

Summer 7-1-2017

The Effects of the Foreclosure Crisis on the Black and Hispanic Population in Lee County, Florida

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Recommended Citation

Reid-Hall, Stenia K. and Reid-Hall, Stenia K. Ph. D, "The Effects of the Foreclosure Crisis on the Black and Hispanic Population in Lee County, Florida" (2017). *Walden Faculty and Staff Publications*. 99.
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Abstract

The Effects of the Foreclosure Crisis on the Black and Hispanic Population in Lee County,
Florida

by

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Dissertation Submitted in Partial Fulfillment

of the Requirement for the Degree of

Doctor of Philosophy

Public Policy and Administration with a Concentration in Policy Analysis

Walden University

May, 2017

Abstract

The housing foreclosure crisis of 2007-2010 in the United States disproportionately affected persons of color. Some states, such as Florida, were heavily impacted by property value losses yet little is known about the experience of losing a home and recovering from that loss from the perspective of the homeowner. Using Carlson's conceptualization of resiliency theory, the purpose of this phenomenological study was to assess the impact of housing foreclosure and the experience of recovery from foreclosure on Black and Hispanic people in Lee County, Florida. Data were collected through in-depth interviews with 15 people in Lee County who experienced foreclosure and recovery. Interview data were inductively coded and then subjected to a thematic analysis procedure. Findings revealed that a common experience among participants was that they lacked knowledge about government programs that may have helped them avoid foreclosure, and only a few participants took advantage of emergency assistance offered through local or regional government organizations. In general, people experienced a sense of isolation and had little guidance on recovery options. The positive social change implications of this study include recommendations to government organizations on all levels to enhance outreach efforts to help struggling families avoid foreclosure, including considering creative funding mechanisms to offer assistance.

Chapter 1 Introduction to the Study

Introduction

The national housing crisis of 2007-2010 resulted in more than 750,000 Florida households losing their homes due to foreclosures (Immergluck, 2011). The Pew Hispanic Center stated, “The boom and bust cycle in the U.S. housing market over the past decade and a half has generated greater gains and larger losses for minority groups than it has for whites” (as cited in Kochhar, Gonzalez-Barrera, & Dockterman, 2009, p. 4). Furthermore, foreclosures were at an all-time high in Florida (RealtyTrac, 2009). According to RealtyTrac (2009), Florida ranked the highest in foreclosures during the height of the economic meltdown. Kochhar et al., (2009) stated, “The period of 2005 to 2009 was marked by a series of tumultuous economic developments” (p. 4). Furthermore, “the market collapsed in 2006 and triggered the housing stock market collapse in 2007-2008.” (Kochhar et al., 2009, p. 5). Throughout this document there are multiple sources that clearly stated that hundreds of thousands individuals lost their homes during the aforementioned time period.

As a result of the foreclosure problems of 2007-2010, Florida has a housing problem; such as inadequate affordable housing units for the population. It is stated in this document that peoples of color pays more than half of their monthly income towards housing. However, in this research, the study focused on the housing and foreclosure problem in Lee County, Florida because the area had one of the highest foreclosure rates nationwide during the crisis (RealtyTrac, 2009). There was a need to document the lived experiences of foreclosure victims in order to explore the impact, the foreclosure crisis had on the African American and Hispanic American

population. Researchers have presented the statistics of the foreclosure victims; however, there was no detailed documentation about the lived experiences of the residents of Lee County, Florida. The researcher utilized resilience, economic, and adaptive theories throughout the document and provided the results of the data and recommendations of the research to local housing policymakers in Lee County, Florida for possible implementation.

