

Housing Update

Executive Director's Notes – December 1, 2008

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Homelessness: It can happen to anyone

My apologies for the delay in getting this Housing Update to you all. With some of our travel, deadlines, and Thanksgiving, we have gotten a little behind. November and December are the fastest months to me as the holidays and preparation for the upcoming year seem to take up lots of time, and they seem to fly by as a result.

We will be working hard to get ready for upcoming legislative session in the next few months. As I noted in an earlier Update, the new Governor and General Assembly will likely be facing a budget deficit of more than \$3 Billion. In these difficult economic times, our biggest fear is that our legislative leaders will forego any bold action on revenue and tax reform and simply try to cut their way out of the budget deficit. This would mean no fix for the permanent revenue problem that has plagued our state for the last decade – largely due to the fact that our tax code has not been modernized since it was created in the 1930's. Now it does not grow when our economy grows, and is much too driven by sales tax revenue that is much too undependable.

What is most important is that failure to take bold action in this area will lead to a massive cutback in services for vulnerable populations and a significant reduction in funding for affordable housing. Programs like Meals on Wheels for seniors, services for people with disabilities that allow them to live independently, domestic violence shelters, and children's health insurance are all facing cuts under the current budget due to revenue shortfalls. These will only increase if our elected officials take a "cut as you go" approach to balancing the budget. This will also include affordable housing. Right now, most likely to be eliminated is the very successful and award-winning Housing 400 program that provides housing construction funds and operating assistance to produce accessible rental units affordable to persons with disabilities down to SSI-level of income.

This is why we will be working hard with Governor Perdue and the General Assembly to lead during the budget process and commit to continuing services to our most vulnerable populations. More importantly, we will be calling on them to expand (rather than cut) funding for affordable housing at a time when investment in quality affordable units are needed more than ever, and the economic stimulus that comes from this construction investment will mean more jobs and tax revenue in a time of recession.

National

Prior to Thanksgiving, I traveled to Washington DC to meet with the staff of the National Low Income Housing Coalition and 20 or so other statewide housing advocacy organizations like ours. We spent a good deal of the time discussing the Neighborhood Stabilization Program and the National Housing Trust Fund created by the Housing and Economic Recovery Act of 2008.

Our national advocacy efforts will be focusing on strengthening the National Housing Trust Fund by seeking additional dedicated funding sources, adding a state-level match requirement, while ensuring that the income targeting remains intact.

On the Neighborhood Stabilization Program, while in DC, we met with Stan Gimont, the head of this program for HUD, and got clarification on a number of elements in the program. We also hosted a conference call on the public comment opportunities for this program that is being administered by the Division of Community Assistance in the Department of Commerce. Our main priority is to ensure that all of these funds are well utilized towards NC's highest priority housing needs and follow good local community development planning.

After our meeting with HUD I headed over to Capitol Hill to meet with staff of several NC legislators. I met with Celia Sims from **Senator Richard Burr's** office, Ryan Fitzpatrick from **Congressman Heath Shuler's** office, Laura Thrift from **Congressman David Price's** office and Hilary West from **Congressman's Mel Watt's** office. My thanks to all of these staff members for taking the time to talk about the upcoming session of Congress and what our housing priorities are on the national level for 2009.

This week I am headed back to Washington DC for the **National Rural Housing Conference**. Hosted by the Housing Assistance Council, I hope to spend time learning more about rural housing issues as well as meeting with more staff of our NC delegation.

North Carolina

The **NC Institute for Emerging Issues** at NC State is holding a forum on the growth facing NC in the coming decades. Entitled "**Changing Landscapes: Building the Good Growth State**," the forum will focus on how growth will impact education, housing, water & sewer, and transportation. I have been selected to serve on the working group that is creating the forum. The Forum will be February 9th & 10th. If you are interested in attending, you must register on the website. For more information please [click here](#).

Other Federal Housing News

For the latest Federal Housing News, courtesy of the National Low Income Housing Coalition and the Housing Assistance Council, [click here](#).

Thanks again for being a member of the NC Housing Coalition.

Chris Estes

Executive Director

ANNOUNCEMENTS

SOAR Essentials Wilmington

Wednesday, Dec. 10, 2008 8:30 AM to 12:30 PM EST

SOAR Essentials is a 4 hour training geared toward those who supervise or support SOAR case workers in their agency or community.

Workshop Highlights:

- A step-by-step explanation of the SSI/SSDI application and disability determination process
- Strategies for working with homeless persons with serious mental illness and co-occurring disorders – only a fraction of this population receives the benefits to which they are entitled
- Samples and explanations of SSA and DDS paperwork and necessary reports
- Agency and community implementation planning

For more information, visit www.ncceh.org or contact Susanna Birdsong at (919) 755-4393 or susanna@ncceh.org.

Tax Credits As A Development Tool: North Carolina Tax Credit Seminar Series

Overview

Through a variety of federal and state tax credit programs, property owners and investors can receive substantial incentives for private investment. Proper use of these incentives can result in a sizable infusion of equity into qualifying projects and can be the difference between a project that is economically feasible and one that isn't.

Each of these sessions will address one of the specific tax credit programs. Come learn the basics of each, or stay for a more detailed discussion, and determine if tax credit projects should be part of your investment or development portfolio.

Seminar Schedule

7:30 - 8:00 Registration and Continental Breakfast

8:00 - 9:15 Introductory Program

9:30 - 10:45 Advanced Program

Tuesday, December 9 - Energy

Seminar will be held at
The Embassy Suites Hotel
204 Centerpoint Drive
Greensboro, NC

The fee for each class is \$45 per person.

Attendees can register for all four at a discounted rate of \$150.

Please register by calling Evie Victorson at 704.295.9862 or by e-mail at evie.victorson@reznickgroup.com

How to Become a HUD-Approved Agency, Greensboro

Event Date: **December 11, 2008**

Event Time: 8:30 AM-4:00 PM

Description: Becoming a HUD-approved agency allows your organization access to grants from HUD under the NOFA, bid on and purchase homes at a discount, finance FHA-insured mortgages with the same terms and conditions as an owner-occupant and provide secondary financing such as down payment & closing costs to borrowers originating FHA-insured mortgages. Upon completion, your organization will have enough information to put the finishing touches on the application and send to HUD for approval.

[Register Online](#)

Location: Greensboro HUD Office, Training Room 4th floor, 1500 Pinecroft Rd, Greensboro, NC 27407

Contact Name: Cynthia DuRant

For more information, please call: 336-547-4000 Ext. 2113

Put Your Action Plan to Work: How to Use HUD's Neighborhood Stabilization Program in Your Community

Thursday, December 11, 2008

NeighborWorks Training Institute
Washington, DC

NeighborWorks America is convening a special one-day forum in Washington, DC on December 11th with national experts focusing on the Neighborhood Stabilization Program to help local practitioners understand how to effectively use the \$3.92 billion in funding from the Housing and Economic Recovery Act of 2008.

Speakers at this forum will include **Craig Nickerson** from the National Community Stabilization Trust, **Daniel Kildee** from the Genesee County Land Bank, and **Bruce Katz** from the Brookings Institution, along with many other industry experts from states and localities addressing this issue.

