

# COMMONWEALTH OF VIRGINIA

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DELEGATE JOHN COSGROVE, Vice Chair  
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## VIRGINIA HOUSING COMMISSION

### AGENDA

#### **Virginia Housing Commission Senate Room A, General Assembly Building September 29, 2009; 10:00 A.M.**

**Members Present:** Senator Locke (Chair), Delegate Cosgrove, Delegate Dance, Delegate Hull, Delegate D. Marshall, Delegate Oder, Senator Watkins, Senator Whipple, Gary Garczynski, Melanie Thompson, T.K. Somanath

#### **I. Welcome and Call to Order- 10:05 AM**

Senator Mamie Locke, Chair

#### **II. Update on Building Codes- Bill Shelton- Director, Virginia Department of Housing and Community Development**

- Building code includes 6 types of affected regulations (see handout);
- Look to model codes, such as the International Code Commission;
- Initial Code changes should finish around September 2010;
- **New provisions:** Energy standards, residential sprinkler installations, carbon monoxide detection and water conservation;
- The regulations do not get voted on by the General Assembly, but rather they are adopted by the Board of Housing & Community Development;
- The new provisions are not retroactive;
- Sprinkler systems only apply to new construction, not renovations or additions;
- Insurance industry has been involved in the sprinkler provisions but the information is not consistent. The insurance company's savings are based on how the individual company feels about the sprinkler issue. Their coverage options will not be consistent across the industry;
- Sprinklers are not solely limited to water systems because of the expense. Other options are being explored;
- Housing affordability is brought into question with the new residential sprinkler systems. Additional money, inspection fees and installation costs become an issue. The members feel these systems are a bit redundant since smoke detectors are already present in residential homes.

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DELEGATE JOHN A. COSGROVE  
DELEGATE ROSALYN R. DANCE  
DELEGATE ROBERT D. HULL  
DELEGATE DANIEL W. MARSHALL, III  
DELEGATE G. GLENN ODER

SENATOR MAMIE E. LOCKE  
SENATOR JOHN C. WATKINS  
SENATOR MARY MARGARET WHIPPLE

F. GARY GARCZYNSKI  
T. K. SOMANATH  
MELANIE S. THOMPSON

### **III. Home Energy Efficiency and Consumption-** Senator Mary Margaret Whipple

- Suggested having energy audits, much like home inspections, when purchasing homes;
- The purchaser could view one years worth of energy bills to track the spending, but currently it is not required;
- This request for energy bills only works with older homes. There is no way to see a new home's energy consumption.

### **IV. Safe Act Legislative Update-** E. Joseph Face, Jr.: Commissioner of Financial Institutions, State Corporation Commission

- HB 2031 from '09 session is in compliance with the Federal Safe Act to prevent HUD from taking over the mortgage systems;
- Training session are scheduled for the mortgage loan originators (MLO's) to receive their licenses;
- Licensing of MLO's is good public policy;
- MLO's should consider FHA directive and the efficiency of the online system;
- Status of mortgage loans in VA: lost a lot of licensee's because of the economic crisis. The requirements to receive a mortgage have been tightened so much that "fancy products" are no longer available;
- The current situation: there are much tighter restrictions, appraisal issues, jumbo loans are near impossible to attain, more down payments are required, incentives for first time home buyers is fueling loan activity, and the industry is returning to their old techniques;
- The sub-work group from 2008 has been reinstated to more closely examine the issue.

### **V. Nuisance Legislation (§15.2-900.1)-**Mark Flynn: Virginia Municipal League; Chip Dicks: Virginia Association of Realtors

- Legislation states which violations may be enforced if the locality adopts an ordinance saying it is a violation for the landlord to allow a tenant to have three violations in a 12 month period;
- If the landlord is diligently pursuing the tenant, the locality cannot pursue a civil suit;
- The Commission moved to adopt the draft legislation.

### **VI. Housing Discrimination-** Connie Chamberlain, HOME

- Tested several different kinds of home seekers in Hampton Roads. Results show discrimination still an issue;
- Methodology: match-pair. Matched for age, gender, dress. They have the same requests and are qualified on the same level; usually the protected class is more qualified;
- Discrimination continues to be at a high level;
- Fair Housing Board was created and has helped, but there are still issues;
- Possible Solutions: discussed eliminating exemptions because this still encourages unfair housing; mandate fair housing training program for renters as well as sellers;

- North Carolina legislation states it is illegal to make land use decision based on housing affordability.

**VII. Adjourn- 12:00 PM**