Background

The housing market in the United States took a downward turn in 2007 and plunged into crisis the following year (Schwartz, 2012). Because of the economic recession of 2007-2010, an estimated 750,000 households in Florida lost their homes in the last 5 years due to mortgage foreclosures (Council on Homeless, 2012). Lee County, Florida is located in the Southwest area of the state and had an estimated over 30,000 foreclosed homes on the court dockets during 2008-2010 (Lee County Newspaper, News-Press-December, 2008). Although mortgage interest rates are low and the federal government has established programs to address the crisis, the situation has scarcely improved (Schwartz, 2012). House owners have tried to find housing in the state's rental housing market, with the added barrier of a foreclosure on their credit history (Council on Homeless, 2012). However, the rental community is also struggling. During the economic crisis, the rental housing market had a low vacancy rate, and rent levels were rising (Council on Homeless, 2012). A limited numbers of rental units were available to those households living on fixed incomes, government assistance, or minimum wage jobs (Council on Homelessness, 2013).

In the last few years, the cost of rent has increased while jobs have not kept up with rising housing costs.

Theoretical Basis

The study was based on the foreclosure crisis in Florida and its effects on the African American and Hispanic American population. The concept used is resilience theoretical framework, such as economic and adaptive resilience, based on a qualitative phenomenological research. There are various definitions of the term resilience; however, for the purposes of this research, the term was defined “as the ability of an entity such as an organization, community or region to anticipate, resist, absorb, respond to adapt to, and recover from a disturbance” (Carlson et al., 2012, p. 4). Policymakers, practitioners, and academic researchers agree that resilience plays a role in assessing entities and critical infrastructure (Carlson et al., 2012). Additionally, when assessing resilience theory communities’ stakeholders, operators, communities, regions, and the nation must be able to recover from adversities such as an economic and housing crisis (Carlson et al., 2012).

The main goal of this study was to explore the impact that the foreclosure crisis had on the African American and Hispanic American population in Lee County, Florida. The research documented the lived experiences of African Americans and Hispanic Americans. Additionally, it provided alternative explanations and recommendations about the events that led up to the foreclosure crisis of 2007-2010. The questions included detailed questions about the lived experiences of the participants and provided alternative interpretation of the foreclosure crisis of 2007-2010 that occurred in Lee County, Florida.

Creswell (2009) stated that the main purpose for conducting any research is “to prove the

reason for the study and justify the results of the research” (p. 171). In this study, the theoretical framework revolved around resilience, economic, and adaptive theories. Furthermore, the researcher conducted an inquiry to explore how the participants coped with life due to foreclosure during the economic meltdown of 2007-2010. Other factors that contributed toward foreclosure, included but not limited to job loss during the housing crisis of 2007-2010. The research was based on a qualitative, phenomenological approach regarding the effects of the foreclosure crisis on Lee County, Florida. Resilience is a framework that provides an arena for understanding and generates ideas for various disciplines such as social science and natural sciences (Lambin, 2005). Resilience theory is applied to many public and social issues, especially disasters or major disturbances such as the national housing crisis that started around 2007 (Lambin, 2005). The resilience concept also refers to the capacity of a system, or a community, to absorb a disturbance and have the ability to reorganize (Walker, Holling, Carpenter, & Kinzig, 2004). Crises occur in many different forms; they can be abrupt, gradual, fast, slow, or even predictable or unpredictable. Resilience, economic, and adaptive theories is used throughout this document in an effort to inform about the impact the foreclosure crisis of 2007-2010 had on Lee County’s housing system for the African American and Hispanic American population.

Statement of the Problem

In Lee County, Florida, in December 2008, there were 20,000 on the court docket for foreclosure with another 30,000 expected over the coming year (Lee County Newspaper, News-Press-December, 2008). According to the Lee County Homeless Coalition (2013), the county had experienced an increase in the homeless population during the height of the mortgage meltdown. The housing market started declining starting in 2007 and shortly thereafter plunged

into crisis (Schwartz, 2012). In Florida, the foreclosures over 400 percent, within two years (Realty the figures rose from 74,000 in 2006 to 370,000 in 2008 (RealtyTrac, 2012). According to RealtyTrac (2012), one in every 396 house in Florida had received some form of foreclosure notice by 2012. Lee County was one of the top ten cities with the highest number of foreclosures nationwide.

