DEO) has not received close out instructions thus far. For this reason DEO forced us to take a one year extension.

Mr. Mansfield: with no money left in this grant?

Staff: Yes, we are all done.

4. NSP3 – Neighborhood Stabilization Program 3 (NSP3) acquired 10 properties at the Parkside Community Redevelopment Area; the Board of County Commissioner has approved the contract with Charlotte County Habitat for Humanity for construction oversight as they did in NSP1. They will start the bid process by end of the month & January and will start construction in February 2013. The grant requires that the County will have spent 50% of the money by March, 2013 or face the potential of losing funding not spent by the deadline.

Mr. Mansfield: Sorry by May?

Staff: We are behind schedule due to numerous circumstances with the biggest delay caused by the Native American Tribes that have to be contacted.

The Habitat contract was renewed with Board approval. The County went with the construction with oversight agreement because the county takes twelve months – triplex rehab took too long – it took twelve full months before we were able to have it occupied. Charlotte County Habitat for Humanity meets the same procurement requirements and bid

process. But they can do the contract within a week after they get the final bid and start construction starting in a couple of weeks. Charlotte County Habitat for Humanity is working on getting additional contractors because the NSP1 contractors that bid on them before.

Mr. Mansfield: stated that Habitat has advertised the pre-bid meeting with contractors to answer questions and present the rules for the bids. Bid notices are also agreed to be sent out to the Charlotte/Desoto Building Industry Association (CDBIA). The process includes the notifying of the CDBIA of each bid.

5. Other - Introduction to Rich Gromalski, our construction manager who does work estimates for the SHIP program - Rehab, Rentals properties. Rose Brooks is our intake person that processes the SHIP applications. Both were employees of The Housing Corporation and under contract to perform the same duties with the County and are more experienced in this work than any other staff.

IV. Next meeting date: February 20, 2013 at 10:00am, location:
Human Services Building – Main conference room,
1050 Loveland Blvd., Port Charlotte, FL 33980.

V. Adjournment at 10:40 am