



Minutes of the Board of Commissioners Meeting April 17, 2012

MEETING CONVENED

A regular meeting of the Board of Commissioners for MaineHousing convened on April 17, 2012 at the offices of MaineHousing, 353 Water Street, Augusta, Maine.

Chair Peter Anastos called the meeting to order at 9:04 a.m. with Commissioners Donald Gean, Lincoln Merrill, John Turner, Bruce Poliquin, Mark Samson, Donald Capoldo, Sheryl Gregory, and Acting Director Peter Merrill in attendance. Commissioner Nikki McLean was absent. There was a quorum present.

PUBLIC ATTENDANCE

Other guests and staff present at the meeting include: Margaret Bean, Deputy Director; Tom Cary, Treasurer; Dan Brennan, Director of Development; Craig Reynolds, Director of Homeownership; John Bobrowiecki, Counsel; Jodie Stevens, Counsel; Kirsten Figueroa, Director of Energy and Housing Services; Denise Lord, Director of Housing Choice Vouchers; Don McGilvery, Construction Services Manager; Kathy Kinch, Manager of Program Operations for Energy and Housing Services; Deb Turcotte, Public Information Manager; Linda Grotton, Internal Audit Manager; Bill Glover, Manager of Lending; Jody Rollins, Office Administrator and note taker; Colin Sullivan, Senior Auditor HUD OIG Audit; Pat Kozma, MCAA/KVCAP; Mike Burke, CCI; Bobbi Ann Harris, Washington Hancock Community Agency; Terri Gulliver, LFG; David Gilpatrick, KVCAP; Bill Crandall, WMCA; Rosemary Moeykens, C&C Realty; Ethan Boxer-Macomber, Avesta Housing; Greg Payne, MAHC.

COMMUNICATIONS AND CONFLICTS

Secretary Gean reported on an email communication from Jodie Wright expressing her concerns about changes made to the Sullivan School proposal by Bateman Partners in Berwick. Acting Director Peter Merrill said it was common to receive pushback from citizens living nearby a proposed multi-family development. He had reviewed Ms. Wright's concerns and reported that the project has been put on hold. Peter has participated in a couple of meetings with the district's State Representative and Senator and the Batemans, to discuss the project. Chair Anastos added that two letters had been sent to the town documenting the changes, and the Town Manager approved all of the plans.

Chair Anastos reported on communication with Pem Schaefer showing a long list of emails with John Bobrowiecki. Counsel Bobrowiecki reviewed the FOAA request by Pem Schaeffer and stated that MaineHousing complied with statute and sent the requested documentation. MaineHousing was not under any further obligation to provide additional information

ADOPT AGENDA

Commissioner Turner made a motion seconded by Commissioner Gregory to accept the agenda. The Board discussed whether or not to add the audit report and recommendations to the agenda. It was decided the item would be part of the Audit Updates. The Commissioners voted in favor of adopting the agenda as written. The motion carried 7 – 0.

APPROVE MINUTES OF MARCH 20, 2012

Commissioner Turner made a motion seconded by Commissioner Gregory to accept the minutes as written. All Commissioners voted in favor of approving the minutes as written. The motion carried 7 – 0.

UPDATE FROM CHAIRMAN OF THE BOARD

Thank you to Peter Merrill and Margaret Bean for an easy month that has gone remarkably well.

The Chair said a Search Committee for the position of Director has started. People serving on the committee include the Governor, Peter Anastos, John Butera, and Bruce Poliquin. Suggestions for committee members or possible candidates are welcome. The Governor has stated he wants the best candidate for the position.

Chair Anastos would like to meet with various departments to acquire a more thorough understanding of MaineHousing programs. When visits are arranged he'll let other Board members know in case they want to attend. He stated that his role carries a big responsibility and it's important for him to understand everything.

DISCUSSION OF DEPARTMENT OF ENERGY (DOE) STATE PLAN APPLICATION

Director of Energy and Housing Services Kirsten Figueroa provided the Board with an overview of the Department of Energy requirements for the 2012 DOE State Plan public hearing. She distributed a memo and reviewed the DOE, Administrative, and proposed policy changes. Public comments may be submitted until the end of the day April 30. To her knowledge, the only area of contention would be the requirement that landlords owning multi-family projects with heat included in the rent will be required to pay 40% of the cost of the weatherization.

PUBLIC HEARING ON DOE STATE PLAN

The Public Hearing on MaineHousing's 2012 State Plan for Weatherization under the US Department of Energy began at 9:30 a.m. with an introduction by Counsel John Bobrowiecki. The plan was noticed on April 7 and written comments will be accepted until 4PM on April 30. A summary of both public and written comments will be included in the final draft plan to the Department of Energy.

Counsel Bobrowiecki welcomed members of the public and introduced the Board of Commissioners and representatives of MaineHousing and outlined the Public hearing process.