Purpose of the Study

The purpose of this research was to provide recommendations about Lee County's foreclosure crisis of 2007-2010 while using resilience theory. A gap exists in the literature on the foreclosure crisis of 2007-2010 that affected millions of homeowners. Housing is a national public policy that is addressed throughout this document. Researchers have addressed the causes of the foreclosure crisis and various remedies; however, there was no literature on the homeowners' lived experiences during and after the foreclosure experience.

Research Questions

The principal research question for this study was the following: What impact did the foreclosure crisis in Lee County, Florida have on the African American and Hispanic American population? What happened to the Lee County housing community during and after the foreclosure crisis of 2007-2010? Did the county recover from being one of the highest foreclosure areas during the 2007 housing crisis? This study provided an alternative explanation to the phenomenon surrounding the foreclosure crisis of 2007-2010.

Chapter 2 Literature Review

Introduction

This literature review provides a comprehensive background on the foreclosure crisis and the economic crisis in Lee County, Florida. Many theorists have stated that it can take years, if not decades, to recover from disasters. Over time resiliency emerged as a major research framework in the area of economic crisis and is used as a planning tool in research studies (Santos & Partidario, 2011). Resilience allows a community to withstand disaster impacts and recover more rapidly. Resilience is defined in terms of the “ability to recover quickly from the effect of an economic adversity such as a foreclosure crisis (Immergluck & Smith, 2006, p. 95). The ability of a community or organization to adjust in the face of challenging conditions is viewed as strength. In this research, economic resilience related to the ability of a community to leap or bounce back from economic downturn.

A resilient organization is a system embedded with hope and grounded in confidence by navigating successfully through challenges (Groopman, 2004). A resilient community or organization will attempt to adapt, innovate, network, and adjust their strategies or ideas to new situations (Simmie & Martin, 2010). Foreclosures also affect the community at large. According to Immergluck and Smith (2006), school districts, cities, and counties lose tax revenues due to foreclosed properties. Therefore, housing and foreclosure are public policy matters.

The intent of this study was to find plausible recommendations on the foreclosure crisis in Lee County, Florida of 2007-2010. The research question for this study was the following: What impact did the foreclosure crisis have on Lee County’s African American and Hispanic American residents? What happened to the Lee County housing community during and after the

foreclosure crisis of 2007-2010? An ample amount of literature about the foreclosure crisis throughout the United States exists; however, during the data collection phase participants' lived experiences were documented. The goal of the research was to provide an alternative plausible explanation to the foreclosure crisis phenomenon.

Researchers indicated that since the mid-1990s, advocates and policymakers were concerned about whether foreclosures occur because of predatory lending. The term predatory lending refers to high interest rates, loan terms that negatively affect borrowers and aggressively market to minorities, elderly, and female borrowers (U.S. Department of Housing and Urban Development, 2014). There is not an abundance of publicly accessible databases regarding foreclosures; most of the information regarding foreclosures is held on private databases (Newman, 2010). Understanding foreclosure is a difficult process because it that varies from state to state and sometimes even by county (Newman, 2010). Various states differ in how long borrowers must be delinquent before lenders can pursue foreclosure. Newman (2010) stated, For example, New Jersey and Massachusetts requires borrowers to be past due for at least 90 days before lenders can pursue foreclosure. There is disparity from state to state. Another example, “the foreclosure process in Georgia takes an average of 37 days compared to an average of 445 days in New York” (Newman, 2010, p.161).

Lee County, Florida's Demographic Data

Lee County is located directly to the north of Collier County in southwestern Florida. Lee County comprises of two major cities, Cape Coral and Fort Myers.

