



THE AFFORDABLE HOUSING STUDY COMMISSION
Dedicated to Promoting Affordable Housing in Florida Since 1986

Meeting Summary
Thursday, September 30, 2004

Commissioners in Attendance:

Helen Feinberg, Chair
Ann R. Kashmer
Paul E. Curtis
George Romagnoli
Howie Carroll
Darlene Pifalo
Jill Collins
Scott Culp
Ellen M. Ramsey
Lloyd Boggio
Robert Gregg
Sharon Jenkins-Owen
Jane Johnson
Agustin Domingus
Priscilla Howard
Dorothy Ellington
Barbara Lindstrom
Michael Davis

Public in Attendance:

Michael Bodaken, Guest Speaker
Charles Elsesser, Jr., Guest Speaker
Janice Browning
Julia Kates
Anne Lockwood-Williamson
Bill O'Dell

Julie Shaw
Lt. Governor Toni Jennings

Staff:

Nancy Muller
Rhanda Mckown, Staff Director

1:05 pm Meeting Commenced

Update on Disaster Recovery Efforts of Florida Housing

Nancy Muller of Florida Housing gave an update of Florida's disaster recovery response to Hurricanes Charley, Frances, Ivan and Jeanne. For continuously updated information go to:

<http://www.floridahousing.org/HurricaneRelief/Default.aspx>.

Update on Recommendations from 2004 Report

Ms. Muller provided an update on the status of Florida Housing's efforts to implement the Commission's recommendations from the 2004 final report, which indicated a majority of the recommendations had been implemented at least partially.

Presentations on Preservation

The Commission was addressed by a guest speaker, Michael Bodaken, President of the National Housing Trust Fund. Mr. Bodaken's presentation highlighted a national perspective on preservation of affordable housing and compared several states' strategies, including Florida, to address the supply and demand of affordable housing needs.

The Commission then heard from another guest speaker, Charles Elsesser, an Attorney from Florida Legal Services, Inc. His presentation included discussion on working with local organizations and regional task forces to build an infrastructure to address housing shortages. He also spoke about what preservation includes and the need for conducting an affordable housing needs assessment in Florida.

Discussion on Preservation

The Commission proposed that commission staff and the Shimberg Center should work together to obtain data on expiring units. Overall, commissioners requested the following information:

- Data should be specific to Florida.
- Structural damage and projected costs to replace/repair
- Clarification on 10 Year federal “rule” and how it affects implementing changes to assist storm recovery housing efforts in Florida.
- Explanation on the origin of the policy for acquisition and rehab of 4% and 9% tax credit properties.
- How many units are expiring and when.
- Specific regulations governing each program and when they expire to understand how certain recommendations might affect units in each program.
- Explanation of the acquisition process.
- Who “non-speculative” developers are and how they affect housing storm recovery efforts in Florida?
- Gap financing vehicles that currently exist

Three areas for preservation were identified:

1. Regulatory (preservation, rehab, etc.);
2. Politics (local and state government initiatives, leadership, etc.); and
3. Financing (incentives, funding sources, CDFI, tax credits, gaps financing, high-end vs. low-end deals, etc.)

The Commission came to consensus to have preservation discussion focus on rental housing only and dedicate a portion of the final report to the homeownership aspect of predatory lending.

5:00 pm Meeting adjourned for the day

Meeting Summary Friday, October 1, 2004

8:20 am Meeting Commenced

Visit by Lieutenant Governor

Lieutenant Governor Toni Jennings addressed the Commission on behalf of Governor Bush and requested that the Commission make long-term recommendations for affordable housing disaster recovery that could assist Floridians affected by the hurricanes of 2004. The Commission discussed the following in response to the Lt. Governor’s visit:

- The Commission agreed that it was important to send a letter to Governor Jeb Bush with immediate suggestions on the housing dilemma for those affected by the hurricanes.
- They also agreed to develop a series of letters and reports directed towards provide recommendations before the next regular legislative session.

This day was originally designated to be spent on discussing Predatory Lending. However, after Lt. Governor Toni Jennings’ visit the Commission changed its focus. The group came to consensus to postpone both topics of Preservation and Predatory Lending until after the topic of Disaster Recovery was given full attention.

Presentations on Predatory Lending

Regardless of the sudden change in topic, two guest speakers were prepared to give presentations on predatory lending and the Commission agreed that hearing from these speakers would be useful for when this topic would be addressed at a later date.

The first guest speaker was Fé Morales-Marks, Vice President of Public Policy for Fannie Mae Corporation. She provided an overview of many things Fannie Mae had done to combat predatory lending both in Florida and nationwide.

The other guest speaker was Anthony DiMarco, Vice President of Government Relations for the Florida Bankers Association. He discussed Florida's laws that reference predatory lending. He outlined the differences between state laws and federal laws and preemptive delineation for local versus national banks. He went on to discuss the need for more research on predatory lending by the State Department of Financial Services Office of Financial Regulation. In light of the recent request made by the Lt. Governor, Mr. DiMarco suggested counseling for hurricane victims on good vs. bad loan terms as a means to reduce those who fall victim to predatory lending tactics.

After these presentations the Commission switched back to a discussion of disaster recovery.

Disaster Recovery

Discussion by the Commission began with an acknowledgement of the widespread devastation in Florida, not only from this storm season, but lessons learned from a history of such storms. The Commission agreed that building on lessons learned from history, and making recommendations that will be meaningful in the future would be most appropriate. They wanted to utilize information and data that may already be being collected by various agencies related to storm damage, including: the Florida Department of Elder Affairs, Federal Emergency Management Administration, U.S. Department of Housing and Urban Development, Florida Department of Community Affairs, Florida Housing Finance Corporation, etc.

The Commission discussed recommending the restoration of full funding of the Housing Trust Funds to assist in storm impacted areas. It was proposed that statutes and rules must be reviewed to determine which programs can be used to assist victims. The Commission discussed having an emergency funding allocation process, and that is streamlined.

The group outlined the following data to be collected that would be pertinent to formulating future discussions:

- Destruction demographics
- Level of damage across housing types (this is secondary information)
- Kind of damage to types of housing and how much of it is repairable
- Number of low-income families impacted
- Resources and funding streams that can be made available
 - Short term
 - Long term

The group also suggested:

- Streamlining bureaucracy
 - This should include acceptance of a inter-county licenses that are relevant to storm recovery (e.g. building, clean-up, carpentry, masonry, etc.). These temporary licenses should have no fee attached to them and need to be characterized upon the type of work being performed.
 - Building permit timelines need to be dramatically shortened

The Commission agreed to write two letters to Governor Jeb Bush. One on recommendations pertaining to HUD programs, and the other letter pertaining to programs related to the U.S. Department of the Treasury and the Internal Revenue Service (IRS).

The Commission brain-stormed the following as possible interim recommendations for letters to be sent to Governor Bush:

- Waiver of certain provisions for first-time home buyers
- Difficult to Develop Area designation for certain areas of the state most impacted by storms
- Increase of single family repair limit
- Waiver of 10 year rule for multifamily, statewide

- Waiver of HOME rules for projects initiated in next two years for:
 - Lead-based paint;
 - Davis-Bacon wage requirements;
 - Environmental review; and
 - Relocation/displacement assistance

12:15 pm Adjourned