Director of Energy and Housing Services Kirsten Figueroa stated that MaineHousing will continue to partner with our sub grantees to provide a quality Weatherization Program designed to make energy improvements to Maine's aging housing stock. These improvements assist households in reducing the overall energy consumption and costs of heating and cooling their homes. MaineHousing will continue to use LIHEAP eligibility guidelines. She highlighted the DOE, Administrative and proposed policy changes.

The Board then asked a number of questions regarding operations, administration, and specifics of the Weatherization program.

Members of the public who spoke in favor of the proposed 2012 DOE State Plan were William Crandall, WMCA Program Manager of Housing Services; Pat Kosma, Chief Executive Officer of the Kennebec Valley Community Action Program; Bobbie Harris, Director of Housing Services at WHCA; and David Gilpatrick at KVCAP.

Members of the public who spoke in opposition to the proposed 2012 DOE State Plan were Greg Payne, MAHC; Ethan Boxer-Macomber, Avesta Housing, and Rosemary Moeykens, Legislative Chair of the Maine Real Estate Managers Association. They all spoke in opposition to the 40% rule.

It was decided that MaineHousing would not require a 40% contribution in the Weatherization Assistance Program when the owner of a multifamily project pays for heat or the tenant pays for the heat but has a utility allowance. MaineHousing will review the data over the coming year and see what the overall impact will be.

It was duly noted that a final decision on how to proceed would not be made until the close of the public hearing process.

The public hearing was closed at 11:54 a.m.

BOND COUNSEL RFP

MaineHousing Treasurer Tom Cary provided an update on the status of the Bond Counsel RFP. Tom has collected 7-8 recent housing authority bond counsel RFP's and the State of Maine Bond Bank's RFP. At next month's meeting, he will provide details about what the MaineHousing Bond Counsel does and present a draft RFP and schedule.

He reported that he is currently working on a refunding bond issue for over \$100 million.

Tom recalled the March meeting when Commissioner Poliquin asked about our Underwriter's Counsel and their possible conflicts. Tom provided reassurance from Preti, Flaherty and Beliveau in email format that there were no current conflicts with partners of the firm.

At the May meeting, Tom will also discuss the process for a possible review of Underwriter's Counsel. This review is slightly different from the Bond Counsel RFP because it's the Underwriter's lawyer, not ours. We can, however, suggest parameters to the Underwriters.

AUDIT UPDATES

Counsel John Bobrowiecki proposed that there be a motion to enter into an Executive Session to discuss the HUD OIG and OPEGA audits in accordance with 1 MRSA 405.6E related to consultations between an agency and its attorney and 1 MRSA 405.6F to discuss information contained in records which are confidential. *Commissioner Turner made a motion seconded by Commissioner Capoldo to enter into Executive Session. All Commissioners voted in favor of accepting the motion. The motion carried 7 – 0.*

Chair Anastos reconvened the Board meeting at 1:22p.m.

2013 QUALIFIED ALLOCATION PLAN

Dan Brennan reported that a cost containment meeting was held on April 6. He distributed a memo representative of the work of the group. *Commissioner Turner departed the meeting at 1:25p.m.*

Mr. Brennan presented the major recommended changes to the draft 2013 Qualified Allocation Plan. Key items the Commissioners discussed included:

1. Total Development cost - provide clear language for rising cost responsibilities.
2. 2BR/3BR scoring category – research concluded that there is a need for 3 bedrooms to address tenants with children; however, many persons needing a 3BR have difficulty paying rent.
3. Green Building Standards – a working group will be re-established to make recommendations as part of this year's QAP revisions.
4. Accessibility – proposing to eliminate the 8 point scoring category.
5. Proposed Set-Aside – a recommendation to eliminate the \$250,000 RD Set-aside and the \$400,000 Housing for Homeless Set-aside and create a new \$500,000 Preservation Set-aside for existing RD projects and existing Section 8 projects.
6. Smart Growth – a recommendation to change the 8 point category from projects located within 2500 feet of a downtown to projects located within 1500 feet safe walking distance to a designated pick-up location for public transportation.
7. Smoke free housing – Proposal to change the current voluntary 1 point scoring category to a threshold criteria required for all projects.

Board members provided comment and direction to Mr. Brennan on several items. Based on this input, Mr. Brennan will prepare a draft and have it reviewed by the Governor's office. At the May Board meeting, he will present the draft to Commissioners and seek approval to begin the formal rulemaking process. A public hearing will be scheduled in June with the goal to have an approved QAP in August.

FINAL COMMENTS

Chair Anastos commented that it was a good meeting and thinks that we misunderstand things more than we disagree and hopes that we all give each other a chance to see we all have our heart in the right place. He's confident we can do great things going forward.

Peter Merrill said the single biggest goal and time investment is to work with the Board to create a structure that works for the next permanent Director of MaineHousing. We have a new law, a new board, a new Acting Director, and we have to create solid working relationships. It's different than it was before, because the rules and the structure have changed.

ADJOURN MEETING

Commissioner Gregory made a motion seconded by Commissioner Poliquin to adjourn the meeting. All Commissioners present voted in favor of the motion. The motion carried 6 – 0.