

HUEDC
BOARD OF DIRECTORS
ATTENDANCE RECORD

DATE: April 21, 2009

TIME: 7:00 p.m.

PLACE: 1500 W. Main Street, Mitchell, IN

MEMBERS PRESENT

Mary Stutzman
Dolores Bales
Larry Sipes
Martha Fields
James Oswalt
Suzanne Brown
Gerald Montgomery
Janie Jackman
Hazel Lewis
Don Bowling
Bob Lane
Maxine Parks
Dave Dedrick
Reita Nicholson
Richard Beaty
Marietta Hager*
John Fultz
Lisa Crane*
Ronnie Pennington
Jack Mahuron
Frank Sullivan

MEMBERS ABSENT

Mary Alice Brown E
Sharon Mitchell E
Marolyn Holzbog A
Bill Mitchell E
Angela Crecelius E
Doug Martin A
Rosemary Hunter E
Vicky Bauernfiend E
Jim Mathers E
Louis Korff E
Ernest Crane E
Doug Leatherbury* A

* Alternate
A Unexcused Absence
E Excused Absence

STAFF PRESENT: David Miller, Addie Datish, and Angelia Owens
GUEST PRESENT:

HOOSIER UPLANDS ECONOMIC DEVELOPMENT CORPORATION
BOARD MINUTES

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DATE: April 21, 2009

- I. CALL TO ORDER: The meeting was called to order by John Fultz, Chairman.
Opening Prayer – Pledge of Allegiance.
- II. ROLL CALL/ESTABLISH QUORUM: Roll call was done by Angelia Owens. There were (21) members in attendance. A quorum was present.
- III. APPROVAL OF PREVIOUS MINUTES: No corrections or questions.

Frank Sullivan made the motion to approve March minutes. Martha Fields seconded the motion. MOTION CARRIED

- IV. FINANCIAL REPORT – February Report

James Oswalt made the motion to approve the February Financial Report as mailed. Bob Lane seconded the motion. MOTION CARRIED

- V. OLD BUSINESS: The CEO updated the board on the new office building construction. Currently the project is on schedule and budget.

Jack Mahuron: What is the budget?

David Miller: \$2.4 million.

- VI. COMMITTEE REPORTS: N/A

- VII. EXECUTIVE DIRECTORS REPORT: David Miller

REQUIRING BOARD ACTION

1. HOME Funds – Taylor Apartments Resolution

The CEO needs the Board approval for the following:

- Approve the HOME funds in the amount of \$750,000 from the Indiana Housing and Community Development Authority for Taylor Apartments.
- Approve the assumption of the Rural Development loan on the property in the estimated amount of \$237,835.24.
- Approve giving the Chief Executive Officer the authority to sign all loan and closing documents necessary to assume ownership of Taylor Apartments.

Ronnie Pennington made the motion to approve the HOME funds in the amount of \$750,000 from the Indiana Housing and Community Development Authority for Taylor Apartments; approve the assumption of the Rural Development loan on the property in the estimated amount of \$237,835.24; and approve giving the Chief Executive Officer the authority to sign all loan and closing documents necessary to assume ownership of Taylor Apartments. Larry Sipes seconded the motion. MOTION CARRIED

2. Out of State Travel: Arlington, VA (June 6-9) Housing Conference

Need Board approval to allow one staff person in the Housing Management Department to travel out of state to Arlington, VA on June 6th – 9th to attend a Housing Conference. This staff person is a Board Member of the Rural Housing Association; therefore, will not cost the agency for her to attend the conference.

Jack Mahuron made the motion to approve the out of state travel for one staff person in the Housing Management Department to attend a Housing Conference on June 6th-9th in Arlington, VA. Suzanne Brown seconded the motion. MOTION CARRIED

3. Out of State Travel: Nashville, TN (May 18-20) Head Start Training

Need Board approval to allow one staff person in the Children's Services Division to travel out of state to Nashville, TN on May 18th-20th to attend a Head Start Training.

Jack Mahuron made the motion to approve the out of state travel for one staff in the Children's Services Division to attend a Head Start Training in Nashville, TN. Suzanne Brown seconded the motion. MOTION CARRIED

4. Submission of Area Plan for Aging Services

Need Board approval to submit the 2009-2010 Area Plan for the Aging Division.

Gerald Montgomery made the motion to approve submitting the 2009-2010 Area Plan for the Aging Division. Don Bowling seconded the motion. MOTION CARRIED

5. Submission of Head Start Application for Additional Funds

Need Board approval to submit an application for additional funds for the Head Start and Early Head Start Programs to the Department of Health and Human Services. This is part of the stimulus package, the American Recovery and Reinvestment Act, that was enacted on February 17, 2009.