According to the Census Bureau, as of 2008, the population estimate was 623,725 residents, which makes it the eighth most populous county in Florida (2010). Census records

showed that as of 2007 demographic population breakdown included 84.8% Whites, 15.8% Hispanics, and 7.4% Blacks (U.S. Census Bureau, 2010). Also in 2007, Lee County had a median household income of \$49,742 and the median family income was \$57,475, and the per capita income was \$29,972 (U.S. Department of Labor, Bureau of Labor Statistics: Florida Occupational Employment and Wages, 2008). In 2007, a typical Lee County worker would earn an estimated \$37,380 annually (U.S. Department of Labor, Bureau of Labor Statistics: Florida Occupational Employment and Wages, 2008). Also, unemployment data indicated that the unemployment rate in 2007 was 4.6% and jumped to 7.7% in the period of January through October 2008, following the national trend (U.S. Department of Labor, Bureau of Labor Statistics: Florida Occupational Employment and Wages, 2008). A high unemployment rate was an indication that the economy was in turmoil, and workers were losing their primary source of income. Homeowners lost their primary source of income and often found it difficult to pay their mortgages on a limited income. According to US Department of Labor, unemployment only pays a portion of a workers income for a limited time (U.S. Department of Labor, Bureau of Labor Statistics: Florida Occupational Employment and Wages, 2008). As a result, losing one's income and/or receiving only a percentage of one's income does have effect on one's ability to pay monthly bills such as a mortgage. The Lee County News Press indicated that the real estate market in Lee County grew steadily beginning in 2000 and reached its peak in 2005 (2008). However, Lee County housing started declining in 2006, and construction in 2007 slowed due to the impending foreclosure crisis (Lee County Newspaper, News-Press-December, 2008).

As the foreclosure crisis increased, another problem, homelessness, escalated. According to the (USHUD, 2012), there is a homeless problem in this country. Homelessness was increasing nationally as well as in the Florida. The national homeless figure stands at 564,708

(USHUD, 2012). Furthermore, the homeless problem in Florida creates a social, economic, and public policy matter that is crippling the local economy (USHUD, 2012). According to Florida's Council on Homelessness, on any given day or night during of January 2013, local municipalities and communities counted 45,364 individuals who lived on the streets, or an emergency shelter in Florida (2013). The previous sentence refers to statistical data covering 54 counties in Florida and included 28 reporting homeless continuum of care planning areas in the State. Thirteen counties did not conduct a count of the unsheltered homeless due to the lack of resources (Council on Homelessness, 2013).

Qualitative Research Method

The use of qualitative research method for this study allowed the planning of the research by soliciting interviews and identifying participants. Additionally, selecting and preparing research materials and data collection tools, while formulating procedures was a critical component (Rudestam & Newton, 2007). Rudestam and Newton (2007) emphasized that qualitative researcher should focus on providing the audience information about the specific strategies that will be used to collect the data for the study. The methodology of this study began with the research design and rationale for the study. This chapter clearly states the data analysis, sampling strategy, collection of data, ethical concerns and the primary reason and role of the researcher.

Researchers channel their thoughts and personal belief systems through the study, the type of strategy or inquiry that relates to the investigator's beliefs, and particular kinds of investigations that enable the research procedure to become practicable (Creswell, 2009, Patton, 2002; & Rudestam & Newton, 2007). The theoretical framework explored was resilience and economic resilience theory. Resilience theory is viewed as a community or organization to

recover from a disturbance (Carlson et al., 2012). Crisis can be used as an opportunity for change, renewal, or transformation. Also, crisis impacts a community and shape new paths and solutions. Face-to-face interviews were conducted with participants. Qualitative design “is an ongoing process that involves going back and forth between different components of the design, assessing the implications of goals, theories, research questions, methods, and validity threats for one another” (Maxwell, 2004. p. 3). The research employed a qualitative inquiry based on phenomenological research; which is a strategy of inquiry where the researcher identifies the essence of human experiences about a phenomenon as described by participants (Creswell, 2009).

Sampling Strategy

Purposeful or purposive sampling is the sampling strategy that was used to carefully select a small sample of individuals to conduct in-depth research on the phenomenon of this study. Purposeful sampling, determined the participant’s number, sites and individuals that was used in the study. Also, determined that the sampling strategy was consistent with the information required by the strategy of inquiry selected for the study (Creswell, 2007).

Sample Size

According to Patton (2002), the qualitative inquiry does not have specific rules about what the sample size should be. Patton (2002) added that the sample size is grounded in "what you want to know, the purpose of the inquiry, what's at stake, what will be useful, what will have credibility, and what can be done with available time resources" (p.224). However, the sample size for qualitative inquiry is usually smaller than a quantitative because the objective of the

qualitative researcher is to select a sample that fits purpose of the study specifically, on the issue of how the sample supports the purpose of the study.

