

Minutes of the Herndon Community Association Coalition Meeting

Thursday – June 14th, 2007
Herndon Fortnightly Library
7:00 p.m. – 9:00 p.m.

I. OPEN FORUM

The meeting was called to order at 7:10 p.m.

II. INTRODUCTIONS

The following individuals were in attendance:

Elizabeth Hagg	TOH, Director of Neighborhood Resources
Esthela Gonzalez	TOH, Office Assistant
Meg Murphy	TOH, Office Assistant
John Orrison	TOH, Building Official
Kim Bailey-Middleton	HCAC Secretary -- Crestview HOA
George Burke	
Betsy Johns	AMSI
Bill Marr	Attorney
David Platt	Potomac Fairways HOA
Susan Powell	Salem Village Association
Cesar Rivera	Park Avenue Square HOA
Charlie Waddell	HCAC Chairman – Dumbarton Square HOA
Deborah Ward	Tralee HOA

III. ANNOUNCEMENTS

Charlie Waddell made the following announcements:

- Burnt Sienna will be playing at Friday Night Live on Friday, June 15th.
- On Thursdays, there is Music Under the Stars on the Town Green.
- The Farmers Market is held every Thursday morning on Lynn Street.
- The Parks & Recreation Department has the Senior Cinema for people ages 55 & Older.
- Charlie announced that HCTV will have a live presentation of the Town Council Work Session on Tuesday, June 19th to show the presentation by Fairfax County on the proposed fire station in the Stanton Park Area.

- The Department of Community Development is mailing out the dates for the meetings on the Comprehensive Plan, with a meeting scheduled for June 25th.
- The HCAC will hold a special seminar on Saturday, June 23rd from 9:00 am to 1:00 pm at the Town Council Chambers on “Board Roles/Responsibilities and Management Company Relationship”.

IV. APPROVAL OF THE MINUTES FROM THE FEBRUARY 7th AND APRIL 4TH, 2007 MEETINGS

Charlie Waddell asked if there were any corrections to the April 4th, 2007 meeting Minutes. There was a correction – capitol was corrected to Capital. David Platt made a motion to approve the corrected April 4th Minutes and Charlie Waddell seconded this motion. The revised February 7th, 2007 Minutes were approved as amended. Elizabeth Hagg also commented that David Brett would hopefully be back to the HCAC with an update on Branch Drive in August.

V. NEW BUSINESS

PROPOSED NEW RENTAL PERMIT PROGRAM – PRESENTED BY JOHN ORRISON – COMMUNITY DEVELOPMENT:

John Orrison, Building Official from the Department of Community Development, gave a PowerPoint presentation on the proposed new Rental Permit Program that will be brought to the Town Council. There are Commonwealth of Virginia codes that must be followed in order to have a rental permit program.

The following conditions must be met:

1. must have an ordinance
2. you must hold a public hearing for two successive weeks
3. you must have rental and inspection districts
4. you can't have a locality wide rental inspection district

John Orrison also said that you must have a finding of the following:

1. a need to protect the public health, safety and welfare of occupants of the residents
2. dwelling units must be blighted or in the need of inspection to prevent deterioration

On 3/27/07 the Town Council adopted the ordinance to align the Town with State code. In order to adopt a Residential Rental District the following criteria must be met:

- district should be in high density neighborhood
- district should be in neighborhood with high complaint numbers
- district should be located in neighborhoods with high percentage of rental units

In order to establish a Residential Rental District, Fairfax tax records are reviewed to determine the % of rental units in the area. They also examine the data on the number of complaints. Three districts in the Town of Herndon were chosen based on the criteria

to pilot the program. They are: Park Avenue, Branch Drive and Waterford Park. Homeowners will be notified of the residential Rental District. The homeowners have 60 days to return the application with the fee. They receive a checklist and receipt of notification of the Rental District.

The proposed rental home is inspected according to the International Property Maintenance Code. If there are any defects or areas of concern, then there are follow up inspections. It is a rental unit if it is leased to 1 or more tenants. If the unit is occupied by owners, then it is not a rental dwelling unit. It can't be inspected more than once a year. If there are no violations, then there is a 4 year exemption from inspections. New homes are exempt for 4 years. It is up to the Town Council to adopt the 3 areas as the 3 rental districts. A fire or electrical inspector will inspect dwellings for faulty wiring. If there is an electrical or mechanical or plumbing problem, people can be displaced. Will Dukes is the Residential Building Inspector for the Town of Herndon's Department of Public Works. He would handle complaints concerning rental units, along with the zoning enforcement team if the complaint concerns overcrowding.

