

# March 21, 2023 Board Packet

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**Board of Commissioners Meeting – March 21, 2023 9:00 a.m. to 12:00 p.m.**

MEMBERS OF THE BOARD: Frank O'Hara (Chair), Daniel Brennan, Henry Beck, Laura Buxbaum (Vice Chair), Nancy Harrison, Elizabeth Dietz (Secretary), Renee Lewis, Noël Bonam, Paul Shepherd, and Deborah Ibonwa

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9:00	<b>Adopt Agenda (VOTE)</b>	All
	<b>Remote Commissioners</b>	Frank O'Hara
	- Reason remote	
	- Any other persons at their location	
	<b>Approve minutes of February 21, 2023 meeting (VOTE)</b>	All
	<b>Communications and Conflicts</b>	All
	<b>Chair of the Board Updates</b>	Frank O'Hara
9:15	<b>Director Updates</b>	Dan Brennan
9:30	<b>Legislative Update</b>	Erik Jorgensen
9:45	<b>Updates from the Governor's Office</b>	Greg Payne
10:00	<b>Home Energy Assistance Program Rule Discussion</b>	Troy Fullmer
10:30	<b>2023 Goals Progress Report</b>	Jamie Johnson, Adam Krea, and Lauren Bustard
	<b><u>Department Reports:</u></b>	All
	Asset Management	
	Communications and Planning	
	Development	
	Energy and Housing Services	
	Finance Monthly Report	
	Financial & Budget Report	
	Finance Delinquency Report & Charts	
	Homeless Initiatives	
	Homeownership	
	Housing Choice Vouchers	
	Human Resources & Facilities	
	Information Technology	
	2023 Board Calendar	
11:00	<b>EXECUTIVE SESSION - Personnel</b>	All
	<b>Adjourn (VOTE)</b>	All

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The next meeting of the Board is scheduled for April 18, 2023  
virtually and in person at 26 Edison Drive, Augusta, Maine

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Minutes of the Board of Commissioners Meeting February 21, 2023

### **MEETING CONVENED**

A meeting of the Board of Commissioners for MaineHousing convened on February 21, 2023 at the offices of MaineHousing, 26 Edison Drive, Augusta, Maine and virtually. Notice of the meeting was published on February 10, 2023 in Central Maine newspapers. Notice of Board of Commissioners meetings is also on MaineHousing's website at [www.mainehousing.org](http://www.mainehousing.org).

Chair Frank O'Hara called the meeting to order at 9:00 a.m. Director Dan Brennan, State Treasurer Henry Beck, Commissioners Paul Shepherd, Elizabeth Dietz, Laura Buxbaum, and Nancy Harrison all attended in person. Commissioner Renee Lewis attended remotely due to scheduling conflicts. She was alone at her location. Commissioners Noël Bonam and Deb Ibonwa were absent. There was a quorum present.

### **PUBLIC ATTENDANCE**

Guests and staff present for all or part of the meeting included: Ashley Janotta, Chief Counsel; Adam Krea, Senior Director of Finance and Lending; Linda Grotton, Director of Audit and Compliance; Jamie Johnson, Senior Director of Operations; Tom Cary, Treasurer; Jane Whitley, Director of Human Resources & Facilities; Craig Reynolds, Director of Homeownership; Craig Given, Director of Information Technologies; Lauren Bustard, Senior Director of Homeless Initiatives; Genevieve Soucy, Director of Energy & Housing Services; Scott Thistle, Communications Director; Erik Jorgensen, Senior Director of Government Relations & Communications; Troy Fullmer, Manager of HEAP; Andrew Thomas, Help Desk Analyst II; Robert Conroy, Director of Asset Management; Tina Partridge, Mortgage Lending manager; Kevin Strout, Fraud Prevention Specialist; and Gerrylynn Ricker, Paralegal and Note taker.

### **ADOPT AGENDA**

*Commissioner Harrison made a motion seconded by Commissioner Dietz to adopt the February 21, 2023 agenda. The vote carried unanimously.*

### **APPROVE MINUTES OF JANUARY 17, 2023 MEETING**

*Commissioner Dietz made a motion seconded by Commissioner Buxbaum to accept the January 17, 2023 minutes as written. The vote carried unanimously.*

### **COMMUNICATIONS AND CONFLICTS**

Chair O'Hara reported that the Board received a communication from an anonymous MaineHousing employee thanking them for the bonus.

### **CHAIR OF THE BOARD UPDATES**

Chair O'Hara reminded the Commissioners that Director Brennan's evaluation is coming up. Chair O'Hara expects executive session conversations at the March and April 2023 meetings followed by a vote at the April meeting. Chair O'Hara also reported that we have hired a housing study consultant to look at needs in the State of Maine. Chair O'Hara is continuing discussions regarding housing TIF's and reform ideas he has.

## DIRECTOR UPDATES

Director Brennan reported issues, his activities and upcoming matters as follows:

- Orientation meetings at the legislative offices of both the Joint Select Committee on Housing and the Labor and Housing Committee as well as a few follow-up meetings with the Housing Committee.
- There is some money in the Governor's budget for MaineHousing. Senior Director of Government Relations & Communications, Erik Jorgensen will go into more detail in his report. The Governor in her State of the Budget report announced her support for a bill being drafted by Representative Drew Gattine around Housing First projects which are typically larger apartment buildings for persons who experience chronic homelessness. Representative Gattine is proposing that the State dedicate one half of the State's portion of the real estate transfer tax to go to the Department of Health and Human Services (DHHS) to provide the service funding for these projects.
- Awarded over a \$1 million from LD-3 for 13 warming shelters. There is another RFP that is due Friday, February 24<sup>th</sup>.
- Nearing over \$40 million in fuel assistance benefits. Due to get another \$6.5 million from the \$1 billion omnibus budget. LD-3 also brought in \$40 million for supplemental payments, those monies are starting to flow and \$10 million for emergency payments, those monies are out the door.
- We have also created a HEAP working group to take a deeper dive into the program and find where the challenges are. Anyone is welcome to join the group.
- Homeowner's Assistance Fund will be launched under MaineHousing on March 6<sup>th</sup>. We have around \$45 million to use by September 2025.
- We have started working with a group called HR&A Advisors out of Washington D.C. to do a really comprehensive needs study of housing.
- We had an incredibly successful all staff day. It was our first in person all staff day in two and a half years.
- Taped a podcast with Kevin Bunker of Developer's Collaborative for Maine Real Estate Developer's Association. It will air in March.
- Been attending regular meetings with DHHS Commissioner Lambrew and members of the Governor's office regarding what's going on in Portland with asylum seekers.
- Will be meeting with the Governor's energy office and Dr. Henry McKoy who is the National Head of the State Energy programs he is visiting Maine to learn more about our weatherization programs and other energy programs that we do.
- Director Brennan will be talking to a national group on the Built For Zero efforts.
- Former president of Avesta Housing, Dana Totman has invited Director Brennan and Greg Payne to go to Portland to discuss asylum seeker housing.
- Later this month Director Brennan will be speaking at the Maine Municipal Association's Economic Development Council. They are having a legislative seminar.
- In the middle of March Director Brennan will be heading to Boston for his first Federal Home Loan Bank of Boston's Advisory Board meeting.
- Rural Development financed projects that are losing their affordability covenants were discussed. We are working with Genesis loan fund to see if we can use our state low income housing tax credit to preserve these properties.

## **LEGISLATIVE UPDATES**

Senior Director of Government Relations & Communications, Erik Jorgensen, reported that the legislation is underway, however, there is not a whole lot to show for it yet. Some committees haven't even held any hearings yet. Erik understands they are just finishing up with orientations. Bills are starting to come out of the Revisor's office. We did provide orientation meetings with housing committees. The appropriations committee just finished the supplemental budget and are working on the biennial budget. This is the first time there is an actual budget line for housing subsidy included in the budget. The Governor has proposed \$30 million to be split between the rural rental program and the 4% program. Bipartisan budget and majority budget was discussed. The annual bill around the allocation of state bond cap has gone through the process. It involves all the quasi-government entities that issue private activity bonds. The bills are just being printed now. About 750 bills last week and not a lot of them have to do with housing. There are a lot of concept drafts which is challenging. We have to keep watching those.

## **HOME ENERGY ASSISTANCE PROGRAM (HEAP) RULE INTRODUCTION**

Manager of the HEAP, Troy Fullmer gave the Commissioners a general overview of the HEAP program. Currently we are in program year 2023. The program is designed to help low to moderate income households with their home energy bill. There is also an energy crisis component where a homeowner finds themselves in an emergency no heat situation and there is energy weatherization, minor home repairs to make the home more energy efficient. There is about \$40 million that comes into Maine along with our regular allocation and about \$1.5 million of that goes to the tribal organizations who administer their own HEAP program. Our funding for each federal fiscal year is October 1 through September 30. Out of the \$40 million that comes into the state we can use up to 10% of funds for administrative costs and up to 15% can go towards weatherization. There is another program called Assurance 16 which provides support for HEAP eligible households to help them reduce their energy burdens and reduce their reliance on the program. The community action agencies are the agencies that administer the program at the local level. We have agreements with over 300 fuel vendors and we provide all types of fuel, wood, oil, kerosene, propane, biobricks, coal, electricity, etc. Troy went over the other components of the program: Energy Crisis Intervention Program (ECIP); the Central Heating Improvement Program (CHIP); the Low Income Assistance Program that helps homeowners with electricity costs; the heat pump program; the TANF supplemental benefits; and weatherization. Troy then went over the timeline for adopting the new rule: seek approval from the Board to commence rulemaking in April; public hearing in May; and adopt the rule in June.

## **HOMEOWNERSHIP – 2022 REVIEW AND 2023 PREVIEW**

Director of Homeownership Craig Reynolds introduced Tina Partridge, the Mortgage Lending Manager. Craig presented a slide show presentation of the First Home Loan program review for 2022. We had a record First Home Loan volume of \$177.7 million. The most the department has ever done in loan amount. The number of loans was 918 and the record for that is around 1,100. The record increase in home sale prices resulted in higher loan amounts needed to purchase. The First Home Loan program maintained below market rates despite 5 rate changes during the year. The current rate is 5.5% which is below market rates that were averaging 6.6% at year's end. Another major factor contributing to the success of the program in 2022 was the April increase of the Advantage down payment and closing cost assistance grant option from \$3,500 to \$5,000. As we witnessed the sharp increase in home sales prices, it became clear that down payments and closing costs were increasing for our first time borrowers and the added assistance was needed to offset those costs. The Advantage down payment assistance grant has also been adjusted in the relatively new 2-4 multi-unit program which encourages first home buyers to consider becoming an owner/occupant/landlord. Craig then pointed out the notable differences between 2022 and 2021:

- 918 loans vs. 725 loans in 2021;
- \$177.7 million in loan amount vs. \$113.9 in 2021;
- \$67,728 average household income vs. \$58,226 in 2021;
- \$205,284 average purchase price vs. \$162,178 in 2021;
- \$193,586 average loan amount vs. \$157,175 in 2021;
- Income % by AMI – greater than 100% was 31% vs. 9% in 2021; and
- Advantage down payment assistance was taken by 97% of borrowers which is the same for 2021.

Craig reviewed the lender production slide which shows Bangor Savings Bank at the top with 180 loans. Craig talked about what a great partner Bangor Savings Bank was to work with. Craig then talked about what he thinks 2023 will bring. He thinks mortgage interest rates are likely to rise as do most industry analysts. Related to the housing market one fact seems certain, which is if inflation (food, fuel, goods and services) is not brought under control in the coming months and mortgage rates do rise, housing affordability and consumer confidence will take a hit. Regardless of what the market or economy does, we will maintain the cornerstones of our First Home Loan program with its below market rate and down payment assistance option. Craig then asked Tina to review the Homeownership Department goals for 2023. Tina told the Commissioners that their department has done some research on both Vermont and Rhode Island which currently have First Generation home buyer mortgage programs, and Dan Brennan would like to develop and offer a MaineHousing version of a First Generation home buyer mortgage program by end of the first quarter. A “First Gen” program will serve borrowers whose parents have not had any history of owning a home before. We offer \$5,000 down payment funds for borrowers who complete a homebuyer education course and will be partnering with entities throughout the state on offering a financial literacy course for the first generation buyer. We need to be able to address language barriers by providing translated program and education materials, and contracting with qualified translators to conduct classes in the borrower’s native language. Tina also discussed other goals of the department such as increased loan production; increase training and interaction with lender partners; developing virtual and on demand lender training segments; developing improved program marketing strategies, materials and promotions. The hope to expand the availability of private mortgage insurance to increase loan production was also discussed.

### **ASSET MANAGEMENT BIG ISSUES UPDATE**

Director of Asset Management Robert Conroy introduced himself and explained that the asset management department is where multi-family properties go to thrive and prosper. Once the properties have completed underwriting and the closing process in development, they are turned over to asset management. The portfolio has grown to roughly 800 properties, 20,000 units statewide. Of the 800 properties, approximately 275 of them are supportive housing properties targeted for special needs populations. We have a network of hundreds of external partners whether they be developers, management companies, tax credit syndicators, municipalities, or public housing authorities. Bob explained the contract administration duties we have with HUD. We have an annual HUD compliance review, that was just completed and for 22 years in a row we’ve had no findings in our audit. Bob reviewed for the Commissioners the various loan products that come out of asset management: Subsequent loans; contract administration loans; rental loan program, this is when a larger loan amount is needed that cannot be accommodated by the subsequent or contract administration loan; the SHP repair loans; note modifications and ownership transfers.

### **ERA FRAUD PREVENTION EFFORTS**

Director of Audit and Compliance Linda Grotton introduced herself and Kevin Strout,

MaineHousing's Fraud Prevention Specialist. Linda reviewed for the Commissioners how they have been working on identifying fraud in the rent relief / ERA programs, she gave a brief overview of the steps involved with investigating all allegations of fraud. We hired Kevin in June of 2021 and he has met with all the community action agencies (CAA's). They put together a red flags of fraud – if an intake worker saw two or more red flags then they would elevate it up. The CAA's would then refer those matters to Kevin, there were over 1,100 cases. Kevin reviewed each one. The ones that he thought were definitely fraud or that he had questions about he would bring before our fraud team made up of: Kevin Strout, Linda Grotton, Barbara Brann, Ashley Janotta, and Jimmy Puckette. The team would meet about every other week and discuss specific cases. The cases that this team thought should go to law enforcement would then be reviewed with Dan Brennan and Karen Lawlor.

## **ADJOURN**

*Commissioner Harrison made a motion seconded by Commissioner Dietz to adjourn the meeting. The meeting was adjourned at 11:40 a.m. by unanimous vote of the Board.*

Respectfully submitted,

Elizabeth Dietz



**To:** MaineHousing Board of Commissioners

**From:** Troy Fullmer, Manager of HEAP *T.F.*

**Date:** March 21, 2023

**Subject:** Planning for HEAP PY2024- Initial HEAP Stakeholder Input

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As part of the planning process for the Home Energy Assistance Program (HEAP) Program Year 2024 (PY2024), the Energy and Housing Services Department (EHS) collected and summarized initial input from HEAP Stakeholders. EHS personnel met with members of the Community Action Agencies' (CAAs) Energy and Housing Councils on January 6, 2023, and a HEAP Stakeholders working group meeting was convened on February 23, 2023. Attendees at the HEAP Stakeholders meeting included representation from HEAP fuel vendors, CAAs, and Maine Equal Justice Partners. A summary of initial PY2024 HEAP planning input from HEAP Stakeholders is attached.

During the Board of Commissioners' April 18, 2023 meeting, EHS will present the Board with a summary of proposed changes for the HEAP along with drafts of the HEAP PY2024 Rule and HEAP State Model Plan. During the same meeting, MaineHousing will seek approval to commence the HEAP Rule making process. During the Board of Commissioners' May 16, 2023 meeting, a Public Hearing will be held for the HEAP Rule and PY2024 HEAP State Plan.



**PY 2024 HEAP Stakeholder Input**  
**Summary of Themes**  
**Prepared March 13, 2023**

**Program Year Period**

Community Action Agencies (CAAs) have asked to start taking HEAP applications for the upcoming PY2024 Program Year starting on July 10, 2023; stop taking PY2024 applications on May 31, 2024; and start taking PY2025 applications on June 23, 2024. Chapter 24 HEAP Rule, Section 2.C.2, states that HEAP Subgrantees will continue taking Applications until July 15 (or the first business day following July 15 if it falls on a weekend) of the Program Year.

**Energy Crisis Intervention Program (ECIP) Start Date**

CAAs have asked for MaineHousing to allow them to start providing ECIP programming as early as October 1 of each year. CAAs would propose their own ECIP start date in the annual HEAP work plan they are required to submit for MaineHousing for consideration and approval, versus CAAs all having to start ECIP programming on November 1. Chapter 24 HEAP Rule, Section 8.E.1 reads, “ECIP timeframe is November 1 through the following April 30.”

**Wood Pellet Stove Program**

CAAs request MaineHousing to set up a new wood pellet stove program, to support installation of pellet stoves as secondary heating systems for eligible households. Wood pellet stoves may help reduce a household’s heating costs and this could support Maine’s wood products economy.

**Waivers**

Community Action Agencies (CAAs) have asked to be able to approve waivers internally, at the CAA level. Chapter 24 HEAP Rule, Section 18.E. reads, “Waivers. Upon determination for good cause, the Director of MaineHousing, or the Director’s designee, may, subject to statutory limitations, waive any provision of this Rule. Each waiver shall be in writing and shall be supported by documentation of the pertinent facts and grounds for the waiver.”

**Useful Life of Fuel Assistance Benefit**

Some vendors would like to see the useful “shelf-life” of the HEAP benefit be good for only one program year verses across multiple heating seasons. Chapter 24 HEAP Rule, Section 7.B reads, “Program benefits may be available for reissue or transfer during the Program Year of issue and up until April 30<sup>th</sup> of the Program Year immediately following...”. Having a useful life for HEAP benefits may provide more time and opportunity for beneficiaries to utilize the benefits; however, it also creates challenges for vendors with tracking and managing benefits. Having benefits only available for use for one year may reduce the complexity of determining and tracking expiration and usage dates.

**Streamline Rules Around Tracking Fuel Assistance Benefits** (does not impact Rule)

Vendors would like to see funds from different fuel assistance allocations combined into one program with one set of rules. For example, vendors may have regular HEAP benefits, TANF Supplemental Benefits, and a supplemental benefit all on the same client’s account. The benefits

have a certain order of use and have to be tracked separately. It is challenging for vendors to track and manage different allocations separately.

**TANF Supplemental Benefits** (does not impact Rule)

Vendors would like TANF Supplemental benefits to be made available pre-delivery vs. post-delivery. HEAP benefits are issued to vendors pre-delivery and placed on HEAP beneficiaries' accounts. TANF Supplemental benefits are issued as credits and vendors are paid post-delivery after they submit delivery tickets, transaction histories and invoices to MaineHousing. Vendors would like for TANF Supplemental benefits to be placed on accounts pre-delivery in the same manner that regular HEAP benefits are issued to vendors. MaineHousing met with the State of Maine DHHS in September 2022 to discuss the feasibility of implementing this change. Maine DHHS indicated that their federal funder will not allow this, that the benefits can only be issued after product is delivered. Several vendors shared the complexity, challenges and inefficiency associated for both vendors and consumers with the way these benefits are placed on accounts as credits, having to track separately, and the related billing process, all of which may create confusion and room for error.

**HEAP Vendor Portal** (does not impact Rule)

CAAs and Vendors asked for MaineHousing to institute an online portal that would be used to track HEAP and TANF Supplemental benefits online. This could help ensure accuracy and support communications, such as benefit balances. Additionally, an online vendor portal could be used by vendors to submit invoices and other billing related documentation.

**Additional Support for HEAP Application Processing** (does not impact Rule)

The Maine Community Action Partnership asked MaineHousing to consider developing a small group of trained HEAP personnel that can assist other CAAs as needed with taking and processing HEAP applications.

**Abbreviated HEAP Application for Certain Groups of Applicants** (does not impact Rule)

CAAs are currently able to utilize an abbreviated HEAP application intake procedure to help expedite the application process for certain groups of returning HEAP applicants, in particular, applicants who have not moved from when they applied in the prior program year and who have fixed incomes, such as Social Security Retirement income. CAAs are asking for the HEAP software system to be set up to have different application templates that could be used when working with certain groups of applicants, such as those listed above as well as households living in subsidized housing with their heat included.



**To:** MaineHousing Board of Commissioners

**From:** Adam Krea, Senior Director of Finance and Lending  
Jamie Johnson, Senior Director of Operations  
Lauren Bustard, Senior Director of Homeless Initiatives

**Date:** March 14, 2023

**Subject:** MaineHousing Goal Setting Quarter One Milestones

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At the August 2022 Board Meeting MaineHousing Commissioners participated in a goal setting exercise to craft priorities for 2023. This resulted in three priority areas: Homelessness, Homeownership, and Production. The Commissioners noted specific interests within these three priority areas, which were reviewed with staff.

