

May 26, 2020 Board Meeting

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Board of Commissioners Meeting – May 26, 2020 9:00 A.M. – 12:00 P.M.

MEMBERS OF THE BOARD: Lincoln Merrill, Jr. (Chair), Donna Talarico (Secretary), Thomas Davis, Daniel Brennan, Laurence Gross, Henry Beck, Bonita Usher (Vice Chair), Kevin P. Joseph, Laura Buxbaum

ITEM

9:00	Welcome Laura Buxbaum	Lincoln Merrill
	Adopt Agenda (VOTE)	Lincoln Merrill
	Approve minutes of April 21, 2020 meeting (VOTE)	All
	Communications and Conflicts	All
	Chair of the Board Updates	Lincoln Merrill
	Director Updates	Dan Brennan
9:30	Public Hearing – HEAP Rule and State Plan	Linda Uhl / Troy Fullmer
10:00	Public Hearing – Low Income Housing Tax Credit Rule	Linda Uhl / Mark Wiesendanger
10:30	Update/Overview Homeless Shelter Work	Denise Lord / Lauren Bustard
10:40	Governor’s Office and State and Federal Legislative Matters	Peter Merrill
10:50	Update on Markets and MaineHousing activity	Tom Cary
	<u>Department Reports:</u>	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 Voucher	
	Information Technology	
	Adjourn (VOTE)	All
	Building Committee Meeting to Follow	

*The next meeting of the Board is scheduled June 16, 2020
at MaineHousing, 26 Edison Drive, Augusta, Maine*



Minutes of the Board of Commissioners Meeting April 21, 2020

MEETING CONVENED

A regular meeting of the Board of Commissioners for MaineHousing convened on April 21, 2020 virtually and at the offices of MaineHousing, 353 Water Street, Augusta, Maine. Notice of the meeting was published on April 10, 2020 in Central Maine newspapers.

Chair Lincoln Merrill called the meeting to order at 9:00 a.m. The meeting convened with Director Dan Brennan present. Commissioners Bonita Usher, Kevin Joseph, Tom Davis, Donna Talarico, and State Treasurer Henry Beck all attended via video conference because of COVID-19. Commissioner Larry Gross joined the meeting at 10:00 a.m. also by video conference. There was a quorum present.

PUBLIC ATTENDANCE

Staff attending in person for all or part of the meeting included: Tom Cary, Treasurer; Darren Brown, Director of Finance; Jason Bullock, Information Technologies Manager; Gerrylynn Ricker, Paralegal and note taker. Guests and staff attending by telephone because of COVID-19 for all or part of the meeting included: Linda Uhl, Chief Counsel; Peter Merrill, Deputy Director; Paula Ecker, Investment Officer II; Daniel Drost, Director of Energy and Housing Services; Troy Fullmer, Manager of HEAP & Weatherization Services; Mark Wiesendanger, Director of Development; Denise Lord, Senior Director of Communications and Planning; Don McGilvery, Construction Services Manager; Linda Grotton, Director of Audit and Compliance; Brenda Sylvester, Community Housing of Maine, Inc.; Jason Emery, Managing Director of Baker Newman & Noyes; and Laura Buxbaum, Coastal Enterprises, Inc.

ADOPT AGENDA

Commissioner Usher made a motion seconded by Commissioner Davis to adopt the April 21, 2020 agenda. The vote carried unanimously.

APPROVE MINUTES OF MARCH 17, 2020 MEETING

Commissioner Davis made a motion seconded by Commissioner Usher to accept the March 17, 2020 minutes as written. Five members voted in favor of the motion and one member abstained.

COMMUNICATIONS AND CONFLICTS

None.

CHAIR OF THE BOARD UPDATES

Chair Merrill stated MaineHousing is in a different mode due to COVID-19.

DIRECTOR UPDATES

Director Brennan reported his activities and upcoming matters as follows:

- Between March 18-20, our Business Continuity Plan was fully implemented, and 85% of staff was shifted to telecommuting.
- IT staff went from 1 server to 7 supporting telecommuting and 1 for Adobe.
- We remained open for business with only a 10% fall off in hours, no layoffs, and full payroll.

- We instituted a daily Business Continuity Plan /Leadership call.
- We shifted resources and have created 4 new programs which specifically support COVID-19 issues (3 Homeless and 1 Rent Relief).
- Homeownership’s pipeline has ballooned by \$10M, raised rate to 3.625%. Expecting big drop in volume with a corresponding rise in delinquency and/or forbearance.
- Treasurer Tom Cary sold a \$40M bond issue and refinanced swaps to save us \$5.2 M. MaineHousing was the first finance housing agency in the market since COVID-19.
- Asset Management has drafted guidance for multi/family portfolio. Loan Committee is gearing up for a wave of requests.
- Energy and Housing Services is getting HEAP checks out and is also handling the new Rent Relief program with the CAP agencies. The weatherization assistance program and the lead program has slowed down. Can’t go into people’s homes to make improvements.
- Human Resources and Facilities has quickly adapted the front desk. We are now using a robocall system. We have implemented social distancing in the building and Counsel John Bobrowiecki has addressed all staff concerns regarding COVID-19.
- The Commissioner’s next meeting will be May 26, 2020 to allow more time for relaxation of distancing requirements.

COMMENCE RULEMAKING – Chapter 24, Home Energy Assistance Program Rule

Troy Fullmer, Manager of HEAP and Weatherization Services, reviewed the two-page memorandum from himself to the Commissioners dated April 15, 2020, which outlined the proposed changes to the Home Energy Assistance Program Rule for program year 2021.

Commissioner Gross made a motion seconded by Commissioner Joseph to authorize MaineHousing to commence the rulemaking process to repeal Chapter 24 of MaineHousing’s rules and replace it with the proposed Chapter 24 provided to the Commissioners in the Board packet and described in the memorandum from Troy Fullmer to the Commissioners dated April 15, 2020. The vote carried unanimously.

COMMENCE RULEMAKING – Chapter 16, Low Income Housing Tax Credit Program

Mark Wiesendanger, Director of Development, reviewed the proposed changes to the 2021-2022 Qualified Allocation Plan (QAP). All the changes were outlined in Mark Wiesendanger’s memorandum to the Board dated April 21, 2020 except an important change to Section 5A: Affordability. The requirement to keep 40% of the total credit units in the project at 50% area median income was increased to 60% of the units at 50% area median income. There was a lot of discussion regarding safe walking distances and the requirement that an area of recreational activity must be located on the project site or within a one-half mile.

Commissioner Usher made a motion to authorize MaineHousing to commence the rulemaking process to repeal and replace Chapter 16 of MaineHousing’s rules in the form provided to the Commissioners and described in the memorandum from Development Director Mark Wiesendanger to the Commissioners dated April 21, 2020 changing the one-half mile requirement for recreational activities to one mile. One member voted in favor of the motion and five members opposed.

Commissioner Gross made a motion seconded by Commissioner Joseph to authorize MaineHousing to commence the rulemaking process to repeal and replace Chapter 16 of MaineHousing’s rules in the form provided to the Commissioners and described in the memorandum from Development Director Mark Wiesendanger to the Commissioners dated April 21, 2020. Five members voted in favor of the motion and one member opposed.

2019 YEAR-END FINANCIAL AND AUDIT REPORT

Darren Brown, Director of the Finance Department, welcomed and introduced Jason Emery, Managing Director, with the public accounting firm Baker Newman & Noyes and began the annual

financial and audit review by presenting the budget results for the year. Each budget schedule was reviewed and explanations were provided for the larger variances. Overall, the budget results were favorable for the year with revenues exceeding expenses by approximately \$9.2 million.

Jason Emery reviewed the work performed for and the results of the audits. Mr. Emery reported that two audits are performed each the year – an audit of the financial statements that are prepared by MaineHousing staff and a federal compliance audit. Mr. Emery reported that the financial statements were presented fairly in all material respects and MaineHousing was given a “clean opinion”. There were also no material weaknesses in internal controls and no noncompliance issues. Mr. Emery said that the audits went smoothly and thanked all of the MaineHousing staff.

Treasurer Tom Cary reviewed the financial results and focused his review on the Mortgage Purchase Program (MPP), MaineHousing’s largest Fund Group. Mr. Cary noted that the MPP is rated Aa1 by Moody’s and AA+ by Standards & Poor. He reported that all the trends are favorable and that profitability remained at a high level and was consistent with levels prior to the housing and economic crisis. MaineHousing sold approximately \$160 million in bonds in 2019 and the mortgage portfolio increased by approximately \$62 million. Mr. Cary noted that mortgage delinquencies were at historically low rates. He also reviewed the interest rate Swap arrangements and noted that they performed well last year.

ADJOURN

Commissioner Joseph made a motion seconded by Commissioner Davis to adjourn the meeting. The meeting was adjourned at 12:11 p.m. by unanimous vote of the Board.

Respectfully submitted,

Donna Talarico, Secretary

INDEPENDENT AGENCIES

MAINE STATE HOUSING AUTHORITY

CHAPTER 24

Home Energy Assistance Program Rule

Summary: The Rule establishes standards for the Home Energy Assistance Program for the State of Maine as administered by the Maine State Housing Authority. The Home Energy Assistance Program provides Fuel Assistance and Energy Crisis Intervention Programs to low-income Eligible Households. The Rule also establishes standards for the HEAP Weatherization, Central Heating Improvement Programs, and Supplemental Benefits funded by TANF funds.

1. Definitions.

- A. “Act” means the Maine Housing Authorities Act, [30-A M.R.S.A. § 4701](#) et seq., as it may be amended from time to time.
- B. “Annual Consumption Report” means the annual report Vendors must submit to MaineHousing to report their HEAP customers’ Home Energy deliveries from May 1st through April 30th.
- C. “Apartment” means a Dwelling Unit within a multi-unit building.
- D. “Applicant” means a person listed as a Household member on a Primary Applicant’s Application.
- E. “Applicant Household” means the Household members listed on the Application whose Countable Assets will be considered when determining eligibility for CHIP services. A Household member will be considered to be part of the Applicant Household if they have a familial relationship with or a joint financial account with an occupying owner of the Dwelling Unit. Full time high school students would not be considered Applicant Household members unless they are Primary Applicants.
- F. “Application” means forms and documents completed, signed, and provided by Primary Applicant to determine eligibility for a Benefit and ECIP.
- G. “Arrearage Management Program (AMP)” means the program to assist eligible low-income residential customers who are in arrears on their electricity bills as defined by [35-A MRSA §3214, sub-§2-A](#), as may be amended from time to time.
- H. “Benefit” means the dollar amount of Fuel Assistance an Eligible Household receives.
- I. “Benefit Return” means a Benefit, partial or whole, returned to MaineHousing.
- J. “Boarder” means a Roomer who is provided meals and is not related by birth, marriage or adoption to the household.
- K. “BTU” means British Thermal Unit.
- L. “Camper” means a trailer, semitrailer, truck camper, or motor home primarily designed and originally constructed to provide temporary living quarters for recreational, camping, or travel use regardless of modification(s) or length.

