

2018 Annual Action Plan Public Comments

Rapid re-housing, term of STEP voucher and Long Term Stayers

Several commenters expressed concern regarding the rapid re-housing approach and the term length limitation of STEP vouchers. They called on MaineHousing to reduce or eliminate use of funds for rapid re-housing activities and allow for the funds to be used as permanent subsidy for a term greater than 24 months.

MaineHousing response

MaineHousing does not agree with the commenters' statements that indicate that federal HOME funds used for rental assistance (STEP) are, or can be, a permanent or non-time limited resource. Federal regulations at 24 CFR 92.209 limit the use of federal HOME funds for rental assistance to no more than 24 months. The regulation states this term "may be renewed, subject to the availability of HOME funds." This does not equate to a permanent or non-time limited resource. In fact, the federal HOME grant has declined significantly in recent years and is currently slated for elimination in the President's budget.

We do not believe using this resource for longer than 24 months would be prudent, given this precarious funding history. Using short term resources for long term solutions is never good public policy. Therefore, STEP is not designed primarily or exclusively for those persons needing longer term housing assistance. STEP is primarily designed for those persons who, in the judgment of the Housing Navigator (following the federally required standardized assessment tool selected by the Continuum of Care, VI-SPDAT) cannot resolve their situation on their own, but who can resolve them within a 24 month time period. Based on data from the VI-SPDAT, 55% of clients scored within range of a rapid re-housing intervention like tenant based rental assistance as the appropriate housing response, while 22% did not require any subsidy intervention to solve their homelessness and 23% needed housing with additional supportive services.

We believe that using this resource in this manner is an effective tool for many persons experiencing homelessness. The average length of use for a STEP voucher has increased in the past year to 11 months, with 87% of clients achieving housing stability upon exiting the program. The average length of stay in shelters prior to receiving a STEP coupon for many clients ranges from 90-165 days, indicating it has been an effective tool for many long term stayers, as well.

No one resource or policy will meet all client's needs, however, MaineHousing believes as currently structured, the policy regarding STEP vouchers is an effective approach. For those persons needing longer term rental assistance and supportive services, there are other subsidy options available outside of MaineHousing, such as Shelter Plus Care, as evidenced by the success of Portland's ESAC OSS LTS Committee.

On-going housing support and follow-up

Ms. Bindas-Tenney of Preble Street expressed concerns about the inefficient use of staff resources needed to comply with ESHAP follow-up requirements, particularly with clients who want to relocate to other towns in Maine or not return to the shelter environment for follow-up appointments after being placed in housing.

MaineHousing response

The balancing of federal compliance requirements with respect for the grantees time and efficiency is always a challenge, particularly in certain areas of Maine. With that said, monitoring and evaluating program participant progress is a requirement of the federal Emergency Solutions Grant and has been recognized as a national best practice.

The ESHAP program complies with this federal requirement by requiring Navigators to show evidence of their attempt to re-connect and follow up with clients at least once every 30 days and to update Housing Stability Plans at least every 90 days. The role of the Navigator is to engage with clients based on their needs which could include off site visits. Shelters are reimbursed for these services through the Stabilization Share of the current funding formula, which provides for housing search, placement and services to maintain housing stability, which could be outside of

the town the shelter is located. Shelter operations are covered by the Operations Share of the ESHAP funding, which is dedicated to the essential needs of the shelter; staff to operate the shelter, utilities and keeping the doors open to offer a safe place.

Administrative burden

Ms. Bindas-Tenney expressed concern about the reporting requirements being unwieldy. No specific detail was provided.

MaineHousing response

MaineHousing is mindful of the administrative requirements that come with federal funding and works to minimize its impact wherever possible. MaineHousing will follow-up with the commenter to learn more about her concerns.

National Housing Trust Fund

Maine Equal Justice Partners (MEJP) referred to their earlier comments on the National Housing Trust Fund during the public comment period in regards to its use to serve the households they are most concerned about. CHOM thanked MaineHousing for including prioritization of programs that will serve people experiencing homelessness and Long Term Stayers. Shalom House noted their concerns about the Maximum Per-unit Development Subsidy Amount for Housing Assisted with HTF funds, stating it does not take into consideration the increasing costs of acquisition/rehabilitation projects in larger metropolitan centers in Maine.