Dolores Bales made the motion to approve submitting an application for additional funds for the Head Start and Early Head Start Programs to the Department of Health and Human Services. Lisa Crane seconded the motion. MOTION CARRIED

INFORMATION ONLY:

1. Addie Datish, Assistant Director of Housing and Family Services, educated the Board on the Indiana Foreclosure Prevention Program. Currently Indiana is ranked 14th in foreclosures but this number changes monthly.

Hoosier Uplands partnered with the Indiana Foreclosure Network in November of 2007. To date, I have had 96 referrals made for the program and actually met with 69 homeowners. Out of the 69:

- 63 have lived in the home less than five years.
- 59 have filed bankruptcy at some point in their lives.
- 61 have refinanced and received money back.
- Only seven families experienced a decrease in income. This was mostly due to loss of overtime hours. Three families experienced a decrease income because of an illness and/or death of a spouse.
- 66 had purchased their home through a First Home Buyer Program or had 100% of the home financed.

Out of the 96 referrals made, 27 never contacted me to set up an appointment. I think those clients thought when they contacted the hotline there would actually be money to help them catch up on their mortgage and they were no longer interested when they found out there wasn't. A referral can be made by calling 1-877-GETHOPE, completing a questionnaire on the Foreclosure Prevention website, or by contacting me directly. At the initial appointment I will review all requested paperwork and work on a household budget. Once it is determined if the homeowner can afford the home and it is not too late, we will work on a request for a loan modification. A loan modification is not refinancing it is simply changing the terms of the existing loan. I will fax this to the lender and it can take anywhere from 60 to 90 days for the lender to contact the homeowner with the results. Most of the families I'm meeting with are paying high interest rates of 8 to 12%.

Some of the challenges of the program are once the homeowner is out of the crisis they no longer keep in contact with me. I feel it is very important that they continue with the budget counseling. Another problem is that they wait until they are 4 to 5 months behind on payments and having all the requested paperwork at the time of the initial appointment.

Bob Lane: Is there any kind of educational program that gives a person insight on how to do this counseling?

Addie Datish: I've had a lot of training. I had to be certified through HUD which was a seven day course. With all the changes I'm attending meetings, webinars or phone conferences weekly.

Suzanne Brown: How much does that lower their payment down if they go from the 12% interest down to what the current interest rate is?

Addie Datish: They are probably not going to get it lowered all the way down to 5% because a lot is determined by their payment history, how long they've been in the house, and credit scores. If you can get it lowered down two points you can probably drop the payment down \$150 per month.

Dolores Bales: How do you counsel someone who has lost their job or who doesn't have one?

Addie Datish: If they have no job there is nothing to negotiate as far as the mortgage companies. If they have a good payment history and they've lost their job a lot of the mortgage companies will give three months for you to get things together but after those three months there is no negotiation.

Don Bowling: Are most banks willing to work with the client to keep them in their home?

Addie Datish: With the the changes coming down they are going to be forced to work with them. Right now if they have a good payment history and they have a late payment but have made prior arrangements and kept their word, they will work with them.

Hazel Lewis: Isn't the number of bankruptcies high? Fifty-nine out of the 69 you've contacted have claimed bankruptcy in the past?

Addie Datish: Yes, it is high. This number includes any bankruptcy they have ever claimed. That's why I try to emphasize how important both the Foreclosure and Budget Counseling Programs are in helping the client get through their crisis.

Ronnie Pennington: What is the age group of the 59 who claimed bankruptcy?

Addie Datish: All ages no particular group.

Reita Nicholson: Were they mostly banks or finance companies?

Addie Datish: Almost all finance companies. I've had very few banks or credit unions.

John Fultz: Any particular county have more problems?

Addie Datish: No, I might have four referrals one month for a particular county but none the next month.

Suzanne Brown: What do you advise to a person who has borrowed more money against their house than what it is worth?

Addie Datish: They need to modify their payment to get it reasonable and make their

payment until they can get it down to where they can sell it and get their money out of it.

Larry Sipes: How do you put your information out about these services?

Addie Datish: The state does a lot of the advertising. There are billboards in every county, brochures have been left at the banks, and radio/TV spots.

Don Bowling: How many counties do you work in?

Addie Datish: All our counties we serve except Crawford.

2. The CEO updated the Board on estimated funding we expect to receive through The American Recovery and Reinvestment Act (ARRA). The total ARRA funding we expect to receive over the next three years is:

Weatherization	\$2,700,000
CSBG	\$ 300,000
Head Start	\$ 248,857
<u>Aging Title III</u>	<u>\$ 50,704</u>
Total	\$3,299,561

3. The CEO passed around to each Board Member an email address list for members to update him of their email address who have an account.
4. The Senior Health Fair will be held on June 9th at the Salem High School.

PROVIDED MATERIALS

- Program Director's Board Reports
- News Articles

VIII. ADJOURN

Lisa Crane made the motion to adjourn the meeting. Richard Beaty seconded the motion. MOTION CARRIED

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Reita Nicholson, Secretary