



Minutes of the Board of Commissioners Meeting May 17, 2016

MEETING CONVENED

A regular meeting of the Board of Commissioners for MaineHousing convened on May 17, 2016 at the offices of MaineHousing, 353 Water Street, Augusta, Maine.

Chairman Peter Anastos called the meeting to order at 9:00 a.m. with Director John Gallagher, Commissioners John Marsh, Donna Talarico, Kevin P. Joseph, Adam Bradstreet, Sheryl Gregory, and State Treasurer Terry Hayes present. Lincoln Merrill attended via teleconference. There was a quorum present.

PUBLIC ATTENDANCE

Staff present for all or part of the meeting include: Peter Merrill, Deputy Director; Margaret Bean, Deputy Director; Linda Grotton, Manager of Audit and Compliance; Tom Cary, Treasurer; Dan Brennan, Director of Energy and Housing Services; Denise Lord, Director of Communications and Planning; Linda Uhl, Chief Counsel; Jane Whitley, Human Resources Manager; Kathy Kinch, Manager of LIHEAP and Financial Reporting; Jodie Stevens, Counsel; Bill Glover, Manager of Lending; Lauren Bustard, Director of Housing Choice Vouchers; Laurie Glidden, FSS Coordinator; Deb Turcotte, Public Information Manager; and Gerrylynn Ricker, Paralegal and note taker.

ADOPT AGENDA

Commissioner Marsh made a motion seconded by Commissioner Hayes to adopt the agenda. The vote carried 7 – 0.

COMMUNICATIONS AND CONFLICTS

- David Lloyd, a long-time friend of Chairman Anastos, and Kevin Bunker called Chairman Anastos on a matter. He advised them that he could not get involved.
- Commissioner Hayes attended a Statewide Homeless Council meeting.

MINUTES OF THE APRIL 19, 2016 MEETING

Commissioner Gregory made a motion seconded by Commissioner Talarico to approve the minutes with corrections. The vote carried 7 – 0.

CHAIRMAN UPDATES

- Chairman Anastos had communications with Shawn Yardley, the new CEO of Community Concepts, Inc. out of Lewiston.

DIRECTOR UPDATES

- Director Gallagher attended the Maine Association of Public Housing Directors meeting in South Portland. The National Housing Trust Fund money was discussed. We have to have a plan of action to HUD for approval by mid-August. Maine's share is \$3 million.
- Attended an event to celebrate Commissioner John Marsh's retirement from Bath Savings.
- Director Gallagher met with Dana Totman and Sawin Millett, the acting Town Manager for the Town of Paris. Mr. Millett has an old school in town he would like to turn into Senior Housing. They discussed the 4% program.

- Director Gallagher also met with New Hampshire Housing Finance Agency. They discussed the QAP and development issues. It was a good meeting lasting almost five hours.
- Visited Nathan Szanton at the site of his downtown Lewiston project, across from the public library. Nathan wanted to share with Director Gallagher his visions for the site.
- Director Gallagher took a road trip with Don McGilvery and visited developments that are still under construction. It was nice to see the quality work being performed.
- Attended the Pierce Place ground breaking in Lewiston. Jim Hatch is the developer helping Phyllis St. Laurent.
- MaineHousing held two QAP partner meetings. There was quite a bit of discussion but in general Director Gallagher thinks it went very well.
- Also met with the CAP agencies at their quarterly meeting. They have some concerns around the LIHEAP rule changes but were mostly positive. Director Gallagher encouraged them to attend the public hearing. Dan Brennan did a great job explaining the proposed changes to the rule.
- Director Gallagher made a brief appearance at the Statewide Homeless Council. They discussed how they think the Housing Trust Fund money should be spent.
- Met with Mary Mayhew, Ethan Strimling and Dana Totman about the Housing First Model. Because the vacancy rate is so low, people with mental illness and people who are homeless are having a very difficult time finding a place to live.
- Met with Bob Dawber who took over Don Gean's position at York County Shelters. The septic system at the shelter has failed, and the first quote he received to replace it is \$300,000. MaineHousing's Asset Management department is working with them to try and restructure their financial arrangement to free up some cash to fix the septic system.
- Internally, we have been reviewing the underwriting process for the multi-family portfolio and working on loan servicing
- The Maine Affordable Housing Coalition will organize the affordable housing conference this year. They like to do it around election time and focus on policy. We will hold the conference next year and focus on education.