MaineHousing management and staff used the results of the Commissioners' goal setting exercise to provide an outline of the current situation, the goals for 2023, and what was needed to get to the next level. After reviewing the staff's feedback Commissioners approved the 2023 goals during the November Board Meeting.

Included with this memo is the detailed spreadsheet that MaineHousing management and staff are using to set and implement goals. At the March board meeting we will review our operational strategies to achieve the 2023 goals. We will also review quarter one milestones at a high level for the priorities of Homelessness, Homeownership, and Production; however, we included the full detailed spreadsheet so that we can address any questions you may have on its contents.

Homelessness				
Commissioner' Comments	MaineHousing Staff Response	Currently in Progress	Proposed Action Steps/Potential Solutions	2023 Q1 Milestones
<p>MaineHousing should maintain a leadership role in addressing homelessness in the State.</p> <p>Implementation of hubs – MaineHousing should work to assure that the hub system is fully implemented.</p>	<p>We are a leader in this area. We serve as the collaborative applicant for Maine's continuum of care, partner with the Statewide Homeless Council, and work closely with Community Solutions in developing and implementing the homeless system redesign.</p>	<ul style="list-style-type: none"> <li>HCV prioritizes 60% of its available vouchers for homeless, currently housing over 800 through this initiative.</li> <li>We are working directly with the Governor's office on an unprecedented \$22 million emergency homeless initiative and on both emergency and long-term solutions with LD 3 funding. We are collaborating with cities and towns to use these funds to develop appropriate local solutions in those municipalities.</li> </ul>	<ul style="list-style-type: none"> <li>2023 – Remain closely engaged with State team and HUB Coordinators and begin to assess and analyze data.</li> </ul>	<ul style="list-style-type: none"> <li>The prioritization remains in the 1/1/2023 HCV Administrative Plan.</li> <li>In addition, MaineHousing allocates \$1.4m of Fed Home funding to the Stability Through Engagement Program (STEP).</li> <li>We are currently focusing on gathering more data. It has been difficult to obtain data from non-ESHA shelters.</li> <li>All hubs are active and we continue to fill all coordinator positions.</li> <li>We are compiling a list of properties in our portfolio, by region, that have a homeless set-aside or preference as a reference guide for partners.</li> </ul>
<p>Explore the options of congregate housing and Single Room Occupancy units as one piece of the homelessness puzzle.</p>				
	<p>This is an important model to explore for supportive housing first projects for those experiencing homelessness, particularly unsheltered homelessness.</p> <p>SRO's tend to be an urban solution and can be seen as an adjunct to the shelter system.</p> <p>Congregate facilities need federal funding and there is diversity of opinion on that.</p>	<ul style="list-style-type: none"> <li>HCV currently houses 38 people in SRO units through our Project Based Voucher program (Portland, Waterville, Leeds and Sanford).</li> </ul>	<ul style="list-style-type: none"> <li>Develop a standalone program to create SROs that will provide housing to those experiencing homelessness.</li> <li>Consider use of any leftover ERA funds for congregate shelter support for municipalities that show leadership and action in this area.</li> </ul>	<ul style="list-style-type: none"> <li>Additional funding for this action item has not at this time been identified.</li> <li>We are currently planning to fund 2 projects with LD 3 funding that will create 24 SROs.</li> <li>We are allocating much of the \$21 million from LD3 for congregate shelters.</li> </ul>

Homelessness				
Commissioner' Comments	MaineHousing Staff Response	Currently in Progress	Proposed Action Steps/ Potential Solutions	2023 Q1 Milestones
Asylum Seekers: MH Should be partnering and working with other agencies.	We should not be the lead agency in this effort, but we should continue as an active participant, along with governor's office and state agencies. We believe this should not be seen as a homeless issue, but rather a human service issue.	<ul style="list-style-type: none"> <li>We are working with the Governor's office, City of Portland Officials, developers and nonprofit organizations to utilize a significant portion of the \$22 million emergency homeless initiative to fund both temporary and permanent housing for asylum seekers.</li> </ul>	<ul style="list-style-type: none"> <li>We will continue to work with DHHS to create a robust state level response to the asylum issue.</li> </ul>	<ul style="list-style-type: none"> <li>We continue to collaborate with DHHS through weekly meetings.</li> <li>Asset Management is managing rental assistance agreements for asylum seekers for a period of two years.</li> </ul>
Role of hotels: We use hotels extensively at the moment.	Hotels are not an optimal business model for long term housing, however they have played an invaluable role during the pandemic.	<ul style="list-style-type: none"> <li>We have expanded our HCV homeless priority list to include referrals from the CAA's from ERA hotels.</li> <li>We have given notices to proceed to three conversion projects (one in Bangor and two in Farmington).</li> </ul>	<ul style="list-style-type: none"> <li>Work to phase out support for hotels as a long term solution.</li> </ul>	<ul style="list-style-type: none"> <li>We are actively working to resume hotel use by shelters in the manner it was prior to the pandemic.</li> <li>Hotel use as a long term solution will end April 30, 2023.</li> <li>We will continue to have the Community Action Agencies as a referral source for the homeless priority waitlist.</li> </ul>
Mental health and addiction – expand opportunities for group, transitional and recovery housing.	We agree on the critical nature of serving this population and will continue to collaborate and follow the lead of DHHS in this area.	<ul style="list-style-type: none"> <li>Working closely with DHHS on our recovery housing program.</li> </ul>	<ul style="list-style-type: none"> <li>Increase the collaboration between the Homeless Initiatives and Asset Management departments, along with DHHS, on recovery housing projects and integration into the hub system.</li> </ul>	<ul style="list-style-type: none"> <li>We do and will take advantage of any capital funding from HUD for new recovery housing construction. DHHS plans to RFP the administration of its operating reserve funding program now that MaineHousing administered it for two years and assisted DHHS with an implementation model.</li> <li>A member of the Homeless Initiatives team attends the ongoing supportive housing team meetings to integrate into the hub system.</li> </ul>

Home Ownership				
Commissioners' Comments	MaineHousing Staff Response	Currently in Progress	Proposed Action Steps/ Potential Solutions	2023 Q1 Milestones
<p>We should emphasize furthering fair housing – supporting underserved communities and groups.</p> <p>Consider fee-based financing vs interest based to provide options for buyers whose religions prohibit payment of interest.</p> <p>Increase the term of a mortgage (40 years) in order to reduce monthly costs.</p> <p>Increase production of mortgages to about 1,500 per year.</p>	<p>This is a major priority – especially given disparate populations in homeownership.</p> <p>2020 Maine Home Ownership Rates: White Americans 76% Black Americans 19% Asian Americans 26% Hispanic Americans 67%</p> <p>A fee-based product, though not without logistical challenges, would be a useful option to reach new Mainers.</p> <p>An increased term may impact bond terms and could add cost.</p> <p>Increasing the number of FHL mortgages is a continued and important goal. Production goals can be subject to market and other conditions not under our control.</p> <p>Subsidizing the MH interest rate to several points below market would help, but is costly.</p> <p>We currently have 39 homeownership HCV participants.</p>	<ul style="list-style-type: none"> <li>• We have our fair housing and cultural working groups.</li> <li>• Assessments are underway of: <ul style="list-style-type: none"> <li>• Education</li> <li>• Loan Products</li> <li>• Credit</li> </ul> </li> <li>• We currently consider consistent history of on time rent/housing payments as a positive credit factor in the FHL underwriting risk assessment.</li> <li>• CEI has developed a commercial product.</li> <li>• We are currently collaborating with the HCV Restart program to promote Homeownership as a goal while participants are working with their financial coaches toward self-sufficiency.</li> <li>• We finance manufactured homes on owned land.</li> </ul>	<ul style="list-style-type: none"> <li>• Establish a bifurcated loan interest structure when the environment for medium income buyer's rate can cross subsidize lower income buyer's lower rate.</li> <li>• Work with ethnic and community-based organizations that assist underserved and New Mainer populations to bring in established members of the underserved community to help teach basic financial literacy and the economics and responsibilities of homeownership.</li> <li>• Have CEI and Genesis develop a proposal for fee-based financing for residential mortgages and servicing.</li> <li>• Offer an increased term if the financial feasibility is in the homeowner's best interest.</li> <li>• 1,500 will likely not be achievable in 2023, however 1,000 is and will serve as our goal for 2023.</li> </ul>	<ul style="list-style-type: none"> <li>• We have developed a first generation homeownership pilot program which will reach Maine's population with low homeownership rates.</li> <li>• We are working with a number of organizations to provide targeted homeownership education for first generation purchasers in order to support them and set them up for success to the greatest extent possible. We have met with ProsperityME to discuss financial literacy courses targeted to new Mainers as an additional course offering.</li> <li>• We are currently researching how we can collaborate with Androscoggin Bank as they have a fee based program.</li> <li>• We will be conducting a feasibility study to determine our recommendations for an increased term.</li> <li>• We have established this goal for 2023.</li> </ul>

Home Ownership				
Commissioners' Comments	MaineHousing Staff Response	Currently in Progress	Proposed Action Steps/ Potential Solutions	2023 Q1 Milestones
Consider incentives to support responsible homeownership.	These could add value to our program but bring costs and possible unintended consequences.		<ul style="list-style-type: none"> <li>Consider a home loan that borrowers could use for emergency repairs in the form of a small credit line or separate loan, providing there have not been missed payments.</li> <li>Larger down payment assistance options when courses on homeownership or other education programs about financial responsibility are completed.</li> </ul>	<ul style="list-style-type: none"> <li>TBD – look into creating a direct referral to Efficiency Maine?</li> <li>This will be tied to the first generation homeownership pilot program noted above.</li> </ul>
Explore program to finance homes on leased land.	We do finance manufactured homes on leased land.		<ul style="list-style-type: none"> <li>Continue to grow the program.</li> </ul>	
Rent credit toward homeownership: lot rent as down payment for Manufactured Housing.	This is a relationship with landlords and renters - not clear what our role would be.		<ul style="list-style-type: none"> <li>Further investigate for feasibility.</li> </ul>	<ul style="list-style-type: none"> <li>The risk assessment process will be adding rent as a compensating factor.</li> </ul>
State and Federal policy that MaineHousing can support? New Tax Credits?	MaineHousing will act as a resource to congressional delegation and state legislature on housing issues whenever needed.			



Production				
Commissioners' Comments	MaineHousing Staff Response	Currently in Progress	Proposed Action Steps/ Potential Solutions	2023 Q1 Milestones
Stretch the dollar (LIHTC) – there is concern about the rising costs of construction – how to value engineer?	<p>We see this as a critical issue and this approach has driven our underwriting. We are fortunate to have a very involved Construction Services team, unlike many states.</p> <p>Some developers would say we are already too aggressive.</p> <p>At this time of extremely high costs MaineHousing's development and financial teams work to scrutinize projects even more than ever.</p>	<ul style="list-style-type: none"> <li>We have been working with UMaine on creating 3D printed homes.</li> <li>ASCC is creating the \$100M Factory of the Future which will be half dedicated to producing new ways of building housing.</li> </ul>	<ul style="list-style-type: none"> <li>Stop financing projects in expensive markets.</li> <li>Partner with low cost labor solutions – Habitat, vocational programs.</li> <li>Enhance guidance to developers to incent submission of more simply designed buildings.</li> </ul>	<ul style="list-style-type: none"> <li>We have ongoing collaboration of research and development for eco-friendly and cost effective housing construction, design and manufacturing techniques (3-D printing, additive manufacturing) with partners like University of Maine's Advanced Composites and Structures Lab.</li> <li>Our Construction Standards Manual outlines what is required and we have ongoing conversations with developers on how they can simplify.</li> <li>Asset Management will allow income averaging to avoid permanent resident displacement while still allowing the units to be eligible for tax credits thus saving a material amount of subsidy.</li> </ul>
Small rural housing programs have been well received – increase the rural non-tax-credit program	<p>This is a large opportunity and attractive for state level funding.</p> <p>It works very well in the more rural areas, and anywhere that LIHTC is too big and/or expensive. Also, it is easier for less experienced developers.</p> <p>Conceptually very positive. But we haven't yet seen any actual performance.</p>	<ul style="list-style-type: none"> <li>This program has been funded so far by pandemic / ARPA funding. In addition, funds have largely been used already.</li> </ul>	<ul style="list-style-type: none"> <li>We need a new (large) subsidy source. Advocate with the legislature for state level funding.</li> </ul>	<ul style="list-style-type: none"> <li>Governor Mills' proposed biennial budget recognizes this need by requesting \$30 million in funding for MaineHousing's successful Rural Affordable Housing Rental Program and subsidy for the state's Low-Income Housing Tax Credit Program. The Joint Select Housing Committee recommended to Appropriations to increase the amount to \$40 million in each year of the upcoming biennium.</li> </ul>



Production				
Commissioners’ Comments	MaineHousing Staff Response	Currently in Progress	Proposed Action Steps/ Potential Solutions	2023 Q1 Milestones
Explore options for supporting co-operative resident-owned communities (mobile home parks).	We can and have supported cooperative projects if they meet our affordability requirements. The two parks we have financed are doing well.	<ul style="list-style-type: none"> <li></li> </ul>	<ul style="list-style-type: none"> <li>Grow program with projects that meet our affordability.</li> </ul>	<ul style="list-style-type: none"> <li>We are expanding our mobile home self-insured MHSI to include co-operative resident-owned communities.</li> </ul>
Provide technical assistance to developers.	We support this idea and to some extent, especially with new partners, we do guide the design, underwriting, financing, and construction processes.	<ul style="list-style-type: none"> <li>We are developing an RFP to hire an organization to assist municipalities and regional groups with training new or inexperienced developers.</li> </ul>	<ul style="list-style-type: none"> <li>Provide training in tax credits and energy efficient construction.</li> <li>Develop or partner with universities to offer adult education courses for real estate CEUS to help Realtors become new small developers.</li> </ul>	<ul style="list-style-type: none"> <li>We funded a pilot initiative (the Genesis Fund was successful in our RFP process) to help municipalities, regional planning groups, and new developers gain the technical knowhow to advance affordable housing in their areas.</li> </ul>
Workforce housing should be a priority.	<p>We agree that this population is important.</p> <p>Our housing largely is “workforce housing” – the tenants have jobs. In addition, we frequently have market rate units in our projects (especially in areas with higher rents).</p> <p>We believe there is greater need at the lower income levels, and that the private sector needs to step up.</p> <p>The mixed-income properties in portfolio generally perform well. Higher market rent help subsidize operations.</p>	<ul style="list-style-type: none"> <li>We have had initial conversations with Northern Forest Products who have a business model for workforce they are exploring.</li> </ul>	<ul style="list-style-type: none"> <li>Encourage non subsidized development efforts of employers like BIW, LL Bean, Sugarloaf, JAX, etc.</li> </ul>	<ul style="list-style-type: none"> <li>We are part of ongoing discussion with these organizations to provide advice.</li> </ul>

Production				
Commissioners' Comments	MaineHousing Staff Response	Currently in Progress	Proposed Action Steps/ Potential Solutions	2023 Q1 Milestones
Increase all programs' production.	<p>We have committed all of the funding given to us and have increased production to unprecedented levels.</p> <p>We have doubled the size of our production team.</p> <p>The projects won't be completed for another couple years, especially in this time of a labor shortage.</p> <p>The increase of production may be contributing to labor shortage and high costs.</p>	<ul style="list-style-type: none"><li>• We are developing an RFP to hire an organization to assist municipalities and regional groups with training new or inexperienced developers.</li><li>• To increase the availability of quality units, the HCV Program supports market landlords with incentive programs and landlord repair grants to increase and maintain units.</li></ul>	<ul style="list-style-type: none"><li>• Seek more funding and development partners.</li><li>• Support our existing partners to increase their capacity.</li><li>• Support the increase of contractors, subcontractors (especially drywall), architects, engineers, real estate lawyers, and syndicators.</li><li>• Create an affordable housing development program within the University of Maine.</li></ul>	<ul style="list-style-type: none"><li>• All of the above noted milestones contribute to this action step.</li></ul>

## Asset Management Department Memorandum

**To:** MaineHousing Board of Commissioners

**From:** Robert Conroy – Director, Asset Management

**Date:** March 14, 2023

**Subject:** March Board Report - Asset Management

### **HUD Multifamily ‘Family Self Sufficiency’ Program Update**

The MaineHousing Housing Choice Voucher Department has for many years successfully administered an FSS program targeted to voucher-holders. More recently HUD expanded the FSS program to now include properties in the Section 8 Project-based rental assistance (PBRA) portfolio.

The Family Self-Sufficiency (FSS) Program is a critical component of HUD’s overall efforts to help Housing Choice Voucher holders and residents of public housing and Project-Based Rental Assistance (PBRA) make progress toward economic security. FSS helps participants increase their earnings and build financial capability and assets through two key features which build on the platform of stable housing created by rental assistance:

- > A financial incentive for participants to increase their earnings in the form of an escrow savings account that increases as participants’ earnings increase. The escrow account helps participants build savings that they can use to improve their quality of life and advance their personal goals. Escrow funds can also help participants cover the cost of services that may be needed to make progress toward goals while enrolled in the program, such as employment training or car repairs.

- > Case management or coaching to help participants access services they may need to overcome barriers to employment, strengthen their financial capability, and address other challenges holding them back from achieving their goals.

We have one Project Owner that has been an active participant in this very worthwhile effort. However, we have found that many more Owners are unaware that they can now participate in the FSS program. Therefore we have initiated a training and resource Team to outreach to Owner/Managers on the availability and benefit of FSS participation at their properties. Our first step will be a meeting with the Resident Service Coordinators Association to inform them of this opportunity. They are key to any successful implementation of the FSS program at the project level.

### **Staff News**

We have had some recent excitement in Asset Management involving two valued members of our Team.

At the January 30 All Staff Day it was announced that Deb Johnson, an Asset Manager for over 20 years, had been recognized as MaineHousing Employee of the Year. This acknowledgement highlighted the many special assignments that Deb had undertaken along with maintaining her full portfolio responsibilities. In addition, she committed time and resources to mentor and support new Asset Managers assigned to the PBCA portfolio. Her honor was very well-deserved.

Later in the month we learned that Asset Manager Vicky Dute, a 44 year veteran of MaineHousing, would be retiring on April 21, 2023. Vicky has worked in a number of areas in MaineHousing including Housing Choice Vouchers, Development and, currently, Asset Management. While in Asset Management Vicky has led our Supportive Housing Repair program efforts and done an outstanding job assisting borrowers through the loan process.

We wish Vicky all the best in her retirement and know she will be missed by all of us as well as her internal and external partners in the Supportive Housing world.



## Communications & Planning Department Memorandum

**To:** Board of Commissioners

**From:** Erik C. Jorgensen, Senior Director of Government Relations and Communication

**Date:** March 13 2023

**Subject:** March 2023 Board Report

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The Communications and Planning Department is pleased to report on selected activities during late February and early March of 2023. During this time we have been working as a group on the annual Federal Funds report in advance of the NCSHA LegCon visits to the federal delegation, as well as an upcoming statutory report due to the Legislature on the HOME Fund.

### HOUSING STUDY

CPD policy analyst Clyde Barr and I have begun meeting on a weekly basis, with HR&A Advisors, Inc. the consultants conducting the Statewide and Regional Housing Production Goals study. MaineHousing, The Governor's Office of Policy Innovation and the Future, and the Department of Economic and Community Development are all represented in these meetings, which have focused so far on identifying data sources for the project as a whole. At present, the consultants are working on finalizing their research plan.

### ADVERTISING AND MARKETING RFP

We are in a procurement process around a new contract for advertising and marketing services. An RFP that closed in early March yielded six applicants (including our current providers), which are in the process of being reviewed, with a decision and contract award expected by the end of the month. Applicants span a range of agency sizes, capabilities and locations, with several coming from out of state, and scoring the applicants will focus on parameters including regulatory awareness, experience with banking, experience with agencies similar to MSHA and firm capabilities, as well as the more subjective questions around quality of design and how well they competed the RFP questions.

### WEBSITE

Webmaster Amanda Ouellette and Communications Director Scott Thistle have been focused on the advertising and web marketing package surrounding the relaunch of the HAF program. This

has involved work on various areas of the website, and when the program went live the launch included an online application, a self-screening eligibility determination tool, and other features. This represented intense work by both the broader HAF team at MaineHousing, and CPD.

Monthly web traffic: we're down about 12% in hits month over month – from 58k to 51k. Numbers this month are similarly down from this time last year but by a smaller margin - 8% from 56k to 51k.. This is notable, given that last year at this time we were in the middle of the Emergency Rental Assistance program, which drove site traffic. With that program out of the picture, an 8% year over year reduction suggests that we continue to experience more people coming to the website than we were attracting in the pre-pandemic era.

HEAP continues to lead the search terms on the website, as interest in that program remains surprisingly steady during this winter of higher than recent energy prices. We expect that with the re-launch of HAF and the attendant marketing activity, that there will be at least a short-term spike in traffic that will appear in next month's report. We have already started to see search terms like "house grant".

## LEGISLATURE

Dan and Erik have made multiple appearances before legislative committees, most notably the new joint committee on Housing. The main work so far with that committee has been to examine and vote on MaineHousing's parts of the biennial budget. We have also met with members of leadership, including speaker Talbot Ross, to discuss legislative priorities.

