



**City of Middletown
Applications Review Committee**

Minutes

August 26, 2004

Present

L. Wallace, Chair
A. Marino
B. Plum

Absent

Also Present
D. Bradley

L. Wallace called the meeting to order at 4:35 p.m.

A. Marino made a motion to approve the minutes of the June 17, 2004 meeting. B. Plum seconded.

B. Plum made a motion to rearrange the agenda to hear Doris Butler's lawyer LeAnn Larson. L. Wallace seconded.

A discussion ensued regarding the Community Renewal Team (C.R.T.) and the Down Payment and Closing Cost Assistance Loan Program.

4:55 LeAnn Larson Doris Butler's contract to sell her property located at 57 Braeburn Lane. She discussed that her client had been ready and trying to close since June. She expressed the need to close before September 20, the foreclosure hearing law day. Since presenting the City with the initial contract to sell, debt and taxes continued to grow. Ms. Larson recognized that the committee was disappointed with the proposed short pay-off of \$3,900 on a principal of \$10,000 but continued her comments by pointing out that the city would not recoup anything if the property were to go through strict foreclosure, as the 1st mortgage holder would take title of the property. All A.R.C. committee members expressed concerns that other expenses would be paid off before the city as the 2nd mortgage holder. A. Marino was concerned because the city had given the loan in good faith and was now being asked to take the short end of the stick. A. Marino requested the City Attorney's opinion regarding what takes priority over the city 2nd mortgage lien

D. Bradley will seek additional comment from the City Attorney's Office.

A. Marino made a motion to adjourn at 5:45. L. Wallace seconded.

Respectfully submitted,

Denise Bradley