

Minutes of the Board of Commissioners Meeting May 15, 2018

MEETING CONVENED

A regular meeting of the Board of Commissioners for MaineHousing convened on May 15, 2018 at the offices of MaineHousing, 353 Water Street, Augusta, Maine. A notice of the meeting was published on May 4, 2018 in Central Maine newspapers.

Chair Lincoln Merrill called the meeting to order at 9:00 a.m. The meeting convened with Commissioners Thomas Davis, Kevin Joseph, Laurence Gross, Terry Hayes, Sheryl Gregory, Donna Talarico, John Gallagher and Director Dan Brennan in attendance. There was a quorum present.

PUBLIC ATTENDANCE

Guests and staff present for all or part of the meeting include: Linda Uhl, Chief Counsel; Peter Merrill, Deputy Director; Denise Lord, Senior Director of Communications and Planning; Daniel Drost, Director of Energy and Housing Services; Mark Wiesendanger, Director of Development; Tom Cary, Treasurer; Karen Lawlor, Executive Assistant; Linda Grotton, Manager of Audit and Compliance; Craig Reynolds, Director of Homeownership; Jason Dupuy, Director of Information Technology; Bill Glover, Manager of Lending; Lauren Bustard, Senior Director of Programs; Allison Gallagher, Director of Housing Choice Voucher Department; Kathy Kinch, Manager of LIHEAP and Financial Reporting; Troy Fullmer, Manager of Housing and Compliance; Clyde Barr, Policy Analyst; Brenda Sylvester, Development Officer, Community Housing of Maine; Tom McDonald, Vice President Acquisitions, Northern New England Housing Investment Fund; Brian Kilgallen, Development Officer, Community Housing of Maine; Greg Payne, Director, Maine Affordable Housing Coalition; Bree LaCasse, Development Officer, Community Housing of Maine; Amy Cullen, Development Officer, The Szanton Company; and Gerrylynn Ricker, Paralegal and Note taker.

ADOPT AGENDA

Commissioner Hayes made a motion seconded by Commissioner Gregory to adopt the May 15, 2018 agenda. The vote carried unanimously.

APPROVE MINUTES OF APRIL 17, 2018 MEETING

Commissioner Gallagher made a motion seconded by Commissioner Talarico to accept the April 17, 2018 minutes as written. The vote carried unanimously.

COMMUNICATIONS AND CONFLICTS

Commissioner Gregory told the members she had a conversation with a volunteer working on the Howard Hill Historical Park about a piece of land that MaineHousing owns. They were inquiring to see if we would be willing to part with it. Director Dan Brennan explained that MaineHousing owns just shy of a five acre parcel in Augusta. Dan told Commissioner Gregory to give the inquiring organization his contact information and he'd be happy to discuss this matter with them.

CHAIR OF THE BOARD UPDATES

- Chair Merrill reported that he has had a couple conversations with Bill Crandall of Western Maine Community Action on two issues. One is related to the heating assistance program and the paperwork that is involved and the second is related to whether there were things that we could do to drive more activity in some of the more rural areas. Chair Merrill spoke with Director Brennan to see if perhaps CAP agencies could meet with MaineHousing staff.

- Chair Merrill also told the members about a conversation he had with Brian Sites of Volunteers of America and the project known as Cabin in the Woods located on the Togos property in Augusta.

DIRECTOR UPDATES

- Director Dan Brennan introduced Lauren Bustard and Alison Gallagher. He was excited to announce that he has promoted Ms. Bustard to Senior Director of Programs and Ms. Gallagher to Director of the Housing Choice Voucher department. The Commissioners congratulated them.
- Director Brennan announced that Jason Dupuy, our Director of Information Technology will be leaving us at the end of the month to take another position outside the agency.
- Director Brennan said that he would be following up on Chair Merrill's mention of a meeting with Bill Crandall, Program Manager at Western Maine Community Action. He will have a deeper discussion about MaineHousing and rural areas.
- Director Brennan asked the Commissioners to review their bios that are published on the MaineHousing website and make any edits or updates they would like our webmaster to make.
- Director Brennan also provided the Commissioners with the 2019 board meeting calendar.
- Director Brennan told the Commissioners that we have issued the RFP for the replacement of the MERAC system.
- Director Brennan was invited to the Maine Association of Public Housing Authorities Directors meeting in Brewer. They meet quarterly. He also attended the Maine Affordable Housing Coalition meeting. Senator King was there. Mr. Brennan spoke at the ribbon cutting at Bartlett Woods which is a 28 unit senior housing project in Yarmouth. Dan also attended a dinner in honor of Dana Totman who was honored by Junior Achievement of Maine and entered into their hall of fame.
- We completed the transfer of a safe house for human trafficking victims.
- Director Brennan has completed a welcoming video which will be placed on our website.
- Director Brennan has been very busy with the building committee; he visited Chair Linc Merrill's office; he toured the new courthouse in Augusta; and Creative Office Pavilion in Portland.
- Director Brennan told the Commissioners that we have received a little more than \$1.5 million more than we anticipated in our federal Home Investment Partnerships Program. We have a plan with HUD to spend this money in two areas: Multi-family development and homeless rental assistance. Mark Wiesendanger, Director of Development, has been busy developing a 4% program offering for senior housing as well as rolling out \$3 million in the National Housing Trust Fund. We are hopeful both of these offerings will be out before the end of the month.
- Director Brennan reported that Bob Conroy, Director of Asset Management is moving forward with the 811 program that has been in house and that is another partnership with DHHS.
- Director Brennan reported that there are three federal RFP's that we have our eyes on including a home repair program for veterans, that is a \$1 million dollar offering over a three-year period, as well as two voucher offerings: Mainstream vouchers for adults with disabilities and family unification vouchers.
- Director Brennan advised the Board members that we are increasing our first time homebuyer interest rate to 4.25%.
- Director Brennan reported over the next month he will be visiting Bob Dauber at York County Shelters and going to the Maine Real Estate Development Association spring conference. Dan's name has been put forward to become a member of their board.