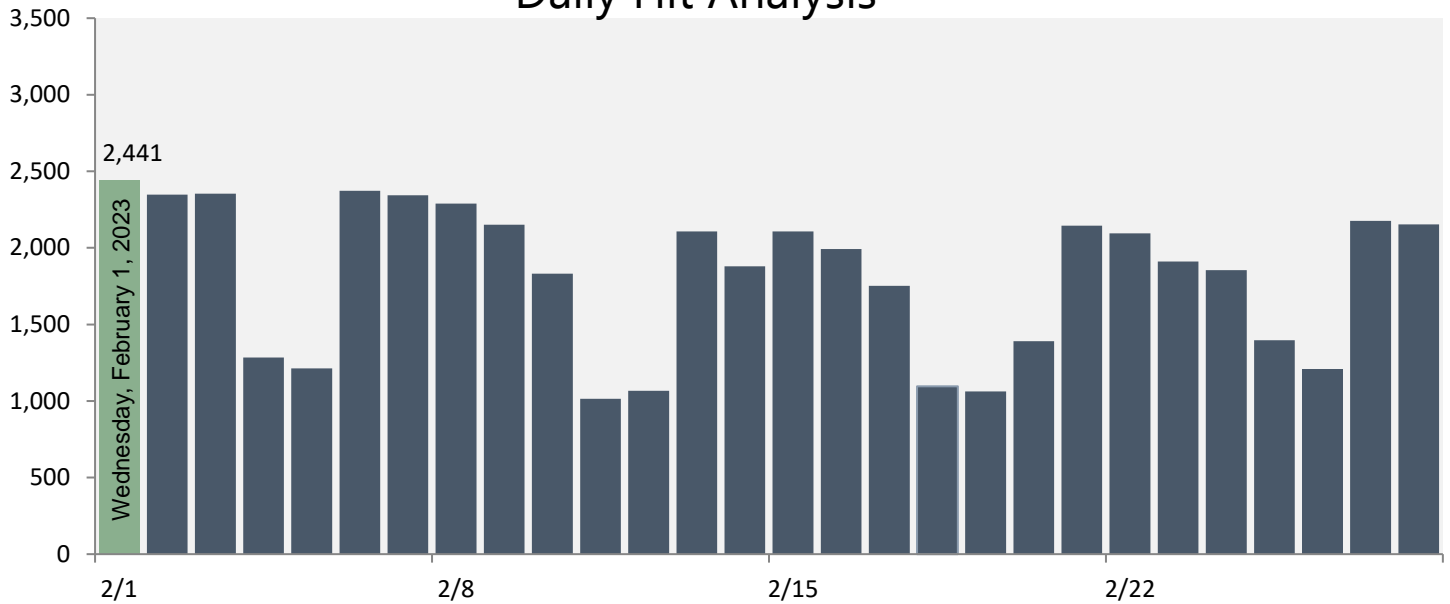
We are happy to note that the Housing Committee voted to support every housing item in the governor's budget, with a notable recommendation of voting to add to the Governor's plan to provide \$30 Million in housing subsidy. Under the Committee proposal, they changed that amount to \$40 Million per year for each year of the biennium. While a committee recommendation of that sort is very important, it is simply the first of many steps needed before the Appropriations Committee will land on a final figure in the actual budget.

We remain bedeviled by the huge proportion of "concept drafts", which are general legislative sketches of what a sponsor wants a bill to do, but without any policy details to add flesh to the proposal. This can make for surprises when a bill suddenly appears in final form, a day before a hearing. Sometimes these surprises are benign, but other times they are unpleasant. It may be this factor, concept drafts; it may be something else that has resulted in a slowdown of the usual legislative process, as very few bills have, as of this report, made it to a point of being debated in the House and Senate floors. The Housing Committee, for example, has yet to hear a single bill other than their part of the budget, instead holding a large number of informational presentations from different entities in the housing world.

# February 2023 - MaineHousing Website Statistics

## Hit Summary

### Daily Hit Analysis

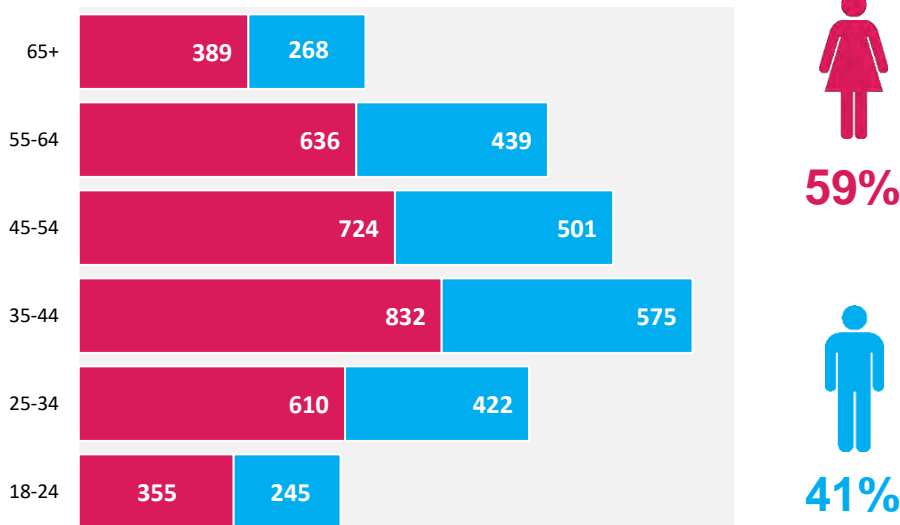


Hits	Unique Visitors	Page Loads	Avg Page Views	Avg Duration	Avg Engagement Rate
51,034	29,261	192,704	3.75	0:03:11	88.3%

## Demographics Summary

Demographic information collected by Google Analytics via a 3rd party collection tool. Age and gender are estimated numbers based upon several features present on a users mobile device, browser history, and other factors. Users must have previously allow this information to be collected through browser or app settings.

### AGE & GENDER



### TOP CITIES

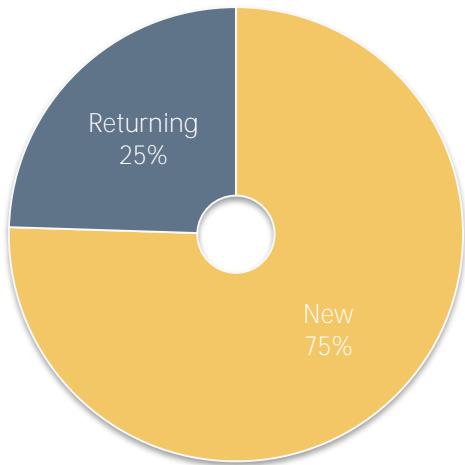
Boston, Massachusetts	2,317
New York, New York	2,273
Portland, Maine	2,257
Bangor, Maine	1,550
Hallowell, Maine	1,511
Augusta, Maine	1,478
Lewiston, Maine	1,325
Ashburn, Virginia	1,025
Waterville, Maine	754
Sanford, Maine	718

Top Cities account for 29.80% of all website traffic.

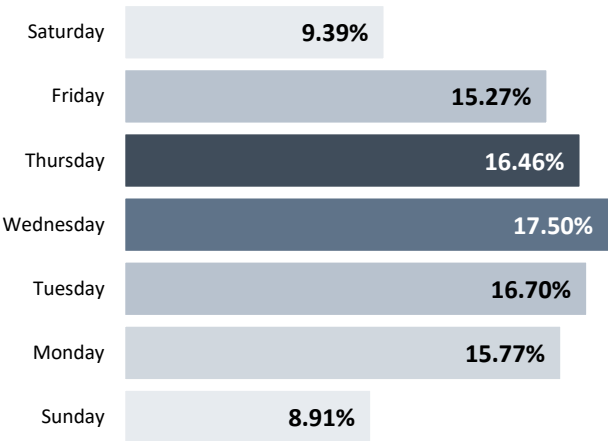
# Visitor Engagement

Demographic information collected by Google Analytics via a 3rd party collection tool. Age and gender are estimated numbers based upon several features present on a users mobile device, browser history, and other factors.

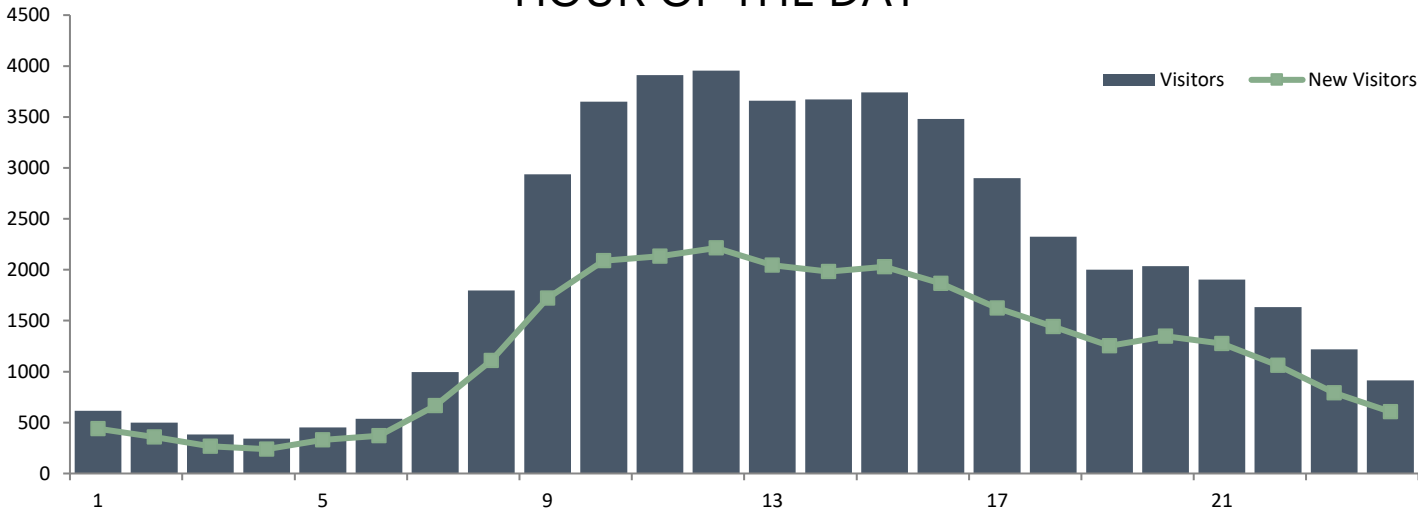
## NEW & RETURNING VISITORS



## DAYS OF THE WEEK

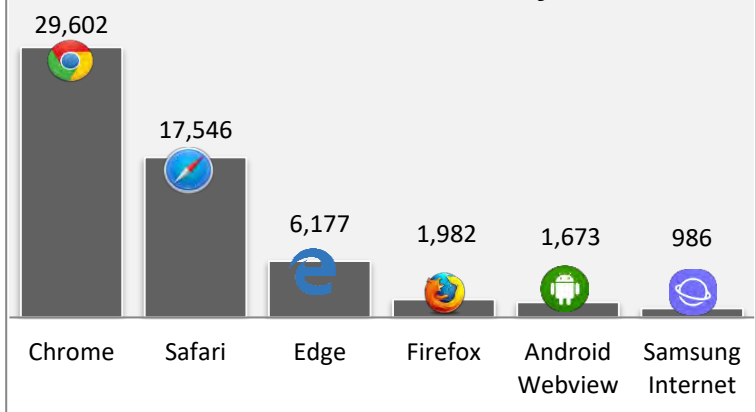


## HOUR OF THE DAY

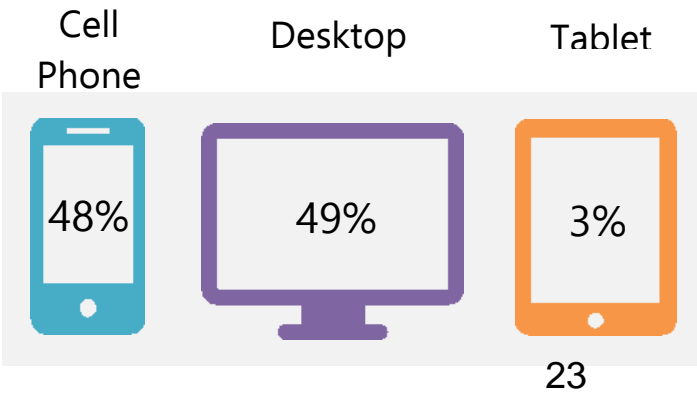


# Visitor Technology Summary

## Web Browser Analysis



## DEVICE ANALYSIS



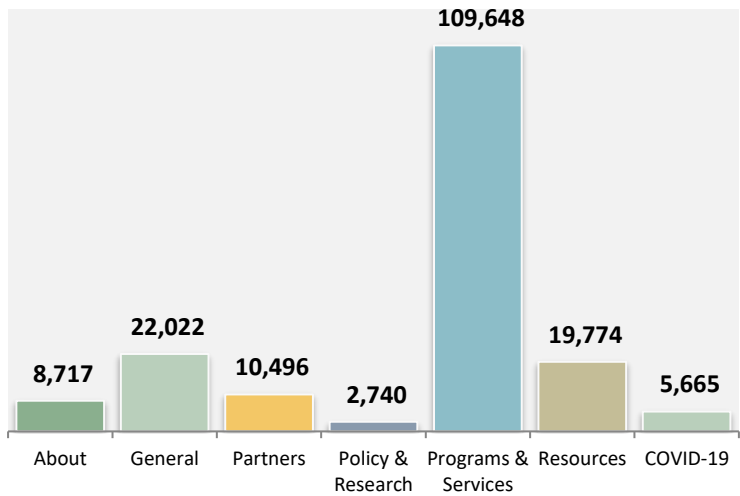


## Popular Content

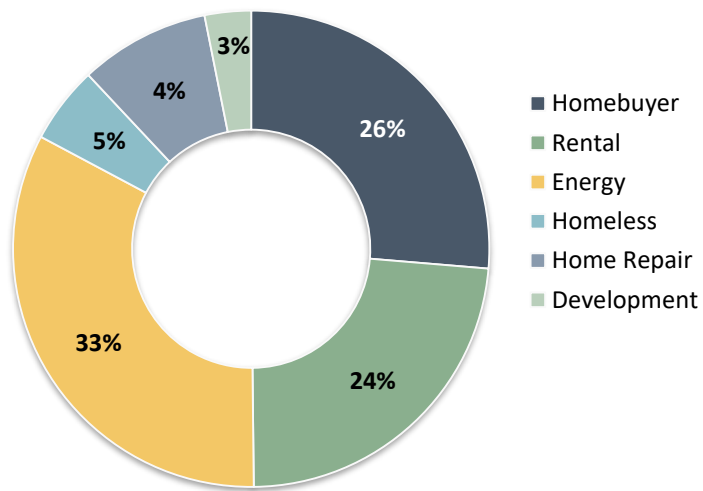
Popular content on our site is defined by pages and or sections of our site that have the highest visits. Below content has been categorized by page, program area and content sections. COVID-19 was added in March of 2020.

Page Title	Hits
Home	20,527
HEAP Program	15,991
First Home Loan Program	8,586
Home Energy Assistance Program	8,325
HEAP Income Eligibility	7,784
Rental Assistance	6,523
Housing Choice Vouchers	6,355
Subsidized Housing	6,327
Emergency Rental Assistance Program	5,665
MaineHousing Lenders	4,184
HEAP Agency Contacts	4,016
Programs - Services	3,787
Home Repair	3,605
Homebuyer Income & Purchase Limits	3,555
First Home Loan	3,490
Emergency Shelters	3,031
hoMEworks Homebuyer Education Classes	2,889
Contact MaineHousing	2,833
Rent - Income Charts	2,472
Weatherization Program	2,432
First Home - with Advantage 0 pts	2,362
Low Income Assistance Program	2,277
Maine Water Assistance Program	2,226
Current Interest Rates	2,171
Heat Pump Program	2,044

Popular Content By Program

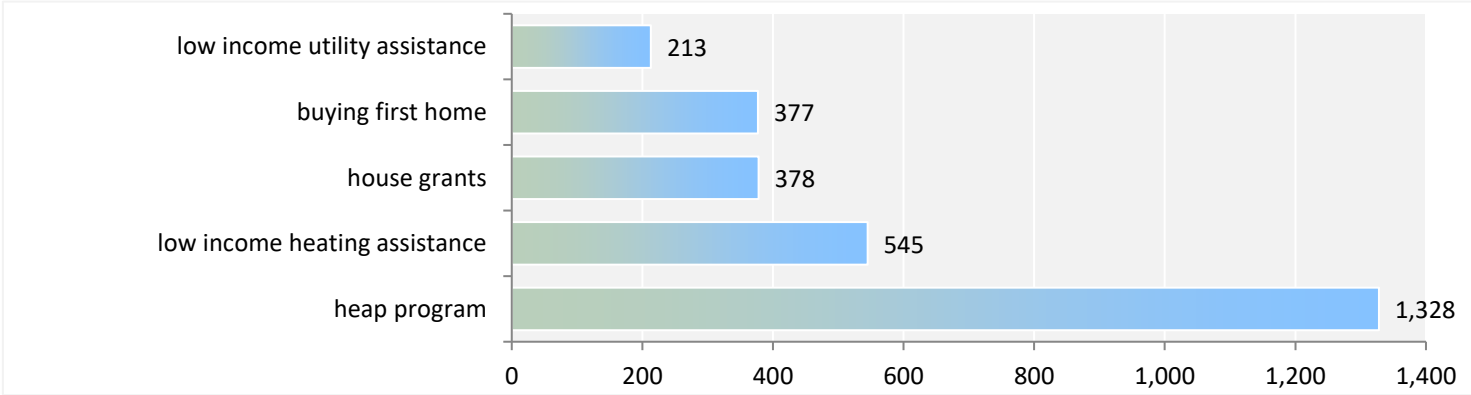


Popular Content By Section



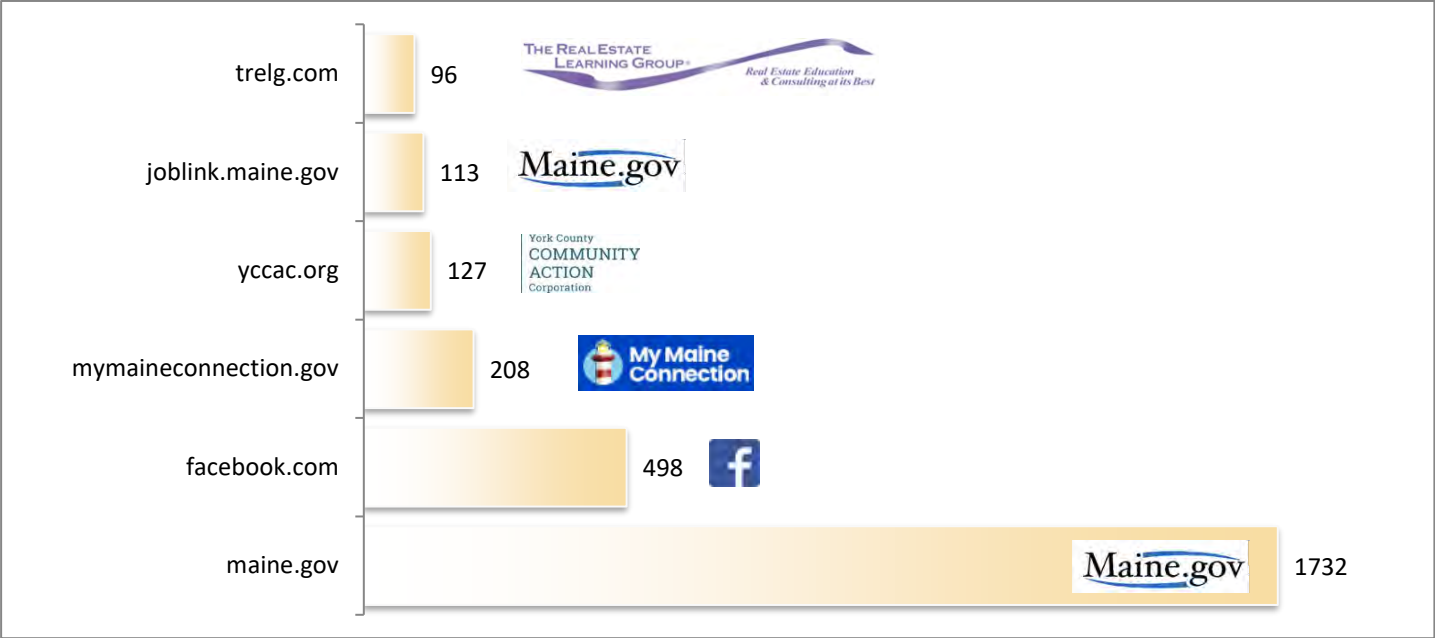
## Search Keywords

Below are some of the most popular phrases that people are typing into a search engine (such as google or bing) that then provide a search result for our site.



# Referring Websites

Referring websites are sites that link to our own website. When a visitor clicks on that link and visits our website, the site they came from becomes a referring site. Below are highlighted a few of the top referring sites.