PRESENTATION ON RESTART FAMILY SELF-SUFFICIENCY PROGRAM (FSS)

Lauren Bustard, Director of Housing Choice Vouchers, introduced Laurie Glidden, the Family Self-Sufficiency Coordinator, to give an over-view of the program. Laurie explained that voucher holders can use this program to get off welfare and reduce the amount of subsidy we provide. Laurie serves as a coach to help families by working with them to find the resources they need to meet their goals. Families use a website to track progress toward their goals. Director Hayes suggested putting e-mail addresses on the web-site for people with questions instead of just phone numbers so potential clients with questions may submit them 24/7. Director Hayes also suggested exit interviews when people graduate.

LIHEAP RULE AMENDMENT / STATE PLAN / WAIVER

Director of Energy and Housing Services Dan Brennan requested the Board to commence rulemaking to amend the Home Energy Assistance Program Rule. Dan explained the various changes to the current rule. The changes are outlined in his memorandum to the Board dated May 10, 2016. Chairman Anastos suggested two changes to the asset test: (1) Clarify that health savings accounts are not considered a liquid asset at time of application and (2) Include stocks in the definition of liquid assets.

Commissioner Gregory made a motion seconded by Commissioner Hayes to authorize MaineHousing to commence the rulemaking process to repeal and replace Chapter 24 of MaineHousing's rules as described in the memorandum from Energy & Housing Services Director Daniel Brennan to the Commissioners dated May 10, 2016 with the two suggested changes. The motion carried 7-0.

Dan Brennan then explained the waiver request to ensure MH can maximize its use of the FFY 2016 funds. Grantees are allowed to use up to 15% of the LIHEAP grant for weatherization, and may apply for a waiver to the U.S. Department of Health and Human Services to use up to 25%. This is similar to the process we did last year. No motion necessary, this is just an FYI.

COMMENCE RULEMAKING FOR THE 2017 QUALIFIED ALLOCATION PLAN

Bill Glover requested authorization to commence rulemaking for the 2017 Qualified Allocation Plan (QAP). The proposed Rule incorporates input received from a number of public meetings, partners, Commissioners and staff. Bill reviewed the major changes to the Qualified Allocation Plan. Developers are limited to two applications for the 2017 QAP and cannot apply if they have more than 4 projects that were awarded tax credits that have not yet been completed. The re-scoring mechanism in the Total Development Cost (TDC) scoring criteria is replaced with penalties in future tax credit rounds if a project's TDC increases and the increase results in a lower score under the TDC scoring criteria. This change is to ensure that developers do not create unreasonably small units and rooms to maximize their score under the TDC scoring criteria. New scoring criteria award one point for applicants who agree to accept a funding award under the National Housing Trust Fund if MaineHousing decides to use any portion of the \$3,000,000 we were recently awarded to fund multifamily housing. Any award would require the owner to target extremely low-income households, i.e. households with income at or below 30% of area median income. The Quality Standards and Procedures Manual limits the developer from making apartments too small. The application intake process puts more value on the pre-application process. Commissioner Hayes asked how our changes compare to other jurisdictions. Director John Gallagher explained our standards are minimal and our changes are not unusual. Chairman Anastos asked for a copy of the scoring sheet. Bill Glover will send him one. Chairman Anastos supports our changes. There will be a Public Hearing at the June 21st meeting. *Commissioner Gregory made a motion seconded by Commissioner Joseph to authorize MaineHousing to commence the rulemaking process to repeal and replace Chapter 16 of MaineHousing's rules as described in the memorandum from MaineHousing's Manager of Lending and Counsel to the Commissioners dated May 12, 2016. The motion carried 6-0.*

DEPARTMENT REPORTS & OTHER

Commissioner Hayes had questions about Director of Homeless Initiatives Cindy Namer's new pilot program, Pathway to Opportunities. She asked: (1) how many people are employed as navigators, mentors, advisors, and advocates? (2) is there a target number we're looking to serve? and (3) when the eighteenth month pilot is over, how do we know it was a success? Director John Gallagher said he would get these answers from Cindy and forward them to the Commissioners.

ADJOURN

Commissioner Gregory made a motion seconded by Commissioner Joseph to adjourn the meeting at 11:50 A.M. The vote carried 6 – 0.

Respectfully submitted,

Donna Talarico, Secretary