

Minutes of the
HOME Board Meeting
March 20, 2014

Members Present: Mark Baldwin, Ron Buchanan, Jennifer Hanneman, Christine Howard, John Kannard, Russell Kutz, Dennis Myers, Duane Paulson, Kathleen Schilling, Jay Schreurs, Peter Sorce, Glenn Stumpf, and Maria Watts

Staff: Kristin Silva, Debbie Narus, Lori Rutzinski, and Christina Brockish

Excused Absence: Joseph Birbaum and Mark Hoefert

Guests: RoxAnne Witte, Jefferson County Economic Development Consortium, Carol Biersach, Slinger Housing Authority

I. The meeting was called to order by Ron Buchanan, the Board Chair, with a quorum of the Board present at 9:00 a.m.

II. The Board Chair led the Pledge of Allegiance.

The Board Chair announced there were two new staff members for Waukesha County, Lori Rutzinski and Christina Brockish. The board and staff members introduced themselves.

III. On a motion by Peter Sorce and seconded by Dennis Meyers, the minutes from December 19, 2013 were unanimously approved.

IV. No Public Comments were heard.

Staff announced the 2014 allocation notification was received from HUD. The 2014 CDBG and HOME funding have increased to \$1,334,028.00 and \$1,104,785.00 respectively.

The annual plan that was approved in November, 2013 may need to be approved again based on actual budget. If this is necessary, it will be included on the April, 2014 HOME Board Agenda. HUD allows sixty days to submit the annual plan once the allocation is awarded.

V. The Wisconsin Partnership report was reviewed and accepted. Debbie Narus (Wisconsin Partnership for Housing Development) reported that Downpayment Plus has just started and Down Payment Assistance tends to get busier because lenders will often piggy back on the two programs. The numbers for DPA have increased, there are now six reserved for a total of \$40,800. Debbie has sent out 35 rehab applications and is waiting for them to come back.

VI. A discussion was held regarding payment to the Executive Committee for their time while attending HOME Board Executive Committee meetings. It was agreed that a per diem rate along with mileage was acceptable.

On a motion by Duane Paulson and seconded by Dennis Myers, the Board approved that the Executive Committee will be paid for mileage and a per diem rate for the HOME Board Executive Committee meetings they attend. The motion passed.

- VII. Staff addressed questions regarding Christine Howard's appointment to Treasurer. Kristin spoke with Waukesha County's Corporation Counsel and it was determined that an alternate does not automatically get a permanent position when someone leaves the board. The County Executive or Chair of the County Board must appoint someone to fill that position. Christine was appointed by the County Executive to fill the permanent Board Member's position vacated by Jill Haupt and will remain the new HOME Board Treasurer.
- VIII. On a motion by Christine Howard and seconded by Dennis Myers, the Board approved an increase in home-buyers counseling fees from \$600 to \$650 for the Down Payment Assistance program to match the fees paid for the same service provided for the Down Payment Plus program. The motion passed.
- IX. A discussion was held regarding the 43% back-end debt ratio which is the total debt-to-income limit allowed for the HOME Consortium programs. Industry standards are currently 45% and Kristin recommended the HOME Board increase the back-end debt ratio to 45%.

On a motion by Mark Baldwin and seconded by Peter Sorce, the Board approved the increase to 45% for the back-end debt ratio. The motion passed.

- X. A discussion was held regarding the front-end debt ratio. The front-end ratio only looks at the home-to-income ratio. Kristin suggested that the current minimum debt ratio of 20% is excluding too many potential homeowners because the program is seeing more applicants purchasing homes within their means. This front-end debt ratio is contrary to the banking industry's practice where they would prefer to see this number as low as possible. HUD does not have a specific front-end limit but encourages administrators of the HOME program to establish guidelines and adhere to them while providing assistance to those most in need. Kristin recommended the front-end debt ratio be decreased to 18% .

On a motion by Kathleen Schilling and seconded by Glenn Stumpf, the Board approved the decrease to 18% for the front-end debt ratio. The motion passed.

- XI. Kristin reviewed the 2015 CDBG and HOME Allocation and Annual Action Plan Process and noted the July HOME Board meeting will be 7/10/14 instead of 7/17/14 due to County Board deadlines.

On a motion by Mark Baldwin and seconded by Peter Sorce, the Board approved the 7/10/14 HOME Board meeting. The motion passed.

- XII. On a motion by John Kannard and seconded by Dennis Myers , the Board approved the meeting adjourned at 9:31 a.m.

Respectfully submitted,



Ron Buchanan
Chair, HOME Board