MaineHousing response

MaineHousing appreciates the comments from MEJP and CHOM and concurs with their thoughts regarding those populations most in need of housing resources. With regard the Maximum Per-unit Development Subsidy amounts, MaineHousing has chosen to follow the federal HOME Investment Partnership program maximum-per-unit subsidy amounts for Maine. This ensures that projects can be built in greater Portland where the acquisition costs are high, yet allows us to fund projects in rural areas where low demand will not allow for economy of scale, and therefore proportionately increased fixed costs. We have considered all local costs including acquisition costs, labor, materials, fees, and other soft costs. MaineHousing is also currently evaluating new approaches to determining cost limits across all Development programs, with a particular focus on geographic disparities.

GrowSmart Maine

GrowSmart Maine expressed support for multiple items in the plan including funding allocations for CDBG, adaptive re-use of existing housing, preservation of existing housing, and the lead hazard control program. GrowSmart stated that they should be included in future plan consultations. The commenter questioned the lack of CDBG funding for Downtown Revitalization and Maine Downtown Center. The commenter also questioned why the plan does not allow units of general local government to carry out community revitalization strategies.

DECD response

The DECD thanks GrowSmart Maine for its support of the overall goals and objectives of the 2018 Action Plan. There are two items in your comments we are responding to specifically. The Downtown Revitalization activity touches on all aspects of our overall goals and objectives, and it is specifically included in the community development program allocations. We feel that shows sufficient support, and keep in mind that the primary goal and requirement of the CDBG program is that at least 70% of our funds benefit households that are Low to Moderate Income as defined by HUD.

Community Revitalization Strategies have a specific definition at HUD and resulting impacts in meeting the CDBG regulations. The State of Maine's CDBG allocation is so small, and the fact that we no longer fund planning grants, has resulted in that specific activity not being included.

MaineHousing response

MaineHousing also thanks GrowSmart Maine for its support of the overall goals and objectives of the 2018 Action Plan. The Annual Action Plan focus is on the intended use of CDBD, ESG, HOME and HTF funds. MaineHousing allocates additional funds for the preservation of affordable multi-family residential rental housing and for Lead Hazard Control.

GrowSmart Maine has been added to the contact list for all Consolidated Plan/Annual Action Plan mailings. MaineHousing looks forward to working with GrowSmart Maine in future planning efforts.

Use of HOME Funds to Serve Very Low and Extremely Low-Income Renters

Maine Equal Justice Partners (MEJP) stated that they were greatly disappointed to see Maine's low national rank when it comes to using federal HOME funds to serve households in these income categories.

MaineHousing response

MaineHousing thanks Maine Equal Justice Partners for its comments.

We too were alarmed to see Maine's rank according to the SNAPSHOT of HOME Program Performance. The agency immediately contacted HUD to determine how these numbers were calculated and found that the report does not fully account for Tenant Based Rental Assistance (TBRA). HUD is working on providing clarification on that report to alleviate future issues.

A more complete picture from HUD's Integrated Disbursement and Information System (IDIS) shows a different picture of the use of HOME funds for the benefit of extremely low-income (ELI) and very low-income households (VLI).

HOME Low-Income Benefit			
	Snapshot of HOME	IDIS – PR16: HOME Lower Income Benefit – All Fiscal Years	National Average (from Snapshot of HOME)
Very Low-Income Renters (<50% AMI)	63.64%	84.8%	80.43%
Extremely Low-Income Renters (<30% AMI)	28.75%	64.6%	37.38%

The plan allocates 44 percent of HOME funds (\$1.2 million) for the Stability Through Engagement Program (STEP) a TBRA program that provides up to 24 months targeted to homeless households. STEP's program design allows for higher income eligibility in accordance with HOME, but by targeting the benefit to homeless households, a majority of households served by STEP are ELI and VLI.