The focus of the forum will be:

- Learning how to design and successfully implement community stabilization strategies to reuse vacant and foreclosed properties;
- Providing more details about the designated uses of Neighborhood Stabilization Program funds; and

- Sharing examples of innovative neighborhood stabilization strategies being used by practitioners across the country.

Who should attend the forum?

- Executive directors and program managers of nonprofit organizations
- State, county and local government officials
- Housing developers

For more details:

www.nw.org/network/training/upcoming/DCNTI08.asp

Apply for Media Awards

The 2008 Cushing Niles Dolbeare Media Awards recognize print journalists who do an exemplary job of illuminating the affordable housing crisis in the United States.

The awards will honor first-prize winners with a \$2,500 prize. Winners will be recognized during a reception on April 20, 2009 in Washington, DC. Honorable mentions will also be recognized.

The awards are named in honor of the late Cushing N. Dolbeare, long-time housing advocate and founder of the National Low Income Housing Coalition (NLIHC).

NLIHC is committed to raising awareness about the situation of low income individuals who lack access to safe and affordable homes and solutions.

The goal of the Cushing Niles Dolbeare Media Awards is to recognize print journalists who make a dedicated effort to inform the public about the inequities in housing and to add to the understanding of the disparities between the well-housed and the poorly or un-housed in a community, and to encourage journalists who do not normally cover low income housing issues to do so.

For more information, [click here](#).

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HOUSING JOBS

Housing Counselor Position Available

Responsibilities:

- Counsel tenants about their rights and responsibilities and help them communicate effectively with their landlords; help tenants find affordable rental housing
- Counsel homeowners about resource options for home repairs 40 hours/week, primarily in the office 8:30-5:30 with some field work

Qualifications:

- Excellent written and verbal communication skills
- Dependability and flexibility
- Confidentiality
- Experience with in areas of human services, housing, and/or health

Compensation:

- Salary
- Health insurance

Resume and letter describing interest in this role should be sent to:

122 N. Elm St. Suite M-6
Greensboro, NC 27401

fax 336-691-9046

email beth@greensborohousingcoalition.com

Community Development Program Administrator (CDPA)

City of Kannapolis, pop. 43,000 is a dynamic, growing community within the Charlotte region. Home to the North Carolina Research Campus (<http://www.ncresearchcampus.net>), Kannapolis is experiencing an exciting transformation to become the anchor of biotechnology and life sciences research in the region. The City is engaging in new community development initiatives, including a neighborhood revitalization plan for the Carver School area, an application for the HUD Neighborhood Stabilization Program, a senior apartment project, and others.

The City seeks a **Community Development Program Administrator (CDPA)** who can work in a flexible, team-oriented environment. The CDPA will administer and oversee the effective use of funding received through the U.S. Department of Housing and Urban Development (HUD) Entitlement programs and other community development grants. The CDPA assists with the management of other community development functions, including researching other available funding opportunities. The CDPA works collaboratively with non-profit groups, government agencies, and public/private agencies to coordinate activities that strengthen neighborhoods, promote home ownership, and stimulates greater employment and business activity. Work involves communicating with community and agency leaders, and the HOME Consortium to develop and implement a Five-Year Consolidated Plan and Annual Action Plan. The CDPA manages HUD's Integrated Disbursement and Information System on the City's behalf; ensures compliance with the HUD 1.5 expenditure rule, all HUD regulations, Davis Bacon, Fair Housing and citizen participation requirements, Section 504, and all aspects of the Environment Review Record as they apply to the City of Kannapolis. The CDPA monitors and oversees funding recipients, sub-contractors and sub-recipients.

For more information, visit http://www.cityofkannapolis.com/employment_0.asp. **Submit resume to:** City of Kannapolis, PO Box 1199, Kannapolis, NC 28082-1199 or tcline@ci.kannapolis.nc.us. EOE. Closes 12/12/08.

Part-time Housing Counselor

Telamon has a job opening in Raleigh for a part-time Housing Counselor. This position will work 24 hours per week at a pay rate of \$16.05 per hour. To submit an application/resume, visit Telamon.org

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Please email [John Niffenegger](mailto:John.Niffenegger@telamon.org) any announcements or local news articles you would like to include in our bi-monthly Housing Updates.

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WELCOME NEW OR RENEWING MEMBERS

Ginger Dowdle
Sarver Housing Group
Jacob Norris
Gary Triplett
Matthew McClure
Johnston-Lee-Harnett Community Action
Gateway Management
NC Division of Aging
Wake County Housing Finance Corporation
Stacy Hurley
Daniel Sargent
Restoration CDC
Partnership Homes, Inc.
Russell Cate
Michael Otelsberg
David Beidler
Eyestone Development LLC
Exit Reality 1st Class
NC Rural Center
Habitat for Humanity of Forsyth County
Sonia Ensenat
City of Greensboro
Homes for Independence
Step By Step, Inc.
Passage Home
Affordable Housing Management, Inc.

MEMBER SPOTLIGHT

If you are interested in becoming a **Member Spotlight** or know of such an organization, please email [John Niffenegger](mailto:John.Niffenegger@telamon.org).

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A Wakefield surprise: cheap rent

The new housing is popular with out-of-state parents relocating near their families in today's tough economy

The News & Observer

David Bracken, Staff Writer

October 29, 2008

In the nine years since it first opened, the North Raleigh community of Wakefield Plantation has been described as elegant, prestigious and spectacular.

One word that is not usually applied to the 2,200-acre golf community: affordable.

But with the opening of two new apartment complexes, that is changing.

Located just west of the intersection of New Falls of Neuse Road and U.S. 1, Wakefield Manor and Wakefield Hills offer 176 subsidized apartments for low-income workers and senior citizens.

The developments are quickly filling up with tenants who rave about the convenient location and amenities that include a fitness center, computer room and expansive common areas.

Wakefield Manor, which is for people 55 and older, is proving particularly popular with seniors who have relocated to Raleigh to be closer to their children.

"You can't go anywhere and find this kind of environment," said Pat Sullivan, 72. She moved from Florida to Raleigh earlier this year, and is living off Social Security and unemployment insurance.

Sullivan said she and her daughter's family left their home near Tampa after her son-in-law's painting company collapsed with Florida's housing market. She said the move left her unable to afford the payment of first-month and last-month rent that most apartment complexes require.

"It was very scary," she said. "Financially, no one was in a position to do a lot."

Today, Sullivan has become the unofficial social director of Wakefield Manor, organizing group trips and social events.

Wakefield Manor and Wakefield Hills, which is for low-income workers, were built by Raleigh's Downtown Housing Improvement Corporation, a nonprofit developer. The \$21 million project was paid for with money from the state, Raleigh, Wake County, BB&T bank and the National Equity Fund.

The apartments are open to people who make less than 60 percent of the median income in Wake County, currently \$74,900 for a family of four.

Prices range from \$340 for a one-bedroom to \$775 for a three-bedroom apartment in Wakefield Manor and Wakefield Hills.

After opening in January, Wakefield Hills leased its 80 two- and three-bedroom apartments in just six months. Wakefield Manor has leased 42 of its 96 apartments.

Gregg Warren, president of DHIC, said the location of the two communities is ideal for people living on a tight budget.