## Development Department Memorandum

**To:** MaineHousing Board of Commissioners

**From:** Mark C. Wiesendanger, Director of Development

**Date:** March 21, 2023

**Subject:** Monthly Report

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### **Supportive Housing Program**

The deadline to submit Full Applications for the 2023 Supportive Housing Program was March 16.

The following Pre-Applications were invited to submit a Full Application:

Project Name	Developer	Location	# of Units
Charles Jordan House	Maine Prisoner Advocacy Coalition	Auburn	11
Bangor Affordable Housing	VOANNE	Bangor	12
Boothbay Region Affordable Housing	Amistad/Developers Collaborative	Boothbay Harbor	5
Lupine Landing	Safe Voices	Farmington	6
Seavey House	Biddeford Housing Authority	Saco	8
Caring Unlimited	Caring Unlimited	Saco	11
Western Maine Village	WMCA	Wilton	4
3 King Court	CHOM	Waterville	4

### **Development Pipeline**

Below you will find the Development Pipeline updated as of March 14. We expect that a small number of these projects will not see completion, and that predicted completion times for some projects might change for many reasons. Additionally, projects that start construction in 2023, or are in “Preliminary Underwriting” may very well see completion in 2024.

Project Name	Developer	Program	City	Family/ Senior	Total Units
<b>Completed in 2023</b>					
89 Olive Street	Penquis CAP	HTF	Bangor	Family	6
Milliken Heights	Szanton	4%	OOB	Senior	55
Senior Living at the Marketplace	Tim Gooch	9%	Augusta	Senior	42
The Uplands II	Bunker	4%	Scarborough	Senior	39
Tucker's House	LB Dev Part.	RHP	Bridgton	Family	4
West End Apts. Phase II	Avesta	9%	So. Portland	Family	52
<b>Total Projects</b>	<b>6</b>			<b>Total Units</b>	<b>198</b>
<b>Under Construction - likely completed in 2023</b>					
100 Ohio Street	CHOM	SHP	Bangor	Family	4
155 Danforth	Bunker	4%	Portland	Family	30
Blake & Walnut	Raise-Op	4%	Lewiston	Family	18
Blueberry Ridge (a.k.a Davis Rd)	Bangor HA	4%	Bangor	Senior	32
Brunswick Landing	Developers Collaborative		Brunswick	Family	36
Jocelyn Place	SoPo HA	4%	Scarborough	Senior	60
Millbrook Estates(East Bridge St.)	Westbrook HA/EBM	4%	Westbrook	Senior	100
Mountain View Apartments	Bateman	4%	Fairfield	Senior	28
The Schoolhouse	CHOM	4%	Bangor	Family	6
Mary Street Apartment	KVCAP	4%+SLIHTC	Skowhegan	Family	40
Phoenix Flats (Middle St Apts)	CHOM	4%+SLIHTC	Portland	Senior	45
Porter Station	Avesta	4%+SLIHTC	Portland	Family	60
Belfast Acres Estates	Realty Resources	4%RFP	Belfast	Senior	25
Front Street Re-Development Phase 1	Portland HA	9%	Portland	Family	60
Washington Gardens	Portland HA	9%	Portland	Senior	100
Theresa Bray Knowles Place	Penquis CAP	HOME-ARP	Bangor	Family	36
<b>Total Projects</b>	<b>16</b>			<b>Total Units</b>	<b>680</b>
<b>Under Construction - likely completed in 2024</b>					
Harrison Ridge	Developers Collaborative	4%	Bridgton	Senior	48
Hartland II	KVCAP	4%	Hartland	Senior	30
Snow School Apartments	Avesta	4%+HTF	Fryeburg	Senior	28
Front Street Re-Development Phase 2	Portland HA	9%	Portland	Senior	45
The Uptown	Szanton	9%	Bath	Senior	60
Village Commons	Avesta	9%	Scarborough	Senior	31
<b>Total Projects</b>	<b>6</b>			<b>Total Units</b>	<b>242</b>

### Starting Construction in 2023

115 Congress St	Developers Collaborative	9%	Belfast	Family	36
Adams Point	Biddeford HA	9%	Biddeford	Family	39
Landry Woods	South Portland Housing	9%	So. Portland	Senior	43
Milford Place	Penquis CAP	9%	Bangor	Senior	40
Oak Grove Commons	Realty Resources	9%	Bath	Family	34
Peasley Park	Developers Collaborative	9%	Rockland	Senior	49
Picker House Lofts	Szanton	9%	Lewiston	Family	72
Rumford Senior Living	Developers Collaborative	9%	Rumford	Senior	33
Sturgeon Landing	Augusta Housing	9%	Augusta	Family	32
18 Green Street	Motivational Svs	SHP	Augusta	Family	8
One Edgemont Drive	ACAP	SHP	Presque Isle	Family	13
22 Shapleigh Road	Fairtide	Home ARP	Kittery	Family	6
Colonial Valley & Mt Blue Motels	WMCA	Home ARP	Farmington	Family	33
Berry Park Apartments	Northland Enterprises	4%	Biddeford	Family	46
Betsy Ross Crossing	SoPo HA	4%	So. Portland	Senior	52
Edgewater Village	Avesta	4%	Farmington	Senior	25
Fairview Commons	Brunswick HA	4%	Topsham	Family	38
Harbor Terrace	Portland HA	4%	Portland	Senior	120
Lambert Woods North	Maine Coop. Dev. Partners	4%	Portland	Family	74
Lockwood Mill	North River Co.	4%	Waterville	Family	65
Meadowview II	Avesta	4%	Gray	Senior	27
North Deering Gardens	Wingate Dev.	4%	Portland	Family	164
Stacy M. Symbol Apartments	Westbrook HA	4%	Westbrook	Senior	60
Stroudwater Apartments	Westbrook HA	4%	Westbrook	Senior	55
Wedgewood	Lewiston HA/Avesta	4%	Lewiston	Family	82
The Equinox	CHOM	4%+SLIHTC	Portland	Family	43
Winter Landing	CHOM	4%+SLIHTC	Portland	Senior	52
Firefly Fields (fka 165 Talbot Ave)	Midcoast Habitat	Rural	Rockland	Family	10
Highpines Village Condominiums	Highpine Properties LLC	AHOP	Wells	Family	20
Stearns Farm	S.E. MacMillan Co, INC	AHOP	Hampden	Family	23

**Total Projects 30**

**Total  
Units 1394**

### Preliminary Underwriting

16 Waterford RD	LB Development Partners	Recovery	Harrison	Recovery	5
380 Main Street	Archer Properties LLC	Rural	Norway	Family	13
404/408 Main Street	Lake City Investments	Rural	Rockland	Family	9
520 Centre Street	Bath HA	Rural	Bath	Family	18
55 Elm Street	East Town Rentals	Rural	Presque Isle	Family	18
55 Weston Ave	55 Weston Avenue LLC	Rural	Madison	Family	18
5-7 Mechanic Street	WLR Properties	Rural	Houlton	Family	18
45 Dougherty	Szanton	4%	Portland	Family	63

99 Western Ave	Mastway Development LLC	4%	Augusta	Family	38
Farwell Mill	Realty Resources	4%	Lisbon Falls	Family	96
Munjoy South	Avesta	4%	Portland	Family	106
Place St. Marie	Brisa Development with Andy J	4%	Lewiston	Family	40
Riverton Park	Portland HA	4%	Portland	Family	182
SAA/EVI: Dominican Court	SAA/EVI	4%	Lewiston	Senior	45
SAA/EVI: Lisbon Senior Village	SAA/EVI	4%	Lisbon Falls	Senior	20
SAA/EVI: Meadowbrooke Apts	SAA/EVI	4%	Livermore Falls	Family	24
SAA/EVI: Sherwood Forest Apts	SAA/EVI	4%	Skowhegan	Senior	26
Seton Tower	Kevin Mattson with Andy J	4%	Waterville	Family	68
Summer Block	Bateman	4%	Saco	Senior	32
89 Elm Apartments	Tom Watson & CO LLC	4% PLA	Portland	Family	201
19 Bodwell Street	Androscoggin Homes LLC	AHOP	Sanford	Family	9
Beals Avenue Workforce Housing	LB Development Partners	AHOP	Ellsworth	Family	23
Clarks Bridge Crossing	Patco	AHOP	Waterboro	Family	9
Wildlands	Greater Portland Habitat	AHOP	Standish	Family	12
Windward Estates	Penquis CAP	AHOP	Searsport	Family	7
Great Cranberry Island	Cranberry Isles Realty Trust	Islands	Cranberry Island	Family	2
NHSH Affordable Housing Initiative	North Haven Sustainable Housing	Islands	New Haven	Family	4
<b>Total Projects</b>				<b>Total Units</b>	<b>1106</b>
<b>Total Projects All Stages</b>				<b>Total Units</b>	<b>3620</b>



**Energy & Housing Services Department Memorandum**

**To:** MaineHousing Board of Commissioners  
**From:** Genevieve Soucy, Director Energy and Housing Services  
**Date:** March 14, 2023  
**Subject:** EHS Monthly Report – March 2023

**HOME ENERGY ASSISTANCE PROGRAM (HEAP)**

Number of Applications (program start July 18,2022)	PY 2023 (Week 33) THRU 3/7/2023	PY 2022 (Week 33) THRU 4/12/2022	% Change	PY 2022 Total Program Year
Total Applications Taken	53,166	44,733	+ 18.9%	60,784
Confirmed Eligible/Paid	39,161	30,697	+ 27.6%	48,752
Pending (in process)	7,166	7,827	- 8.4%	0
Other (ineligible, denied, void, etc.)	6,839	6,209	+ 10.1%	11,502
<b>Amount Distributed</b>	<b>\$44,100,758</b>	<b>\$22,519,924</b>		<b>\$32,023,529</b>
<b>Applicants new to Program</b>	<b>15,710</b>			
<b>** Above table addition to reflect 2022 Complete Program Year</b>				

**Additional information:**

- **Stakeholders Meeting** – As part of the annual planning process for the HEAP program, a Stakeholders Meeting was held virtually on February 23<sup>rd</sup>. The Stakeholders present represented Community Action Agencies, Maine Equal Justice Partners, Fuel Vendors as well as Maine Housing Staff. A summary of the comments and suggestions gathered during this meeting is attached. The team will be reviewing the comments and suggestions, responding to the comments and reviewing the feasibility of implementation for Program Year 2024 or 2025.
- **HEAP Advisory Group** - The second meeting of the HEAP Advisory Group took place Wednesday March 8<sup>th</sup>. This group meeting focused on the dashboards and data analytics from both Maine Housing's website as well as from the Governor's Energy Office. Ross Anthony, from the GEO, presented data analytics for Program Year 2022. The agenda for the next meeting will be focusing on future state of the HEAP program and suggestions from participants as well as prior submitted suggestions from the Stakeholders Meeting.
- **Emergency Crisis Intervention Program (ECIP) component** – Maine's ECIP program runs from November 1 – April 30 and provides HEAP eligible households who do not have heat, or are at risk of running out of fuel, with up to an \$800 benefit to address their heating crisis situation. This benefit may be accessed multiple times during the program year, with a program year maximum of \$800. To date, there have been obligations for \$2,570,000 of fuel deliveries to 3,900 households in crisis.
- **HEAP Funding** – The EHS team and Leadership have been meeting to discuss available HEAP funding and the expenditure rate. Increase in applications taken has been holding

steady at a 17.5% compared to the same program week last year while denial rates have decreased. The denial rate for Program Year 2023 is approximately 12% compared with 19% in Program Year 2022. Average benefits paid out have also increased from the projected \$928 to \$1,120. This is due to lower income levels for applicants, higher consumption of fuel during the prior program year and a large number of households who are first time applicants.

While these are all directions that are positive for the HEAP program, the rate that it has happened at is causing concern about the amount of funding available for the remainder of the program year as well as funding for program components of the LIHEAP grant. We are recalculating our projections, taking a closer look at the remaining anticipated applications to determine the actual financial demand and reassessing the needs to deliver the program.

### TANF Heating Supplemental

Maine DHHS makes available \$3,000,000 of TANF (Temporary Assistance for Needy Families) block grant funds to MaineHousing to provide a supplemental heating assistance benefit for low-income families with children. Each HEAP eligible household with a child 17 years of age or under receives a \$350 credit for their fuel vendor.

Program Year 2022 has provided 7,895 households with an additional \$2,689,731.82 in heating assistance. Credit notification for Program Year 2022 may be redeemed until April 30, 2023. Program Year 2023 will commence upon the finalization of the new contract, the contract for the PY2023 program year was submitted in November and is going through the contract review process.

### Home Accessibility and Repair Program (HARP)

The Home Accessibility and Repair Program (HARP) provides grants to income eligible homeowners for professional home repairs and accessibility modifications. The HARP is delivered statewide through the network of Community Action Agencies (CAAs).

PROJECT PROGRESS BY CAA						
Reporting Period: January 1, 2023 – February 28, 2023						
Agency	2023 Home Repair & Accessibility		2023 Emergency		2023 Weatherization Readiness	
ACAP	0	\$0	2	\$2,160	1	\$3,024
CCI-ANDROSCOGGIN	0	\$0	0	\$0	0	\$0
CCI-CUMBERLAND	0	\$0	0	\$0	0	\$0
DCP	0	\$0	0	\$0	0	\$0
KVCAP	1	\$45,481	3	\$34,718	0	\$0
PCAP	0	\$0	1	\$681	0	\$0
WCAP	0	\$0	0	\$0	0	\$0
WMCA	0	\$0	0	\$0	0	\$0
YCCAC	0	\$0	1	\$12,240	0	\$0
<b>TOTAL</b>	<b>1</b>	<b>\$45,481</b>	<b>7</b>	<b>\$49,799</b>	<b>1</b>	<b>\$3,024</b>
<b>2022 Program</b>	<b>117</b>	<b>\$2,070,223</b>	<b>121</b>	<b>\$2,092,903</b>		



**Additional Information:**

- **2023 HARP** – EHS is adding an additional program component for Program Year 2023, Weatherization Readiness. The Weatherization Readiness component will allow homes that were previously unable to receive weatherization services due to existing structural issues, to have these issues resolved so that the household can have weatherization services performed using HEAP and DOE WAP funding.

**Low Income Water Assistance Program (MEWAP)**

MaineHousing's Low Income Water Assistance Program launched in September. The funding for this program comes from HHS and is currently considered a one-time program set to run through September 30, 2023. The MEWAP is being administered in-house, and to date there have been over 950 applicants and over \$754,000 in benefits payable.

**Weatherization Assistance Programs (WAP)**

PROJECT PROGRESS BY CAA				
Reporting Period: January 1, 2023 – February 28, 2023				
Agency	Projects	Total Cost	DOE Funded	HEAP Funded
ACAP	6	\$102,429.34	\$30,361.62	\$72,067.72
CCI-ANDROSCOGGIN	9	\$149,421.67	\$64,383.24	\$85,038.43
CCI-CUMBERLAND	3	\$40,538.97	\$11,825.42	\$28,713.55
DCP	3	\$39,743.29	\$20,579.61	\$19,163.68
KVCAP	12	\$177,018.66	\$91,459.28	\$85,559.38
PCAP	6	\$62,294.98	\$46,178.45	\$16,116.53
WCAP	1	\$30,724.60	\$2,440.31	\$28,284.29
WMCA	0	\$31,612.31	\$306.96	\$31,305.35
YCCAC	7	\$205,760.48	\$89,377.56	\$116,382.92
<b>TOTAL</b>	<b>47</b>	<b>\$839,544.30</b>	<b>\$356,912.45</b>	<b>\$482,631.85</b>
<b>2022 TOTAL</b>	<b>316</b>	<b>\$6,442,853.00</b>	<b>\$2,973,800.00</b>	<b>\$3,469,053.00</b>

**Additional information:**

- **DOE-BIL State Plan** – Maine Housing staff submitted requested updates to DOE regarding the BIL State Plan and are currently awaiting approval. Update provided by DOE is that it is with the Grant Specialist for review, they are anticipating that we will receive feedback by March 17<sup>th</sup>.
- **DOE Annual State Plan** - Maine Housing has received our allocation for the 2023 program year. We will be receiving \$4,302,290.00 with \$403,527 allocated to the Weatherization Readiness component and \$693,510 for Training and Technical Assistance. The 2023 Annual program will commence 4/1/2023.

## Heat Pump Program

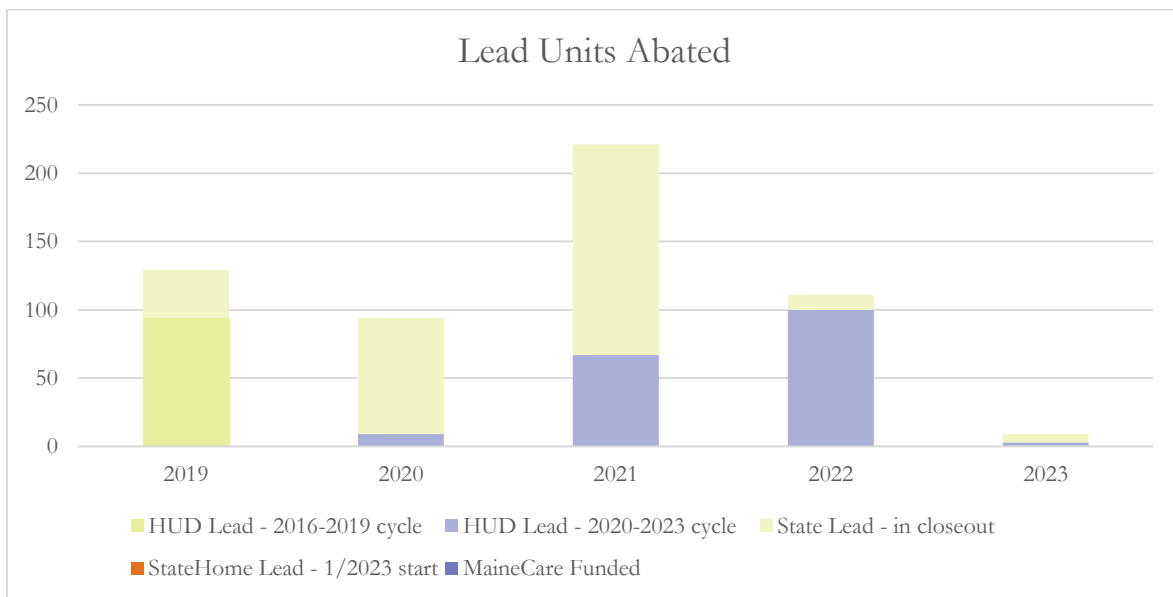
The MaineHousing Heat Pump Program (HPP) production has had incremental success since its creation. The production goal for calendar year 2022 was 1,500 units installed. As of December 31, the total number of installations was 1,679, 112% of the goal set.

Funding for the Heat Pump Program is from the DHHS LIHEAP grant. This Program Year, due to the increase in Heating Assistance applications and expenses, Maine Housing is actively searching for an alternate funding source to continue with the Heat Pump installs for use as secondary heating units. On March 24<sup>th</sup>, EHS will be submitting a grant application for a DOE SERC (Sustainable Energy Resources for Consumers) grant for use in continuing this program for low to moderate income Mainers.

## Lead Abatement Program

Maine Housing works with two Community Action Agencies to deliver the Lead Abatement Programs across the State. Currently there are two funding sources used to abate units, HUD's three year Lead Abatement Program and the State Home funded Lead Abatement Program. There is currently \$3million available in State Home funded Lead to abate units, the HUD Program is fully earmarked and will be closing out August 2023. HUD has published a Notice of Funding Opportunity for the next grant funded cycle. EHS will be applying for this grant with the intention of asking for an additional \$4million over four years, the application deadline has been extended to May 2023.

Maine CDC is in process of negotiating a final contract with the State of Maine to utilize excess MaineCare funds to abate units in which a MaineCare eligible child resides. The anticipated funding for this will be \$900,000 per year. The most recent update is that this program is still in contract review process at the State.



## Finance Department Memorandum

**To:** Board of Commissioners

**From:** Darren R. Brown

**Date:** March 14, 2023

**Subject:** Monthly Activity Report – Finance Department

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### ACCOUNTING AND FINANCIAL REPORTING (AFR):

- The audit of the financial statements for the year ended December 31, 2022 is ongoing. The purpose of this audit is to ensure that the financial statements prepared in-house are properly done in accordance with accounting rules and requirements, and that they are free of material misstatements.

The AFR staff worked closely with the auditors from Baker Newman Noyes (BNN) providing various schedules and documents, addressing questions, and preparing the financial statements. The auditors will be finalizing their work over the next several weeks. MaineHousing's bond resolution requires that the audited financial statements be completed and submitted to its trustee by the end of March each year. The audited financial statements will be provided and reviewed at the April meeting and the auditors from BNN will review their work and the audit results.

Work on the Uniform Grant Guidance (A-133) federal compliance audit is scheduled to continue in April. This is an audit of the various federal programs that are administered by MaineHousing. For the year ended December 31, 2022, MaineHousing administered and disbursed approximately \$330 million through thirty different federal programs.

