June 12, 2018 RPR Ad Hoc Committee Minutes Executive Conference Room

The meeting was called to order at 2:15 p.m.

RPR Ad Hoc Committee Members Present:

Councilmember Lula Davis-Holmes, Chair Councilmember Cedric Hicks Community Development Director Naaseh District Engineer Randal Sancho RPR Inspector Leidy Cetina Associate Planner McKina Alexander

Also Present:

Recording Secretary Denise Bothe

Community Development Director Naaseh reviewed the Residential Property Report (RPR) Staff Recommendations sheet that had been distributed to those present, noting staff has created four options for consideration of this program.

- 1) Option 1, RPR 1999 -- Identify and correct unpermitted additions and conversions.
- 2) Option 2, RPR (2017) -- Identify and correct all deficiencies.
- 3) Option 3, Deficiency list only -- Simplifies transaction process.
- 4) Option 4, No program -- No obstacles in the transaction process.

*(starts out saying garage conversions/additions) Chair Davis-Holmes expressed her desire that if the program is to stay in place, that it only deal with basic health and safety issues, only illegal garage conversions or illegal additions; and stated that the City should not be involved in a private transaction between a buyer and a seller. She stated that the realtors are required to check for various violations and the City should not be doubling that effort; and added that a buyer should always protect themselves by hiring a professional home inspection. Chair Davis-Holmes stated there should be zero liability on the part of the City. She added by doing this, the City will not be holding up escrow transactions.

After further discussion, both Chair Davis-Holmes and Councilmember Hicks agreed that the entire RPR program should be eliminated; and that the County liens/notes should be removed. They agreed that eliminating this program will save the City funds and will reduce exposure to liability; and stated that the realtors are already responsible for completing a checklist of violations. *They indicated their concern still with illegal garage conversions and illegal additions.

Both Chair Davis-Holmes and Councilmember Hicks recommended the following:

- 1) Bring this matter before City Council for consideration to eliminate the RPR program in its entirety and remove any involvement from private real estate sales activities/transactions;
- Send a letter to the real estate industry of this proposed change and date for when this item will go before City Council for public hearing, but also meet with realtors before this item goes to City Council for public hearing
- 3) Recommend removing County liens/notes on all properties
- 4) Staff report to provide a checklist of a realtor's responsibilities, wanting to make sure all health and safety violations are addressed by the real estate professionals
- 5) *City is still obligated to be responsible for overseeing/managing illegal garage conversions and illegal additions

Community Development Director highlighted his understanding of the subcommittee's direction that City staff completely remove themselves from any aspect of a private property sales transaction, allowing the real estate professionals do their own inspections.

Councilmembers Davis-Holmes and Councilmember Hicks concurred.

This meeting concluded at 2:45 p.m.

2