

THE AFFORDABLE HOUSING LOAN COMMITTEE MEETING
Wednesday, January 14, 2009
Greenville, North Carolina

- Present:** Brian Becker Faye Brewington Leslie Cox Lovella Perkins Dallas Taylor
 R. J. Hemby Melissa Grimes Howard Conner (Alternate) Rose Glover (City Council Liaison)
- Absent:** Brian Becker Faye Brewington Leslie Cox Lovella Perkins Dallas Taylor
 R. J. Hemby Melissa Grimes Howard Conner (Alternate) Rose Glover (City Council Liaison)
- Staff:** Sandra Anderson Gloria Kesler Karen Gilkey Betty Moseley Merrill Flood David Holec

A. Roll Call

- **Review of Meeting Minutes from December 10, 2008**

Motion was made by Mr. Leslie Cox and seconded by Ms. Alice Brewington to approve the minutes from the December 10, 2008 meeting as presented. Motion carried unanimously.

B. Old Business

- **Duties and Responsibilities Workshop (David Holec)**

Mr. David Holec gave a historical overview of the developing and needs for boards.

- City Council needed assistance in performing the responsibilities and duties of the council.
- Boards and Commissions were created to focus on specific areas and make recommendations, and in some cases make decisions.
- The AHLC was created at City Councils discretion in 1994.
 3 areas of responsibility:
 - Approve loans for 1st time home buyers, Down Payment Assistance, Elderly Rehabilitation, Home Mortgages
 - Make recommendations to City Council concerning land use, creation of home pool mortgage agreements, making changes to funding allocations by funding category
 - Review other housing related duties, policies and activities
- Amendments to responsibilities may be requested

Mr. Brian Becker asked if the AHLC meetings were open to the public.

Mr. Holec responded yes, all meetings are open to the public. May go from open session to closed session for limited purposes only.

Ms. Sandra Anderson reviewed the primary duties of AHLC Board members. In 2003 City Council approved a new resolution that gave the committee authority to give approval for land acquisitions using Bond, HOME, and CDBG funds.

Mr. Dallas Taylor asked if the February 1994 Resolution needed to be amended based upon the December 10, 2008 action.

Mr. Merrill Flood stated that the resolution would be amended to reflect the changes the committee voted on in December 2008.

Mr. Flood continued with a historical background in developing the AHLC in 1992 and the resulting 1994 Resolution.

C. New Business

- **Review 2009 Work Tasks**

Ms. Anderson discussed the tentative schedule for 2009.

Ms. Melissa Grimes asked for a description of subrecipient funding request presentations?

Ms. Anderson explained that the nonprofit agencies requesting funding attend the AHLC meeting and give an overview of the services they provide.

D. Housing Administrator's Report (Sandra Anderson)

Ms. Anderson distributed copies of the 10-year Plan to End Chronic Homelessness.

Ms. Anderson discussed the Neighborhood Stabilization Program and gave a brief overview of the requirements. In September 2008, congress appropriated some money to each state to help stabilize the foreclosure situation. In North Carolina, The City of Charlotte received an allotment and the other counties were allotted \$52 million to be distributed according to need and ability to expend funds within the given time frame.

3 elements determined qualification for award:

- Number of foreclosure the county had
- The number of subprime mortgages that went bad
- The delinquencies and defaults

Pitt County was among the 23 counties that were identified with the greatest need. This grant has a quick turnaround, so City Council has agreed to a public hearing on January 26, 2009 at 6:00 PM. The grant provides grant money to approved agencies to purchase foreclosed homes that have been abandoned 90 days or more, then rehabilitate the house and resell it to low to moderate income families. We are requesting approximately \$3.2 million. A mandatory workshop was given today in Raleigh to highlight requirements and other pertinent information.

Mr. Connor asked if we would be able to assist those who are facing potential foreclosure due to the adjustable rate mortgages.

Ms. Anderson replied that this grant was not a prevention type plan; it is strictly for reducing foreclosures in neighborhoods and eliminating blight.

Ms. Grimes asked if the city currently had any programs available to assist homeowners facing foreclosure.

Ms. Anderson responded that the city does not have any programs that allow assistance to homeowners facing foreclosure.

Mr. Connor asked who would profit from the NSP grant, the city, lenders or homeowners.

Ms. Anderson stated that a portion of that money would go back to the state, and the lending institutions will be paid. However, we will be purchasing the homes at a 15% discount.

Ms. Grimes asked for a description of creditworthy.

Mr. Hemby answered that creditworthiness was determined by looking at a person's debt to income ratios, their ability to repay and their previous credit. Also the criteria will vary depending upon the requirements of the lender.

Ms. Anderson added that for these foreclosed homes, potential buyers will need to have completed a housing counseling program.

E. Other

Mr. Taylor stated that he will be resigning as chair of the AHLC at the close of the February 11th meeting.

F. Adjournment

Motion was stated to adjourn the meeting. Motion carried unanimously.

____Signature on File_____
Dallas Taylor, Chair

____Signature on File_____
Sandra W. Anderson, Staff Liaison