

WI-CARH Rural Development Liaison Meeting

Tuesday, August 15, 2017

Rural Development State Office

Stevens Point, WI

Those in attendance from Rural Development (RD) were Donna Huebner, Bob Hernandez, Dirk Williams and Debbie Biga. Russ Kaney Russ Endres, Chris Hand representing WI-CARH were in attendance and Diane Hamm (by phone).

2017 Budget Effects on Programs: Currently have 77 on staff with three vacancies. They are currently under a hiring freeze. Five years ago, they had 125 employees. Travel budget has been redirected.

MPR and 2017 Changes to Program: The House Draft is \$22 million down to \$15 million. Rental assistance about the same. The only program zeroed out is the Housing Preservation Program and it would become part of the Rural Infrastructure Grant Program. Notice going through the clearance process with no date. Approximately \$70 million needs to be funded. Debt deferral of \$141 million. Four MPR projects are currently in the pipeline. Currently four are approved and are waiting for funding. The fifth project was just received and waiting for zero percent.

Voucher Update: Wisconsin (541) is the top state in the nation for the voucher program with Missouri (475) and Michigan (361). There is \$2.4 million in voucher funds left until September 30, 2017. There are six projects for 2017. In 2016 there were 20 projects; 2015 had 15 projects and 2014 had nine projects.

IPIA Update and Overview – No update.

USDA-RD Training for 2017/2018: National office has a three-day training session on Servicing and Underwriting and there are two tracks in August. No Borrower Training scheduled. This could be something to put in the fall newsletter.

General Training Needs for Borrowers: Is there a need for a Buyer & Seller Conference? We did one three years ago. A session on Solar Energy with a demonstration to show how it can save money is another topic.

Lease and Amendment Review Feedback: Doesn't appear to be many changes. Would like to have the lease done by conference time. Discussion about the new state Statute regarding no smoking in common areas.

Review Conference Program: The conference program will be reviewed at the September Board Meeting. The solar program was discussed and will be offered at the conference. Donna and Julie will attend for free. Donna would like to send 24 if her budget permits. We will offer a discount to just cover our costs which we agreed to \$100 per attendee.

Other Topics and General Discussion: All Farm Applications are due September 11 at 5:00 pm and there are 24 units possible. There were seven property foreclosures with four of them sold and three with

potential buyers. The Housing Preservation Grant is closed out and they had four applicants and awarded three of them. The fourth application was not completed correctly but did talk to them.

The 538 programs are seeing a huge increase in requests. They don't have approval yet from a Wisconsin lender. Twenty states are participating and all using tax credits.

The Summer Food Program was being offered at some of the properties. They have a sponsor that provides the food and cleanup. It does not have to be offered at a family property but can be at any property. This might be a topic at the conference to let property managers know this is an option.

Workout plans are required for any property with a 25% vacancy or better. Rental assistance is available with an approved workout plan.

The electronic customer files project is on hold. USDA-RD has concerns of paper copies being available for potential lawsuits in future.

Rental assistance budget is adequate for balance of fiscal year 2017.

By October 2 will know if RD is shut down.

Next Liaison Meetings for 2018: Tuesday, February 13 and Tuesday, August 14.