A bus line stops in front of the developments and the property is within walking distance of a shopping center and a mile from a Rex Healthcare facility. There's even a Goodwill thrift store down the street.

"We all go there," Sullivan said.

For Donna and Guss Cross, who moved to Raleigh from Tucson, Ariz., in August, finding Wakefield Manor has provided them with security in difficult times. Three of the Cross' 10 children live in Raleigh, but the couple did not have much money after paying for their cross-country move.

Now they live in an apartment complex that is close to everything they need, and it is filled with their and other residents' grandchildren on the weekends.

"It's been delightful to be this close to the kids," Donna Cross said.

The Wakefield projects are similar to DHIC's Highland Village community, in Cary at the intersection of High House and Old Apex Roads. Highland Village has a waiting list of six to 12 months for its apartments for seniors and for its townhouses and condominiums.

Warren said DHIC hopes to break ground on three new projects in Wake County over the next year, including an apartment complex for singles off Tryon Road in south Raleigh.

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Homeless veteran is a nomad no more

CNN

Emmanuel Tambakakis CNN

November 11, 2008

(CNN) - Until recently, Navy veteran Joe O'Boyle had no home.

For 15 years, he was a nomad wandering the streets of his native New York before he got help from Pathways to Housing, a nonprofit organization.

O'Boyle spent two of his homeless years underground, riding the trains of the city's subway system.

"I had nothing to do, so I rode the trains. I got to know the whole subway system like the back of my hand," O'Boyle said. "The E train used to end at the World Trade Center. That was the best train to ride in the winter, you know; it didn't go out into the open."

O'Boyle was just one of about 154,000 veterans who call the streets home. Some find help through the Department of Veterans Affairs, which has approved funding for about 15,000 beds this year in transitional housing programs and provides approximately 5,000 veterans each year with residential services in VA hospital-based programs.

This leaves up to 134,000 veterans to fend for themselves. Private and nonprofit organizations, including New York-based Pathways to Housing, step in where the VA leaves off.

Psychologist Sam Tsemberis, Pathways' founder and executive director, acknowledges the work the VA does but says nongovernmental organizations are essential to "take up the slack." He estimates that veterans make up 20 percent of his clients, or about 125 of the 650 people the organization is currently housing, which reflects the national average of homeless veterans to nonveteran homeless.

"People who were mentally ill, living on the streets of the city in an intolerable unbearable condition" prompted Tsemberis to start Pathways.

The Pathways to Housing model is called "housing first." The approach makes housing a top priority, even in treating homeless who have psychiatric disabilities and addiction. More traditional organizations require a person to be sober and stable before giving them their own place to live. This usually requires an uphill battle of up to two years of living in a shelter and meeting a number of requirements.

Tsemberis believes that putting his clients in a place of their own is paramount in achieving success with their counseling and stabilization, as is the case with O'Boyle.

"You have to separate the treatment needs from the housing needs, which is what we were able to do for him. Give him a place to live so that he can feel safe and secure first, and then he's interested in helping himself with his psychiatric or addiction issues, employment issues. All of the issues follow the security of housing."

Pathways has a branch in Washington as well as a newly opened branch in Philadelphia, Pennsylvania. Tsemberis says he's been contacted by a number of other organizations, such as Horizon House in Philadelphia and Coalition for the Homeless in Denver, to discuss the successful Pathways model that is helping O'Boyle.

"Joe represents in a way the challenge of, how do we house people? How do we house homeless vets when they have multiple problems? We have to get the sequence right. When the sequence requires treatment sobriety prior to housing, most vets will not, cannot manage that," Tsemberis said.

Tsemberis says veterans' perspectives played a key role in the ideological creation of Pathways to Housing.

"They had already served their country, so jumping through hoops was not really something they were willing to put themselves through and would really accept housing on their own terms," he said.

"They felt that they had done their part and that someone should help them in the way that they deserved to be helped. And we agreed with that."

Pathways clients typically receive about \$20,000 in rent and services which include mental health, addiction, health, employment and peer support. Tsemberis says that figure is half the amount a homeless person usually costs the system.

The money comes from federal, state and some city funds, and clients have to meet standard lease obligations, such as paying 30 percent of income toward rent. Rental rates on apartments are fair market, with a studio usually going for about \$750 a month.

After he was referred to Pathways, O'Boyle was placed in an apartment in Brooklyn within walking distance of the organization's office.

He now believes that after a very dismal past, he has a future to look forward to and is considering writing a book about his experiences on the street. Although currently unemployed and looking for work, O'Boyle says he's never been happier.

"Lately ever since I got my apartment, I feel like I could do anything. Every day is a good day for me. I never felt like this in my life. For the first time in my life, I'm happy," O'Boyle said.

As for the future of the homeless and homeless vets, Tsemberis feels that it's a matter of political will and financial commitment.

"It's not like we don't know how to do this. We know how to fix this problem. It's just a matter of putting the resources in place to do it."

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Homeless vets will have housing

24 units being built in Durham

The News & Observer

Martha Quillin, Staff Writer

November 14, 2008

DURHAM - An apartment complex expected to open next month will almost quadruple the number of beds for veterans at risk of homelessness in this city, and housing experts say it's not nearly enough.

The nonprofit Volunteers of America built the 24-unit Maple Court apartments in Durham because a disproportionate number of the Triangle's 500 or more homeless veterans live there. Bob Williamson, who runs the health care program for homeless vets at the Veterans Administration Hospital in Durham, said vets are drawn to the area because of the VA and other veterans services, and the hope of jobs.

For years, however, those who couldn't find -- or keep -- jobs have ended up sleeping in shelters, parks, abandoned buildings and under bridges.

The VA has long recognized homelessness as a problem among veterans; a third of homeless men are veterans.

In the Triangle, there is no emergency shelter dedicated to the needs of vets, who may have post-traumatic stress disorder or other issues that make shelter life particularly difficult.

Transitional housing

Though the VA doesn't fund emergency shelter for vets, it has had a program since the 1990s to help nonprofits build and run transitional housing for veterans. Intended to stop the cycle of homelessness, these can house veterans for up to two years while they are enrolled in recovery and job-training programs.

But progress is slow. Maple Court has been eight years in the making. Durham's TROSA, Triangle Residential Options for Substance Abusers, has 25 beds for homeless vets expected to come online in December. Another program has nine beds for homeless vets, including those who are HIV-positive.

Across the state, there are fewer than 300 beds in VA-supported housing for homeless vets.

"We need more," Williamson said. But in the meantime, "We want to show veterans they are not forgotten."

Floyd Hall was one of the first to apply for a spot in Maple Court. Hall, who served in the Army from 1976 to 1982, has been staying at the Urban Ministries Center emergency shelter in Durham for two weeks.

"This is not where I saw myself ending up," he said.

Hall, 49, says sleeping in a room with 70 or 80 other men is a severe test for him. Hall says his PTSD causes him to be extremely anxious in open spaces and among groups of more than three or four people.

"I want to be able to make my own way," he said. "I'm pretty sure there are some homeless people who want to be homeless, but I'm not one of them."

Hall lived on his own for years. Most recently, he had been in Kill Devil Hills, supported primarily by a monthly Social Security disability check and working part time when he was able. Then, in February, the checks stopped coming.