- M. “CHIP” means the Central Heating Improvement Program component of HEAP.
- N. “Contractor” means a provider of materials or services to EligibleHouseholds.
- O. “Countable Asset” means a resource that is available to meet the immediate and urgent needs of a Household, and includes: cash and funds on prepaid debit cards, money in a checking or savings account (health savings accounts, educational funds, and burial accounts are excluded), stocks or bonds, U.S. Treasury bills, money market funds, and retirement accounts provided there are no penalties or fees for withdrawals.
- P. “Close-out” means the reconciliation of receipts and use of all Fuel Assistance and ECIP funds by Vendor. It is Vendor’s responsibility to keep this information by Eligible Household and provide it to MaineHousing upon request.
- Q. “Consumption Based” means the method for determining an Eligible Household’s Home Energy consumption using actual energy deliveries as reported by the Vendor.
- R. “Credit Notification Report” means the document sent to the Vendor guaranteeing payment post-delivery for Eligible Households.. The Credit Notification Report lists each Primary Applicant’s name, address, Home Energy type, account information, and, as applicable, Benefit or TANF Supplemental Benefit.
- S. “CTE” means to clean, tune, and evaluate a Heating System to ensure safe and efficient operation.
- T. “Date of Application” means the date an Application is received by the Subgrantee.
- U. “Date of Discovery” means the date MaineHousing receives information relating to suspected fraud.
- V. “DHLC” means the design heat load calculation method for estimating Home Energy consumption.
- W. “Direct Energy Cost” means an Energy Cost that is directly paid by the Household.
- X. “Dwelling Unit” means a building or structure or part thereof that is used as a primary residence by one or more persons who maintain a household.
- Y. “ECIP” means the Energy Crisis Intervention Program component of HEAP.
- Z. “Elderly Person” means a person who is 60 years old or older, or a member of an Indian Tribe who is 55 years old or older.
- AA. “Eligible Household” means a Household that satisfies all eligibility and income requirements of the HEAP Act and requirements of this Rule.
- BB. “Energy Cost” means cost of energy used for heating a Dwelling Unit, Apartment, or Rental Unit.
- CC. “Energy Crisis” shall have the same meaning as set forth in [42 U.S.C.A. §8622\(3\)](#), as same may be amended from time to time. The term "energy crisis" means weather-related and supply shortage emergencies and other household energy-related emergencies.
- DD. “Errors and Program Abuse” means the act of obtaining assistance to which one is not entitled by means of submitting false statements or withholding information pertinent to the determination of eligibility or benefits. Also applies to Vendors who retain Benefits that should

be returned or use Benefits for something other than intended purpose.

- EE. “Fuel Assistance” means the component of HEAP that assists Eligible Households with their Home Energy costs.
- FF. “HEAP” means the Home Energy Assistance Program established pursuant to the HEAP Act and the Act.
- GG. “HEAP Act” means [42 U.S.C.A. §8621 et seq.](#), and the regulations promulgated there under, including [45 C.F.R. § 96.1](#) through 96.68 and [45 C.F.R. § 96.80 et seq.](#), all as may be amended from time to time.
- HH. “HEAP Handbook” means the handbook in effect for a Program Year that is used as a resource and guide for the administration of HEAP.
- II. “HEAP Weatherization” means the weatherization component of HEAP that provides Low- cost/no-cost Weatherization Activities and other cost-effective energy-related home repairs or installations.
- JJ. “Heating Season” means the period of time beginning October 1 and ending April 30.
- KK. “Heating Source” means any device used to provide heat to a Dwelling Unit.
- LL. “Heating System” means a permanently installed system that is used to heat the Dwelling Unit. A portable space heater is not considered to be a Heating System.
- MM. “Heat Pump” means a ductless secondary heating system that provides heat by extracting heat from outside air and delivering it indoors as needed.
- NN. “Home Energy” means a source of heating or cooling in residential dwellings as set forth in [42 U.S.C.A. §8622\(6\)](#), as same may be amended from time to time.
- OO. “Household” means any individual or group of individuals who are living together as one economic unit for whom residential energy is customarily purchased in common or who make undesignated payments for energy in the form of rent as set forth in [42 U.S.C.A. §8622\(5\)](#), as same may be amended from time to time.
- PP. “Household Income” means the total income from all sources before taxes and deductions as further defined in this Rule.
- QQ. “Incidental Costs” means costs of services billed to a Household by a Vendor related to the use or delivery of Home Energy including, but not limited to: surcharges, penalty charges, reconnection charges, clean and repair service charges, security deposits, delivery charges, and insurance.
- RR. “Incidental Repairs” means those repairs necessary for the effective performance or preservation of weatherization materials.
- SS. “Indian Tribe” means the Penobscot Indian Nation, the Passamaquoddy Indian Tribe, and the Houlton Band of Maliseet Indians as defined in the Maine Indian Claims Settlement Act, [30 M.R.S.A. §6201 et seq.](#), and the Aroostook Band of Micmacs as defined in the Micmac Settlement Act, [30 M.R.S.A. §7201](#) et seq.

- TT. “Indirect Determinable Energy Cost” means a cost for Home Energy used by the Household that is not directly paid for by the Household. For example, heat included as part of the rent for a Rental Unit.
- UU. “Invitation to Bid” or “Request for Proposals” means the process to solicit bids or proposals to satisfy the requirements of this Rule.
- VV. “Live-in Care Attendant” means a person, not considered part of the household, who; (i) provides needed health/supportive services to a member of the households as documented by a qualified professional; (ii) would not be living in the unit except to provide the necessary supportive services; and (iii) does not contribute financially to the household..
- WW. “Life Threatening Crisis” means the household is currently without heat or utility service to operate a Heating Source or a Heating System.
- XX. “Low-cost/no-cost Weatherization Activities” means those activities authorized pursuant to [10 C.F.R. §440.20](#), as may be amended from time to time.
- YY. “MaineHousing” means the Maine State Housing Authority.
- ZZ. “Manufactured/Mobile Home” means a residence that is constructed at a manufacturing facility on a permanent chassis (i.e. the wheel assembly necessary to transport the residence is removable, but the steel undercarriage remains intact as a necessary structural component) and is transportable in one or more sections, which in traveling mode is 12 body feet or more in width and as erected on site is 600 or more square feet.
- AAA. “Modular” means a residence that is constructed at a manufacturing facility, but not constructed on a permanent chassis, and is transportable in one or more sections on an independent chassis such as a truck or train.
- BBB. “Non-occupying Co-owner” means a person who shares a legal ownership interest in the Dwelling Unit occupied by the Applicant Household. The Non-occupying Co-owner does not reside in the Dwelling Unit being considered for CHIP services.
- CCC. “Notice of Termination of Subgrantee” means a written statement notifying the Subgrantee of the cause and effective date of its termination.
- DDD. “Open Enrollment” means period of time a vendor can request and/or file an application to participate as a contracted Vendor.
- EEE. “Overpayment” means any HEAP benefits paid to, or on behalf of, any Applicant or Household that exceeds the amount the Applicant or Household was eligible to receive.
- FFF. “Person with a Disability” means a person who (1) has a physical or mental impairment that substantially limits one or more of a person’s major life activities; (2) has a physical or mental impairment that significantly impairs physical or mental health, which means having an actual or expected duration of more than 6 months and impairing health to a significant extent as compared to what is ordinarily experienced in the general population; (3) has a physical or mental impairment that requires special education, vocational rehabilitation or related services; (4) has without regard to severity unless otherwise indicated, absent, artificial or replacement limbs, hands, feet or vital organs; alcoholism; amyotrophic lateral sclerosis; autism, bipolar disorder; blindness or abnormal vision loss; cancer; cerebral palsy; chronic obstructive pulmonary disease; Crohn’s disease; cystic fibrosis; deafness or abnormal hearing loss; diabetes; substantial disfigurement; drug addiction;

emotional illness; epilepsy; heart disease; HIV or AIDS; kidney or renal diseases; lupus; major depressive disorder; mastectomy; mental retardation; multiple sclerosis; muscular dystrophy; paralysis; Parkinson's disease; pervasive development disorders; rheumatoid arthritis; schizophrenia; speech impairment, and acquired brain injury; (5) has a record of any of the physical or mental impairments described in the foregoing clauses (1) through (4); or (6) is regarded as having or is likely to develop any of the physical or mental impairments described in the foregoing clauses (1) through (4). The existence of a physical or mental disability is determined without regard to the ameliorative effects of mitigating measures such as medication, auxiliary aids or prosthetic devices.

A physical or mental disability or impairment does not include pedophilia, exhibitionism, voyeurism, sexual behavior disorders, compulsive gambling, kleptomania, pyromania, tobacco smoking, or any condition covered under [5 M.R.S.A. §4553, sub-§9-C](#). It does not include psychoactive substance use disorders resulting from current illegal use of drugs, although this may not be construed to exclude a person who has successfully completed a supervised drug rehabilitation program and is no longer engaging in the illegal use of drugs or has otherwise been rehabilitated successfully and is no longer engaging in such use; is participating in a supervised rehabilitation program and is no longer engaging in such use; is erroneously regarded as engaging in such use, but is not engaging in such use; or in the context of a reasonable accommodation in employment is seeking treatment or has successfully completed treatment.