Major federal programs are audited on a rotating basis and the programs for the 2022 audit have not been determined by the auditors at this point. The Uniform Grant Guidance Audit needs to be completed and filed with the federal Single Audit Clearinghouse and the HUD Real Estate Assessment Center (REAC) within nine months after year end. The AFR staff will be working with the program departments to compile and prepare information for this audit in the coming weeks.

### LOAN ADMINISTRATION:

- Over the past several months, staff members from the Finance Department have participated on a committee that has worked to transition the Homeowner Assistance Fund (HAF) program from the State's Bureau of Consumer Credit Protection (BCCP). The HAF program is designed to provide homeowners impacted by COVID-19 with financial support to address delinquent housing payments, property taxes, sewage or water bills, utility charges, condo and co-op fees, and manufactured home loan payments.

The transition committee's work involved making program design changes and obtaining the necessary approval from Treasury, acquiring access to the software used to administer the program and implementing system processes changes, negotiating and entering into new contractual arrangements with service providers, and setting up a payment administration process. The transition committee's work concluded on March 6<sup>th</sup> when MaineHousing's HAF program was launched.

**Finance Department Memorandum**

**To:** Board of Commissioners

**From:** Darren R. Brown

**Date:** March 14, 2023

**Subject:** Monthly Financial and Budget Report

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**FINANCIAL RESULTS**

Attached are the Balance Sheets and Statements of Revenues, Expenses, and Changes in Net Assets for the one month period ended January 31, 2023.

MaineHousing's programs are accounted for in Fund Groups, based on funding sources. For financial reporting purposes, each Fund Group is a separate and standalone entity. There are seven Fund Groups and the individual Balance Sheets and Statements of Revenues, Expenses and Changes in Net Assets for each are presented in columns on the attachments (pages 1 and 2). The following is a summary of MaineHousing's total combined financial position and operating results for the current year and a brief explanation for the changes between the current and prior year net operating results.

Total combined assets are approximately \$2.34 billion and total combined liabilities approximate \$1.92 billion. Total net assets amount to approximately \$419 million. Total combined revenues approximate \$45.8 million and total expenses amount to approximately \$41.7 million, which results in net operating income of \$4.1 million. Total combined net operating income for this period in 2022 was \$2.1 million. Net operating income for one month is \$2 million higher in 2023 due primarily to the activities and operating results of the Mortgage Purchase Fund (MPP), MaineHousing's largest fund group, and an increase in the fair value of non-mortgage investments.

The MPP has net operating income of approximately \$3.2 million. This is a \$3.3 million increase compared to the net operating loss of \$0.1 million in 2022. The increase is attributed largely to the recognition of a significant paper gain associated with adjusting the carrying values of non-mortgage investments. A paper gain of \$2.9 million has been recorded for 2023, which is \$3.3 million larger than the paper loss of \$0.4 million recorded in 2022. The change associated with the recording of paper gains and losses is attributed to interest rate changes during the year.

The recording of paper gains and losses is required for accounting purposes. However, because MaineHousing does not actively buy and sell related investments, actual gains and losses will not occur and these amounts are ignored by the rating agencies, bond analysts, and management when assessing profitability. Excluding the paper gains and losses, the MPP's net operating income is \$0.3 million at the end of January 2023 and 2022.

The HOME Fund has net operating income of \$0.5 million, which is a decrease of \$2 million compared with net operating income of \$2.5 million in 2022. MaineHousing's portion of the real estate transfer taxes received from the State are accounted for in this Fund Group. The decrease in net operating income is due to lower real estate transfer tax receipts at this point in 2023.

## **BUDGET RESULTS**

Also attached are the budget variance results for the period ended January 31, 2023. These results are summarized and presented on the attachment described below:

### **OPERATING REVENUES AND EXPENSES BUDGET**

MaineHousing has two primary business segments, which consist of mortgage lending activities and the administration of federal and other programs. All operating and program administrative costs are paid by either the net interest income from mortgage lending activities, which is the difference between interest income earned from mortgage and non-mortgage investment assets and the interest paid on bonds, or fee income received for the administration of federal and other programs.

The Operating Revenues and Expenses Budget, **Attachment A**, presents the revenues available to pay operating and program administrative expenses. It also presents the aggregate operating and program administrative expenses. Total budgeted revenues for 2023 are \$92.1 million and total expenses are budgeted at \$83.5 million. Total actual revenues as of January 31, 2023 amount to \$7.9 million, while total expenses amount to \$7.6 million. For the one month period ended January 31, 2023, revenues exceed expenses by approximately \$0.3 million.

The operating and other program administration expenses (the first two expense lines) are detailed on **Attachment B** and summarized below:

### **OPERATING AND OTHER PROGRAM ADMINISTRATIVE EXPENSES**

MaineHousing's overhead and operational costs for the year as well as other program administrative expenses, which are costs that are specifically and exclusively related to a particular program, are itemized on **Attachment B**.

Total 2023 operating expenses are budgeted at approximately \$24.3 million. As of January 31, 2023, approximately \$3 million or 12% of the total operating budget has been used. Total other program administrative expenses are budgeted at \$8.9 million and actual expenses amount to \$0.7 million as of January 31, 2023. Overall, expenditures in these areas are consistent with that anticipated for the period.

### **CAPITAL BUDGET**

The Capital Budget, **Attachment C**, presents items that provide an economic benefit to MaineHousing over a period of time. Items are recorded as assets and depreciated over an estimated useful life. The total authorized capital budget for 2023 is \$1.3 million. There were no capital expenditures as of January 31, 2023.

### **MEMBERSHIPS, DUES AND SPONSORSHIPS**

In accordance with MaineHousing's Contributions Policy, all payments for memberships, dues and sponsorship are required to be reported to the Commissioners each month as part of the budget variance reports. **Attachment D** presents an itemized listing of the membership, dues, and sponsorship expenses as of January 31, 2023.

**MAINE STATE HOUSING AUTHORITY**  
**BALANCE SHEETS**  
**JANUARY 31, 2023**  
*(IN THOUSANDS OF DOLLARS)*

	<b>Memorandum Only Combined Totals</b>		<b>Mortgage Purchase Fund Group</b>	<b>Bondholder Reserve Fund</b>	<b>General Fund</b>	<b>HOME Fund</b>	<b>Federal Programs Fund</b>	<b>Other Funds</b>	<b>Maine Energy Housing &amp; Economic Recovery Funds</b>
	<b>2022</b>	<b>2023</b>							
<b>ASSETS:</b>									
Cash, principally time deposits	86,148	166,596	13,121	0	146,951	1	6,523	0	0
Investments	499,250	512,218	416,005	8,069	18,546	27,888	0	6,266	35,444
Accounts receivable - Government	38,992	21,492	0	0	0	1,695	19,475	322	0
Accrued interest and other assets	8,129	10,109	9,040	14	419	357	178	9	92
Mortgage notes receivable, net	1,413,840	1,589,506	1,533,311	0	4,294	33,486	0	1,050	17,365
Other notes receivable, net	63	34	0	0	34	0	0	0	0
Land, equipment and improvements, net	17,592	17,096	22	0	17,074	0	0	0	0
Other real estate owned	73	81	81	0	0	0	0	0	0
Derivative instrument - interest rate swaps	10,113	18,560	18,560	0	0	0	0	0	0
Net pension asset	217	0	0	0	0	0	0	0	0
Deferred pension expense	1,123	959	509	3	102	0	0	345	0
Deferred amount on debt refundings	2,631	2,299	2,299	0	0	0	0	0	0
<b>Total Assets</b>	<b>2,078,171</b>	<b>2,338,950</b>	<b>1,992,948</b>	<b>8,086</b>	<b>187,420</b>	<b>63,427</b>	<b>26,176</b>	<b>7,992</b>	<b>52,901</b>
<b>LIABILITIES AND NET ASSETS:</b>									
Accrued interest payable	8,077	10,273	10,108	0	0	0	0	0	165
Accounts payable - Federal	352	341	0	0	0	0	341	0	0
Accounts payable & accrued liabilities	9,007	28,299	329	0	25,977	188	1,805	0	0
Unearned income	67,367	117,046	0	0	0	625	30,081	86,340	0
Net pension liability	0	1,780	945	5	189	0	0	641	0
Deferred pension credit	3,159	798	424	3	84	0	0	287	0
Accumulated increase in fair value of hedging derivatives	10,113	18,560	18,560	0	0	0	0	0	0
Interfund	0	0	5,188	28	107,221	(22,339)	(10,723)	(79,375)	0
Mortgage bonds and notes payable, net	1,571,564	1,742,844	1,674,350	0	14,209	0	0	0	54,285
Deferred grant income	0	0	0	0	0	0	0	0	0
Deferred loan origination points	16	19	19	0	0	0	0	0	0
<b>Total Liabilities</b>	<b>1,669,655</b>	<b>1,919,960</b>	<b>1,709,923</b>	<b>36</b>	<b>147,680</b>	<b>(21,526)</b>	<b>21,504</b>	<b>7,893</b>	<b>54,450</b>
<b>NET ASSETS:</b>									
Restricted Net Assets	370,702	379,250	283,025	8,050	0	84,953	4,672	99	(1,549)
Unrestricted Net Assets	37,814	39,740	0	0	39,740	0	0	0	0
<b>Total Net Assets</b>	<b>408,516</b>	<b>418,990</b>	<b>283,025</b>	<b>8,050</b>	<b>39,740</b>	<b>84,953</b>	<b>4,672</b>	<b>99</b>	<b>(1,549)</b>
<b>Total Liabilities and Net Assets</b>	<b>2,078,171</b>	<b>2,338,950</b>	<b>1,992,948</b>	<b>8,086</b>	<b>187,420</b>	<b>63,427</b>	<b>26,176</b>	<b>7,992</b>	<b>52,901</b>

**MAINE STATE HOUSING AUTHORITY**  
**STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS**  
**FOR THE PERIOD ENDED JANUARY 31, 2023**  
*(IN THOUSANDS OF DOLLARS)*

	<b>Memorandum Only Combined Totals</b>		<b>Mortgage Purchase Fund Group</b>	<b>Bondholder Reserve Fund</b>	<b>General Fund</b>	<b>HOME Fund</b>	<b>Federal Programs Fund</b>	<b>Other Funds</b>	<b>Maine Energy Housing &amp; Economic Recovery Funds</b>
	<b>2022</b>	<b>2023</b>							
<b>REVENUES:</b>									
Interest from mortgages and notes	4,818	5,358	5,324	0	21	10	0	0	3
Income from investments	113	1,774	1,434	28	60	97	2	23	130
Net increase (decrease) in the fair value of investments	(369)	2,945	2,945	0	0	0	0	0	0
Fee income	1,504	1,012	126	0	123	0	755	8	0
Grant income	17,989	23,743	0	0	0	3	12,566	11,174	0
Income from State	3,477	1,695	0	0	0	1,695	0	0	0
Federal rent subsidy income	9,092	9,267	0	0	0	0	9,267	0	0
<b>Total Revenues</b>	<b>36,624</b>	<b>45,794</b>	<b>9,829</b>	<b>28</b>	<b>204</b>	<b>1,805</b>	<b>22,590</b>	<b>11,205</b>	<b>133</b>
<b>EXPENSES:</b>									
Operating expenses	2,681	2,987	0	0	2,987	0	0	0	0
Other program administrative expenses	394	570	562	0	(3)	0	11	0	0
Mortgage servicing fees	121	139	138	0	1	0	0	0	0
Provision for losses on loans	0	0	0	0	0	0	0	0	0
Losses on foreclosed real estate	0	0	0	0	0	0	0	0	0
Interest expense	3,261	4,034	3,949	0	0	0	0	0	85
Grant expense	18,956	24,734	0	0	0	1,329	12,565	10,840	0
Federal rent subsidy expense	9,054	9,213	0	0	0	0	9,213	0	0
Allocated operating costs	0	0	1,918	11	(2,641)	0	703	9	0
<b>Total Expenses</b>	<b>34,467</b>	<b>41,677</b>	<b>6,567</b>	<b>11</b>	<b>344</b>	<b>1,329</b>	<b>22,492</b>	<b>10,849</b>	<b>85</b>
<b>Net Operating Income (Loss)</b>	<b>2,157</b>	<b>4,117</b>	<b>3,262</b>	<b>17</b>	<b>(140)</b>	<b>476</b>	<b>98</b>	<b>356</b>	<b>48</b>
<b>Transfers between funds, net</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Change in net assets</b>	<b>2,157</b>	<b>4,117</b>	<b>3,262</b>	<b>17</b>	<b>(140)</b>	<b>476</b>	<b>98</b>	<b>356</b>	<b>48</b>
<b>Net assets at beginning of year</b>	<b>406,359</b>	<b>414,873</b>	<b>279,763</b>	<b>8,033</b>	<b>39,880</b>	<b>84,477</b>	<b>4,574</b>	<b>(257)</b>	<b>(1,597)</b>
<b>Net assets at end of period</b>	<b>408,516</b>	<b>418,990</b>	<b>283,025</b>	<b>8,050</b>	<b>39,740</b>	<b>84,953</b>	<b>4,672</b>	<b>99</b>	<b>(1,549)</b>

**MAINE STATE HOUSING AUTHORITY  
OPERATING REVENUES AND EXPENSES BUDGET VARIANCE REPORT  
FOR THE PERIOD ENDED JANUARY 31, 2023**

*(IN THOUSANDS OF DOLLARS)*

	<b>Mortgage Lending Activities Actual</b>	<b>Federal &amp; Other Program Administration Actual</b>	<b>Total Combined Actual</b>	<b>Total Annual Budget</b>	<b>Total Under/(Over)</b>	<b>% Variance</b>
<b>REVENUES:</b>						
Interest from mortgages and notes	5,345	0	5,345	66,400	61,055	92%
Income from investments	1,522	25	1,547	11,390	9,843	86%
Fee income	249	763	1,012	14,153	13,141	93%
Other revenue	0	0	0	160	160	100%
<b>Total Revenues</b>	<b>7,116</b>	<b>788</b>	<b>7,904</b>	<b>92,103</b>	<b>84,199</b>	<b>91%</b>
<b>EXPENSES:</b>						
Operating expenses	2,275	712	2,987	24,294	21,307	88%
Other program administrative expenses	698	11	709	8,864	8,155	92%
Interest expense	3,949	0	3,949	50,325	46,376	92%
<b>Total Expenses</b>	<b>6,922</b>	<b>723</b>	<b>7,645</b>	<b>83,483</b>	<b>75,838</b>	<b>91%</b>
<b>Excess Revenues Over Expenses</b>	<b>194</b>	<b>65</b>	<b>259</b>	<b>8,620</b>	<b>8,361</b>	<b>97%</b>



**MAINE STATE HOUSING AUTHORITY  
OPERATING AND OTHER PROGRAM ADMINISTRATIVE EXPENSES  
FOR THE PERIOD ENDED JANUARY 31, 2023**

**ATTACHMENT B**

	<b>Total Annual Budget</b>	<b>Total Year to Date Actual</b>	<b>Budget Available</b>	<b>Percentage of Budget Available</b>
<b>Operating Expenses</b>				
Salaries	13,517,480	2,020,310	11,497,170	85%
Payroll Taxes	994,335	153,096	841,239	85%
Retirement	1,273,244	103,462	1,169,782	92%
Medical and Life Insurance	3,116,854	243,348	2,873,506	92%
Other Fringe Benefits	10,000	280	9,720	97%
Office Supplies	51,365	4,121	47,244	92%
Printing	75,560	6,737	68,823	91%
Membership and Dues	63,811	14,387	49,424	77%
Subscriptions	32,077	2,625	29,452	92%
Sponsorships	14,600	0	14,600	100%
Staff Educ/Train/Conf	180,131	18,319	161,812	90%
Travel/Meals - Staff Educ/Train/Conf	197,859	21,440	176,419	89%
Partner/Client Train/Meetings	138,510	13,101	125,410	91%
Travel/Meals - Partner/Client Training	112,546	1,904	110,642	98%
Staff Events	28,580	8,325	20,255	71%
Meals - Staff Events	33,130	1,404	31,726	96%
Leased Vehicles	177,773	15,573	162,200	91%
Computer Supplies	39,812	1,142	38,670	97%
Computer License SAAS	254,048	35,140	218,908	86%
Rent-Other	39,430	2,925	36,505	93%
Computer Maintenance	789,721	66,098	723,623	92%
Depreciation	1,200,000	80,102	1,119,898	93%
Telephone	125,584	10,173	115,411	92%
Employment Advertising	1,000	0	1,000	100%
Postage and Shipping	141,022	21,196	119,826	85%
Insurance	105,748	184	105,564	100%
Recording Fees	1,000	39	961	96%
Payroll Services	49,418	4,293	45,125	91%
Audit Services	172,000	0	172,000	100%
Property Expenses	522,435	81,453	440,982	84%
Professional Services	376,108	16,276	359,832	96%
Building Interest Expense	458,669	39,164	419,505	91%
<b>Total Operating Expenses</b>	<b>24,293,851</b>	<b>2,986,616</b>	<b>21,307,235</b>	<b>88%</b>
<b>Other Program Administrative Expenses</b>				
Loan foreclosure expenses	200,000	3,216	196,784	98%
REO expenses	50,000	2,905	47,095	94%
Mortgage Servicing fees	1,850,000	138,906	1,711,094	92%
Provision for losses on loans & REOs	125,000	0	125,000	100%
Loan Origination expenses	3,230,000	272,370	2,957,630	92%
Bond Issuance Costs	900,000	0	900,000	100%
Trustee/Bank fees	170,000	14,468	155,532	91%
Program advertising/printing	343,450	0	343,450	100%
Bond and mortgagee insurance	19,550	0	19,550	100%
Variable rate bond remarket/liquidity facilities	710,000	138,247	571,753	81%
Cash flow/arbitrage/swap consultants/legal	675,000	125,699	549,301	81%
Homebuyer education	135,000	2,400	132,600	98%
Program administrator fees	455,610	11,161	444,449	98%
<b>Total Other Program Administration Expenses</b>	<b>8,863,610</b>	<b>709,372</b>	<b>8,154,238</b>	<b>92%</b>

**MAINE STATE HOUSING AUTHORITY  
CAPITAL BUDGET  
FOR THE PERIOD ENDED JANUARY 31, 2023**

**ATTACHMENT C**

Description	2023 Budget	2023 Actual	Budget Available	% Expended
<b>Computer Hardware:</b>				
Network backup hardware - Data Domain	15,000	0	15,000	
Laptop replacements	55,000	0	55,000	
Total computer hardware	<u>70,000</u>	<u>0</u>	<u>70,000</u>	<u>0%</u>
<b>Computer Software:</b>				
Enterprise multi-family housing system	240,679	0	240,679	
Amplifund grant management software	45,600	0	45,600	
Mobile device management software	8,000	0	8,000	
Website redesign	7,000	0	7,000	
Single Family loan servicing system modifications	10,000	0	10,000	
Single Family lender & loan tracking systems mods	10,000	0	10,000	
Hancock systems mods (LIHEAP & Wx Programs)	100,442	0	100,442	
Salesforce software upgrades	120,000	0	120,000	
New LIHEAP & Wx system	575,000	0	575,000	
Total computer software	<u>1,116,721</u>	<u>0</u>	<u>1,116,721</u>	<u>0%</u>
<b>Office Building:</b>				
Additional workstations & furnitures	24,460	0	24,460	
Patio repair/resurface	46,000	0	46,000	
	<u>70,460</u>	<u>0</u>	<u>70,460</u>	<u>0%</u>
<b>Total</b>	<u><u>1,257,181</u></u>	<u><u>0</u></u>	<u><u>1,257,181</u></u>	<u><u>0%</u></u>

**MAINE STATE HOUSING AUTHORITY  
MEMBERSHIPS, DUES, AND SPONSORSHIPS  
FOR THE PERIOD ENDED JANUARY 31, 2023**

	Description	Amount
<b>Memberships and Dues</b>		
	Urban Land Institute - employee annual membership	264
	Maine Real Estate & Development Association - annual membership	1,200
	American College of Mortgage Attorneys - employee dues	225
	Maine Bankers Association - annual affiliate membership	950
	Kennebec Board of Realtors - employee dues	196
	Maine Association of Mortgage Professional - employee annual membership	395
	Construction Specifications Institute - employee annual membership	375
	NCHM Accounting Office Employee Certification dues	125
	Maine Real Estate Management Association - annual membership	125
	National Energy & Utility Affordability Coalition - annual membership	500
	National Energy Assistance Directors' Association - annual membership	6,817
	National Energy Assistance Directors' Association - annual LIHWAA membership	1,088
	National Association for State Community Services Programs - annual membership	1,627
	Maine Indoor Air Quality Council - annual membership	500
	Total	<u>\$ 14,387</u>
<b>Sponsorships</b>		
	Total	<u>\$ -</u>



## Finance Department Memorandum

**To:** Board of Commissioners  
**From:** Darren Brown  
**Date:** March 2, 2023  
**Subject:** Monthly Delinquencies Report

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### MULTI-FAMILY DELINQUENCIES

The Multi-Family portfolio totals \$811 million with 1,269 loans as of February 28, 2023. There is one loan in default, as shown in *Exhibit 1*. The Multi-Family delinquency rate is benchmarked against MaineHousing's historical rates, as shown in *Exhibit 2*.