Hall is still trying to find out why -- he thinks he may have exceeded his income limit by as little as \$100 for the year -- but while he tries to get that resolved, his Medicaid coverage ended with his disabled status. He lived on savings for as long as he could, but eventually could not pay his rent. He couldn't go to the doctor for his back and other health problems. And with his PTSD and other issues, he couldn't get, or keep, a full-time job.

Surviving in Greenville

He pulled out his camping gear, put the rest of his belongings in rented storage, and hitched rides to Greenville, a town he knew from having attended East Carolina University for a while. He found an unoccupied church where a side door stayed unlocked, and slept there sometimes. Finally, he called the VA and asked for help.

"They told me that to enter into their homeless program, I'd have to move to Durham and stay in the homeless shelter," he said.

Deborah Lee, the VA's regional homeless coordinator, said sometimes that's the best advice the agency can offer.

To qualify for a bed in supported transitional housing, a vet has to meet the federal definition of "homeless." One way is to be in a shelter.

Since he's been in Durham, Hall has signed up for the first PTSD counseling sessions he's ever had. His service in Central America left him with such a vivid recollection of the scent of death that he can't stand certain sweet smells. He's scoured the Internet looking for work he can do.

Wednesday, he went to a veterans job fair, wearing socks and a shirt borrowed from another shelter resident and a coat and tie from the shelter's clothing closet.

He's waiting to hear whether he'll be accepted into Maple Court. Workers are busy with finishing touches at the complex this week, such as installing a donated flag pole outside what will be a veterans services building. Rebecca Dixon, chaplain for Volunteers of America, said she hopes to get enough donations of new dishes and cookware to outfit each resident's kitchen.

The housing alone would be a great gift, Hall said.

"We as vets -- we protected while you slept," Hall said. "We deserve some compensation for that. We're not greedy. We just want a little help. I don't think we're asking for too much.

"By training alone, we're strong individuals. But there's a point you reach where hopelessness sets in. And to be honest, I'm pretty much there."

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Funding delays hobble shelters

A bureaucratic muddle threatens services for rape victims and beaten women

The News & Observer

Mandy Locke, Staff Writer

November 14, 2008

RALEIGH - Fiscal juggling between state agencies has put local nonprofits that shelter and aid victims of domestic violence and sexual assault in dire financial straits. Some programs haven't received a cent of state support since July 1, forcing several agencies to ask staff to work for free and beg local banks for loans to pay their rent.

"Every week, I'm told the check is in the mail," said Margaret Crites, executive director of the Rape Crisis Center of Robeson County. "I check my e-mail about six times a day, hoping to get word that the money's been deposited in our bank account." Crites hasn't been paid in six weeks; she's maxed out her agency's credit card, and for the first time in 18 years is late paying her program's electric bill.

This year, state leaders shifted the responsibility of awarding these grants between two state departments. The transfer has caused long delays for dozens of programs awaiting money.

Programs like Crites', small nonprofits serving victims across the state, rely heavily on state grants to serve victims of domestic and sexual violence. These programs provide emergency shelter for women fleeing an abusive partner, hold rape victims' hands in the emergency room while a nurse collects evidence of the crime and go to court to help secure a judge's order to keep abusers at a distance.

For many of these groups, the funding accounts for as much as three-quarters of their budget. Even programs with broad financial support use these grants to cover a third of their domestic violence and sexual assault services.

This fall, programs in Franklin and Johnston counties have had to leverage their shelter property for a bank loan in order to make payroll. A program in Yancey County hasn't paid its electric bill for months and had to turn to the county commission to pay health insurance premiums for its staff. Many others, including a program in Chatham County, have burned through their emergency reserves while they wait for grant reimbursements.

"I guarantee you that no agency in Raleigh would be willing to operate with this level of uncertainty for as long as [our programs] have been operating," said Pat Youngblood, executive director of Hopeline, a domestic violence and rape crisis center serving six counties in northeastern North Carolina.

Streamlining attempt

The hiccup began in the most harmless of ways. A top adviser to Gov. Michael Easley was trying to reduce the paperwork for these local nonprofit groups applying for federal and state grants, spokeswoman Renee Hoffman said. In 2007, Easley's cabinet members signed an agreement shifting responsibility for these grants to the Governor's Crime Commission in the state Department of Crime Control and Public Safety, away from the Council for Women under the state Department of Administration. Crime Control was already dealing with federal grants, and Easley's adviser thought they were better equipped to handle all the grants.

But the General Assembly had specifically charged the Council for Women with the state domestic violence and sexual assault grants. Legislators began raising questions.

This spring, after the local agencies had already applied for state grants through the Governor's Crime Commission, Easley's administration shifted the money back to the Council for Women.

The crime commission had managed to cut checks to little more than half the recipients before having to turn the money back over. Those checks were just to cover the first quarter of the fiscal year starting in July.

The Council for Women received the money in October. There, one veteran grant manager and a newly hired assistant began sifting through more than 350 grant applications, checking each page of the inch-thick packets for signatures and dollar figures. Most programs have had to sign new grant contracts, tracking down board members to sign off on applications they'd already assembled in the spring.

"It's been a constant roller coaster," grant manager Jacqueline Jordan told a group of legislators Thursday as they examined how grant funding for these programs could be improved. "Right now, it's going around in loops. Every day of the last 30 has brought a new challenge."

No one knows this better than the local agencies scrambling to keep their doors open.

"Some of our programs are so vulnerable, operating close to the wire month to month," said Jo Sanders, executive director of Family Violence and Rape Crisis Services of Chatham County. "You cannot run a business this way."

Sanders said that her program has learned tough lessons through the years and had built up a reserve for tight periods like this. Sanders said they've now spent all of that backup money, and if the state grants don't arrive soon, she won't be able to make payroll.

"My board wants to know who to blame," Sanders said. "We've ceased trying to understand it and are just trying to respond to it now."

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FDIC says plan could help 1.5 million keep homes

The News & Observer
Alan Zibel, AP Real Estate Writer
November 14, 2008

WASHINGTON - Publicly breaking with the Bush administration's official stance, the Federal Deposit Insurance Corp. proposed Friday to use \$24 billion in government funding to help 1.5 million American households avoid foreclosure.

The FDIC posted the plan on its Web site two days after Treasury Secretary Henry Paulson rejected the idea of using money from the \$700 billion bailout of the financial industry to pay for such a proposal. A Treasury spokeswoman declined comment Friday.

The agency's plan would guarantee 2.2 million modified loans - mainly risky loans made to borrowers with weak credit or small down payments - through the end of next year. Borrowers would get reduced interest rates or longer loan terms to make their payments more affordable.

"If we can avoid those foreclosures, then you will get more stability in the housing market," said Michael Krimminger, a senior adviser to FDIC Chairman Sheila Bair, said in an interview Thursday.

The FDIC says the government's backing will make the lending industry more willing to modify loans because taxpayers will absorb half of the losses if the borrower defaults again. Also, loan servicing companies, which collect and distribute mortgage payments, would be paid \$1,000 for each loan they modify.

Even if a third of borrowers default again on their modified loans, 1.5 million homes would still be saved, the FDIC says. Under the agency's plan, monthly payments shouldn't total more than 31 percent of homeowners' pretax monthly income.