- GGG. “Price Protection Plan” means an agreement between Vendor and a customer to purchase Home Energy at an agreed upon price.
- HHH. “Primary Applicant” means a person who signs the completed Application.
- III. “Priority Applicant” means a Household with a direct energy cost as well as a member in a household who is (i) an elderly person, or (ii) has a disability, or (iii) 72 months (6 years) or younger.
- JJJ. “Programs” means Fuel Assistance, ECIP, CHIP, and HEAP Weatherization.
- KKK. “Program Year” means the period of time beginning October 1 and ending September 30.
- LLL. “Rental Unit” means a Dwelling Unit that is rented.
- MMM. “Reporting Vendor” means a Vendor who is contractually obligated to report the Home Energy deliveries the Vendor has made on behalf of an Eligible Household.
- NNN. “Retail Cash Price” means the posted price a Vendor charges for Home Energy per gallon.
- OOO. “Roomer” means a person who qualifies as a separate Household and pursuant to a rental agreement rents no more than two rooms in a Dwelling Unit occupied as separate living quarters and who may, depending upon the rental agreement, be granted privileges to use, but not reside in, other rooms located in the same Dwelling Unit. A Roomer cannot be related by birth, marriage or adoption to any member of the lessor's Household.
- PPP. “Service Area” means the geographic area, as defined by MaineHousing, within which the Subgrantee operates and administers the Programs.
- QQQ. “Social Security Benefits” means social security income benefits pursuant to Title II of the United States Social Security Act of 1935 and supplemental security income benefits pursuant Title XVI of the United States Social Security Act of 1935, as amended, [42 U.S.C. §1381 et seq.](#)

and State supplemental income benefits provided pursuant to [22 M.R.S.A. §3201 et seq.](#), all as may be amended from time to time.

- RRR. “State” means the State of Maine.
- SSS. “Subgrantee” means a public or private nonprofit agency, or municipality, selected by MaineHousing to administer the Programs.
- TTT. “Subsidized Housing” means Households whose rent is based on their income or the subsidy pays for any portion of their mortgage. Housing in which a tax credit or federal/state loan is applied to reduce debt burden on the property is not considered Subsidized Housing. A resident of a residential housing facility including without limitation group homes, homeless shelters, and residential care facilities or a Tenant who pays below market rent or no rent due to the landlord receiving a federal or state subsidy for rent is living in Subsidized Housing.
- UUU. “Supplemental Benefits” means the benefits that are funded with supplemental HEAP funds (beyond the original grant award).
- VVV. “Supplemental Nutrition Assistance Program (SNAP)” means the nutrition assistance program administered by the United States Department of Agriculture. The goals of SNAP are to improve participants’ food security and their access to a healthy diet.
- WWW. “TANF” means payments under the Temporary Assistance for Needy Families program as defined in [22 M.R.S.A., Chapter 1053-B, § 3762 et seq.](#), as same be amended from time to time.
- XXX. “TANF Supplemental Benefits” means the benefits that are funded with TANF funds pursuant to [22 M.R.S.A., Chapter 1053-B, § 3769-E.](#)
- YYY. “Tenant” means an Applicant who resides in a Rental Unit or Apartment.
- ZZZ. “Vendor” means an energy supplier that has entered into a Vendor Agreement with MaineHousing to provide Home Energy to Eligible Households.
- AAAA. “Vendor Agreement” means a signed agreement between MaineHousing and a Vendor that contains terms and conditions by which the Vendor will provide Home Energy to Eligible Households.
- BBBB. “Vendor Voucher Report” means the document sent to the Vendor that lists Eligible Households’ Benefits, including each Primary Applicant’s name, address, phone number, Benefit amount, Home Energy type, account information, and Subgrantee.
- CCCC. “Watch List” means the MaineHousing list of Vendors that will not receive payment in advance for Eligible Households’ Benefits. In the event MaineHousing determines, in its sole judgment, based on Vendor’s actions or omissions or other information obtained by MaineHousing directly or from any third party, that such actions, omissions or other information raise issues concerning Vendor’s continued ability to make Home Energy deliveries or otherwise comply with the terms of the Vendor Agreement, or that Vendor’s performance is out of compliance with the requirements of the Vendor Agreement, MaineHousing may, in its sole discretion, place Vendor on this list.
- DDDD. “Weatherization Assistance Program (WAP)” means the program enabled and funded by the federal Energy Conservation in Existing Buildings Act of 1976, as same may be amended from

time to time. Its purpose is to increase the energy efficiency of dwellings owned or occupied by low-income persons, reduce their total residential energy expenditures, and improve their health and safety.

EEEE. “Weatherization Materials” shall have the same meaning as set forth in Part A of the Energy Conservation in Existing Buildings Act of 1976, [42 U.S.C. §§6861, 6862\(9\)](#), as same may be amended from time to time.

2. Application.

- A. An Applicant may have only one certified eligible standard Application and/or one ECIP Application per Program Year.
- B. An Applicant may resubmit a new Application if the Household’s Application has either been denied or withdrawn any time prior to the issuance of a Benefit.
- C. The Application will be processed in accordance with the requirements of this Section:
 1. The Subgrantee will begin taking Applications as prescribed by MaineHousing each Program Year.
 2. A Subgrantee 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.
 3. The Subgrantee shall accept Applications during normal business hours, which shall consist of a minimum of thirty (30) hours during each week through April 30 and a minimum of eight (8) hours during each week May 1 through July 15 of the Program Year.
 4. The Subgrantee must use forms provided or approved by MaineHousing to administer the Programs. Additional forms may be used by the Subgrantee provided the forms have been reviewed and approved by MaineHousing. Forms will be submitted for review and approval annually prior to the commencement of taking applications each program year.
 5. The Subgrantee will make a reasonable and good-faith effort during the first ninety (90) days it takes Applications to interview, process, and serve Priority Applicants who have a Direct Energy Cost.
 6. The Subgrantee will make a reasonable and good-faith effort to conduct outreach activities and process applications for any Household that has wood as its primary Home Energy source within the first ninety (90) days of taking Applications for the Program Year.
 7. At Applicant’s request, and as otherwise appropriate, the Subgrantee must make reasonable accommodations for a Person with a Disability.
 8. Any Applicant may apply via telephone. The telephone Application process includes completing the Application over the telephone with the Subgrantee administering the Programs in the Service Area in which the Household resides; the Subgrantee mails the completed Application and other appropriate documents to the Primary Applicant for review, signature, and date.

9. Limited English Proficiency (LEP) can be a barrier to accessing important benefits or services, understanding and exercising important rights, complying with applicable responsibilities, or understanding other information provided by the HEAP program. In order to address this concern Subgrantees must comply with MaineHousing's Language Assistance Plan.
10. Application must be made with the Subgrantee administering the Programs in the Service Area in which the Household resides. In the event an Application is received by a Subgrantee for a Household residing in a Service Area other than the Subgrantee's designated Service Area, the Subgrantee shall notify the Primary Applicant of the error and forward the Application and supporting documentation to the applicable Subgrantee.
11. Primary Applicant is responsible for providing all information necessary to establish the eligibility of a Household. The Subgrantee must verify the income and identity of the Applicant(s) as prescribed by HEAP Handbook.

The Subgrantee shall verify Primary Applicant's identity by requesting a government-issued, photo identification card. One of the following is acceptable to establish the identity of the Primary Applicant:

- a. Driver's license;
 - b. State issued ID card;
 - c. Passport or passport card;
 - d. U.S. Military ID; or
 - e. SNAP electronic benefit transfer (EBT) card with photo.
12. All Applicant(s) two years of age or older must provide proof of their Social Security Number (SSN), unless the Applicant's SSN can be verified by using the electronic verification process established between MaineHousing and the Social Security Administration. One of the following documents is acceptable provided it contains all nine digits of the Applicant's SSN and the Applicant's full name:
 - a. Social Security Card issued by the Social Security Administration;
 - b. SSA-1099 tax form;
 - c. Non SSA-1099 tax form;
 - d. Medicare card with card number ending with the suffix "A";
 - e. Valid unexpired U.S. Military documents such as DD Form 214 Certificate of Release or Discharge from Active Duty issued by the U.S. Department of Defense;
 - f. Bank tax form; or
 - g. W-2 (wage and tax statement).

If the Household includes a child under the age of two who has not received a SSN, the

Application is processed. However, the Primary Applicant must provide the child's SSN for subsequent Program Year Applications.

If a Household member is not a U.S. citizen, Applicant must provide a Social Security card issued by the Social Security Administration or an unexpired foreign passport with a valid unexpired U.S. Visa affixed accompanied by the approved I-94 form documenting the Applicant's most recent admittance into the United States, and documentation of Applicant's status as a qualified alien pursuant to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, [8 USC §1641](#), such as a legal permanent resident, a refugee, an asylee, an individual paroled into the U.S. for a period of at least one (1) year, an individual whose deportation has been withheld, or an individual granted conditional entry.

13. As part of the application process all Applicants 18 years of age or older must sign a release to grant permission to share their personal information, as follows:
 - a. Maine Department of Health and Human Services, the Maine Department of Labor, and the Social Security Administration to share information with the Subgrantee or MaineHousing regarding information relevant to the Application about the Applicant at each of those agencies, including the benefits received from each of those agencies.
 - b. Subgrantee and MaineHousing to provide information to and obtain information from the agencies listed above or others as needed to determine and confirm eligibility for MaineHousing programs and other programs administered by the Subgrantee.
 - c. Subgrantee and MaineHousing to disclose Applicant information for the determination of eligibility for programs administered by State, federal, and local agencies.
- D. The information on an Application may be considered conflicting if it is inconsistent with verbal information provided by an Applicant, with other information on the Application, with prior Program Year Applications, or with information received from a third party.
 1. No information received from a third party, other than a government agency, will be used to determine eligibility, unless it is verified by an independent, reliable source.
 2. In the case where an Applicant's eligibility is in question because of conflicting information received from a third party, the Subgrantee or MaineHousing shall allow the Primary Applicant an opportunity to amend the current Application or reaffirm the information on it. Primary Applicant may also withdraw Application at any time (prior to payment of Benefit). A new Application (rather than amended) would be required should an Applicant pursue assistance after withdrawal.
 3. If the Primary Applicant elects not to amend the Application, eligibility shall be based on information contained in the Application and documentation provided by the Primary Applicant, documentation provided by a government agency, or information verified by other sources.
 4. If verified information results in the Household being ineligible or determines the existence of Errors and Program Abuse or willful misrepresentation, the Application

may be subject to denial or termination of Benefits.