Ethical Procedure

The participants were informed of their rights and responsibilities; moreover, they have a right to their privacy and reserve the rights to anonymity. The validity of one's research is important for a successful research. According to Creswell, validity refers to drawing useful and meaningful inferences from the instrument (Creswell, 2009). The reliability of the research is another important factor. A researcher must clarify the data and the reliability of the data (Creswell, 2009).

Data Analysis and Data Coding

Hand coding was used to interpret the participant's responses. Responses were coded and developed into themes and patterns. Hand coding to interpret the data acquired during the interviewing stage. The interviews consisted of 15 participants of African American or Hispanic background that lost a house due to foreclosure during the economic recession of 2007-2010. According to Creswell, some researchers find it useful to hand code qualitative transcripts or information (2009). A crucial step involved developing and analyzing themes and patterns of the interviews and shaped them into a general description of the foreclosure and housing crisis of 2007-2010.

Interview Themes and Effects of Foreclosure

To answer this study's research question (how did the foreclosure crisis of 2007-2010 affect the African American and Hispanic population of Lee County, Florida), analyzed each

question's individual responses and detected various themes throughout the data collection process. The first emerging theme observed during the interviewing process were the majority of the participants faced economic struggles after they lost their houses. Interview question three asked participants to describe their day-to-day living after foreclosure. The following findings tie back to the original questions of how the participants lived during the housing crisis. The information gathered during the data collection period shows the financial difficulties that someone endures after losing his or her house. The majority of the participants endured economic hardship due to foreclosure and lack of stable income. During the data collection critically analyzed the answers from the participants and derived the following themes.

Theme 1: Economic Problems: Job loss was one of the factors for foreclosure. During the interviews, 11 of the 15 participants indicated that they had to move in with family temporarily while they tried to pick up the pieces and get on with their lives. Participant one (P1) stated, "I moved in with my family and live in one room in their house." Another participant (P11) was practically homeless, "moving in and out of different relative's homes." Another theme that emerged from the interview question two was lack of knowledge regarding housing programs operated by the U.S. Department of Housing (HUD).

Theme 2: Lack of Knowledge: regarding HUD or other funded programs. Seven out of the 15 participants had no knowledge what HUD stood for or what purpose the organization serves. Five participants had limited knowledge about HUD, however, did not utilize the program when purchasing their houses. Three participants received some form of assistance from HUD funded programs administered through the County. Participant nine (P9) stated: "I didn't pay much attention to the government... I think they help people with public housing." Participant ten (P10) stated: "No, I didn't bother dealing with them; plus I don't want the government in my business".

The interviews demonstrated that the participants had little or no knowledge about public programs available regarding housing assistance. The next theme that emerged during the interviews was the cost of loans and monthly payment amount.

Theme 3: Inability to Make Loan Payments: Some participants indicate that their payments doubled after about 2 years of getting the house. The interest rates doubled which increased their payments. This is a typical adjustable rate mortgage (ARM) and possible predatory lending. They weren't able to lower the payments and as a result lost the house. Some participants worked in the construction or housing industry and lost their jobs during the housing and economic recession and were not able to keep up with their mortgage payments.

Theme 4: Negative Financial Decisions: Some of the participants refinanced prior to the housing market going down. Participant 4, Participant 6 and Participant 14 refinanced their houses and borrowed against their house values or equity. One participant (Participant 6) borrowed against the value of the property to help family with their restaurant business. Another (Participant 4) also took money out of the property, however did not go into details as to what the funds were used towards. Participant 4 stated "made the stupid mistake of taking money out and doing other things; then the property lost its value". Participant 14 took money out before the bust "to buy cars and paid off credit card debt, then in 2009 the values started going down."