The FDIC says its plans should apply to an estimated 4.4 million loans that are likely to become delinquent through the end of next year. That estimate excludes loans held by mortgage finance companies Fannie Mae and Freddie Mac, which on Tuesday launched their own loan modification program modeled after the FDIC's effort at failed IndyMac Bank.

The agency has been an aggressive proponent of efforts to alleviate the foreclosure crisis. FDIC officials sounded early warnings about a rise in defaults among risky loans, and have repeatedly reaped praise from Congressional Democrats.

After taking over failed IndyMac Bank of Pasadena, Calif over the summer, the FDIC launched a loan modification plan in which borrowers receive interest rates of about 3 percent for five years. That plan was used as a model for a loan modification plan announced Tuesday by mortgage finance companies Fannie Mae and Freddie Mac.

Both of those plans reduce interest rates so borrowers aren't paying more than 38 percent of their pretax income on housing expenses.

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Democrats support FDIC loan plan

The News & Observer
Marcy Gordon, AP Business Writer
November 18, 2008

WASHINGTON - Democratic leaders in Congress on Tuesday threw their weight behind a proposal to use \$24 billion in government funds to help struggling borrowers, a move opposed by the Bush administration.

The Federal Deposit Insurance Corp. broke with the administration last week and proposed using \$24 billion in federal bailout money to help 1.5 million borrowers avoid foreclosure by guaranteeing modified home loans through the end of next year.

FDIC Chairman Sheila Bair, appearing at a House hearing, pressed again for more aggressive government action to help millions of home borrowers avert foreclosure, saying it is needed to ensure economic recovery.

"As foreclosures escalate, we are clearly falling behind the curve," Bair told the House Financial Services Committee. "Much more aggressive intervention is needed if we are to curb the damage to our neighborhoods and broader economic health."

With Democrats strongly supporting Bair, who is an independent regulator, a sharp divide has been established between them and the lame-duck administration on a burning issue of economic distress.

Rep. Barney Frank, D-Mass., chairman of the House committee, said "it is essential" to use some of the money in the \$700 billion financial rescue program - of which \$250 billion is going to inject capital into banks - to stem the tide of foreclosures.

House Speaker Nancy Pelosi, D-Calif., after meeting Monday with Treasury Secretary Henry Paulson and Federal Reserve Chairman Ben Bernanke, publicly urged Paulson to support the FDIC plan.

"The solutions to the problem at the root of our economic crisis - aggressively addressing home foreclosures - have been known for some time," Pelosi said in a statement. "Further delay in implementing these solutions is unacceptable."

Lawmakers' dissatisfaction is significant because Congress can impose new conditions on the use of the bailout money. Democrats are pushing for money both to help the ailing auto industry and distressed homeowners - though legislative action appears unlikely before the administration of President-elect Barack Obama is installed in mid-January.

Paulson, also testifying at the hearing Tuesday and facing Democrats' impatience over mortgage distress, reaffirmed opposition to using bailout money to provide guarantees for home loans at risk of falling into default.

"We've been working very, very aggressively at helping" struggling homeowners, Paulson said. He cited a program the government announced last week in which borrowers with loans owned or guaranteed by mortgage giants Fannie Mae and Freddie Mac would get reduced interest rates or longer terms to make their payments more affordable.

Critics, including Bair, said that plan fell short of what is needed.

"It is nobody's view that we have been as successful as we need to be in reducing foreclosures," Frank told Paulson.

"I am going to keep working on this and looking at ways to use taxpayer money" appropriately, Paulson pledged.

Under the FDIC's new plan, the government would guarantee 2.2 million modified mortgages - mainly high-risk loans made to borrowers with weak credit or small down payments - through the end of 2009. The agency says the government's backing would make the lending industry more willing to modify home loans because taxpayers would absorb half the losses if the borrower defaults a second time.

Also, loan servicing companies, which collect and distribute mortgage payments, would be paid \$1,000 for each loan they modify.

Even if a third of borrowers default again on their modified loans, 1.5 million homes would still be saved, the FDIC says. Under the agency's plan, monthly payments shouldn't total more than 31 percent of homeowners' pretax monthly income.

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Home foreclosures up in North Carolina

The News & Observer
From Staff and Associated Press Reports
November 13, 2008

Home foreclosures in North Carolina rose nearly 30 percent in October from the previous month, though they were down 20 percent from October a year ago, data released today show.

One in 1,254 homes in North Carolina last month received a foreclosure filing, such as a default notice, auction sale notice or bank repossession, according to RealtyTrac Inc.

The state's foreclosure rate ranked 29th in the nation, RealtyTrac said. Last month, 1,312 properties were repossessed in North Carolina.

The Raleigh-Cary Metro area saw a 26 percent decline in foreclosures from a year ago, but a 57 percent rise from September 2008. The metro area ranked 145th among 230 metro areas tracked in the report.

Nationally, the number of homeowners caught in the wave of foreclosures in October grew 25 percent nationally over the same month in 2007. More than 279,500 U.S. homes received at least one foreclosure-related notice in October, an increase of 5 percent over September.

The collateral damage in the financial markets forced the government to pass a \$700 billion financial rescue package last month. The plan was initially to buy bad assets from banks, but Treasury Secretary Henry Paulson said Wednesday that the rescue package won't purchase those troubled assets.

That plan would have taken too much time, he said, so instead the Treasury will rely on buying stakes in banks and encouraging them to resume more normal lending.

Also Wednesday, Housing and Urban Development Secretary Steve Preston said the government may let more borrowers qualify for a \$300 billion program designed to let troubled homeowners swap risky loans for more affordable ones. The program was launched Oct. 1, but there are concerns that lenders won't participate because they have to voluntarily reduce the value of a loan and take a loss.

In RealtyTrac's report, three states -- Nevada, Arizona, Florida -- had the nation's top foreclosure rates. Nevada posted the nation's highest rate for the 22nd consecutive month in October.

In Nevada, one in every 74 homes received a foreclosure filing last month. Arizona saw one in every 149 housing units receive a foreclosure filing, and in Florida it was one in every 157 homes. Other states in the top 10 were California, Colorado, Georgia, Michigan, New Jersey, Illinois and Ohio.

However, RealtyTrac noted that, while California had the highest total number of foreclosures in October, the rate in that state was down 18 percent from the previous month.

James J. Saccacio, chief executive officer of RealtyTrac, said new laws requiring delays in the foreclosure process have reduced the volume of foreclosure filings in several states. In California, lenders are now required to contact borrowers at least 30 days before filing a default notice. A similar law in North Carolina gives borrowers an extra 45 days.

"While the intention behind this legislation -- to prevent more foreclosures -- is admirable, without a more integrated approach that includes significant loan modifications, the net effect may be merely delaying inevitable foreclosures," Saccacio said. "And in the meantime, the apparent slowing of foreclosure activity understates the severity of the foreclosure problem in these states."

Among cities, Las Vegas had the highest October foreclosure rate among the 230 metro areas, with one in every 62 housing units receiving a foreclosure filing.