E. The Subgrantee will certify or deny an Application within thirty (30) business days from the Date of Application.

1. Written notification of eligibility will be sent to the Primary Applicant within (10) ten calendar days of the decision or when funding is available, whichever is later. The benefit notification shall:
 - a. State the Benefit amount;
 - b. State the date the Benefit or a Credit Notification was sent to the Vendor;
 - c. State the approved Home Energy type;
 - d. State the manner by which the Primary Applicant can request an appeal, if applicable.
2. Written notification of denial must be sent to the Primary Applicant within (3) three business days whether funding is available or not. The denial notification shall:
 - a. State the facts surrounding the decision;
 - b. State the reason(s) for the decision;
 - c. State the manner by which the Applicant can request an appeal.

A denial for missing information will be rescinded if the required information is received by the Subgrantee within (15) fifteen business days from the date of the denial notification.

3. Eligibility.

- A. Except as may be expressly provided for elsewhere in this Rule, eligibility shall be determined on the basis of information submitted by the Primary Applicant as of the Date of Application. MaineHousing and Subgrantees reserve the right to ask for additional or clarifying information from Primary Applicant, Applicant(s), or third parties to determine eligibility.
- B. A Household may be eligible for Supplemental Benefits or TANF Supplemental Benefits if available.
- C. MaineHousing uses the federal Poverty Income Guidelines and State Median Income Guidelines as reported annually by the United States Department of Health and Human Services. MaineHousing reserves the right to manage the Programs within those guidelines when determining benefits. MaineHousing will determine eligibility based on the availability of federal funding for the Programs during each Program Year.
- D. Dwelling Unit Eligibility.
 1. The Dwelling Unit must have a functioning Heating System. If the dwelling does not have a functioning Heating System, the Subgrantee may certify the Application for CHIP only provided the Application is complete and all applicable documentation has been provided.

2. If the dwelling is not permanently connected to or serviced by standard utilities such as electricity and water, the Subgrantee will obtain additional documentation to substantiate the Household occupies the dwelling as its primary residence on a full-time/year-round basis.
3. Applicants residing in Subsidized Housing with heat included in their rent may be eligible for Fuel Assistance if the Household pays a portion of their rent or utility costs. MaineHousing will issue a Benefit in an amount to maximize benefits under SNAP.
4. An Applicant who is self-employed and uses part of their Dwelling Unit for business may apply for the Programs. Benefits will be determined based on the rooms occupied and used by the Applicants as a residence; that part of the Dwelling Unit designated for business use will not be included.
5. Applicants who reside in hotels and motels may be eligible for Fuel Assistance if the Household provides documentation that the hotel/motel has been their permanent residence for at least sixty (60) days prior to the Date of Application.
6. If a Household's Application has been certified eligible, but all Applicants move to Subsidized Housing with heat included or an ineligible Dwelling Unit prior to the Benefit being paid, Household may not be eligible for the entire Benefit depending on Date of Application and Home Energy use during current Program Year.
7. A Household is not eligible for Programs when the Household resides in a structure designed and constructed to provide temporary living quarters Dwelling units must be permanently affixed and not intended to be moved, including Campers.

E. Household Eligibility.

1. A Household is eligible for a Benefit if, on the Date of Application:
 - a. it is a full-time resident of the State and resides or will reside in the Dwelling full-time for at least four (4) months during the Heating Season and;
 - b. it intends to reside in the State through April 30; and
 - c. it has a Direct Energy Cost or Indirect Determinable Energy Cost.

If the Date of Application is on or after February 1, the Household may be eligible for a Benefit if the Household provides documentation that it has been a full-time resident of the State for at least 60 days.

2. Pursuant to definition of Household, Eligible Household Members may also include:
 - a. aliens who have obtained the status of an alien lawfully admitted for temporary residence under Section 210 of the Immigration and Nationality Act by approval of an application and are categorized as Special Agricultural Workers (SAW) who perform seasonal agricultural work during a specified period of time;
 - b. an alien who has obtained the status of an alien lawfully admitted for

temporary residence under Section 245A of the Immigration and Nationality Act by approval of an application and who is aged, blind and/or disabled as defined in Section 1605 of the Social Security Act ([Public Law 74-271](#)) or Cuban or Haitian aliens as defined in [Public Law 96-422](#), Section 501 (e). Applicants are considered eligible if they have a Social Security card issued by the Social Security Administration, Green Card or show permanent Residents (I-551 Alien Registration Card, Passport, I-688B Employment authorization card, I-766 Employment Authorization Document, I-94 with R-1 or R-2 status designation). I-94 documents with no status designated only show permission to enter the U.S. but do not establish residency;

- c. Eligible minor children residing with ineligible non-citizens;
 - d. a member of the Household who is away from the home part of the time is included as a Household member and their income must be included on the Application;
 - e. a live-in care attendant will be considered part of the Household if the live-in care attendant does not meet the definition of a Live-in Care Attendant in Section 1 of this Rule.
3. A full-time college student, up to age 23 years old, who is a dependent of the Household and resides in the Dwelling Unit on the Date of Application, may be excluded from the Household if the Primary Applicant chooses as long as the college student is not the Primary Applicant. If excluded from the Household, his or her income would not be counted. The Applicant must provide proof of student status and enrollment at a university, vocational college, business college, or other accredited institution for twelve (12) credit hours or more per semester.
 4. If otherwise eligible, Roomers and Boarders are eligible for a Benefit to the extent such Applicants prove that the rental arrangement giving rise to their Roomer or Boarder status was in existence for at least sixty (60) days prior to the Date of Application. At a minimum, such proof shall include verification that a reasonable market rate rent amount was paid by the Roomer or Boarder pursuant to the terms and conditions of the rental agreement for the entire sixty (60) day period. Roomers and Boarders cannot commingle funds or share expenses with lessor's Household.
- F. Eligibility is based on Household Income. Household Income is determined and verified in accordance with the information provided on the Application and verified as part of eligibility determination process.
1. Household Income received during the three (3) calendar months or twelve (12) calendar months preceding the Date of Application. Primary Applicants must provide pay stubs, or a statement from all current or former employer(s), documenting Household Income received during the three (3) calendar months or twelve (12) calendar months income period prior to the Date of Application.
 2. Household Income includes, but is not limited to, the following:
 - a. Wages, salaries, and bonuses before any taxes or deductions;
 - b. Self-employment income. Households with self-employment income must use a

current year's tax return if filed. If the Household has not filed a current year's tax return then the tax return for the previous year may be used. When supported by a tax return, self-employment income is defined as the total of net income (including net rental income) plus the total net gain from sales of capital goods or equipment plus depreciation. If the Applicant has not filed a tax return for the current or previous year, the Applicant may complete a self-employed income statement/worksheet accounting for the last 365 days of income. Supporting documentation must be provided to substantiate the information on the statement/worksheet. Deductions or expenses related to self-employment income shall not be factored in to the amounts counted as income unless the Applicant provided the complete tax return from the current or prior year. If the Household is using the three (3) month income verification period, self-employed income for the last 365 days, or annual income from tax return, will be prorated to three (3) months;

- c. Social Security Retirement (SS), Social Security Disability Insurance (SSDI) and Supplemental Security Income (SSI) Benefits. Benefits and Applicant identity may be verified by using the electronic verification process established between MaineHousing and the Social Security Administration. Errors documented by this process will be researched by the Subgrantee and corrected as applicable. In situations where Social Security benefits or Supplemental Security Income cannot be verified via the electronic verification process, the Subgrantee will assist the Primary Applicant in understanding the documentation requirements;
- d. Unemployment and worker's compensation and/or strike benefits from union funds;
- e. Spousal support or alimony received by an Applicant, or mortgage/rent payments in lieu of or in addition to payments;
- f. Court ordered or voluntary child support payments received by an Applicant, or mortgage/rent payments in lieu of or in addition to support payments;
- g. Military allotments (pay);
- h. Veteran's Benefits;
- i. Other support from an absent family member or someone not living in the Household excluding loans;
- j. Income of person living in the Household who is a non-qualified alien and 18 years of age or older;
- k. Government employee pensions, private pensions, and regular annuity payments;
- l. Income from dividends, rents, royalties, estates, trusts, and interest. Interest income under \$200.00 must be included as income, but does not need to be supported by documentation;
- m. Net rental income, including funds received from Roomers and Boarders;
- n. Winnings from any source of gambling or gaming is considered income including, but not limited to private gambling, lottery, horse racing, bingo, etc.

- o. TANF including Gap, and Pass-Through, or any other regular support from a government or private agency;
 - p. Jury duty fees;
3. Exemptions from Household Income include:
- a. Assets drawn down from financial institutions;
 - b. Foster care payments;
 - c. Adoption assistance;
 - d. In-kind payments to an Applicant in lieu of payment for work, including the imputed value of rent received in lieu of wages or items received in barter for rent;
 - e. Capital gains (for business purposes);
 - f. Income from the sale of a primary residence, personal car, or other personal property;
 - g. Tax refunds;
 - h. One-time insurance payments;
 - i. One-time compensation for injury;
 - j. Non-cash income such as General Assistance voucher payments, the bonus value of food and fuel produced and consumed on farms, and the imputed value of rent from owner-occupied farm housing;
 - k. Bank loans, reverse mortgages, and home equity loans;
 - l. Reimbursement for expenses incurred in connection with employment;
 - m. Reimbursement for medical expenses;
 - n. Any funds received for education from grants, loans and scholarships, and work study;
 - o. Retroactive payments and overpayment adjustments from an entitlement program for a time period outside of the period being considered for HEAP eligibility (i.e. worker's comp, Social Security Benefits, etc.);
 - p. Income earned by an Applicant who is a full time high school student;
 - q. Income earned by a full-time college student who is not counted as a Household member pursuant to Section E.3 of this Rule;
 - r. Combat zone pay to the military;
 - s. Credit card loans/advances;