The three rental districts could be modified by the council. This rental district program would be a pilot program in the 3 areas. Additional districts could be added, after the initial phase of inspection in the program was concluded. Information will be passed on to the management companies and to the homeowners associations. There will be monthly reports on the rental districts given to the Homeowners Associations. Residents will be able to contact their HOA's for information.

The fee schedule for the rental district will be \$60.00 for the application. A \$70.00 fee will be charged for the initial inspection. A \$30 fee for an additional inspection and a \$60.00 fee for the periodic inspection. The question of whether additional staff will be needed was asked. John Orrison said that there was a possibility that more staff may be needed to assist with this program. He said that some of the Building Inspectors and Zoning Inspectors might be able to do some cross training. He also mentioned that most of the Building Inspectors have a building background.

Town's Inspectors are able to get an administrative search warrant if they need one. They would use this search warrant to look for violations of the Commonwealth of Virginia building code.

The owner of the property has to make the repairs. The tenant may fix items that need repair, but the responsibility for repairs is on the owner. The Town staff will meet with the neighborhoods and meet with the three affected homeowners associations. They will be meeting with the neighborhoods on June 19th and June 26th. A question was asked about overcrowding and bringing in an Inspector into a neighborhood. John Orrison replied that overcrowding could be monitored through the Town of Herndon's zoning enforcement team. Another question was asked if the Rental District program can be used to enforce the zoning code? A zoning database is used to follow up on zoning enforcement cases. Elizabeth Hagg asked John Orrison to report back to the HCAC in October on the status of Rental District program. John Orrison said that he would be happy to report back at the October meeting.

LEGISLATIVE UPDATE – WILLIAM MARR:

Bill Marr discussed the outcome of the 2007 Virginia General Assembly session. He briefly discussed the changes to the Property Owners Act and to the Condominium Act. Bill will be holding a workshop on June 23rd in the Town Council Chambers on board roles/responsibilities and the management company relationship. Bill also discussed the proposed legislation that would require property manager company licensing due to the embezzlement case against Koger Property Management. There has been a monitor appointed in the case and the embezzlement goes back to 2005-2006. The new legislation would require a property manager licensing certification. There would also be some licensing of self managed associations. There was some legislation passed on self managed associations.

Discussion continued on homeowners associations' relationships with their property management companies. The embezzlement by Koger Management is a "heads up" for everyone involved with a management company. Bill discussed the ultimate responsibility of each homeowner association and the fiduciary relationship between the homeowners association and the management company. He suggested that each homeowners association hire a CPA and a lawyer. The ultimate responsibility lies with the homeowners association. Bill stressed that each HOA should protect it's community.

Bill briefed the HCAC on some of the changes to the Property Owners Association Act. Section 55-510 addresses change in the owners of record provision. Section 55-511 states that the burden of receipt of the homeowners' packet shifts to the seller. Section 55-512 states that the fee for producing disclosure packets can not exceed \$325.00 The fee requires prompt payment to the managing agent. The intent of the legislature to is collect the money at closing. There was much discussion on the new higher fee for disclosure packets.

Section 55-513 discusses displaying flags in residential communities. Section 55-514 concerns the deposit of funds in a fiduciary trust account that has a fidelity bond. This type of account must be recorded with the County. The account should have a minimum amount of \$10,000. This type of account would address the internal theft of money. Bill stated that it helps if the treasurer of an HOA is an accountant. He advised that it is always helpful to have a lawyer and accountant involved with your association so you can protect your group and preserve the integrity of your association.

Elizabeth Hagg reminded everyone that National Night Out in on Tuesday, August 7th. Officer Beatrice Giron of the Herndon Police is helping to coordinate National Night Out and Liz gave everyone her contact information.

Elizabeth Hagg also discussed that grants from the Neighborhood Matching Grant Program were awarded to Salem Village, Potomac Fairways, Branch Drive and Dumbarton Oaks. There will be a seminar in the fall to allow for additional homeowner associations to participate in the program next year.

VI. ADJOURNMENT

David Platt made a motion that the meeting be adjourned, and George Burke seconded the motion. The meeting adjourned at 8:55 p.m. The next HCAC meeting is scheduled for Thursday, August 2, 2007 at the Herndon Fortnightly Library.