### SINGLE-FAMILY DELINQUENCIES

The Single-Family portfolio totals \$968 million with 9,773 loans as of January 31, 2023. The over 60-day delinquencies decreased from 2.75% to 2.52%, and the in-foreclosures increased from 0.54% to 0.59%. The over 60-day delinquencies amount to \$24 million, with approximately \$6 million representing accounts in foreclosure. The over 60-day and in-foreclosure historic rates are shown in *Exhibit 4*. MaineHousing's overall delinquency rate by loan dollars is 2.52%; and the overall delinquency rate by loan count is 2.78%. As reflected in *Exhibit 5*, the overall delinquency rate by loan count is below the delinquency rate for all Maine Loans.

**Servicer Delinquencies** – As of January 31, 2023, Bank of America (BOA) had the highest overall delinquency rate of 11.49%, with an in-foreclosure rate of 3.39%. BOA no longer originates loans for MaineHousing and they're servicing an old portfolio of loans. The average age of the loans in their portfolio is 16 years. There have been no new loans added to this portfolio since 2011 and the high delinquency rate is attributed mainly the decreasing portfolio balance and its small size.

The BOA portfolio consists of 101 loans totaling \$5.8 million. There were no 60-day delinquent accounts reported during the month of January. The 90+day delinquencies consisted of 12 loans in the amount of \$668,000; of which three loans in the amount of \$197,000 are in-foreclosure; four loans in the amount of \$266,000 are in COVID-19 forbearance, and the other five loans in the amount of \$205,000 have right to cure notices issued. BOA has not consistently issued right to cure notices in a timely manner, which has contributed to their high delinquent rates.

Delinquencies for our largest servicer, Mortgage Servicing Solutions, decreased from 3.28% to 2.92%, while the in-foreclosure rate increased from 0.59% to 0.65%. Bangor Savings Bank QS portfolio had a rate of 0.36%, which was the lowest rate for the month. Delinquency rates for each servicer are shown in *Exhibit 3*.

**Delinquencies by Insurance Type** – In January 2023, FHA insured loans had the highest delinquency rate by total insurance type of 3.95%, with in-foreclosures at 1.10%. When compared to the total loan portfolio, RD insured loans had the highest delinquency rate of 1.49%, with in-foreclosures at 0.32%. Delinquencies by insurance type and the portfolio as a whole are shown in *Exhibit 6*.

FHA insured loans comprise 17% of the Single-Family portfolio and 26% of delinquencies, while RD insured loans comprise 58% of the portfolio and represent 59% of all delinquent loans. The current composition of the Single-Family portfolio by insurance type, along with the percentage of delinquencies by insurance type, is shown in *Exhibit 7*.

**Foreclosure Prevention Activities** – *Exhibit 8* summarizes our foreclosure prevention activities, as well as the number of completed foreclosures. As of the end of month January 2023, we have assisted 98 borrowers with various foreclosure prevention options.

## Multi-Family Delinquent Loans

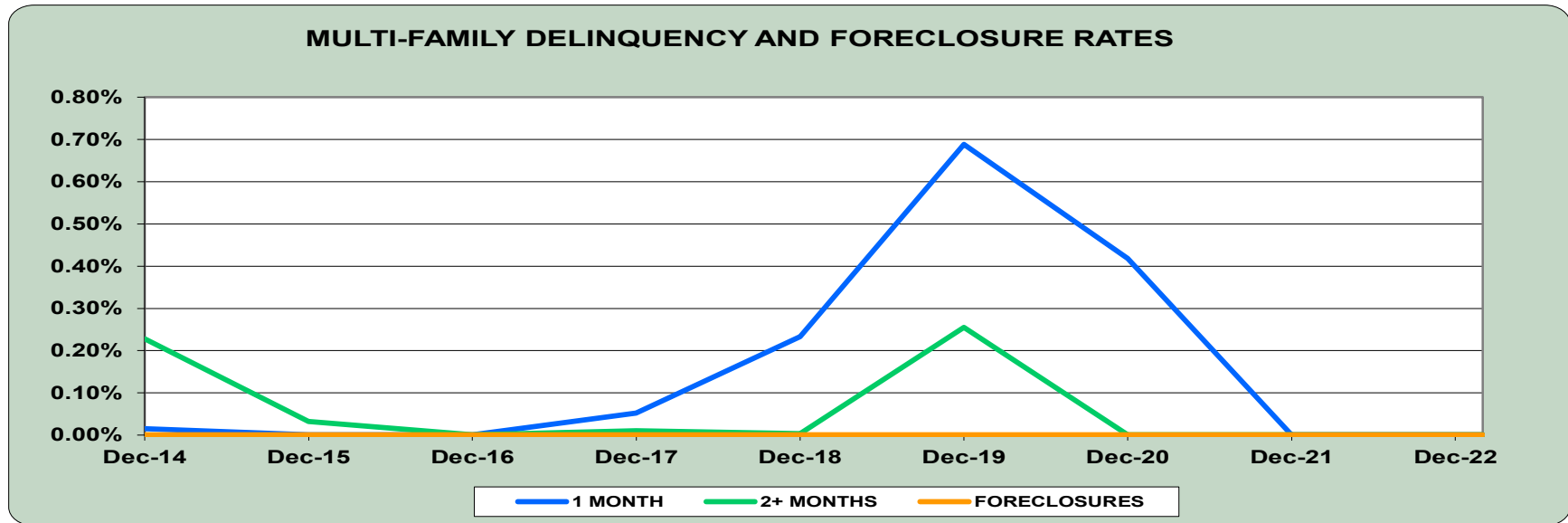
**MAINE STATE HOUSING AUTHORITY  
MULTI-FAMILY DELINQUENCIES  
2/28/2023**

Section 8					ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS
NONE						0.00	0.00	0.00
						0.00	0.00	0.00
Rental Housing					ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS
NONE						0.00	0.00	0.00
						0.00	0.00	0.00
Supportive Housing & Other					ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS
MOUSAM ST, 5*	761.20	02/01/23	SANFORD	YORK COUNTY SHELTER PROGRAM IN	02/20/92	0.00	0.00	3,038.00
						0.00	0.00	3,038.00
Grand Total						0.00	0.00	3,038.00
% of Portfolio Delq 60+ days		0.00%						
Total Number of Loans		1,269						

\*past maturity date.



# Multi-Family Delinquency & Foreclosure Trends



	OUTSTANDING PRINCIPAL	<u>1 MONTH</u>		<u>2+ MONTHS</u>		<u>FORECLOSURES</u>	
		DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE
Feb-23	\$ 810,576,713	\$ -	0.00%	\$ 3,038	0.00%	\$ -	0.00%
Dec-22	\$ 796,448,381	\$ -	0.00%	\$ 4,553	0.00%	\$ -	0.00%
Dec-21	\$ 696,004,882	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Dec-20	\$ 666,678,177	\$ 2,791,073	0.42%	\$ -	0.00%	\$ -	0.00%
Dec-19	\$ 635,961,774	\$ 4,379,009	0.69%	\$ 1,620,600	0.25%	\$ -	0.00%
Dec-18	\$ 630,936,475	\$ 1,473,376	0.23%	\$ 20,600	0.00%	\$ -	0.00%
Dec-17	\$ 608,939,257	\$ 319,836	0.05%	\$ 60,624	0.01%	\$ -	0.00%
Dec-16	\$ 579,916,852	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Dec-15	\$ 573,932,384	\$ -	0.00%	\$ 185,320	0.03%	\$ -	0.00%
Dec-14	\$ 513,937,525	\$ 77,568	0.02%	\$ 1,169,620	0.23%	\$ -	0.00%



# Single-Family Delinquent Loans

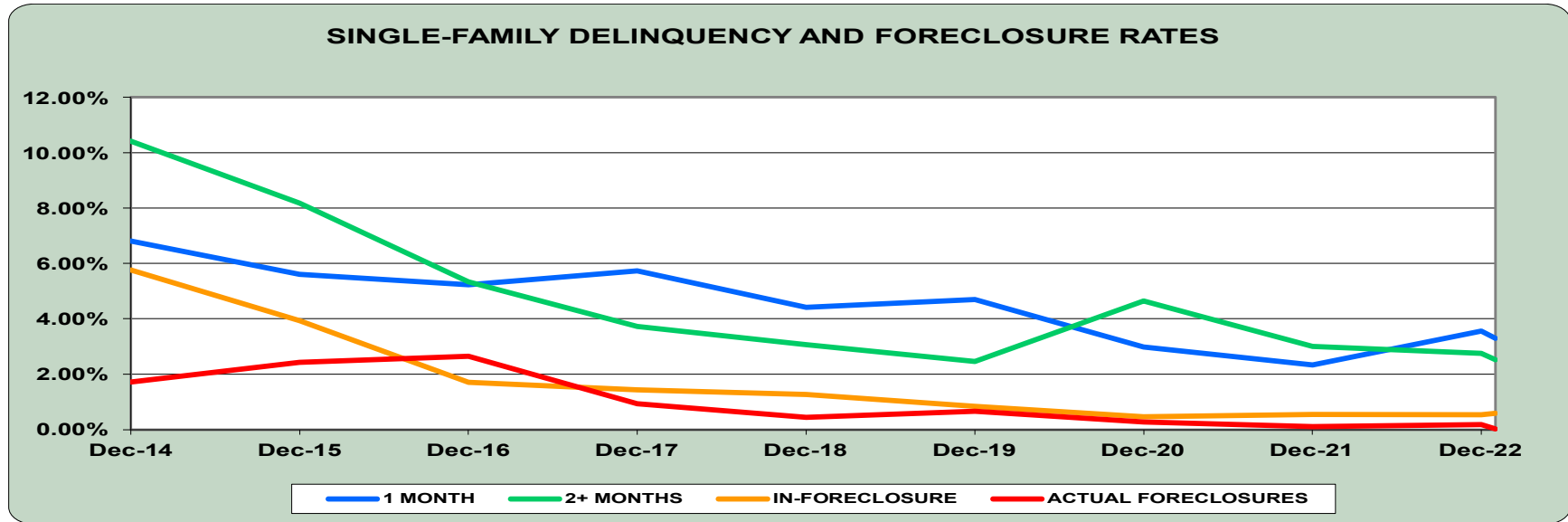
**Maine State Housing Authority  
Single-Family Delinquencies by Servicer  
1/31/2023**

SERVICER	% OF PORTFOLIO	% of Portfolio Delq 60 + days	OUTSTANDING PRINCIPAL	----- 1 MONTH	DELINQUENT 2 MONTHS	----- 3+ MONTHS	IN- FORECLOSURE
MORTGAGE SERVICING SOLUTIONS	66.50%	2.92%	643,998,217.15	24,788,497.72	6,139,285.44	8,489,984.81	4,155,231.25
BANGOR SAVINGS BANK	12.45%	0.77%	120,563,567.00	2,669,427.02	414,676.47	358,023.85	157,805.67
CAMDEN NATIONAL BANK UK	8.55%	1.58%	82,772,839.65	2,174,610.14	304,887.60	575,133.41	426,386.03
MACHIAS SAVINGS BANK	6.97%	3.79%	67,513,729.41	1,218,864.49	673,019.27	1,116,237.61	766,633.79
BANGOR SAVINGS BANK QS	4.89%	0.36%	47,399,585.05	396,142.71	172,642.42	0.00	0.00
BANK OF AMERICA NA	0.60%	11.49%	5,815,101.36	723,058.80	0.00	470,810.40	197,315.54
SALEM FIVE MORTGAGE CORP	0.04%	3.44%	417,622.61	13,384.74	0.00	14,373.60	0.00
TOTAL	100.00%	2.52%	968,480,662.23	31,983,985.62	7,704,511.20	11,024,563.68	5,703,372.28





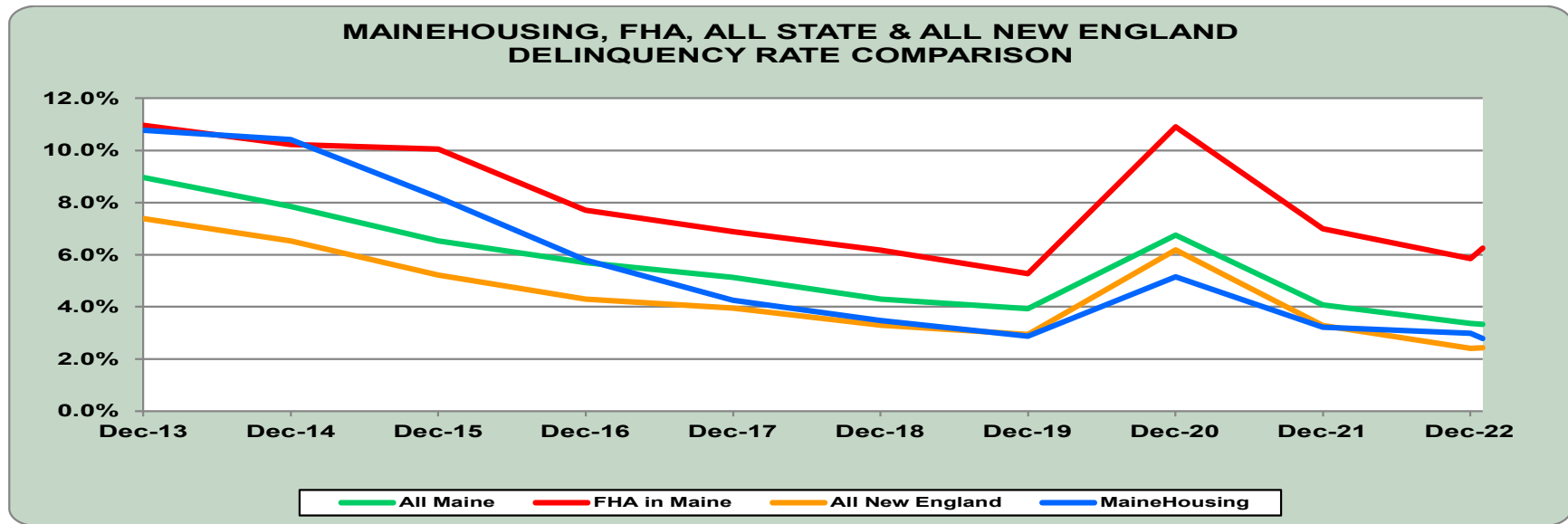
# Single-Family Delinquency & Foreclosure Trends



	OUTSTANDING		1 MONTH		2+ MONTHS		IN-FORECLOSURE		ACTUAL FORECLOSURES					
	PRINCIPAL		DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE				
Jan-23	\$	968,480,662	\$	31,983,986	3.30%	\$	24,432,447	2.52%	\$	5,703,372	0.59%	\$	185,572	0.02%
Dec-22	\$	958,984,521	\$	33,996,366	3.55%	\$	26,378,301	2.75%	\$	5,183,906	0.54%	\$	1,733,447	0.18%
Dec-21	\$	887,303,920	\$	20,685,547	2.33%	\$	26,645,647	3.00%	\$	4,806,968	0.54%	\$	941,490	0.11%
Dec-20	\$	960,761,414	\$	28,645,024	2.98%	\$	44,603,599	4.64%	\$	4,471,656	0.47%	\$	2,617,001	0.27%
Dec-19	\$	967,171,381	\$	45,399,415	4.69%	\$	23,774,547	2.46%	\$	8,037,512	0.83%	\$	6,357,994	0.66%
Dec-18	\$	916,608,577	\$	40,526,473	4.42%	\$	28,155,105	3.07%	\$	11,647,401	1.27%	\$	4,056,247	0.44%
Dec-17	\$	844,497,676	\$	48,457,930	5.74%	\$	31,454,643	3.72%	\$	12,099,518	1.43%	\$	7,847,858	0.93%
Dec-16	\$	799,557,471	\$	41,780,468	5.23%	\$	42,682,410	5.34%	\$	13,625,991	1.70%	\$	21,142,137	2.64%
Dec-15	\$	790,409,905	\$	44,303,365	5.61%	\$	64,656,769	8.18%	\$	31,066,182	3.93%	\$	20,797,314	2.43%
Dec-14	\$	810,139,060	\$	55,171,703	6.81%	\$	84,385,397	10.42%	\$	46,711,687	5.77%	\$	13,904,155	1.72%



# Single-Family Delinquency Comparison Trends



## MAINEHOUSING LOAN COUNT COMPARISON

	<u>Loan Count</u>	<u>2 Months</u>	<u>3+ Months</u>	<u>In-Foreclosure</u>	<u>Totals</u>
All State*	121,505	0.57%	1.54%	1.22%	3.33%
FHA for State*	16,459	1.53%	3.09%	1.63%	6.25%
All New England*	1,717,967	0.57%	1.25%	0.62%	2.44%
MaineHousing**	9,773	0.85%	1.20%	0.73%	2.78%

\*This information is obtained from MBA's National Delinquency Survey for the fourth quarter of 2022.

\*\*MaineHousing's overall delinquency rate based on loan dollars is 2.52%, whereas rates in this exhibit are based on loan count.



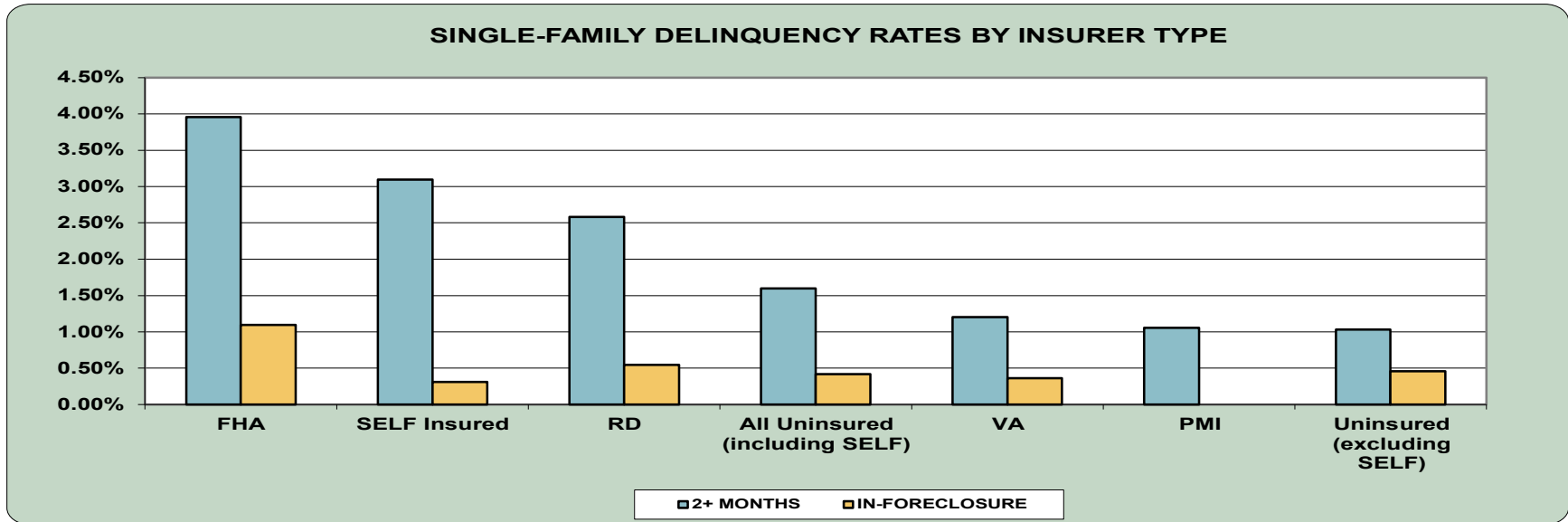
# Single-Family Delinquencies by Mortgage Insurer

**As A Percent of Total Insurance Type**  
**1/31/2023**

TYPE	2+ MONTHS	IN-FORECLOSURE
FHA	3.95%	1.10%
SELF Insured	3.10%	0.31%
RD	2.58%	0.55%
All Uninsured (including SELF)	1.60%	0.42%
VA	1.20%	0.36%
PMI	1.05%	0.00%
Uninsured (excluding SELF)	1.03%	0.46%