- t. All income used to fulfill a Social Security Administration Program to Achieve Self-Sufficiency (PASS);
- u. Federal payments or benefits excluded by law as set forth below:
 1. Payments received under Title II of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (84 Stat. 1902, [42 U.S.C. 4636](#)).
 2. Payments of land settlement judgments distributed to or held in trust for members of certain Indian Tribes under Public Laws [92-254](#), [93-134](#), [93-531](#), [94-114](#); [94-540](#), [97-458](#), [98-64](#), [98-123](#) and [98-124](#).
 3. Funds available or distributed pursuant to [Public Law 96-420](#), the Maine Indian Claims Settlement Act of 1980 ([25 U.S.C. 1721 et. seq.](#)) to members of the Passamaquoddy Tribe, the Penobscot Nation and the Houlton Band of Maliseet Indians.
 4. The value of the allotment provided a household under the Supplemental Nutrition Assistance Program ([7 U.S.C.A. 51](#)).
 5. The value of assistance to children as excluded under the National School Lunch Act ([42 U.S.C. 1760\(e\)](#)) and under the Child Nutrition Act of 1966 ([42 U.S.C. 1780\(b\)](#)).
 6. The value of commodities distributed under the Temporary Emergency Food Assistance Act of 1983 ([Public Law. 98-8](#), [7 U.S.C. 612c](#)).
 7. Allowances, earnings and payments to individuals participating in programs under the Workforce Innovation and Opportunity Act <https://www2.ed.gov/about/offices/list/ovae/pi/AdultEd/wioa-reauthorization.html>
 8. Program benefits received under the Older Americans Act of 1965 ([42 U.S.C. sub-section 3020\(a\)\(b\)](#)) as wages under the Senior Community Service Employment Program (SCSEP).
 9. Payments to volunteers under the Domestic Volunteer Service Act of 1973 ([Public Law 93-113](#), [42 U.S.C. 5044](#)).
 10. The value of any assistance paid with respect to a dwelling unit under the United States Housing Act of 1937, the National Housing Act, Section 101 of the Housing and Urban Development Act of 1965, or Title V of the Housing Act of 1949.

11. The tax-exempt portions of payments made pursuant to the provisions of the Alaska Native Claims Settlement Act ([Public Law 92-203, 43 U.S.C. 1620\(a\)](#)).
 12. Payments for supportive services or reimbursement of out-of-pocket expenses made to individual volunteers serving as foster grandparents, senior health aides, or senior companions, and to persons serving in the Service Corps of Retired Executives (SCORE) and Active Corps of Executives (ACE) and any other programs under Titles II and III, pursuant to Section 418 of [Public Law 93-113](#).
 13. Any wages, allowances or reimbursement for transportation and attendant care costs, unless accepted on a case-by-case basis, when received by an eligible handicapped individual employed in a project under Title VI of the Rehabilitation Act of 1973 as amended by Title II of [Public Law No. 95-602](#).
 14. All student financial assistance including the following programs funded under Title IV of the Higher Education Act as amended:
 - a. Pell Grants;
 - b. Supplemental Educational Opportunity Grants;
 - c. Grants to States for State Student Incentives;
 - d. Special Programs for Students from Disadvantaged Backgrounds;
 - e. Special Programs for Students Whose Families are Engaged in Migrant and Seasonal Farm work;
 - f. Robert C. Byrd Honors Scholarship Program;
 - g. Assistance to Institutions of Higher Education;
 - h. Veterans Education Outreach Program;
 - i. Special Child Care Services for Disadvantaged College Students.
 - j. Payments to veterans for Aid and Attendance benefits.
4. For any Applicant who pays court ordered child support, the Subgrantee will deduct paid and documented child support payments made during the income period from the Applicant's gross income.
- G. For any Household found ineligible due to being over income, the Subgrantee will deduct paid and documented medical expenses not reimbursed for the income period from the gross income in an amount only enough to make Household eligible. Medical expenses may include medical and dental insurance premiums and transportation to medical appointments. Subgrantees will use Internal Revenue Service Publication 502, as same may be amended from time to time, to identify eligible medical and dental expenses.

H. Primary Applicants may be required to refund any Overpayment. A Household's Eligibility to receive benefits from Programs is contingent on the resolution of any Overpayment.

1. MaineHousing will recoup all outstanding Overpayments from any current or future Benefits until the Overpayment is paid in full. MaineHousing will recoup 50% of a Household's current Program Year's Benefit and 50% of a Household's future Program Years' Benefits until the Overpayment has been paid in full.
2. The Household will be eligible for ECIP if they have entered into and are in compliance with the terms of a repayment agreement with MaineHousing to resolve the Overpayment or the Overpayment has been paid in full.
3. The Household will not be eligible to receive benefits under the Weatherization Assistance Program or CHIP until the Overpayment is paid in full.

4. Benefit Determination.

- A. Benefits are determined to ensure that Eligible Households with the lowest income and the highest Energy Cost in relation to income, taking into account family size, will receive a higher Benefit.
- B. Tenants residing in Subsidized Housing with heat included in their rent, who pay a portion of their rent or utility costs, are only eligible to receive a Benefit in an amount to maximize benefits under SNAP.
- C. MaineHousing, or the Subgrantee as allowed by MaineHousing, will assign a number of points to an Eligible Household that correlates to their Energy Costs. The number of points will be adjusted by an assigned percentage that correlates to the Eligible Household's poverty level. The adjusted number of points will then be multiplied by a dollar value based on the amount of the federal HEAP grant received and the number of Eligible Households served in the previous Program Year, the average Energy Cost for an Eligible Household in the previous Program Year, any anticipated increase or decrease in the federal HEAP grant to be received in the current Program Year, and any anticipated increase or decrease in average Benefits or the number of Eligible Households.

MaineHousing will announce the actual dollar value of Consumption Based and DHLC points no later than the fifteen (15) calendar days following receipt of the federal HEAP grant award.

1. The number of points assigned to an Eligible Household will be determined pursuant to the following:

Calculated or Reported Energy Cost	Points
\$.01-\$400	5
\$401-\$800	10
\$801-\$1200	15
\$1201-\$1600	20
\$1601-\$2000	25
\$2001-\$2500	30
\$2501 and over	35
Calculated or Reported Energy Cost falling between brackets will be rounded to the next higher or lower dollar amount, as appropriate. For example: \$400.01-\$400.49 will be rounded to \$400; \$400.50-\$400.99 will be rounded to \$401.	

Poverty Level as Calculated under the Federal Poverty Income Guidelines (FPIG)	Percentage of Points
0%-25%	130%
26%-50%	120%
51%-75%	110%
76%-100%	100%
101%-125%	90%
126%-150%	80%
>than 150% FPIG but not exceeding the maximum of the greater of 150% FPIG or 60% state median income	70%
Calculated poverty level amounts falling between brackets will be rounded to the next higher amount. For example: income at 75.1% will be rounded to 76%.	

All final point results that are fractional will be rounded up to the nearest whole number.

2. Calculating Energy Costs. Energy Costs are calculated by the Consumption Based or DHLC method.
 - a. Consumption Based. Energy Costs will be based on the Eligible Household's actual Home Energy deliveries, as reported on the Annual Consumption Report, for the primary Heating System as declared on the Eligible Household's Application.
 1. If the primary Heating System is electric, Energy Costs will be calculated by deducting \$600 from the annual electricity cost as reported by the Vendor on the Annual Consumption Report. The \$600 deduction accounts for the non-heating usage of electricity.
 2. If an Eligible Household resides in Subsidized Housing and has a Direct Energy Cost, any annual utility allowance for heating will be deducted from the Eligible Household's Energy Cost reported by the Vendor on the Annual Consumption Report.
 3. If after \$600 is deducted for non-heating usage of electricity when applicable, and after annual utility allowances for heating are deducted from annual Household Energy Cost reported by the Vendor on the Annual Consumption report, the Household has a calculated energy cost of less than or equal to zero (0), the Household is only eligible to receive a Benefit in an amount to maximize benefits under the Supplemental Nutrition Assistance Program (SNAP)
 4. Energy Cost will be calculated using the Consumption Based method provided the Eligible Household meets the following requirements:
 - a. The Eligible Household has a Direct Energy Cost and;
 - b. An Applicant occupied the residence for the entire previous Heating Season and;
 - c. An Applicant had an eligible Application in the prior

Program Year and;

- d. The Eligible Household purchased all of their Home Energy for their primary Heating System from a Reporting Vendor(s) for the previous Heating Season and;
 - e. Reporting Vendor(s) submitted an Annual Consumption Report to MaineHousing that provided the Eligible Household's Home Energy delivery information and;
 - f. The Eligible Household's Energy Costs, as reported by Vendor(s) to MaineHousing, is for their residence only and;
 - g. The Eligible Household's primary Heating System does not use wood, wood pellets, corn, coal, or bio-bricks.
- b. Design Heat Load Calculation. DHLC shall be used to estimate the Energy Costs for Eligible Households that do not meet the requirements of the Consumption Based method. Under the DHLC, the number of rooms occupied by the Eligible Household shall be multiplied by the number of BTUs needed to heat an average sized room in a Dwelling Unit. That product will then be multiplied by the number of square feet of an average sized room in a Dwelling Unit. Next, that second product will be multiplied by the number of heating degree days of the Service Area in which the Eligible Household's Dwelling Unit is located. That third product is then divided by one million BTUs. The quotient is then multiplied by the cost of the Eligible Household's primary Home Energy type per one million BTUs. That fourth product is then divided by the efficiency rate of the primary Home Energy type to arrive at the Eligible Household's amount of energy consumption. The cost per one million BTUs and efficiency rate of the Applicant's Home Energy type will be periodically established by MaineHousing. The DHLC is based on the following factors:

- 1. The total number of rooms in the Dwelling Unit as listed on the Application. Hallways, bathrooms, and closets are not counted in the total number of rooms;
- 2. An assumed standard room size for the Dwelling Unit type. Standard room sizes and BTUs required to heat a Dwelling Unit vary by Dwelling Unit type because average room size and surface area exposure to the elements vary by Dwelling Unit type. The standard room sizes and BTUs used for each Dwelling Unit type are as follows:

Dwelling Unit Type	Standard Room Size	BTUs
Stick-built/Modular	144 square feet	14.3
Manufactured Home/mobile home	100 square feet	13
Apartment	120 square feet	8.3

- 3. The heating degree days for the Service Area. Heating degree days are determined by the National Weather Station in Gray,

Maine.