Theme 5: Homeownership Ended: The housing crisis escalated around 2008 and steadily increased until early 2009 before the implementation of housing relief programs. Of the fifteen participants, seven (P1, P2, P10, P11, P12, P14, and P15) are no longer homeowners and are renting. The foreclosure had an adverse effect on their credit, or some do not qualify for a loan at this time. For example, Participant 1 moved in with family to save money and is now renting; Participant 2 is simply taking it one day at a time and also renting; Participant 10 is renting and

states learned a valuable lesson, “do not rush into things.” Participant 11 “actually lived in shelters for a couple of months after the foreclosure then moved in with family, got housing assistance and is currently renting.” Participant 14 rented for many years but were able to buy again with some form of housing program assistance.

Limitations of the Study

The researcher would like to acknowledge that there were limitations to using interviews from the general community as the primary source of data. While interviews can be an excellent source to collect data, they can have errors and weak points. Some include the possibility that interviewees’ responses may be biased due to various reasons such as personal beliefs and perceptions. For example, the nature of the subject matter was very sensitive, and some of the participants disclosed financial information such as filing for bankruptcy while undergoing the foreclosure process. The questions focused on the participants’ lived experiences during and after foreclosure process.

One major limitation to the study was that some of the participants were a bit reluctant to go into details about their foreclosure experience. Eight of the participants disclosed specific information as to the reason why they ended up in foreclosure while others kept their answers short. I did not pursue these responses any further as participation was voluntarily, and the participants had a right to stop at any point if they did not feel comfortable. Additionally, at the time of the interviews, it had been almost 6 years since the major foreclosure situation occurred in Lee County, Florida and the participants did not want to go back into the past. Eleven out of the fifteen participants have rebuilt their lives or are in the process of rebuilding their lives. On a side note, this topic was developed in 2010 when the housing crisis was undergoing major changes throughout the country. My journey started six years ago. Unfortunately, there were

some delays mainly due to bureaucratic process. It is my opinion that this research would probably yield more rigorous phenomenological experiences if it had been written two or three years ago. From my perspective too much time has elapsed since the housing crisis, and Lee County residents on a whole are rebuilding their financial lives. The residents of Lee County are still trying to overcome one of the hardest foreclosures that the County faced. Another limitation was due to privacy reasons. Participants did not disclose specific financial information such as annual salaries or their purchasing price of the property that led to their houses being foreclosed.

Interpretation of Findings

During the interviews, one program that was available in 2009 was not mentioned by the participants. Based on the findings during the data collection stage, it is noted that housing programs were underutilized. Participants endured financial problems such as job loss and loans that had high interest rates and led to foreclosure. From my perspective, a widely critiqued program, HARP was not known by the majority of participants. The “Home Affordable Refinance Program, also known as HARP, is a federal program of the United States, set up by the Federal Housing Finance Agency in March 2009 to help underwater and near-underwater homeowners refinance their mortgages” (U.S. Department of housing, 2016, para. 2). According to the U.S. Department of Housing, interest rates levels are low and the HARP program assisted homeowners whose property is worth less than the value refinance to a lower percentage mortgage (U.S. Department of housing, 2016). One of the biggest changes to the HARP is that it raises the debt limit so borrowers can obtain a new mortgage (U.S. Department of Housing, 2016). For example, homeowners who owe more than 125 percent of their home’s value are now

eligible whereas the previous limit for most government programs was 97 percent to 125 percent (U.S. Department of Housing, 2016). The refinance percentage ratio is also known as loan-to-value, and it reduces mortgage origination fees (U.S. Department of Housing, 2016). These programs would have been instrumental to the residents of Lee County during the foreclosure period of 2007-2010. Public education is fundamental to successful homeownership.

In conclusion, conducted an assessment of all the previously mentioned information in chapters 1 through 4 of this document. Furthermore, analyzed various federal and state housing programs, and found that the majority of housing assistance programs is based on need following federal, state, and local guidelines. Unfortunately, not all residents who have a need will qualify for these programs due to income restrictions. Below are my recommendations based on preliminary research and interviews?