- Treasurer Tom Cary will be introducing Dan to some of the bankers at Barclay's on June 5th.
- MaineHousing's next All Staff Day is scheduled for June 26th. All Commissioners are welcome to attend.

QUALIFIED ALLOCATION PLAN PUBLIC HEARING

Chief Counsel Linda Uhl opened the public hearing on the Low Income Housing Tax Credit Rule at 9:30 AM. She introduced the Commissioners and staff representing MaineHousing. The Governor's Office approved the proposed rule on April 23, 2018; notice of the hearing was sent to interested parties on April 18, 2018 and published in newspapers statewide on April 25, 2018. The comment period ends on Friday, May 25, 2018 at 5:00.

Greg Payne, Director of the Maine Affordable Housing Coalition provided testimony. The public hearing closed at 9:37 A.M.

Director Dan Brennan stated in response to Mr. Payne that we engaged the services of Novogradac, a national firm specializing in low income housing tax credits. We found their expertise to be very helpful. They did not find any significant flaws in our current QAP.

COMMENCE RULEMAKING – Chapter 24, Home Energy Assistance Program

Daniel Drost, Director of Energy and Housing Services, introduced Kathy Kinch, Manager of LIHEAP and Financial Reporting, who reviewed the four page memorandum from Dan Drost and Kathy Kinch to the Board of Commissioners dated May 15, 2018, which outlines proposed changes to the Home Energy Assistance Program Rule and the FFY 2019 State Plan.

Commissioner Gregory made a motion seconded by Commissioner Gross to authorize MaineHousing to commence the rulemaking process to repeal and replace Chapter 24 of MaineHousing's rules as described in the memorandum from Director of Energy and Housing Services Dan Drost and Manager of LIHEAP and Financial Reporting Kathy Kinch to the Commissioners dated May 15, 2018. The vote carried unanimously.

FFY 2018 WEATHERIZATION WAIVER

Daniel Drost, Director of Energy and Housing Services, reported to the Commissioners that his department intends to request from the Department of Health and Human Services a waiver regarding the funding of weatherization under the HEAP program. Initially when the funding comes through, 15% of the funding go towards HEAP Weatherization. Mr. Drost is going to be requesting, after a public hearing, and input from our partners to increase the 15% to 25%.

COMMENCE RULEMAKING – HOME MODIFICATION TAX CREDIT RULE (AccessAble Home Tax Credit Rule)

Linda Uhl, Chief Counsel, asked the Board members to authorize her to repeal and replace the current Home Modification Tax Credit Rule and replace it with a new AccessAble Home Tax Credit Rule. The proposed changes to the current rule would (1) conform the rule to a change in the law which provides that the credit will be taken in the year MaineHousing issues a certificate, (2) update the statutory references, and (3) change the program name. Because the changes are minor, we are not scheduling a public hearing but will keep the public comment period open for thirty days following the notice that will be published by the Secretary of State's office in statewide newspapers on May 30, 2018. We will ask the Board members to adopt at a meeting following close of the comment period.

Commissioner Gregory made a motion seconded by Commissioner Davis to authorize MaineHousing to commence the rulemaking process to repeal and replace Chapter 33 of MaineHousing's rules, the AccessAble Home Tax Credit Rule, as described in the memorandum from Linda Uhl, Chief Counsel to the Commissioners dated May 9, 2018. The vote carried unanimously.

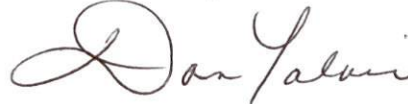
DEPARTMENT REPORTS

Commissioner Hayes pointed out that on page 61, the delinquency rate for MaineHousing's single-family loan portfolio is now under 3% for the first time in about twenty years. She believed that was something worth noting. Also, she noted on page 91, there was a 75% pass rate on QA inspections, up from 55% in 2016.

ADJOURN

Commissioner Hayes made a motion seconded by Commissioner Joseph to adjourn the meeting. The meeting was adjourned at 11:08 a.m. by a unanimous vote of the Board.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Donna Talarico".

Donna Talarico, Secretary