Subgrantee	Service Area - counties	Heating Degree Days
Aroostook County Action Program	Aroostook	9543
Community Concepts, Inc.	Androscoggin, Oxford	7373
Downeast Community Partners	Washington, Hancock	7771
Kennebec Valley Community Action Program	Kennebec, Somerset	7680
Kennebec Valley Community Action Program	Lincoln, Sagadahoc	7420
Penquis Community Action Program	Penobscot, Piscataquis	8245
Penquis Community Action Program	Knox	7359
The Opportunity Alliance	Cumberland	7426
Waldo Community Action Partners	Waldo	7297
Western Maine Community Action	Franklin	8866
York County Community Action Corporation	York	7012

4. The estimated BTUs required to heat the Dwelling Unit;
5. Average cost per one million BTU. MaineHousing determines the average costs per one million BTU annually. Oil, kerosene, and propane costs are obtained by averaging the costs reported by the Governor’s Energy Office (GEO). Average costs for all other fuel types are based on a representative survey of Vendors’ pricing.
6. The efficiency rate for the primary Home Energy type listed on the Application. The Energy Cost per one million BTU and efficiency rate are based on the primary Home Energy type specified on the Eligible Household’s Application.

Home Energy Type	Efficiency Rate
Oil	65%
Kerosene	65%
Propane	65%
Natural Gas	65%
Electric	100%
Firewood	50%
Corn	60%
Wood Pellets	80%
Bio-bricks	80%

7. For Tenants in Subsidized Housing with a Direct Energy Cost, the annual utility allowance for heating, as provided by property manager on the Subsidized Housing form, must be deducted from the estimated Energy Cost in order to determine the Eligible Household’s heat burden.
8. If after annual utility allowances for heating are deducted from annual Household Energy Cost reported by the Vendor on the Annual Consumption report, the Household has a calculated energy cost of less

than or equal to zero (0), the Household is only eligible to receive a Benefit in an amount to maximize benefits under the Supplemental Nutrition Assistance Program (SNAP)

5. Payment of Benefits.

- A. A Primary Applicant shall select a Vendor that will deliver Home Energy to the Eligible Household. Payment of Benefits will be made directly to the Vendor. Except as set forth below, Vendors may be provided the option to choose to receive HEAP Benefits prior to delivery or post-delivery at MaineHousing's discretion.
 - 1. For payment prior to delivery, MaineHousing, or a Subgrantee as allowed by MaineHousing, will pay a Benefit to the Vendor or within ten (10) business days of the date the Application is certified eligible or when HEAP grant funds are available, whichever is later.
 - 2. For payment post-delivery, MaineHousing, or a Subgrantee as allowed by MaineHousing, will provide a Credit Notification Report within ten (10) business days of the date the Application is certified eligible or when HEAP grant funds are available, whichever is later. MaineHousing will make payment for HEAP Benefits after the Vendor makes delivery as authorized by MaineHousing.
 - 3. In the case of wood Vendors, MaineHousing, or a Subgrantee as allowed by MaineHousing, will make payment for a Benefit after the Vendor makes delivery as authorized by MaineHousing and/or the Subgrantee. The Vendor must return a completed purchase order, including Applicant and Vendor signatures, to MaineHousing, or a Subgrantee as allowed by MaineHousing, within sixty (60) calendar days of the date of purchase order issuance. Receipt of the purchase order must be entered into the MaineHousing database. Contingent on database entry, MaineHousing, or the Subgrantee as allowed by MaineHousing, will make payment within ten (10) business days of the signed purchase order receipt date. If the purchase order is not returned within sixty (60) calendar days of the date of issuance it may be considered void. Extensions may be granted by the MaineHousing on a case-by-case basis.
- B. If there is no Vendor that serves the area in which the Eligible Household resides then MaineHousing, or the Subgrantee as allowed by MaineHousing, may pay Benefits directly to the Primary Applicant.
- C. Payment of Benefits may be made directly to Tenants with an Indirect Determinable Energy Cost.

6. TANF Supplemental Benefits.

- A. Except as may be expressly provided for elsewhere in this Rule, the use and administration of TANF Supplemental Benefits is subject to the standards for HEAP Benefits set forth in this Rule.
- B. Eligibility. A Household may be eligible for a TANF Supplemental Benefit if its Application for HEAP has been certified eligible in the current Program Year and if on the Date of Application:
 - 1. it included at least one member who was under the age of eighteen (18); and
 - 2. it did not reside in Subsidized Housing with heat included.
- C. Benefit Determination. The TANF Supplemental Benefit per Eligible Household per Program Year

shall be determined each Program Year by MaineHousing based on the projected number of Households eligible for TANF Supplemental Benefits and available funding.

- D. Payment of Benefits. Except in the case of utility Vendors, MaineHousing will make payment for a TANF Supplemental Benefit after the Vendor makes delivery as authorized by MaineHousing. The Vendor must submit a delivery ticket or invoice to MaineHousing together with a detailed account history showing delivery activity and payment activity from the previous May 1 through the date of the delivery being invoiced. MaineHousing will make payment within ten (10) business days of MaineHousing's receipt and approval of the required documentation.

7. Benefit Returns and Transfer:

- A. Program benefits may not be sold, released or otherwise conveyed, with or without consideration, by the Eligible Household or the Vendor without written authorization from MaineHousing. MaineHousing will only authorize such conveyances when circumstances arise that prevent the Eligible Household from using the Benefit and MaineHousing determines such conveyance is in the best interest of the Eligible Household and is consistent with the intent of the HEAP Act.
- B. Program benefits may be available for reissue or transfer during the Program Year of issue and up until April 30th of the Program Year immediately following when:
 - 1. All Applicant(s) move in State but continue with same Vendor.
 - 2. All Applicant(s) move in State and change Home Energy vendors.
 - 3. Household changes Vendor.
 - 4. All Applicant(s) move in State from a Dwelling Unit with Direct Energy Cost to a Dwelling Unit with heat included in their rent (not including Subsidized Housing).
 - 5. All Applicant(s) move in State to Subsidized Housing with Direct Energy Cost.
 - 6. Household changes Home Energy type.
 - 7. Primary Applicant has deceased and there are surviving Applicants remaining in the Household (unless surviving Applicant moves in State to a Household that has received a Benefit in the current Program Year).
- C. Household may be required to provide in writing the following in order to receive a Benefit reissue or transfer:
 - 1. Primary Applicant's name.
 - 2. Previous address.
 - 3. Current address.
 - 4. Current phone number.
 - 5. Current rental agreement or current property tax bill, whichever is relevant.
 - 6. Current electric/utility company name and account number.

7. Name on the electric/utility company account.
8. Primary Heating System and Home Energy type.
9. Fuel tank location.
10. Current Home Energy Vendor name, address, and account number.
11. Primary Applicant's signature and date submitted.

If for any reason the requested documentation is not provided, the reissuance or transfer of Benefits may be delayed and/or Benefits may be forfeited.

D. Benefits may not be eligible for reissue or transfer when:

1. It is determined that Primary Applicant committed Errors and Program Abuse when completing the Application.
2. It is determined that there was an Overpayment.
3. Primary Applicant's permanent residence changes to a nursing home or long term care facility and there are no surviving Applicants remaining in the Household.
4. All Applicant(s) move to Subsidized Housing with heat included.
5. Primary Applicant moves in State into a Household that has been determined eligible for a Benefit in the current Program Year.
6. The Benefit was issued before the previous or current Program Year.
7. The Benefit was issued the previous Program Year and was not used on or before April 30th of the Program Year immediately following.
8. All Applicant(s) move to an ineligible Dwelling Unit.
9. Primary Applicant has deceased and there are no surviving Applicants remaining in the Household.
10. All Applicants move out of State.

If the Household subsequently moves to an eligible Dwelling Unit, the Benefit may be eligible for reissue provided the Benefit was for the previous or current Program Year.

- E. In the event Vendor receives a Benefit return form requesting the return of Benefits paid to Vendor on behalf of Eligible Households, Vendor shall return such Benefits to MaineHousing within fifteen (15) calendar days of date of Benefit return form. Once the funds are received, MaineHousing will process the reissue or transfer as appropriate within fifteen (15) calendar days.

8. Energy Crisis Intervention Program (ECIP).

- A. A Household may be eligible for ECIP if a Household member's health and safety is threatened by an Energy Crisis situation and the Household does not have the financial means to avert the Energy

Crisis. The Subgrantee will determine whether the Household is experiencing an Energy Crisis on the Date of Application.

1. An Eligible Household is income eligible for ECIP. If a Household has not been certified eligible for a Benefit, the Household's income eligibility for ECIP will be based on one of the following timeframes, whichever allows eligibility:
 - a. The twelve (12) calendar months immediately preceding the Date of Application for ECIP;
 - b. The three (3) calendar months immediately preceding the Date of Application for ECIP;
 - c. The calendar month immediately preceding the Date of Application for ECIP; or
 - d. The thirty (30) days immediately preceding the Date of Application for ECIP.
 2. To determine if Household is in Energy Crisis:
 - a. Reading of 1/8 tank or less on a standard 275 gallon heating oil tank;
 - b. Reading of 25% or less on a propane tank;
 - c. 3-day or less supply for other delivered Home Energy types.
 3. To determine an Energy Crisis with respect to utility terminations:
 - a. Household has received a disconnection notice; and
 - b. Household has exhausted its ability to negotiate and pay the terms of a reasonable payment arrangement.
- B. Allowable expenditures must be related to averting an Energy Crisis and may include:
1. Home Energy deliveries provided the Eligible Household has exhausted any remaining Benefits previously issued to a Vendor on behalf of the Eligible Household;
 2. Delivery charges associated with fuel deliveries made against an ECIP benefit and/or an upfront delivery made against a Household's regular benefit to avert an energy crisis situation.
 3. Surcharges, reconnection charges, or penalties related to a final utility disconnect notice. Utility costs must be directly related to the operation of the Heating System;
 4. Heating System repair, including restart fees;
 5. Purchase of space heaters;
 6. Temporary relocation provided the Eligible Household is experiencing a Life Threatening Crisis that cannot be averted within 18 hours by one of the above measures;

7. Rental payment assistance provided the Eligible Household is a Tenant whose rent includes heat and is facing eviction due to nonpayment of rent.

