

City of Hollywood
Community Development Advisory Board
Special Meeting Minutes
July 31, 2019

CALL TO ORDER:

The City of Hollywood, Florida, held a Community Development Advisory Board Meeting on July 31, 2019 at City Hall, 2600 Hollywood Blvd., Room 215, Hollywood, Florida. The meeting was called to order by the Chair, Marty Shuham, at 6:35 P.M.

ROLL CALL:

Present:

Mitch Anton
Audrey Dallaire
Phil de Souza
Joann Fullington Reese
Rochelle Lessner
Siobhan McLaughlin
Marty Shuham
Milana Walter
Don Weimer

Absent:

Paola Adams
Jim De Miles

STAFF:

Donna Biederman, Staff Liaison
Clay Milan, Community Development Manager
Anthony Grisby, Community Development Program Administrator

PUBLIC:

None

Approval of Meeting Minutes

None

New Business:

Presentation by Staff of Proposed Amended and Restated Housing Policies

Mr. Shuham introduced staff to make the presentation.

Mr. Milan said that staff has been working on updating the Housing Policies, taking into consideration the new Neighborhood Pride Program. He said that Mr. Grisby would go through the changes and answer any questions the board may have.

Mr. Grisby explained that in addition to reformatting the document and deleting obsolete language and legal citations, the policies have some substantive changes. He reviewed the following changes:

Amended the Anti-Predatory Lending Policies to remove a standard non-retirement asset cap of \$20,000 and replace with language that places a cap limitation to run with the level of subsidy provided per program and clarifies that the homesteaded principal residence shall not be included in the calculation of non-retirement assets.

Amending the subordination criteria for housing loans to allow for more flexibility to the Development Services Director to subordinate housing assistance loans.

Raising the maximum loan amount for Housing Rehabilitation assistance to \$70,000 from a previous limit of \$55,000. Mr. Grisby said that if there are code violations or unsafe conditions, the current policy allows for the correction of those conditions and to exceed the current maximum of \$55,000. Staff has noticed that many of the Housing Rehabilitation projects are exceeding that maximum due to the rising costs of construction.

Raising the maximum amount of Homebuyer Assistance to \$50,000 from a previous limit of \$40,000.00 and allowing for higher limits if specified in contractual agreements.

Adding language to coordinate the use of County Contribution Funds provided by the Interlocal Agreement among Broward County, the City and the Hollywood Community Redevelopment Agency.

Mr. Grisby mentioned language that allowed for the program to demolish unpermitted improvements, but the proposed policy language allows for us to demolish or make improvements to legitimize the structure where feasible and allowable by the funding source. Mr. Grisby said that we have found that unpermitted structures have become pervasive throughout the housing stock so it is beneficial to correct them when we can.

Mr. Anton asked for an example.

Mr. Grisby said enclosing a garage to make an additional bedroom would be one such example.

Mr. Grisby mentioned that we have customarily included the first year of insurance into a loan, when needed. It was mistakenly not placed in the policy, so language has been added to address those issues.

Ms. Fullington Reese asked if there is enough funding to provide for those changes.

Mr. Grisby said that we are not able to leave the house with a code violation.

Ms. Mc Laughlin said that she supports affordable housing, but believes that the current caps are generous. She believes that \$55,000 is a substantial subsidy.

Mr. Grisby described the clients and explained that they come to the City with no other resources. He said in some circumstances, we can replace the house.

Ms. Mc Laughlin said she is not opposed to housing rehabilitation, but if there is a point where there is \$70,000 in repairs needed, she believes something should have been done before it reached that point. She said that is a lot of money.

Mr. Milan said that in many cases, we are exceeding that \$55,000, so that is why staff is proposing to raise the maximum in the policies. He reviewed the list of repairs eligible under the program and illustrated how these items add up, especially with the increased cost of construction.

Ms. Mc Laughlin asked how many projects we have done.

Mr. Milan said we have done on average 20 per year.

Mr. Shuham mentioned that there are various State and Federal funding sources, specific to affordable housing, to facilitate these projects. General funds are not used for these projects.

Ms. Mc Laughlin asked how often we exceed the \$55,000 maximum.

Mr. Grisby said that the funding source will not allow us to leave code violations and the \$55,000 was instituted absent consideration of the correction of code violations.

Mr. Weimer asked if this discussion was specific to owner-occupied.

Ms. Mc Laughlin asked about the repayment rate.

Mr. Grisby said all of these are repayment loans upon sale or transfer.

Mr. Anton asked about septic to sewer conversions.

Mr. Grisby said that funding was set aside for that purpose.

The board discussed the issue of deferred maintenance.

