

## State Legislature Creates an Affordable Housing Trust Fund

The West Virginia Legislature passed a bill on April 4 that provides a permanent source of funding for the West Virginia Affordable Housing Trust Fund (WVAHTF) administered by the West Virginia Housing Development Fund. Housing trust funds, are funds established by government legislation, ordinances or resolutions to receive dedicated public revenues that can only be spent on housing. These trust funds are designed to take advantage of unique community development opportunities and address specific needs, such as affordable housing and housing



rehabilitation that exists within a particular community. The new legislation will fund the WVAHTF by charging \$20 fees for the transfer of real property and the sale of factory-built homes by licensed dealers. These fees are expected to generate more than \$1 million annually. No more than 10 percent of the fees may be used for administering the funds. Nonprofit organizations, housing authorities and local government entities are eligible to apply for available funds. For more information contact Sandra Hamlin, executive director of the Religious Coalition for Community Renewal, at [sandraj@rccr.org](mailto:sandraj@rccr.org).

## D.C. Issues a Consumer Alert

The commissioner of the Washington, D.C. Department of Insurance, Securities and Banking has released a consumer alert to inform the public of unfair, misleading or deceptive business practices and to provide information and guidance on other issues related to the matter. The alert describes foreclosure rescue programs; how senior citizens become targeted; false promises; loan flipping; forged quit claim deeds; and loans secured through identity theft. The city also has included a list of 10 reminders before entering such agreements and has established a complaints hotline for those who believe they have been victimized. For more information, visit <http://newsroom.dc.gov/show.aspx/agency/distr/section/2/release/11640>.



## North Carolina to Implement a State Earned Income Tax Credit

The North Carolina General Assembly has adopted a state Earned Income Tax Credit (EITC). Starting in 2008, the 3.5 percent refundable state EITC is intended to provide more than 825,000 low- and moderate-income families with an average of \$57 at tax time and will cover everyone who is eligible for the federal EITC. On the federal level, the EITC provides a tax credit to low- and moderate-income working families earning less than \$38,348. According to EITC Carolinas, the credit can put more than \$4,500 into the hands of those who qualify; the average credit is \$1,800. For more information about the EITC, see "From Refund to Reward: Has the EITC Achieved its Intent?" in the Spring 2007 Issue of the Federal Reserve Bank of Richmond's MARKETWISE publication at [www.richmondfed.org/publications/community\\_affairs/marketwise/index.cfm](http://www.richmondfed.org/publications/community_affairs/marketwise/index.cfm) or visit EITC Carolinas web site at [www.eitc-carolinas.org](http://www.eitc-carolinas.org).



## First Urban Task Force Report in Virginia Completed

Virginia's Urban Policy Task Force released its first report to Governor Timothy Kaine in the spring of 2007. In July 2006, Governor Kaine formed the Cabinet-level task force, chaired by Commerce Secretary Patrick Gottschalk, to develop a comprehensive state urban policy in response to increased urbanization in Virginia. The task force identified key strategic urban policy issues for Virginia, including concentrations of poverty, education and workforce, transportation, affordable housing and infrastructure, and regionalism. The task force outlined five goals for which state government will take action and report benchmark progress to the governor annually. The five goals aim to promote greater economic integration in urban jurisdictions and the surrounding regions; improve the educational attainment and workforce readiness of urban populations; strengthen the economic competitiveness of urban jurisdictions and the surrounding regions; ensure a high quality of life in urban areas; and ensure that urban infrastructure, transportation systems and the environment will support a prosperous future for current and future citizens. The entire report is available at [www.commerce.virginia.gov/](http://www.commerce.virginia.gov/).

## South Carolina Celebrates Community Development Achievements

Capacity-building efforts, as well as policy changes in community development, are well underway in South Carolina. Here are some highlights:



- On June 1, the inaugural class of the South Carolina Community Economic Development Certificate Program, a collaborative effort amongst the South Carolina Association of Community Development Corporations (CDCs), Benedict College and Clemson University's Institute for Economic and Community Development graduated 25 people. Graduates of the program received comprehensive information on affordable housing, asset management, community organizing and deal development.
- On July 1, the South Carolina Legislature appropriated a record \$1.4 million to certified community development corporations in the 2007-2008 state budget. This is the second year in a row it has appropriated funds for CDCs.
- In September, the state's newly formed community development finance institution called the Southern Association for Financial Empowerment (S.A.F.E), led

a session on capacity-building tools at the state's annual community development conference. S.A.F.E provides alternative financial products and services that support community economic development in low- to moderate-income communities in the state.

For more information about progress in the community development industry in South Carolina, visit [www.communitydevelopmentsc.org/](http://www.communitydevelopmentsc.org/).

DISTRICT HIGHLIGHTS COMPILED BY:  
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## HOPE Initiative in Maryland Hopes to Alleviate Foreclosures

In 2006, Maryland's foreclosure rate was 40th in the nation, according to the Baltimore Sun. By June 2007, the ranking jumped to 18th. To address Maryland's looming foreclosure crisis, on June 13, state officials announced a new statewide initiative, Homeowners Preserving Equity (HOPE) to help homeowners protect their home equity by becoming more informed about the mortgage process. HOPE will also provide resources to avoid foreclosure and provide educational information on homeownership. The initiative includes plans to form a Maryland Homeownership Preservation Task Force and become a leader



in foreclosure prevention. The task force will identify and assess available financial resources (public and private) to assist homeowners in problem mortgages and recommend, if appropriate, additional programs or financial products to minimize the number of new foreclosures in Maryland. The task force will also review ongoing outreach, counseling, and educational programs and activities that focus on foreclosure prevention; review the current laws and regulations in Maryland governing the mortgage industry and the foreclosure process; and recommend appropriate changes or enhancements, including legislative actions, if warranted. For more information on the HOPE initiative, visit [www.mdhope.org](http://www.mdhope.org) or call [877.HOA.P555 \[1.877.462.7555\]](tel:877.HOA.P555).

## THE COMMUNITY AFFAIRS OFFICE HOSTS HOUSING COUNSELORS TRAINING

In July, housing counselors from across Maryland attended classes at the Baltimore Office of the Federal Reserve Bank of Richmond to learn recommended standards in design and methodology for post-purchase homeownership education programs. The training capitalized on relationships among the Community Affairs Office (CAO), NeighborWorks America (a nationally recognized training organization that specializes in community development education) and the Maryland Housing Counselors' Network (a state-wide organi-

zation formed to support housing counselors with comprehensive services that address housing counseling needs). The week-long training focused on topics geared to help both new and existing homeowners manage the responsibilities of homeownership. The attendees learned how to offer courses in home maintenance and repair, financial management and budgeting skills, insurance, community involvement, refinancing tips, and early intervention programs to prevent delinquencies, default and foreclosures.