C. Unallowable Expenditures:

1. ECIP funds cannot be used if the Household has any other Heating System that is safe, operable and is capable of heating the dwelling adequately during severe cold weather, and has a supply of product for that Heating System.
2. ECIP funds cannot be used to pay for surcharges, reconnection charges, or penalties related to a final utility disconnect when that utility is not required for the operation of the primary Heating System.
3. ECIP funds cannot be used to pay for Home Energy deliveries or Heating System repairs if the Applicant resides in Subsidized Housing with heat included or a Rental Unit with heat included.
4. An Applicant with an Overpayment balance is not eligible for ECIP benefits unless they have entered into and are in compliance with the terms of a repayment agreement with MaineHousing to resolve the Overpayment.

D. The maximum ECIP benefit per Eligible Household per Program Year shall be determined each Program Year by MaineHousing based on Home Energy costs, economic conditions, and available funding.

E. ECIP will be administered pursuant to HEAP:

1. ECIP timeframe is November 1 through the following April 30;
2. Conditioned on the availability of ECIP funds, some form of assistance that will resolve the Energy Crisis, if Household is eligible to receive such benefits, will be provided within 48 hours after Household has been certified eligible for ECIP;
3. Conditioned on the availability of ECIP funds, some form of assistance that will resolve the Energy Crisis, if Household is eligible to receive such benefits and is in a Life Threatening Crisis situation, will be provided within 18 hours after a Household has been certified eligible for ECIP.

F. The Subgrantee will provide the Primary Applicant written notice of ECIP denial within three (3) business days.

G. If a Household receives ECIP and it is subsequently determined that the Household was not eligible, MaineHousing or the Subgrantee may require the Household to repay the amount of ECIP. MaineHousing will recoup all outstanding Overpayments from any current or future Benefits until the Overpayment is paid in full. MaineHousing will recoup 50% of a Household's current Program Year's Benefit and 50% of a Household's future Program Years' Benefits until the Overpayment has been paid in full.

H. ECIP Payment to Vendors.

1. Except in the case of wood Vendors, MaineHousing, or a Subgrantee as allowed by MaineHousing, will make payment for ECIP after the Vendor makes delivery as

authorized by MaineHousing/Subgrantee. The Vendor must return a completed purchase order and a delivery ticket to MaineHousing/Subgrantee. The Vendor must also submit an invoice if the total amount on the delivery ticket is greater than the ECIP purchase order amount or the delivery ticket does not account for all the charges that were approved on the purchase order. Receipt of the purchase order must be entered into the MaineHousing database. Contingent on database entry, MaineHousing will make payment within ten (10) business days of the receipt of the completed purchase order, a delivery ticket, and invoice (if applicable).

2. In the case of wood Vendors, MaineHousing, or a Subgrantee as allowed by MaineHousing, will make payment for ECIP after the Vendor makes delivery as authorized by MaineHousing/Subgrantee. The Vendor must return a completed purchase order, including Applicant and Vendor signatures, to MaineHousing/Subgrantee. Receipt of the purchase order must be entered into the MaineHousing database. Contingent on database entry, MaineHousing/Subgrantee will make payment within ten (10) business days of the signed purchase order receipt date.

9. Central Heating Improvement Program (CHIP).

A. Eligibility. A Household may be eligible for CHIP if the Household:

1. is eligible for HEAP Fuel Assistance benefits;
2. has a household income less than or equal to 200% Federal Poverty Level;
3. has an eligible Application that was certified within the preceding twelve (12) months; and
4. does not have a more recent Application that has been certified-denied.

B. Subgrantees shall provide CHIP services based on the following priority order:

1. Eligible Households experiencing an Energy Crisis caused by Heating System malfunction or failure.
2. Non-wood Heating Systems that cannot achieve a minimum steady state efficiency of 70% (as determined by a CTE).
3. Preventative CTE and minor repairs on a non-emergency basis (owner-occupied dwelling units only). Date of the last CTE by a licensed technician must be more than twelve (12) months prior to the initiation of services date.
4. The installation of a Heat Pump.

Eligible Households shall be served on a first-come, first-served basis with respect to each level of priority except when the Subgrantee is providing weatherization services to a Dwelling Unit. In this case, CHIP activities to Eligible Households that enable the Subgrantee to leverage funds may be served first.

C. Subgrantees shall administer and operate CHIP in their Service Areas unless otherwise determined by MaineHousing.

D. Heating System Replacement. Household may be eligible for assistance to replace a Heating System if the Household is eligible for Benefits pursuant to this Rule. The amount of assistance shall take into account the Applicant Household's and Non-occupying Co-owner's Countable Assets.

1. The Applicant Household will be required to contribute toward the cost of replacing the Heating System if the Applicant Household has Countable Assets in excess of \$5,000, or \$50,000 if a member of the Applicant Household is an Elderly Person. The same guidelines apply to Non-occupying Co-owner's Countable Assets.

The overall purpose of these asset limitations is to encourage a Household's contribution to meeting their needs, when possible, and at the same time recognize that household assets represent needed income and insurance against financial calamities, and that it is prudent to retain these assets to some extent.

2. An Applicant Household's contribution shall be determined by subtracting \$5,000 or \$50,000 (whichever is applicable) from its total Countable Assets. That difference will then be multiplied by the Applicant Household's percentage of ownership. A Non-occupying Co-owner's contribution shall be similarly calculated. The maximum CHIP benefit amount shall be determined by subtracting the sum of the Applicant Household's and Non-occupying Co-owner's contributions from the total replacement costs.

E. Rental Units Occupied By An Eligible Household: A life-time maximum benefit of \$400 for an Eligible Household. The maximum allowed in a non-owner occupied multi-family building is the lesser of \$400 times the number of Heating Systems that provide heat to Eligible Households or \$1,600.

F. Life Estates and Life Leases: If an Eligible Household member holds a life estate or life lease interest in and occupies the Dwelling Unit, the Dwelling Unit may be eligible if:

1. the document conferring the Applicant's rights of the life estate or life lease states that the Eligible Household member is responsible for maintaining the Dwelling Unit, or is silent as to who is responsible for maintenance; or
2. the Dwelling Unit is owned by an Eligible Household.

G. Proof of Ownership. The Subgrantee shall verify ownership of all Dwelling Units and Rental Units prior to performing any work. Proof of ownership may include current property tax bill, statement from the local tax assessor, town clerk or similar municipal official, or documentation from electronic registry.

Life estates and life leases require a copy of the document conferring the Applicant's rights.

The Subgrantee must obtain the written permission of the owner of the Rental Unit prior to performing any work on the Heating System unless the Tenant has exercised his or her right under 14 M.R.S.A. Section 6026 to make certain repairs.

H. A Dwelling Unit will not be eligible under CHIP if:

1. Dwelling Unit is a Rental Unit that has received prior CHIP services to the life-

time maximum benefit;

2. Dwelling Unit has been designated for acquisition or clearance by a federal, state, or local program or order;
3. Dwelling Unit has been designated for foreclosure;
4. Dwelling Unit is for sale;
5. Dwelling Unit is vacant;
6. Dwelling Unit is uninhabitable as determined by a local municipality, State Agency, MaineHousing, or a Community Action Agency;
7. Dwelling Unit is in poor structural condition making the installation of CHIP services impractical, impossible, or ineffective;
8. Dwelling Unit is in such poor structural condition that the proposed CHIP services would have a longer life expectancy than the Dwelling Unit;
9. Dwelling Unit has been damaged by fire, flood or an act of God and repair of the damage is covered by insurance;
10. There are obvious discrepancies found between the information supplied on the Application and observed conditions during the CHIP process. The Subgrantee must resolve any discrepancies before work can continue;
11. Subgrantee determines the Applicant failed to properly maintain a Heating System that was previously repaired or replaced under CHIP.
12. Eligible Households who apply for CHIP services for more than one Dwelling Unit will be subject to additional review to ensure the requested services are consistent with the intent of the program.

I. CHIP Allowable Uses:

1. Cleaning, tuning, and evaluating oil or gas systems;
2. Cleaning, evaluating, and servicing solid fuel systems;
3. Replacing oil or gas burners;
4. Replacing cracked heat exchangers;
5. Replacing oil, gas, electric or solid fuel Heating Systems;
6. Sealing and insulating Heating System pipes or ducts in unconditioned spaces;
7. Installing electrical or mechanical Heating System ignition systems;

8. Replacing or relocating thermostats and anticipator adjustment;
9. Baffling of the combustion chamber;
10. Optimizing the firing rate;
11. Cleaning of the chimney;
12. Smoke Alarms;
13. Fire extinguishers;
14. Carbon Monoxide detectors;
15. Oil tanks;
16. Oil tank gauges;
16. Installation of a Heat Pump;
17. Other measures necessary to bring Heating Systems into compliance with applicable State and local codes and Maine Fuel Board requirements;and
18. Other measures necessary to correct any Heating System problems that pose an immediate threat to the health and safety of the EligibleHousehold.

J. CHIP Unallowable Uses:

1. Reimbursement or payment for purchases made by or costs incurred by an Applicant.
2. Replacement of a Heating System if the Dwelling Unit received a prior Heating System replacement funded by CHIP unless the Heating System is near the end of or beyond its estimated useful life as defined by https://www.hud.gov/sites/documents/EUL_FOR_CNA_E_TOOL.PDF

K. Fuel Switching. As a general guideline, the practice of fuel switching is not allowed. However, if the Subgrantee determines that the switching of a fuel source is warranted, then a written waiver request must be submitted to MaineHousing for review and consideration (on a case-by-case basis) prior to the installation.

L. Subgrantee must perform a final inspection on all CHIP services for heating system replacement jobs. Inspections will include an evaluation to determine:

1. Compliance with applicable codes;
2. That all work performed was authorized by the Subgrantee;and
3. The combustion efficiency level of the Heating System where technically feasible.