Four Florida metro areas ranked in top 10 -- Cape Coral-Fort Myers was second, Miami third, Fort Lauderdale eighth and Orlando 10th. California also had four metro areas in the top 10: Stockton fourth, Merced fifth, Riverside-San Bernardino seventh and Modesto ninth.

The remaining member of the top 10 was Phoenix, which came in sixth.

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Requests for help rise as nonprofits struggle

Greensboro News-Record
Donald W. Patterson, Staff Writer
November 19, 2008

GREENSBORO - Craig Thomas' voice cracked as she described the problems.

Homeless families sleeping in their cars.

Elderly residents facing the onset of cold weather without electricity.

Unemployed people who can't pay their bills.

"Since March, with the downturn in the economy, the needs have become desperate," said Thomas, executive director of Mary's House, one of the nonprofits in Greensboro that provides emergency assistance to the needy. "It is almost like the floodgates have opened. We have always had requests, but it has never been like this."

It's the same story at the Salvation Army and the Greensboro Urban Ministry. Requests for help have skyrocketed while funds to meet those needs have declined.

At Mary's House on Guilford Avenue, applications for assistance have jumped 100 percent since October of last year. During that time, as donations have declined, the average gift has dropped from \$80 per family to \$50.

"That doesn't include the people we denied (assistance)," Thomas said. "I have another 15 or 20 that we couldn't help. They owed too much money."

At the Urban Ministry on West Lee Street, the lobby stays full with people seeking assistance.

"We have been slammed," said the Rev. Mike Aiken, the agency's executive director. "I have been involved with Urban Ministry for 30 years and this is the worst I have ever seen."

On Tuesday, the Urban Ministry's clients included Devon Cummings, 33, an unemployed single mother with disabled twin boys, age 5.

When Cummings didn't get all of her monthly child support payment, it threw her budget out of balance and her electricity was turned off.

She turned to Urban Ministry for help on her \$342 power bill.

"Without them, I don't know what I would have done," Cummings said. "I probably would have had a nervous breakdown."

Agencies like Urban Ministry, Mary's House and the Salvation Army help people with food, clothing, emergency housing and financial assistance with utility bills.

But in recent months, the agencies say, they have encountered an increase in requests from the working poor and families facing foreclosure.

"It's not (just) the chronic poor that we are dealing with," said Maj. Paul Egan, corps officer at the Salvation Army. "The face of the poor is changing. Now, you have to put a 5-year-old kid in your mind with a mom that is struggling."

It's the same at the Urban Ministry, where Aiken has had to create a waiting list for people who need emergency housing.

"We thought it was terrible last year when we had 20 on the waiting list," Aiken said. "Now, we have 50."

At the Salvation Army, requests for food have doubled in the past year, rising from 176 in October 2007 to 359 this year.

The demand for clothing also has jumped. In the first six months of 2008, the Salvation Army gave out about 660 pieces of clothing, but in the past four months, that number has increased to more than 1,000. Requests for energy assistance have risen 42 percent over last year.

Like the families they are trying to help, nonprofits have seen their budgets slashed by the economic crisis.

During the first 10 months of this year, contributions to the Salvation Army have declined about 20 percent, or \$40,000.

"What the economy is doing is putting a toll on people's households," Egan said. "If there ever was a time when people need the Salvation Army, it is right now. And if there was ever a time when the Salvation Army needs this community to support it, it is right now. We want to be able to support those in need."

Asked if the local Salvation Army would have enough assistance funds to meet needs throughout the year, Egan said, "I don't know, man. I hope so."

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Citigroup to help at-risk borrowers stay in homes

Winston-Salem Journal
Sara Lepro, Associated Press
November 11, 2008

New York - Citigroup says it is imposing a moratorium on most foreclosures as part of a series of initiatives aimed at helping at-risk borrowers remain in their homes — making Citi the latest big bank to announce sweeping efforts to try to curtail losses from souring mortgages.

Citi said late Monday it won't initiate a foreclosure or complete a foreclosure sale on any eligible borrower who seeks to stay in a home if it is the borrower's principal residence, the homeowner is working in good faith with Citi and has sufficient income to make affordable mortgage payments.

Citi said it is also working to expand the program to include mortgages the bank services but does not own.

Additionally, over the next six months, Citi plans to reach out to 500,000 homeowners who are not currently behind on their mortgage payments, but who are deemed as potentially needing assistance to keep current with their payments. This represents about one-third of all the mortgages that Citigroup owns, the bank said.

Citi plans to devote a team of 600 salespeople to assist the targeted borrowers by adjusting their rates, reducing principal, or increasing the term of the loan, steps known in the mortgage industry as a workout.

Of the four biggest U.S. banks — Citigroup, JPMorgan Chase & Co., Bank of America Corp. and Wells Fargo & Co. — Citi has been on the shakiest footing as a result of the mortgage crisis, reporting losses in the past four consecutive quarters while its rivals have managed to post profits. The steps announced Monday are designed to stem those losses.

"Typically the lender loses the most money when a house goes into foreclosure," said Barry Zigas, director of housing policy at the Consumer Federation of America. "(The lender) takes some kind of loss that's usually much greater than what they sacrificed through some kind of workout."

Sanjiv Das, chief executive of CitiMortgage, said, "It is in our interest that borrowers stay in their homes and actually make the payments."

Citi is targeting homeowners in geographic areas with higher-than-average unemployment and foreclosure rates, primarily in Arizona, California, Florida, Michigan, Ohio and Indiana, Das said. The program is expected to affect about \$20 billion in mortgages.

"As the unemployment rate is starting to creep up on us, there is going to be increasing distress in the marketplace," Das said in an interview with The Associated Press. "It's not going to distinguish between what type of mortgage they have."

"There is a huge amount of anxiety among borrowers," he said. "We will reach out to them before they become delinquent."

Since early last year, Citigroup has helped about 370,000 families avoid foreclosure, representing more than \$35 billion in loans, the bank said.

Citi has avoided negative amortization loans, option adjustable-rate mortgages, and other types of risky mortgages, defaults on which have skyrocketed since the start of the housing bust in the middle of last year. Still, the bank has nonetheless been hurt by the relentless downturn in housing that fed the mortgage and credit crisis, and in turn, the near-breakdown of the financial system.

With defaults mounting, other lenders, including JPMorgan and Bank of America, have also become more aggressive about modifications to mortgage agreements.

But a moratorium only solves so much, according to Zigas. "A moratorium on foreclosure will be effective at stopping foreclosure, it won't be effective at stopping the underlying reasons of why people are in trouble," he said.

By taking a proactive approach, Citigroup isn't waiting until it's too late to deal with delinquent borrowers, said Steve Curnutte, president of InsBank Mortgage in Nashville, Tenn. However, the problem is growing faster than most banks can handle, he said.

"It's nearly an insurmountable undertaking," said Curnutte. "The number of bad loans that they can modify using their resources is being quickly outstripped by the number of new loans that need to be modified."

More than 4 million American homeowners with a mortgage were at least one payment behind on their loans at the end of June, and 500,000 had started the foreclosure process, according to the most recent data from the Mortgage Bankers Association.

Late last month, JPMorgan expanded its workout program to an estimated \$70 billion in loans, which could aid as many as 400,000 customers. The New York-based bank has already modified about \$40 billion in mortgages, helping 250,000 customers since early 2007.

