

The **Road to Economic Recovery**: Impact of the Economy on Agencies, Non-profits, and Clients.

Todd Johnson, Assistant Director, **Frederick Community Action Agency**

The Frederick Community Action Agency has seen a striking change at their agency over the last year. There has been an overall increase in demand on their services. The number of clients they have served in three of their primary programs has increased throughout the year. This includes their foreclosure counseling, Med Bank, and Food Bank programs. The foreclosure counseling program at Frederick Community Action Agency grew from serving 51 clients in 2007 to 311 clients in 2008. The trend of growth in 2008 can be seen by looking at their data each quarter of the year. In the first quarter of 2008 41 clients were provided with foreclosure counseling, in the second quarter 68 clients received the same service, in the 3rd quarter 110 people were provide counseling, and as of the beginning of December with 30 days left in 4thquarter 92 people had received foreclosure counseling.

Other trends being seen at Frederick Community Action Agency include a change in the average medium income of the people searching out their services. The average income of clients is higher now than ever before with more middle income people needs assistance. It has also been observed that the general sense of anxiety being felt by clients is has grown. This reflects the perceived and/or real level of urgency and fear that clients are experiencing. The increased crisis being felt in the clients is also being felt by staff who are feeling less able to meet the needs of the growing numbers of clients they see each day.

The organization has not yet seen a decrease in funding but they have seen an increase in the number of agencies applying for the funding that exists making funding programs more difficult. The overall donations they have received in 2008 from the community are up from 2007.

To address these changes the organization has been trying a variety of approaches. Realizing that they cannot be all things to all people the FCAA is reaching out to old and new partners in order to have good referrals to give to clients when they are unable to provide a service. They are also remembering to "use all the tools in the toolbox", meaning that they are revisiting resources that may have been forgotten and working to find new innovative resources for their clients. FCAA is also working to keep their mission in front of the public and reaffirming their relationships with clients so that they can stay relevant to their community. Finally, they are keeping data so that they can show depth and breadth of their work.

Courtney Thomas, Executive Director, **Allegany County Human Resources Development Commission**

Allegany County is one of the only counties in the state that has seen negative population growth in the last year. The county currently has 70,000 residents and ACHRDC has served 21,000 of them in the last year. They provide services for families from the "cradle to the grave". During the last year they have seen growth in the number of clients seeking out their services. Their applications for heating assistance are up by 700 so far this year. This year was also the first time that there have been lines at their office to apply for heating assistance even before the weather has gotten colder. People seem to be anticipating even harder times ahead and are trying to keep in front of a potential crisis. The number of people searching out weatherization assistance is also up and for the first time the number of people in need has grown beyond

the number of vouchers available. This means that people are on a waitlist for to their hot water heater or a broken window replaced as winter approaches.

The mortgage crisis has hit renters in Allegany County the hardest because so many of the homes there are owned by landlords who have now gone into foreclosure. The once "hidden" homeless in Allegany County are becoming more visible. Shelters that have always been busy are now full to capacity and the county's main food pantry has been empty for several weeks. The bottom line in this area is that people are struggling to meet their basic needs of food and shelter.

The county has lost 225 in this month and job growth is nonexistent. Many of the jobs that do exist are not jobs that provide a living wage or opportunities for growth within the company so that people can eventually make more money.

The budget of the ACHRDC has been affected over the last year. A 3% cut has been made in head start at the state level affecting ACHRDC's ability to continue that program at its current capacity. There is so much to be done and so few resources to hire more staff that many of the staff at the organization are doing the work of 2-3 people.

Mary Reynolds, Programs Assistant, [Hope VI Computer Learning Center](#)

The Hope VI Computer Learning Center provides computer classes to low income people in the Frederick community. The center has seen more and more people coming in search of help finding employment. Many of them do not have the skills to complete job applications and lack previous job experience. The cost of living in Frederick is higher than the areas that surround it so people are paying more for products they need to live. The computer center does host a free tax preparation site and wants to create programs to link the Earned Income Tax Credit to financial education programs. One client in particular has been struggling to find work for months. She is very close to losing her apartment and is desperate for help. The staff at the Hope VI Computer Learning Center has been trying to connect her with services that could help but are struggling to find assistance for her.

Nancy Lewis, Faculty Extension Assistant, [University of Maryland Cooperative Extension](#)

Recently, the University of Maryland Cooperative Extension have created partnerships to provide training on foreclosure and reverse mortgages. They saw low attendance in these classes initially but after a story in the local newspapers ran class attendance has begun to increase. The classes they offer to work with people on savings and budgeting have had better attendance. They have observed that the largest barrier to people reaching out for help about their financial problems is the feelings of shame and embarrassment that they have about their situations. They have noted that people with "different skill sets" are reaching out for assistance and that the urgency of their needs is greater. The primary interest of their clients is working on debt and credit issues. Many of them are looking for ways to raise their credit score and lower their interest rates.

In Caroline County Maryland Cooperative Extension provides financial education classes. They have seen several trends in their community as a result of the economic crisis. The most drastic is that many of the

emergency services program in their county are running out before the end of the month. A larger number of faith based organizations are trying to fill this gap and start programs to meet their congregation's economic needs. The Extension educators are getting many more requests for financial education and are therefore unable to provide as many one on one financial counseling opportunities in the Caroline County community. They have also seen higher income level clients reaching out for help, many of them for the first time. As one Cooperative Extension educator explained that often these new clients have never had to reach out before and are unsure of how to ask for help and what to ask for.

The University of Maryland System that Cooperative Extension belongs to is on a hiring freeze and with several staff members retiring in the coming year the number of classes they will be able to offer will decrease further. The Cooperative Extension offices are continuing to look for helpful partnerships and are promoting their website more aggressively in order to connect people to their services.

Audience Feedback

Feedback from the audience was in overall agreement with the observations made by the panel. The audience shared that they saw an increased demand for food and energy resources, need for rental assistance programs, need for job readiness programs, and a lack of affordable housing. Audience members reported seeing more people trying to refinance their homes and more people "doubling up" in housing. They also reported that people in their communities are struggling to meet basic needs.

Summary of Feedback

Increase in clients overall level of anxiety

Increase in median income of clients

Increase in clients who had never reached out for help before

Increase in job responsibilities being given to staff

Decrease in affordable rental housing

Increase in foreclosures, effecting both homeowners and renters

Increase in homelessness

Empty food pantries

Emergency funds unavailable

Lack of jobs/lack of job readiness programs

Clients in need of help with credit and debt issues

Decrease in program funding due to more organizations trying to meet the needs of their community