Recommendation 1: Lee County should develop a County-wide penny sales tax. There are other Counties in the Florida and around the country who have implemented a penny tax to aid in various revenue deficits. However, in this case the penny tax should be solely dedicated to assisting with short-term or long-term housing needs in the County. Housing programs are needs based and not every homeowner or prospective homeowner will meet the criteria.

Recommendation 2: To reiterate further, the penny tax will be used to establish “Lee County Housing Trust Fund.” This tax may get resistance from local board members or members of the general public. The penny tax would be generated from sales tax in the County. This would require a public vote by Lee County residents. Voters would have the choice to implement the tax or not. Funds from the trust would be used to help homeowners or prospective homeowners in purchasing a primary residence.

Recommendation 3: The County should explore purchasing vacant land that would hopefully be used towards affordable housing programs. If the penny tax is implemented on every resident, the County can utilize a portion of the funds for this purpose.

Recommendation 4: Lee County should rehabilitate the abandoned properties left vacant by foreclosures by working with lenders to establish a relationship with local realtors and other professional organizations such as employers. Lee County School Board and Lee Memorial Health Care Systems are two of the biggest employers in the County. These employers should implement local housing programs that aid their employees directly with purchasing or needed home renovations. This program should have limits so the employees cannot abuse the program. Mortgage payments can be paid directly by payroll deduction. This would create a sense of responsibility and promote employment stability.

Recommendation 5: The County creates local buyer awareness programs. Promote and advertise and educate people about available housing programs in the County. There should be weekly advertisement in the local papers, broadcast messages on the radio and television.

Recommendation 6: The County should also look into the possibly implementing a local county bank or non-profit mortgage company that is fully operational by the County. The company would be in charge of making decisions locally, cutting out big banks. The County can create a partnership with local County bank or credit union to assist homeowners with direct lending process. I believe this would alleviate big banks from charging homeowners or prospective homeowners' high interest rates and other hidden fees. One of the biggest reasons homeowners lost their houses was due to adjustable rate mortgage or high-interest that yield balloon payments loans.

Recommendation 7: The County should implement a rent-to-own program. A rent-to own-program that is managed and operated by the County can assist potential homeowners with purchasing a house. The County would be able to assist homeowners who have credit issues in rebuilding their credit while setting a timeline for them to be able to buy the house. The time limit should be twenty-four to thirty-six months. Additionally, the County should set aside a portion of the rental payments that can be used as a down payment or some other assistance to the potential buyer.

Recommendation 8: The County should look into different housing options such as location of the property and the price based on location. Additionally, the County should invest in improving desolate areas to attract potential buyers and possible new comers to the area. Lee County is also known nationally as a snowbird area. Part-time residents buy houses as a second home investment. County beautification can contribute toward tourist attractions.

Recommendation 9: The County should research and implement a plan to help owners that owe overdue taxes work out a plan that allows them to pay those taxes over a period of time. Property taxes assist Counties with school funding. Loss of property taxes revenues can lead to insufficient funding for schools. Lost funding creates a domino effect in terms of school choices for parents. Prospective homeowners with children tend to research the school district before deciding to move to the area.

Recommendation 10: Throughout this research, wages and salaries of homeowners were a factor. Research indicated that some homeowners didn't make enough money to purchase or maintain homeownership. The County should work closely with work incentive programs or agencies such as Work Force One, or some of Lee County's biggest employers, namely Lee County School Board, Lee Memorial Health Systems and or the State University, Florida Gulf

Coast University and other education systems to increase wages by offering incentive programs. Incentive programs will attract prospective residents and potentially increase the number of people wishing to purchase a house.

Implications for Social Change

One of the main reasons for this study was to provide an alternative explanation for the foreclosure crisis in Lee County, Florida. Additionally, resilience theory was utilized to show the impact of the downturn of the housing problem in Lee County. Participants' documented lived experiences indicated that in life, there are trials and tribulations and subsequent drive to make it back to some sense of normalcy. The study highlighted the downfall of Lee County housing during the foreclosure crisis. Social change is about bringing positive change to a community or organization. This study will be made available to local community leaders for potential use in future housing plans. The recommendations are plausible and can be implemented. Stakeholders, local business owners, and public institutions can assist with the changes. This study gives the public first-hand knowledge about the experiences of the African American and Hispanic population lived experiences. From my perspective, Lee County is on its way to becoming the vibrant and economically secure community it was before the economic-housing meltdown.