JPMorgan also said it will not put any loans into foreclosure as it implements the expanded program over the next 90 days.

Bank of America, meanwhile, has said that starting Dec. 1, it will modify an estimated 400,000 loans held by newly acquired Countrywide Financial Corp. as part of an \$8.4 billion legal settlement reached with state officials in early October.

The government is also working on an ambitious plan to help around 3 million borrowers avoid foreclosure, but details have yet to be released.

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Housing Help

Winston-Salem Journal
Journal Editorial Staff
November 10, 2008

It's good that Forsyth County commissioners have voted to apply for from \$2 million to \$5 million that would allow the county and city to buy and resell foreclosed residential buildings. There are a lot of details to be worked out before the county decides whether it will participate in the program. But amid frustration with government bailouts of big banks, this program could offer a welcome chance to put some federal money to good use in Forsyth, a county with a rising foreclosure rate. As Commissioner Walter Marshall said, "This is an opportunity to help a lot of people in Forsyth County who might need it."

Officials with the city of Winston-Salem are interested in the program as well. The county and the city would apply jointly for the money, which could help buy properties that might otherwise be abandoned, thus pulling the values of surrounding houses even lower. The program should also help people of low to moderate incomes buy houses. Affordable housing is a pressing need in the city and county.

Marshall joined other commissioners last week in voting to apply for money from the newly created Neighborhood Stabilization Program. Deborah Conrad, who cast the lone vote against the plan, called it "another liberal giveaway program" that will drive up the federal deficit, the *Journal's* Wesley Young reported.

Yet supposed fiscal conservatives played a large role in driving up that deficit. And federal money is needed to correct the myriad problems of the economic crisis.

The Neighborhood Stabilization Program appears to be a reasonable use of federal dollars.

A federal law creating the program was passed in July. Priority is given to spending the money in areas that have the highest number of foreclosures or expected foreclosures, and the highest numbers of houses financed with sub-prime mortgage loans.

That's sure needed. Foreclosures in Forsyth could top 2,300 this year, an agonizing jump of more than 200 percent from 2000, according to a resolution approving the county's intent to apply for federal money. That means way too many families around here have lost their homes and are struggling for housing.

We can sit back and whine about such depressing figures and gripe about the bailouts of big banks. Or we can take action through good programs. Whether the fault lies more with unethical lenders or naïve buyers, people need help. And neighborhoods must be stabilized for the good of all those who've held onto their houses.

If further study shows the neighborhood stabilization program to be a sound program, the county and city should hop on it.

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Nash foreclosures rise, remain behind trends

Rocky Mount Telegram
Mike Hixenbaugh
November 13, 2008

Home foreclosures in North Carolina rose by nearly 30 percent in October from the previous month, but the Twin Counties continued to fare better than other parts of the state, according to data released this week.

One in 1,254 homes in North Carolina received a foreclosure filing last month, according to RealtyTrac Inc., an online marketplace for repossessed real estate. The state's foreclosure rate, however, was far outpaced by the national average.

One in 458 U.S. homes — about 279,000 in total — was foreclosed upon in October, up 25 percent from last year, the RealtyTrac report said.

Eastern North Carolina, too, has seen an increase in foreclosures the last two years but for the most part has weathered the sub-prime mortgage crisis and its 20-month stranglehold on the U.S. housing market.

One in 2,023 Nash County homes received a foreclosure notice in October, far better than the national average. Just one in 8,384 Edgecombe County homes was foreclosed upon during that time.

Roberto Quercia is the director of the Center for Community Capital at the University of North Carolina-Chapel Hill, where he has monitored and studied the housing crisis the last several months. He said rural areas like the Twin Counties typically have seen far fewer foreclosures throughout the economic crisis.

"In general, places that have experienced great appreciation — more urban areas like pockets of Raleigh and in Mecklenburg County — tend to show greater foreclosure rates," Quercia said. "Buyers in those areas were more likely to purchase homes at a peak rate and were more likely to take a risky sub-prime loan to pay for it."

One in 932 Wake County homes and one in 380 Mecklenburg County homes received foreclosure notices in October.

But Nash County foreclosures are rising, the report showed. More than 20 homes were foreclosed upon last month, adding to nearly 200 bank-owned homes that are for sale in the county.

Officials in both Nash and Edgecombe counties agreed to delay mailing 2008 revaluation notices until January after tax officials asked for more time to study the market.

Although foreclosure sales are not included in the revaluation market analysis, county officials said a late-year decline in sale prices could impact home values.

It's unclear how effective the \$700 billion government rescue package will be in stimulating stagnant lending markets or in slowing the wave of foreclosures sweeping the nation, Quercia said, but there is good news for residents in the eastern part of the state.

"When you experience a crisis, it is always relative," Quercia said, attempting to put the economic struggles in perspective. "We are experiencing a problem not as severe as other parts of the nation. The forecast for North Carolina, according to some economists, is that the state is going to weather this and, truly by 2011, we will see some signs of recovery in some areas."

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Partnership helps older adults remain at home

Pisgah Mountain News
Michele Skeele
November 13, 2008

HENDERSONVILLE The following tale isn't really unusual. But the end is worth repeating.

Recently, a local elderly woman was advised by her physician that the time had come to move to an assisted living facility.

The Council on Aging was called, and a case manager was able to facilitate a meeting with the client, her grandson, and the doctor to begin coordination of services such as LifeLine, Senior Companion, Meals on Wheels and an assistant to help the client with light chores around the home. Because the case manager was able to advocate for the client and create a support team, the outcome was positive for all involved.

Geriatric Case Management is a relatively new field which has been steadily growing in response to the number of older adults who need help to remain independent and at home.

Henderson County is fortunate to have a model program, the first ever in North Carolina.

The partnership for Independent Living was developed between the Council on Aging for Henderson County and the Department of Social Services as a way to break down any barriers between a governmental agency and a nonprofit organization while assisting older adults who are at risk for institutionalization. Not driven by either agency, the program offers an opportunity for cooperation in service of our most vulnerable elderly.

The Partnership is in its third year with funding from a three-year grant. It has been able to serve as a pilot program and has been presented at conferences across the state.

During the first year, two case managers and one community social service assistant (CSSA) were charged with coordinating services, such as in-home help or home-delivered meals, to help clients remain safely at home instead moving to a facility.

Today, five case managers and two CSSAs continue the work of advocacy, support, education, and coordination of services through the partnership. Last year, 182 older adults were assisted in their effort to remain independent.

Most of those served would be living in an assisted living facility today if dedicated staff had not helped them find necessary resources.

Many older adults and their families are not aware of the options available in the community to help at-risk elderly remain in their homes. Referrals often come from concerned neighbors or family members, doctors' offices, home health staff, and even from area businesses, banks or post offices.

Out-of-town family members are able to find peace of mind knowing that a caring professional is on call.

Many older adults are concerned they would be unable to afford the services they need. Some may feel they have too much income to be eligible for programs which would assist them. The partnership is able to provide help for clients, regardless of income, large or small. A number of those who call are able to pay for services they were sometimes unaware even existed. For those who qualify, a sliding scale is available.

To learn more, call the Council on Aging at 692-4203 and ask to speak with a case manager or visit www.coahc.org.