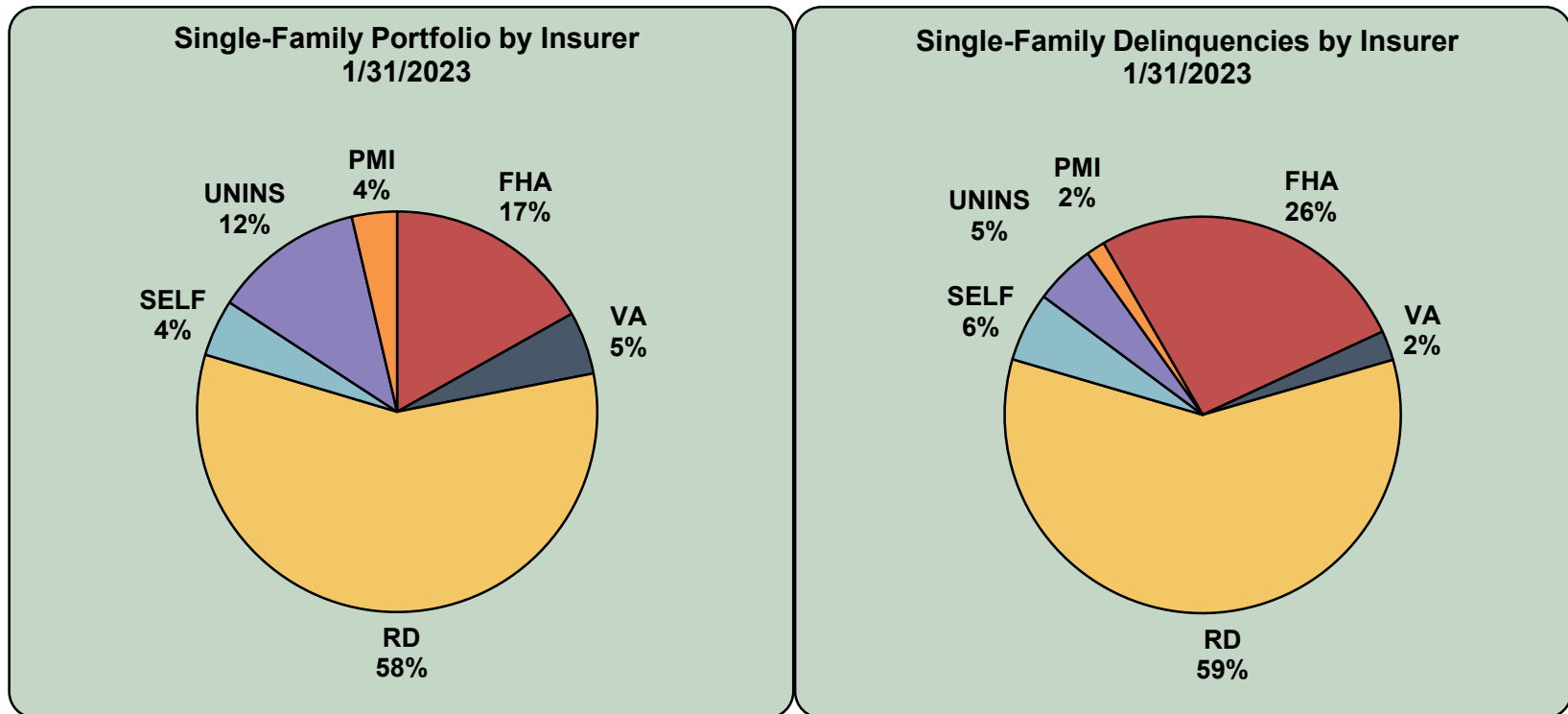
**As A Percent of Total Loan Portfolio**  
**1/31/2023**

TYPE	2+ MONTHS	IN-FORECLOSURE
RD	1.49%	0.32%
FHA	0.67%	0.18%
All Uninsured (including SELF)	0.27%	0.07%
SELF Insured	0.14%	0.01%
Uninsured (excluding SELF)	0.13%	0.06%
VA	0.06%	0.02%
PMI	0.04%	0.00%

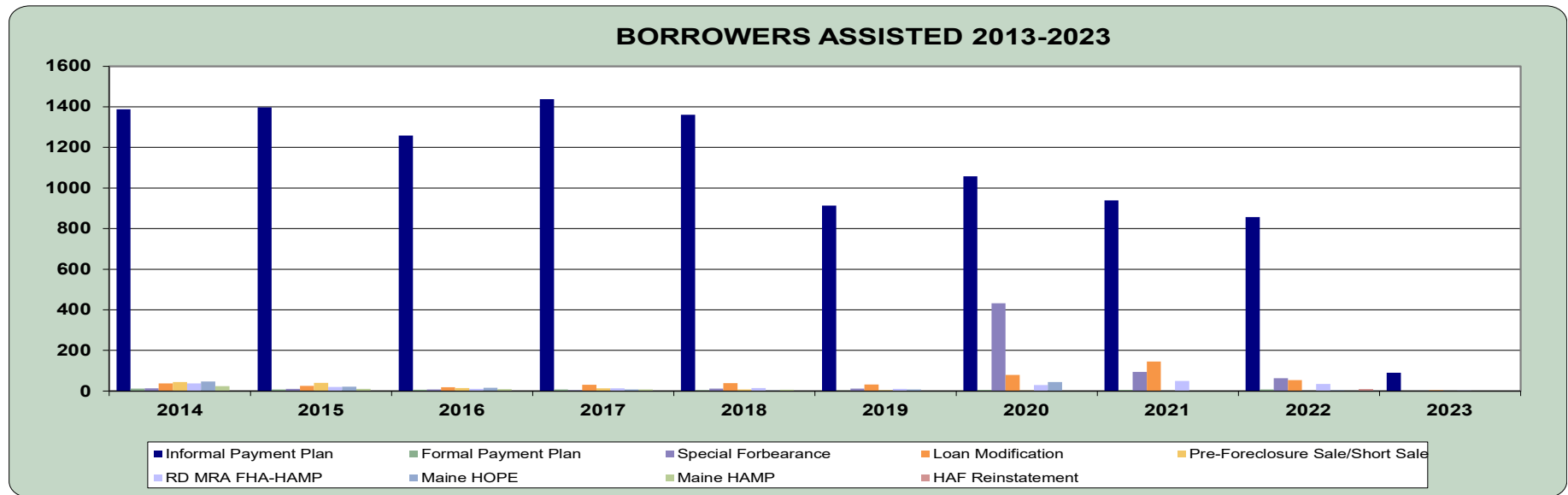


# Single-Family Delinquencies by Mortgage Insurer

The following charts show the composition of MaineHousing loans by mortgage insurer. Self insured loans are mainly mobile homes. Uninsured loans are those not needing mortgage insurance (i.e. for loans under 80% property value). The following charts are in dollar amounts.



# Single-Family Foreclosure Prevention Activities



**Number of Borrowers Approved for Assistance**

	Informal Payment Plan	Formal Payment Plan	Special Forbearance	Loan Modification	Pre-Foreclosure Sale/Short Sale	RD MRA FHA-HAMP	Maine HOPE	Maine HAMP	HAF Reinstatement	Total Workouts
Jan-23	90	0	1	4	0	3	0	0	0	98
Dec-22	857	8	63	54	0	35	4	0	7	1028
Dec-21	939	5	94	146	2	50	2	0	0	1238
Dec-20	1058	5	432	79	3	29	44	2	0	1652
Dec-19	914	3	12	32	4	10	8	0	0	983
Dec-18	1361	4	12	39	8	15	3	6	0	1448
Dec-17	1437	8	4	31	14	14	8	7	0	1523
Dec-16	1259	6	8	19	15	10	16	9	0	1342
Dec-15	1397	8	11	26	40	21	22	10	0	1535
Dec-14	1388	12	13	38	44	38	48	24	0	1605

**Actual Foreclosures**

	Number of Foreclosures	Number of Loans in Portfolio	Percentage of Portfolio
Jan-23	2	9,773	0.02%
Dec-22	21	9,739	0.22%
Dec-21	14	9,750	0.14%
Dec-20	38	10,668	0.36%
Dec-19	86	10,904	0.79%
Dec-18	57	10,673	0.53%
Dec-17	97	10,332	0.94%
Dec-16	258	10,097	2.56%
Dec-15	233	10,258	2.27%
Dec-14	162	10,526	1.54%



## Homeless Initiatives Department Memorandum

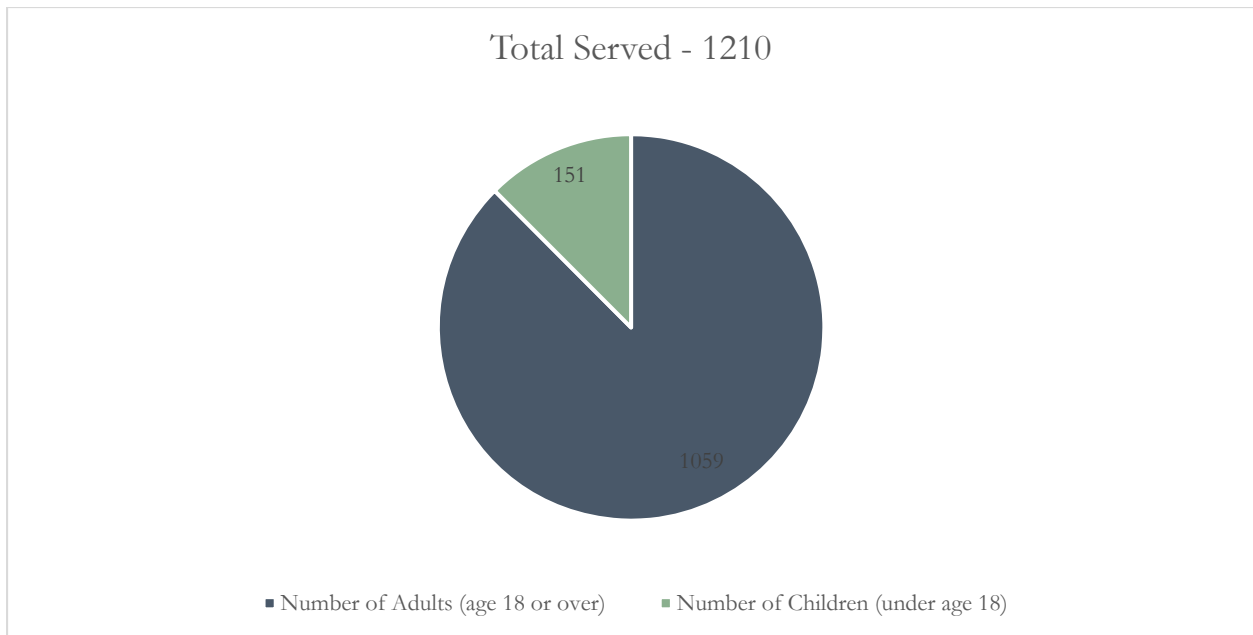
**To:** Board of Commissioners  
**From:** Lauren Bustard, Senior Director of Homeless Initiatives  
**Date:** March 14, 2023  
**Subject:** Homeless Initiatives Report

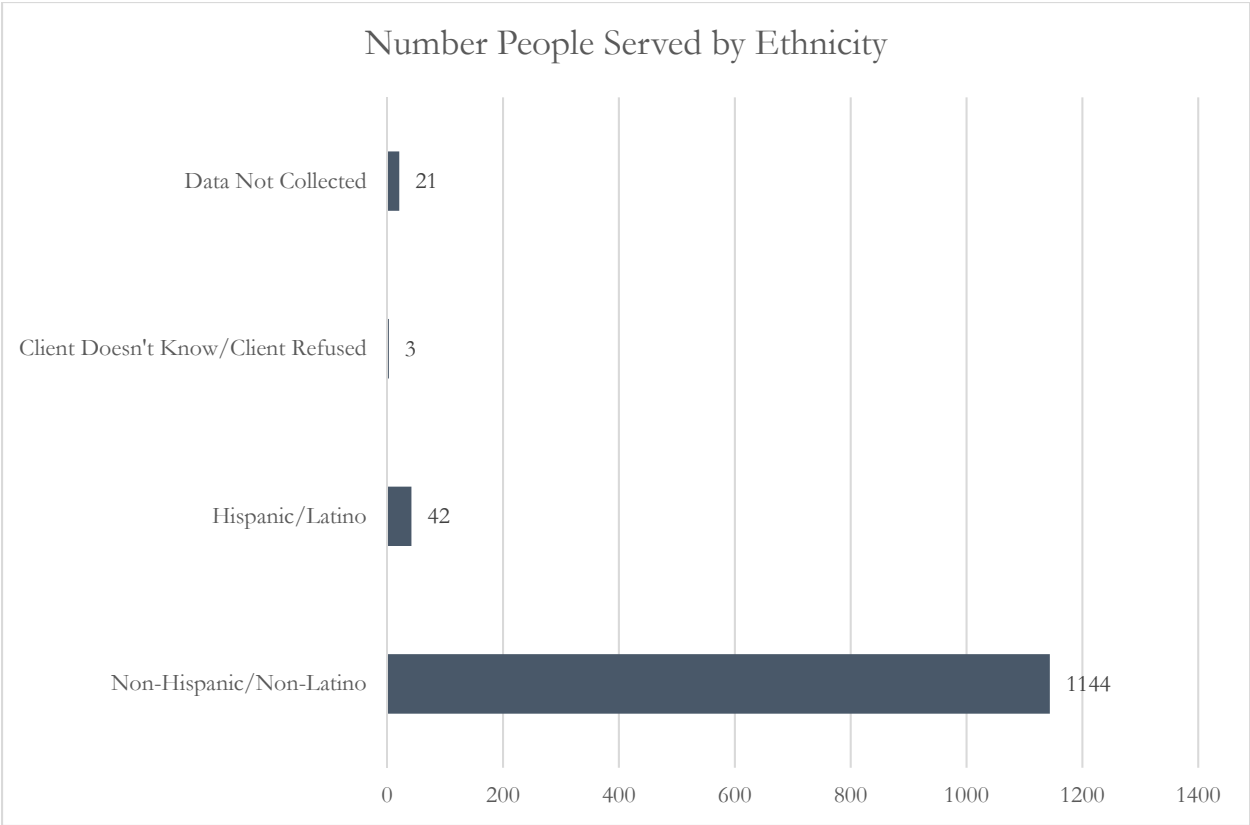
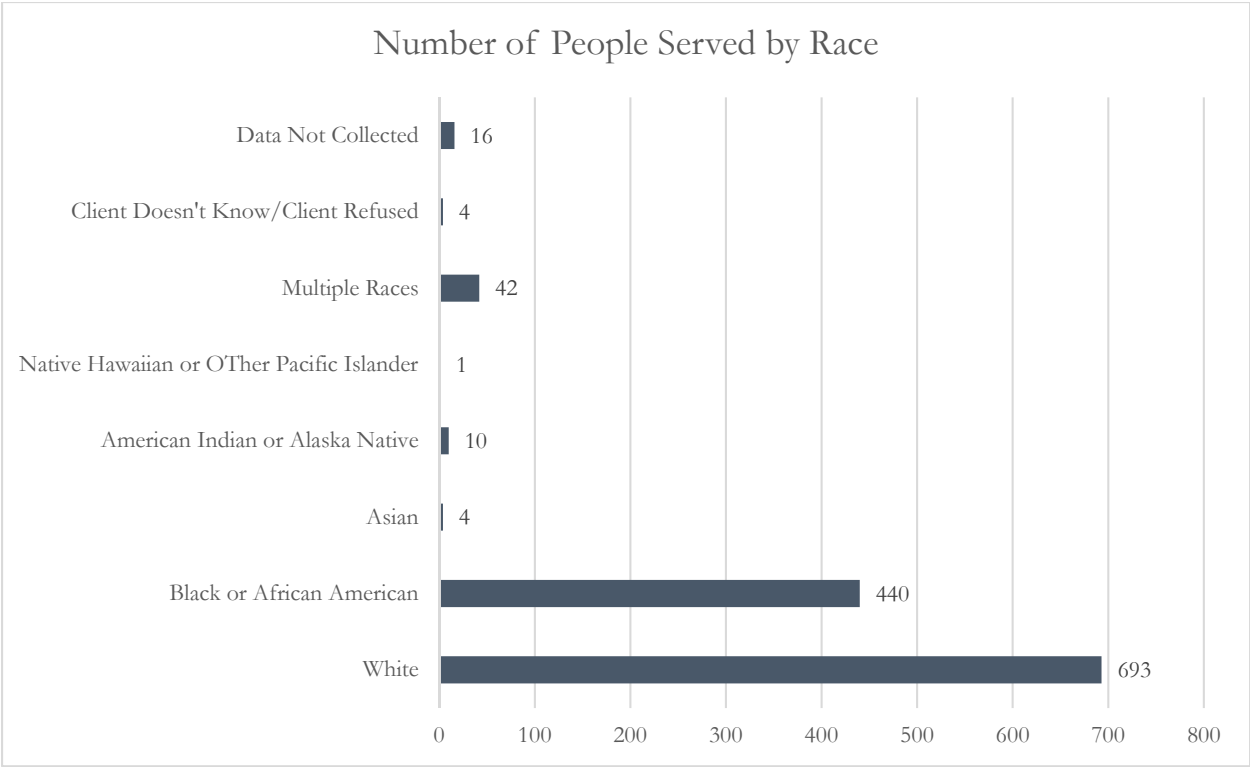
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### Homeless Data – February 2023

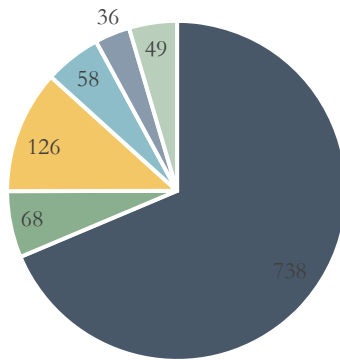
The following are the monthly statistics for February:

1. Total number of people served (1210) decreased by 49 individuals. The caveat here is that these are only the individuals that are being served by homeless service providers around the state who are mandated to record data in the HMIS (Homeless Management Information System) database. It does not include people sheltered through GA, ERA or faith-based shelters that do not participate in the ESHAP program.
2. Racial equity – the percentage of people of color served decreased slightly - from 42.8% in December to 41.8% in January. The Greater Portland Area has seen a significant increase in people from African countries seeking asylum since December, however many are not being recorded in the Homeless Management Information System (HMIS). The number for those who identify as Hispanic/Latino remained stable.
3. The number of Exits to Permanent Housing remained pretty stable at 60– the average level for 2022.



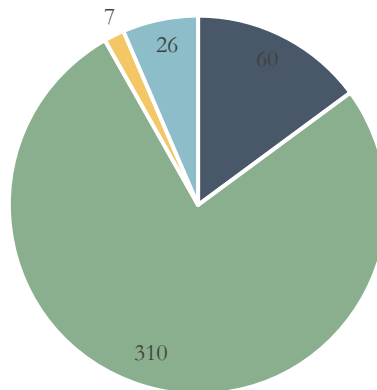


### Residence of Clients Prior to Entry



- Homeless Situations
- Institutional Settings
- Staying or living in a friend's room, apartment or house
- Staying or living in a family member's room, apartment or house
- Hotel or motel paid for without ES voucher
- Other Locations

### Residence of Clients after Entry



- Permanent Destinations
- Temporary Destinations
- Institutional Settings
- Other Destinations



### **Use of Hotels**

We continue to utilize two hotels in South Portland to house those single individuals experiencing homelessness in the Greater Portland area, funded through FEMA. At the end of March the City of Portland will open their new Homeless Services Center and move a group of people from the Day's Inn. At that point all those currently at the Comfort Inn will be moved to the Day's Inn for the month of April. On April 30<sup>th</sup> all hotel funding will cease.

### **Service Hub Implementation – Built for Zero Initiative**

All Hubs are hard at work towards achieving quality data. More support will be available to all hub coordinators from Community Solutions in the areas of quality data, system improvement teams and work, and Coordinated Entry (CE) case conferencing.

Four more hubs will be piloting Coordinated Entry. Hub 8 – Downeast, Hub 6 – Central and Hub 3 – Midcoast will begin a full pilot of CE on 4/3/2023. Hub 2 – Cumberland is gearing up with support from Emily Meade, the Hub 5 coordinator, as United Way completes the hiring process for a new coordinator.

Hub coordinators are taking advantage of a facilitation training that was offered through a partnership with Community Solutions and Strive Together, and are all looking forward to putting the skills learned into action.

The State Strategy Action Teams - System improvement, Veteran's Housing Surge, and Racial Equity and Lived Experience - are all meeting and making gains on the projects for this action cycle. The next bimonthly meeting is scheduled for March 21<sup>st</sup>.

### **LD 3 Funding**

The passage of LD 3 in January provided MaineHousing with \$21M to address emergency housing needs in the state through this winter (through 4/30/23), as well as to fund longer term solutions to be put in place before next winter (by 10/31/23). Along with some funding to keep individuals and families in hotels who had been placed there through ERA and GA, there was also a smaller pot of funding to allow shelter providers to place people in hotels where no shelter bed is available, all only through April 30<sup>th</sup>.

MaineHousing also published two Notices of Funding Availability within a week of the passage of the legislation – one to fund Temporary Winter Overnight Warming Shelters through 4/30/23 and the other to fund Long-term Solutions to Address Homelessness. Thirteen awards were granted to organizations to provide warming shelters for this winter.

The deadline for the Long-term Solutions NOFA was Friday, February 24<sup>th</sup>. We received 37 applications for a total of over \$34 million in funding requests. We have a team working to complete the review and award process. We anticipate decisions on awards the week of March 20<sup>th</sup>.