Significance of the Study

The foreclosure issue in Florida is a public policy issue for multiple reasons. Because of the economic crisis and the housing foreclosure in Florida, the Obama

Administration implemented various programs to aid homeowners who were at risk of foreclosure or having difficulty paying their monthly mortgage (U.S. Department of Housing and Urban Affairs [USHUD], 2014). The foreclosure issue made national and international headlines

over the years. A foreclosed home is a visible symbol of the 2007-2010 housing crisis. The number of homes in the United States with at least one foreclosure filing increased from 717,522 in 2006, this figure represents 0.6% of all housing units (RealtyTrac, 2009).

A prominent significance of this study was to inform and educate people about the home buying and retention process. The results of this study should be used to inform the public about Lee County's foreclosure and homeowners' lived experiences during and after the period of 2007-2010. Nationwide communities were affected; however, Lee County, Florida made national headlines as one of the highest foreclosure areas in the nation. As one of the areas that had the highest foreclosure rates in the nation, it was imperative to conduct this study in an effort to inform the public about all the different steps involved in the home buying and retention process. This study will aid the local community in rebuilding local housing programs. Furthermore, the recommendations are available to educate prospective homeowners about the home buying process and provide financial guidance and transparency regarding financial information.

Conclusion

As I stated previously, my prospective contribution to the body of public administration is to hopefully publicize what the foreclosure victims endured. Additionally, it is the intent of this study to provide an alternative view point and recommendations in an effort to mobilize Lee County's housing industry. It has been almost eight years since the initial downfall of the housing industry. In 2016 there is clarity that the residents are rebounding, and the economy is uplifting. Throughout this document, preliminary literature that indicated that throughout the

Florida, minority homeowners mainly Blacks and Hispanics were adversely affected by the foreclosure crisis of 2007-2010. I then further conducted a phenomenological qualitative research in an effort to determine how the foreclosure crisis of 2007-2010 affected the Black and Hispanic population. This research documented various interviews from Black and Hispanic homeowners who lost their houses. The crisis started around 2007, and ten years have passed, the initial question still is whether the community was and will be resilient and stand the test of time. According to today's local real estate listings and the Lee County Property assessment property values are increasing and the job market has improved (Lee County Property Appraiser, 2016). Additionally, according to the U.S. Department of Labor, Lee County's unemployment has decreased (U.S. Department of Labor & Statistics, 2016). As of May 2016, Lee County's unemployment rate is 4.8 % which is a significant decrease from the highs of 13.1%. back in September 2009 which was during the height of the foreclosure crisis (U.S. Department of Labor & Statistics, 2016).

The participants' interviews and literature including the recommendations will be shared publicly with local housing and/or social service agencies. Research shows that if the County adopted some of the recommendations such as the penny tax and implements a local housing trust that will aid homeowners and prospective homeowners in time of financial turmoil. Lee County can become one of the pioneers that assist homeowners directly instead of dealing with bureaucratic processes and big banks that don't put the consumer first. the recommendations of the study are currently being shared with the Lee County Community Human Service Council. This organization is already responsible for local housing programs and can assist in coordinating services and strategic planning (Lee County Human Resources, 2016)

The purpose of this research is to be able to make a difference and contribute

towards social change within the local community. Hopefully, the prospectus, literature review, proposal, data collection clearly supports the plausible recommendations. Social change can start at the local community level and mobilize into bigger changes, perhaps on the national level. It is my intent to conduct post-doctoral research on the topic of housing in Lee County, Florida. Furthermore the researcher will apply for any available research grants for funding of the prospective research. This research can be used as a helpful tool and will be shared with local housing agencies. This research topic initially started almost six years ago during the height of the foreclosure crisis; in 2017, the housing market continues to recover and public citizens move forward toward economic growth and stability.

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