This is the opinion of Michele Skeele. Skeele is a project coordinator for the Council on Aging of Henderson County and the Livable and Senior Friendly Communities initiative. Contact her at mskeele@coahc.org.

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Here Now: Project gives hope to people struggling

Star News
Si Cantwell
November 18, 2008

Noel Edwards was homeless and staying at Good Shepherd Center when Sharron Cain found her. Shameeka Winfield was struggling with the effects of having a criminal record, the result of a mistake she made years ago.

Both will graduate Friday from the fall classes of Project Uplift Career Pathways Academy, a training program for adults of low to moderate incomes. It's operated by the Countywide Community Development Corp., which serves Brunswick, New Hanover, Pender and Columbus counties.

Both have landed good jobs, Edwards at AME Zion Housing Development Corp. and Winfield at Family Perspectives LLC.

They are among about 30 graduates of Project Uplift classes. One morning last week, Edwards and Winfield were in the office administration class at the Hillcrest Recreation Center off Dawson Street.

About 15 women were working at computer terminals under the tutelage of Carmenitha Berry, an instructor at Cape Fear Community College. They learn about programs such as Excel and PowerPoint, how to send e-mails, book travel tours and other skills. They also learn workplace skills such as creating resumes, handling job interviews and dressing appropriately for work.

The office administration class is a pilot program of CFCC's, said Sabrina Malloy, Countywide CDC's program director. She credited CFCC for its cooperation in creating the Project Uplift classes.

A few blocks north, 14 men listened attentively in the skilled trades class as Jerry Burns, another instructor from CFCC, talked about how to wire a house attic.

Most of the men in that class were convicted felons, Cain whispered as the men questioned Burns about where the light fixture should go.

The skilled trades class, housed in the Northside Community Resource Center near 10th and Fanning streets, teaches skills in light construction, electrical work, plumbing, and heating and air conditioning. Masonry skills may be added next year.

Participants in both classes receive financial literacy training, learning how to pay bills and balance checkbooks.

Cain moves about the community seeking qualified applicants for Project Uplift. Every applicant is carefully screened.

She found Edwards, 26, when she visited Good Shepherd. Staffers pointed her out.

"They said, we have a lady in her 20s. She's not married, she's not on drugs, but she's here," Cain recalled.

Edwards graduated from Laney High School in 2000 and took some classes from Miller-Motte College. After she lost her job in customer service with a grocery store chain, she couldn't find another.

"I looked for jobs, but with the economy like it is," she said, then shrugged. "I ended up in a shelter.

"But I have a job now," she finished happily.

Winfield, 20, is also a Laney grad, Class of 2006. When she was working for a big-box store, she said, she looked the other way while acquaintances were shoplifting. She was convicted of a felony.

"A lot of people make mistakes," she said. "It's real stressful. It can stop me from going to school. It can stop me from getting a job."

But thanks to Project Uplift, she now has a job and the office skills to keep it.

Cain works hard to find employment opportunities, although she can't guarantee participants a job. Sometimes they work unpaid internships, hoping to prove themselves and land a paying position.

Many of the participants have criminal convictions, Cain said.

"I tell employers there is a background," Cain said. And to Project Uplift graduates, "I tell them to be open and honest in the interview."

Project Uplift has formed partnerships with groups in addition to CFCC such as Leading Into New Communities, which helps released convicts, and the Northside Community Resource Center.

For Cain, it's all about overcoming barriers to employment such as homelessness or a criminal conviction.

She's looking for employers willing to give people a chance, she said.

For more information about the program, call Countywide CDC at 383-1724.

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Comptroller Dugan Says CRA not Responsible for Subprime Lending Abuses

Office of the Comptroller of the Currency
Robert M. Garsson
November 19, 2008

BALTIMORE — Comptroller of the Currency John C. Dugan said he categorically disagrees with suggestions that the Community Reinvestment Act is partly responsible for the ongoing credit crisis.

"CRA is not the culprit behind the subprime mortgage lending abuses, or the broader credit quality issues in the marketplace," Mr. Dugan said in a speech to the Enterprise Annual Network Conference.

"Indeed, the lenders most prominently associated with subprime mortgage lending abuses and high rates of foreclosure are lenders not subject to CRA," he added. "A recent study of 2006 Home Mortgage Disclosure Act data showed that banks subject to CRA and their affiliates originated or purchased only six percent of the reported high cost loans made to lower-income borrowers within their CRA assessment areas."

Mr. Dugan said he has had opportunities to see the benefits of CRA during his term as Comptroller.

"During the community tours I have taken over the past three years, I personally witnessed the positive impact that CRA partnerships have had in transforming communities, expanding homeownership, and promoting job creation and economic development," he said. "These partnerships between communities and financial institutions have also helped house senior citizens and people with special needs, built community facilities, and assisted small businesses serving low-income areas."

Over the last decade, CRA helped spur a doubling of lending by banking institutions to small businesses and farms, to more than \$2.6 trillion, and a tripling of community development lending to \$371 billion. In addition, CRA projects often act as catalysts for other investments, for job creation, and for housing development, and can leverage public subsidies, perhaps as much as 10 to 25 times, by attracting additional private capital.

Mr. Dugan noted that many CRA equity investments can be made under the national banks' public welfare investment authority.

"These bank investments have grown significantly over the years – totaling more than \$25 billion over the past decade," Comptroller Dugan said. "To meet this demand, OCC successfully sought legislation last year to raise the cap on public welfare investments from 10 to 15 percent of a bank's capital and assets. This rise will enable the amount of such investments to increase by as much as \$30 billion."

Mr. Dugan said that CRA lending has generally been safe and sound. For example, he said, single family CRA-related mortgages offered in conjunction with NeighborWorks organizations have performed on par with standard conventional mortgages.

"Foreclosure rates within the NeighborWorks network were just 0.21 percent in the second quarter of this year, compared to 4.26 percent of subprime loans and 0.61 percent for conventional conforming mortgages," he added.

"As the credit market stabilizes, CRA-driven initiatives can also help us tackle such challenges as the preservation of homeownership opportunities and rental housing development," Comptroller Dugan said.

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Homelessness: It can happen to anyone

The Independent Weekly
Jeyhoun Allebaugh
November 12, 2008

Medical bills, divorce, job loss, foreclosure: There are many reasons why people become homeless. According to Urban Ministries, a faith-based agency providing food, clothing, shelter and counseling, about 2,500 people spend at least one night in Durham shelters each year. Homelessness touches the working poor, even the middle class.

While there are many private and government affordable housing resources, they cannot keep up with the demand. For example, the Durham Housing Authority has closed the waiting list for Section 8, a federal subsidy for low-income people renting private apartments or houses; 1,800 people are on the list.

Those who qualify for Section 8 cannot afford the average two-bedroom apartment, which runs about \$785 a month, according to the Durham Affordable Housing Coalition. Federal guidelines state that a household should spend no more than 30 percent of its income on rent. By those calculations, a person earning minimum wage should spend no more than \$315 a month for housing.

If there's a message in these photographs, it's that no one is immune to homelessness. To lose your home doesn't mean you should lose your humanity and dignity.

To view the accompanying slideshow, [click here](#).

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