## Homeownership Department Memorandum

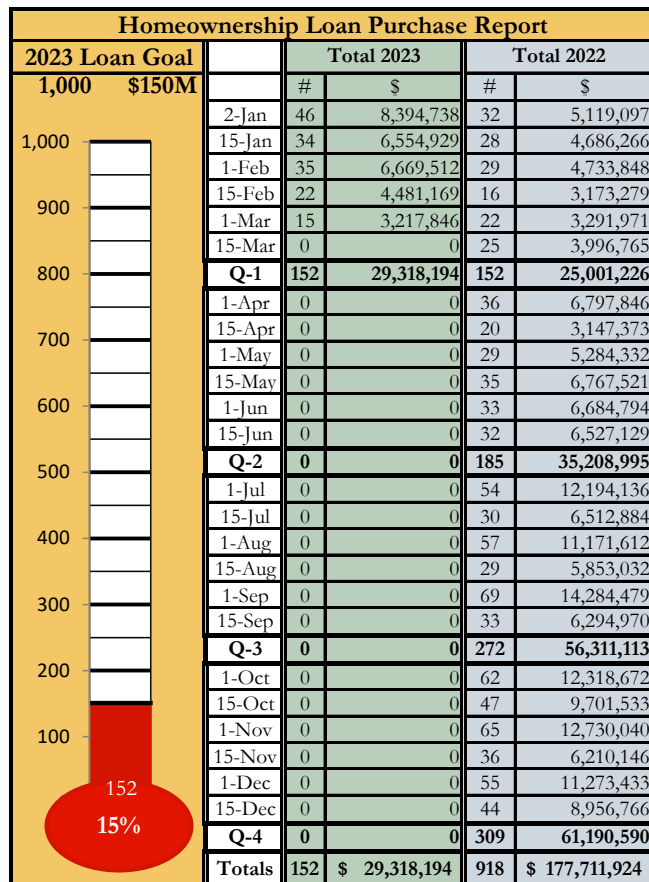
**To:** MaineHousing Board of Commissioners

**From:** Craig Reynolds, Director of Homeownership

**Date:** March 13, 2023

**Subject:** Monthly Report – Homeownership Department

## PRODUCTION UPDATE



Monthly Loan Reservations: 03/01/23	
#	\$ Volume
47	\$ 9,649,140

Loan Pipeline as of: 03/01/23	
#	\$ Volume
148	\$ 28,038,596

Loan Reservation Comparison					
February 2022		February 2023		2022 vs 2023	
#	\$ Volume	#	\$ Volume	#	\$ Volume
184	\$31,770,648	148	\$ 28,038,596	-20%	-12%

## **PROGRAM HIGHLIGHTS**

### **Loan Production & Market Status**

2023 loan purchases and loan volume are running well ahead of 2022 at this same time of year as shown in the Production Update chart above. This is largely due to the carryover of a significant number of loans reserved late in 2022 that have now closed, passed the compliance review and are being approved for purchase.

Homeownership is carefully monitoring the number of new loan reservations, which are running behind the number at this time last year as also shown in the chart. Homebuyers continue to face the long standing obstacles of high home prices and a limited inventory of homes for sale, as well as a continued high level of inflation and an upward trend in mortgage interest rates. Any of these factors alone, or especially when combined are presenting a challenge to all homebuyers, and first timers in particular. The return of some severe winter weather in late February may also have played a small role in slowing real estate activity. The next several weeks leading into the start of the traditional spring market could be a valuable indicator of what to expect for market trends and loan production in the coming months.

The following is an excerpt from the Maine Association of REALTORS® monthly press release in February regarding Maine's real estate market activity and related regional and national statistics provided by the National Association of REALTORS®.

#### **MAINE HOME PRICES UP AND SALES EASE IN JANUARY**

Sales of single-family existing homes in Maine continue to be affected by rising mortgage interest rates and a smaller number of available homes for sale. Maine Listings announced a 34.99 percent sales decrease in January 2023, compared to January 2022. The median sales price (MSP) for homes sold in January 2023 reached \$325,000, an increase of 11.21 percent over January 2022. The MSP indicates that half of the homes were sold for more and half sold for less.

"In most communities across Maine, buyers need more for-sale housing inventory," says Carmen McPhail, 2023 President of the Maine Association of REALTORS® and Associate Broker at family-owned United Country Lifestyle Properties of Maine with offices in Lincoln, Bangor and Lubec. "Compared to pre-pandemic January 2020, Maine has just over 2,100 homes for sale statewide—3,700 fewer homes for sale in January 2023."

According to the National Association of Realtors, sales nationwide declined 36.1 percent comparing January 2023 to January 2022. The MSP for those homes in January 2023 reached \$363,100, up 0.7 percent from January 2022. Regionally, sales in the Northeast dipped 35.9 percent in January 2023, while the regional MSP increased 0.3 percent to \$383,000.

"The sales numbers for January are impacted by the scarce for-sale inventory, recent upward adjustments to mortgage interest rates, and the end of year holiday season," added McPhail, "There's no need to wait until spring to place your home, camp or land parcel on the market; qualified buyers are searching now."

## **First Home Loan Program 2022 Review**

Homeownership Director, Craig Reynolds and Mortgage Lending Manager, Tina Partridge presented a review of 2022 First Home Loan program production and statistics to MaineHousing's Board of Commissioners at their February monthly meeting. The loan total of 918 in 2022 resulted in a program record of \$177.7M in total loan volume. The driving factors behind this accomplishment were the dramatically higher home sales prices which resulted in higher loan amounts needed to buy, our ability to maintain a below market interest rate throughout the year, and the increase in the Advantage down payment and closing cost assistance option from \$3500 to \$5000. Other program results showing the contrast between 2021 and 2022 were noted as follows:

- 918 loans vs. 725 loans in 2021
- \$177.7 million in loan amount vs. \$113.9 in 2021
- \$67,728 average household income vs. \$58,226 in 2021
- \$205,284 average purchase price vs. \$162,178 in 2021
- \$193,586 average loan amount vs. \$157,175 in 2021
- Income % by AMI – greater than 100% was 31% vs. 9% in 2021

## **First Generation Homebuyer Program**

A First Generation (First Gen) homebuyer program is currently being developed by Homeownership after several months of gathering data and program materials to review from the states of Vermont and Rhode Island, which have had First Gen programs up and running for over a year. We are very thankful to both states for having been so willing to share their materials, answer our numerous questions and detail their experiences thus far. Eligible First Gen homebuyers are those whose parents or guardians have not owned a home during the lifetime of the First Gen borrower or those who have ever been in foster care while growing up.

The First Gen program will include an important education component that will be required of all eligible borrowers. It is understood that First Gen's have not had the benefit of experiencing or witnessing the process of their parents finding, financing and maintaining a home they own. The level of education needed will vary among the hopeful homebuyers and therefore the educational classes offered will also range from very basic to more advanced, based on the level of knowledge or understanding the individual borrower can demonstrate they may already have about buying and owning a home.

Financial literacy is as an essential foundation for First Gen's seeking homeownership especially if they have a very limited understanding of banking or budgeting. On February 27<sup>th</sup>, members of the Homeownership Department met with representatives of ProsperityME to discuss forming a partnership to offer customized financial literacy classes specifically for First Gen program applicants. ProsperityME is an established non-profit organization based in Portland, Maine. They offer a variety of financial services, including financial literacy and their efforts are focused primarily toward helping New Mainers and asylum seekers. MaineHousing is interested in collaborating with ProsperityME to help provide financial literacy classes in several languages, including the creation of translated informational materials that can be distributed statewide.

### **hoMEworks Education Committee Meeting**

The hoMEworks Education Committee, made up of hoMEworks educators and board members, including Jessica Gurney, MaineHousing's Consumer Education Coordinator in the Homeownership department, met to review feedback from educators who are using the recently updated homebuyer education class curriculum. The agenda included the topics of planning for the upcoming spring educator meeting and the committee's interest in developing a Landlord class curriculum that would be hoMEworks approved.

### **MAMP Meeting & FHL Presentation**

The Maine Association of Mortgage Professionals (MAMP) invited staff from MaineHousing to be the featured guest speakers at their virtual monthly breakfast meeting in February. Homeownership's Lending Manager, Tina Partridge and Consumer Education Coordinator, Jessica Gurney presented a comprehensive power point overview of all features and benefits of the First Home Loan (FHL) program. Their presentation was very well received and resulted in many questions coming from interested MAMP members, as well as many favorable comments regarding the quality of the program from those lenders who had borrowers successfully use it to purchase their first home.

## Housing Choice Vouchers Department Memorandum

**To:** MaineHousing Board of Commissioners

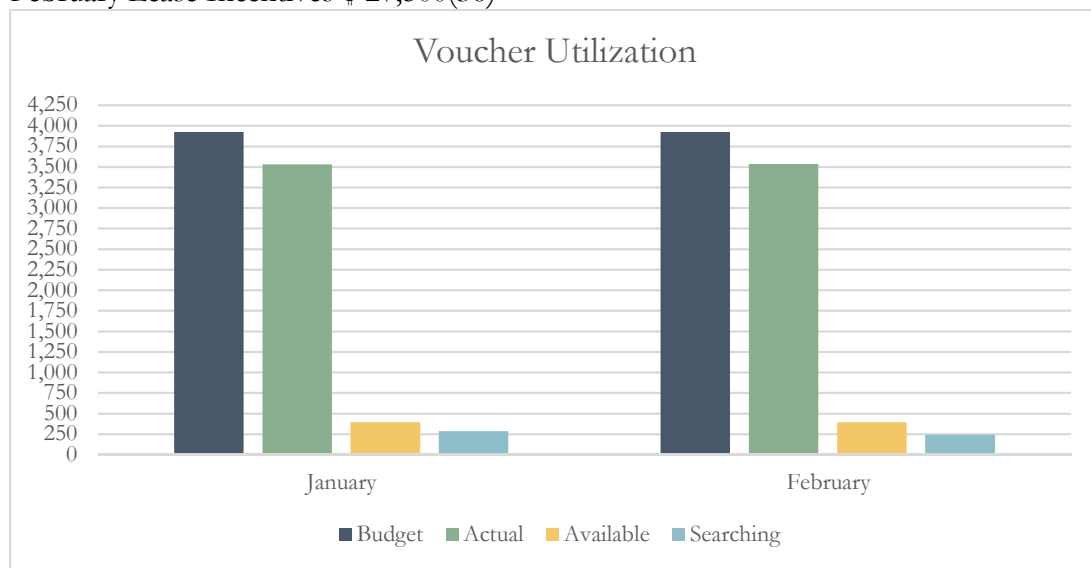
**From:** Allison Gallagher - Director of HCV Programs

**Date:** March 21, 2023

**Subject:** Monthly Report – Housing Choice Voucher Program

### Program Updates:

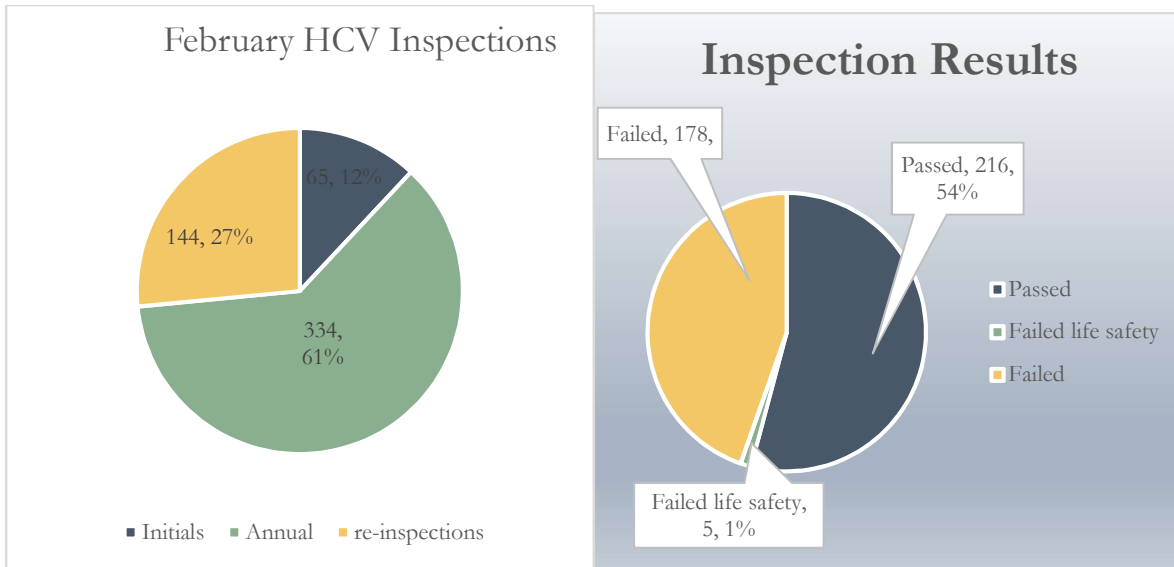
February Lease Incentives-\$ 27,500(36)



### HCV (homeless initiatives)

	Leased	Searching
<b>STEP</b>	83	53
<b>Home to Stay</b>	191	76
<b>Homeless Priority</b>	291	73
<b>EHV</b>	52	31

### Inspection Updates:



Landlord Repair Program: \$56,172.39/Damage Reimbursement Program: \$15,343.79



**Emergency Rental Assistance:**

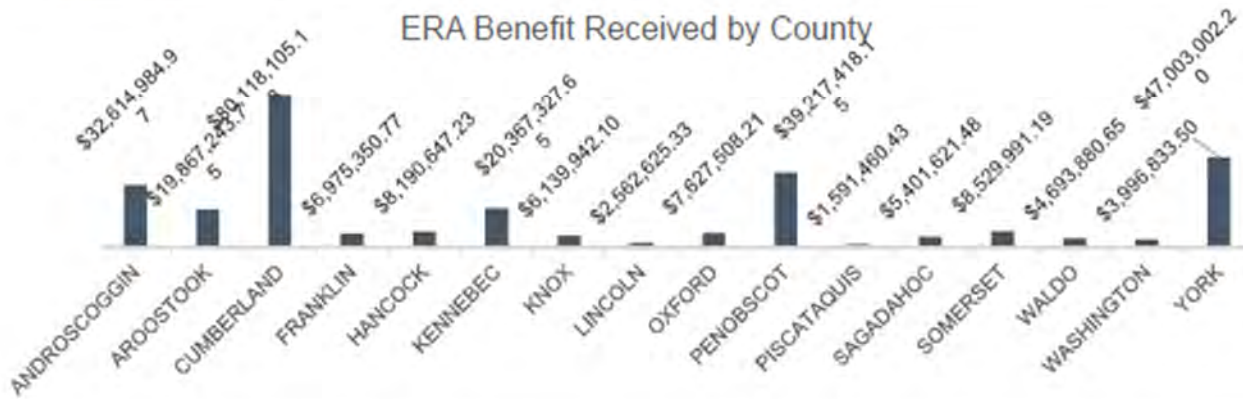
### Households approved for and received benefit



### ERA Benefits Paid by Category



### ERA Benefit Received by County



As of January 23, 2022



## Human Resources and Facilities Department Memorandum

**To:** Board of Commissioners

**From:** Jane Whitley, Director of Human Resources & Facilities

**Date:** March 2023

**Subject:** Board Report

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### Human Resources – as of March 13



### **Fair Housing Training for Partners**

MaineHousing is offering a free Understanding of Fair Housing training program. This program is on demand and self-paced. It is available through our online learning portal. To register for the training, please visit our website: <https://www.mainehousing.org/education/fair-housing-education>

### Facilities Updates

No news to report.

## Information Technology Department Memorandum

**To:** Board of Commissioners

**From:** Craig Given, Director of IT

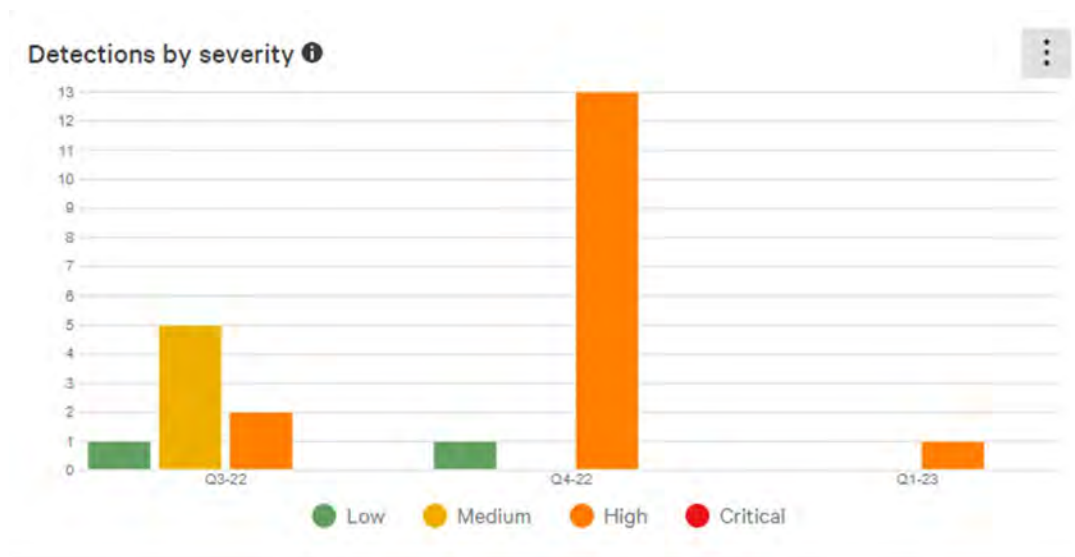
**Date:** March 13, 2023

**Subject:** Monthly Report

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### March Spotlight:

As part of the Security Profile for MaineHousing, the IT team tracks detection of malicious activity and performs an assessment and if necessary takes steps to address.



### Information Technology Updates:

- IT launched enhancements to cyber-security during the past month, exceeding best practice recommendations as response to ongoing challenges to security.
- Launched software environment in support of the Housing Assistance Fund.
- Security and Risk management actions included participating in the Finance Audit and initiating update of annual assessment and penetration testing.

- Started Proof of Concept (POC) testing of Microsoft 365 as part of roadmap supporting networking systems.
- Participated in preparations for RFP for software to support Heating and Weatherization programs.
- Applied security patches to critical systems to address identified vulnerabilities.
- Technology and application team members involved in software implementations, including grant management software, housing assistance fund, and development & asset management software.

## Board Calendar 2023

<b>JANUARY 17</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• QAP discussion (30 minutes)</li> <li>• Legislative Preview</li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>• HUB Coordinator update</li> </ul> <p>NCSHA HFA Institute Washington, DC (Jan 8 – Jan 13)</p>	<b>FEBRUARY 21</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• Introduce HEAP Rule</li> <li>• Legislative Update</li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>• QAP (if needed)</li> <li>• Homeownership – 2022 Review, 2023 Preview</li> </ul>
<b>MARCH 21</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• HEAP Rule Discussion</li> <li>• Legislative update</li> <li>• Updates from the Governor’s office (Greg Payne)</li> <li>• Executive Session – Personnel</li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>• QAP (if needed)</li> </ul> <p>NCSHA Legislative Conf. Washington, DC (March 27- March 29)</p>	<b>APRIL 18</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• Commence Rulemaking HEAP Rule <b>(VOTE)</b></li> <li>• Executive Session – Dan’s performance evaluation</li> <li>• Legislative Update</li> <li>• Executive Session – Personnel followed by a <b>(VOTE)</b></li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>• 2022 Budget and Audit results</li> </ul>
<b>MAY 16</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• HEAP Rule Public Hearing</li> <li>• Legislative Final Report</li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>• 2022 Financial Overview</li> </ul>	<b>JUNE 20</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• Updates from the Governor’s office (Greg Payne)</li> <li>• Adopt HEAP Rule <b>(VOTE)</b></li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>• Housing Choice Voucher Dept. presentation</li> </ul> <p>NCSHA Housing Credit Connect Seattle, WA (June 13 – June 16)</p>
<b>JULY 18</b> <p style="text-align: center;">If necessary</p> <p>NCSHA Exe Directors Workshop Nashville, TN (July 16-July 19)</p>	<b>AUGUST 15</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• 2024 Goal Setting</li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>•</li> </ul>
<b>SEPTEMBER 19</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• Updates from the Governor’s office (Greg Payne)</li> <li>• Commence Homeless Rule Revision</li> <li>• PHA Plan Public Hearing</li> <li>• 2024 Goal Setting</li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>•</li> </ul>	<b>OCTOBER 17</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• Homeless Rule Public Hearing</li> <li>• Adopt PHA Plan <b>(VOTE)</b></li> <li>• 2024 Goal Setting</li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>•</li> </ul> <p>NCSHA Annual Conference &amp; Showplace Boston, MA (Oct 14 – Oct 17)</p>
<b>NOVEMBER 21</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• Review Preliminary 2024 Budget</li> <li>• Resource Allocation</li> <li>• Adopt Homeless Rule <b>(VOTE)</b></li> <li>• 2024 Goal Setting</li> </ul> <u>Program Presentations:</u> <ul style="list-style-type: none"> <li>•</li> </ul>	<b>DECEMBER 19</b> <u>Board Business:</u> <ul style="list-style-type: none"> <li>• Updates from the Governor’s office (Greg Payne)</li> <li>• Approve 2024 Budget <b>(VOTE)</b></li> <li>• Elect Officers <b>(VOTE)</b></li> <li>• MPP Series Resolution <b>(VOTE)</b></li> </ul> <u>Program Presentations:</u> <p>NCSHA Special Board of Directors Meeting and Executive Directors Forum New Orleans, LA (Dec 3 – Dec 5)</p>