Mr. Grisby said that we do not provide homeowner maintenance education and staff is not available to continuously provide home inspections for former clients.

Mr. Milan spoke about the possibility of implementing a system where if there is a code violation issued to a home that we have rehabilitated, the system would recognize it and we would be notified and follow up on the issue.

Mr. Milan said that the default rate with the housing rehabilitation loans is very small.

Mr. Shuham asked about the subordination changes.

Mr. Grisby explained the current process and that there are times when there is a hardship case, such as the loss of employment or a loss of income to the household, and staff believes the Department Director should be able to review the conditions of a requested subordination.

Ms. Mc Laughlin asked the percentage of loan repayment.

Mr. Milan said that he is more than confident it is about 97%.

Ms. Fullington Reese said she went to two of the housing replacement ceremonies. She mentioned that staff may not know the extent of the damage until the properties are fully inspected and sometimes when work commences.

Ms. Biederman said that there have been cases where properties are aged and the wood for the roof or underground piping needs to be replaced, but one would not realize that until the work commences. In those cases, deferred maintenance was not a factor.

Ms. Mc Laughlin said she would like to see how many homes we are rehabbing at more than \$70,000, possibly quarterly.

Mr. Grisby said the average is below \$70,000.

Mr. Shuham said that perhaps staff could provide the board a list of the housing rehabilitation loans closed, and the amount, per quarter.

Mr. Weimer suggested staff follow-up for those homes rehabbed to make sure the homeowner is maintaining the property.

Mr. Milan said that it is not likely that there will be ramifications for properties that are found to be non-compliant. The City is typically not able to foreclose on the property, nor is it the desire of the City to do so.

Mr. Weimer said that he did not mean to foreclose on the home, but he suggests to try and catch disrepair before it worsens.

Ms. Mc Laughlin asked when people typically apply for the program.

Mr. Grisby said we advertise the program through the website and code compliance.

Ms. Biederman said that we have a one page article in the New Horizons once per year as well.

Mr. Anton asked if it is a total of \$70,000.

Mr. Grisby said that it is an aggregate amount with a maximum of \$70,000, so people can come back and utilize the program if their combined loan amounts did not reach the maximum.

Ms. Biederman said some of the residents have come through the program more than once.

Mr. Grisby said that the people who typically come through the program are truly in need of the assistance.

Mr. Shuham asked for a motion.

***A Motion was made by Mitch Anton to recommend the proposed Amended and Restated Housing Policies. The motion was seconded by Rochelle Lessner.*

Ms. Mc Laughlin wanted to make a change to remove the First Time Homebuyer subsidy increase. Discussion ensued.

Mr. Shuham said that he understand Ms. Mc Laughlin's concern, but there is a motion and a second on the floor. Mr. Shuham called for the vote to recommend the proposed Amended and Restated Housing Policies.

***Motion passed unanimously. ***

***Ms. Mc Laughlin said that since she voted on the prevailing side, she would like to make a motion to strike the increase in the First Time Homebuyer subsidy for the Housing Policies. Mitch Anton seconded the motion.*

Ms. Biederman mentioned that raising the subsidy assists more lower-income households to realize homeownership.

The motion fails 8-1, with Ms. Mc Laughlin voting in favor.

Old Business

None

Member Comments:

Mr. Anton mentioned Clay's retirement party next Thursday, August 8, 2019.

Mr. Shuham mentioned that the meeting date for September is on the 10th, rather than the 11th.

Mr. Shuham mentioned a few points for the board to consider such as ideas for presentations for the coming year, site visits to public service agencies, information the board may need to help the board make better recommendations, and perhaps a different method for funding recommendations.

Ms. Mc Laughlin mentioned the FIU affordable housing study and proposed the possibility of having the FIU staff present their findings at a future meeting.

Ms. Mc Laughlin also mentioned that she would like to consider not voting on items as a package.

Mr. Shuham asked the board to send any suggestions to Ms. Biederman for future discussion.

Mr. Anton asked if there has been a Neighborhood Pride Program sub-committee meeting.

Mr. Milan said that those meetings will be scheduled as needed.

Ms. Fullington Reese mentioned that staff from Senator Rubio's Office was at City Hall. She asked if there was a topic of the meeting.

Ms. Biederman said that there was one staff person, in the second floor lobby of City Hall, to speak to residents concerning their needs. There was no specific topic.

Ms. Fullington Reese said that the community should know about these one-on-one meetings available.

Staff Comments

Mr. Shuham said that the board should take a photo with Clay before he retires.

Adjournment:

***A motion was made by Mitch Anton to adjourn the meeting at 7:25 PM and was seconded by Don Weimer. The motion passed unanimously. ***