M. Specific Procurement Requirements. Prior to the performance of CHIP services, the Subgrantee shall follow the procedures below:

1. Procurement less than or equal to \$10,000. Procurement of services, including materials, equipment and services from specialized trades, such as electricians, plumbers, masons and oil burner repair people shall be performed in accordance with the following procedures.
 - a. Solicit by phone, email, vendor website, catalog, or price list, or similar means one price quote for the required materials, equipment and services.
 - b. Determine if the quoted price is reasonable based on one or more factors identified by Subgrantee, such as recent purchases of, or research on, goods or services of the same kind or related knowledge or expertise; otherwise, solicit two price quotes by similar means.
 - c. Copies of all procurement records, including basis for the contractor selection and factors used to determine if the quoted price is reasonable, must be retained in the Subgrantee files.
2. Procurement over \$10,000. Procurement of services, including materials, equipment and services from specialized trades, such as electricians, plumbers, masons and oil burner repair people shall be performed in accordance with the following procedures.
 - a. Perform a price survey for the required materials, equipment and services.
 - b. Make every reasonable attempt to receive price quotations or bids from at least three (3) reputable Contractors and fully document the bid process and all bids received on a survey sheet.
 - c. Purchase the materials, equipment or services from the Contractor whose bid or proposal is the lowest, taking into consideration the Contractor's performance record and other relevant factors. Fully document the selection process.
 - d. Copies of all procurement records, including basis for contractor selection must be retained in the Subgrantee files.
3. The Subgrantee must prepare an Invitation to Bid or a Request for Proposal, which:
 - a. Identifies all requirements which prospective bidders must fulfill, including the due dates for bids; and
 - b. Identifies all factors which the Subgrantees will consider in evaluating and awarding bids.
4. The Invitation to Bid or Request for Proposal must be mailed, faxed or emailed to no less than three (3) prospective contractors who may reasonably be expected to submit a bid.
5. All bids must be received by the Subgrantee contact person via mail, fax or e-mail prior to a specified time for a bid opening at a specified time and location. All bids received must be kept in a secure location prior to all bids being received and tabulated. In addition, all correspondence relating to the procurement action must be retained in the bid files.
6. Sole Source Procurement. Subgrantee may solicit a proposal from only one source for one of the following reasons.
 - a. Sole source procurement may be used in the following instances:

1. Emergency or Urgent Need. An emergency situation or other urgent need exists and only one known source can provide the required goods or services within the time needed. Emergency or urgent situations include, but are not limited to, natural disasters or a Life Threatening Crisis.
 2. Uniqueness. The item or service is available from only one source, based on a reasonable, good faith review of the market for the type of item or service needed.
 3. Inadequate Competitive Proposals. After evaluation of all proposals submitted in a competitive procurement, all proposals are determined to be inadequate.
- b. Subgrantee shall submit a written statement justifying the use and approval of all sole source procurements, in excess of \$10,000 to MaineHousing for its consideration prior to the installation of services.
 - c. Subgrantee will retain a copy of the solicitation and the proposal received in response, a record of the approval by MaineHousing in Subgrantee's records.

10. HEAP Weatherization.

- A. The purpose of HEAP Weatherization is to reduce Eligible Households' need for Fuel Assistance, particularly those with the lowest Household Incomes that pay a high proportion of Household Income for Home Energy and those that include Priority Applicants.
- B. Using HEAP Weatherization in conjunction with U.S Department of Energy (DOE) funds: If the requirements in this Rule conflict with those required by [10 CFR Part 440](#), DOE requirements shall have precedence. HEAP Weatherization funds may only be used to weatherize Dwelling Units occupied by Eligible Households.
- C. Weatherization measures must be installed in accordance with the Maine Weatherization Standards, as may be amended from time to time.
- D. Eligibility. A Household may be eligible for HEAP Weatherization if the Household:
 1. is eligible for Benefits pursuant to this Rule;
 2. has an Application certified-eligible within the twelve (12) months preceding the date of the Subgrantee's energy audit of the Dwelling Unit; and
 3. does not have a more recent Application that has been certified-denied.

Apart from the eligibility criteria identified in D.1-3., a Household may qualify for HEAP Weatherization if the:

- i. Household's Application was denied solely based on the Household Income exceeding the income limits for Benefits; and
 - ii. Household Income does not exceed the DOE income threshold.
- E. Proof of Ownership. The Subgrantee shall verify ownership of all Dwelling Units and Rental Units prior to performing any work. Proof of ownership may include current property tax bill, statement

from the local tax assessor, town clerk or similar municipal official, or documentation from electronic registry.

Life estates and leases require a copy of the document conferring the Applicant's rights.

The Subgrantee must obtain the written permission of the owner of the Rental Unit prior to performing any work.

F. A Dwelling Unit will not be eligible under HEAP Weatherization if:

1. Dwelling Unit received weatherization services under HEAP Weatherization or another MaineHousing program within ten (10) years of the date of Application.
2. Dwelling Unit has been designated for acquisition or clearance by a federal, state, or local program or order;
3. Dwelling Unit has been designated for foreclosure;
4. Dwelling Unit is for sale;
5. Dwelling Unit is vacant;
6. Dwelling Unit is uninhabitable as determined by a local municipality, State Agency, MaineHousing, or a Community Action Agency ;
7. Dwelling Unit is in poor structural condition making the installation of HEAP Weatherization services impractical, impossible, or ineffective;
8. Dwelling Unit is in such poor structural condition that the proposed HEAP Weatherization services would have a longer life expectancy than the Dwelling Unit;
9. Dwelling Unit has been damaged by fire, flood or an act of God and repair of the damage is covered by insurance;
10. There are obvious discrepancies found between the information supplied on the Application and observed conditions during the HEAP Weatherization process. The Subgrantee must resolve any discrepancies before work can continue.

G. Allowable Uses:

1. Weatherization needs assessments/audits;
2. Air sealing and insulation;
3. Storm windows;
4. Heating System modifications/repairs;
5. Heating System replacements;
6. Heating System cleaning, tuning, and evaluating;

7. Compact fluorescent light bulbs;
 8. Energy related roof repairs;
 9. Major appliance repairs/replacements, including water heaters, provided total cost of the appliances does not exceed 20% of the labor and material costs associated with the installation of energy conservation measure or one appliance if the 20% will not cover the repair/replacement cost of one appliance;
 10. Incidental Repairs – per unit average not to exceed 20%;
 11. Health and safety measures – per unit average not to exceed \$1,200;
 12. Replacement windows and doors are allowable only under exceptional circumstances and only after all other reasonable repair options have been considered and rejected.
- H. Fuel Switching: As a general guideline, the practice of fuel switching when replacing Heating Systems is not allowed. However, if the Subgrantee determines that the switching of a fuel source is warranted, then a written waiver request should be submitted to MaineHousing for review and consideration (on a case-by-case basis) prior to the installation.
- I. Work on an eligible Dwelling Unit previously weatherized under a MaineHousing program may be reopened if:
1. the reopening occurs within six (6) months of completion of the original weatherization service; and
 2. The reopening is required because the previous service is the proximate cause of an immediate threat to the health and safety of the occupants; or
 3. The quality of weatherization material or its installation is deemed deficient by MaineHousing.
- J. Subgrantees shall administer and operate HEAP Weatherization in their Service Areas, unless otherwise authorized by MaineHousing.
- K. For the purposes of HEAP Weatherization, Subgrantees must conduct a public bid process to secure weatherization contractors at least annually as prescribed by MaineHousing.

11. Administration of the Program.

- A. MaineHousing will prepare and submit to the Secretary of the United States Department of Health and Human Services an annual State Plan for HEAP in conformity with the provisions of the HEAP Act. MaineHousing will notice a public hearing for the purpose of taking comments on the State Plan and will also prepare a transcript of such comments.
- B. HEAP Handbook. The HEAP Handbook is an operations manual for the administration of the Programs. This Rule shall control in the event of any inconsistency between the HEAP Handbook and this Rule.
- C. General. To the extent practicable, MaineHousing will contract with Subgrantees for the purpose of

administering the Programs and may require the Subgrantee to provide benefits in connection therewith, including Supplemental Benefits if such benefits become available during the Program Year, to Eligible Households. MaineHousing may, in its discretion, provide benefits in connection with the Programs and make prepayments, installment payments and advances with or without interest in connection therewith, including without limitation, payment of direct benefits to Eligible Households or Vendors, or may contract with other entities, such as municipalities, to administer the Programs and provide benefits.

D. Conflict of Interest. No employee, officer, board member, agent, consultant or other representative of Subgrantee, Vendor, or Contractor who exercises or has exercised any function or responsibility with respect to Programs' activities or who is in a position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest or benefit from Programs' activities or have an interest in any contract, subcontract or agreement regarding the Programs' activities, or the proceeds there under, which benefits him or her or any person with whom he or she has business or family ties. Subgrantees, Vendors, and Contractors shall notify MaineHousing of any potential conflict of interest.

E. Confidentiality. Subgrantees, Vendors, Contractors, and their employees and agents shall keep confidential:

Applicant or beneficiary information obtained in the administration of the Programs, including without limitation, an individual's name, address and phone number, household income, assets or other financial information, and benefits received ("Confidential Information").

Subgrantees, Vendors, Contractors, and their employees and agents shall safeguard and protect from disclosure at all times Confidential Information including, without limitation, taking the following steps:

1. Put measures in place to prevent the loss, theft, misappropriation or inadvertent disclosure of Confidential Information.
2. Encrypt all Confidential Information contained on computers, laptops, and other electronic devices and media used in whole or in part, in the operation or administration of the Programs.
3. Send e-mail or e-mail attachments containing Confidential Information only if encrypted or only through a secure e-mail server.
4. Make their employees, officers, agents, contractors, sub-contractors and other representatives who operate or administer any of the Programs or otherwise provide services under the Programs aware that the responsibility to safeguard and protect Confidential Information applies at all times, whether or not they are at a work location during normal business hours.
5. Limit disclosure to persons with a direct need to know.

F. MaineHousing will conduct program and fiscal monitoring of Subgrantees and Vendors to ensure compliance with Federal, State, and MaineHousing rules and regulations in a manner consistent with applicable State law, as may be amended from time to time, and the HEAP Act.

12. Subgrantees.

A. Service Areas. MaineHousing will select at least one Subgrantee to administer the Programs in each

Service Area.

- B. Selection of Subgrantees. Subgrantees will be selected annually based on the following criteria:
1. Experience with providing Fuel Assistance or similar programs to low-income persons;
 2. Current capacity to administer a timely and effective Fuel Assistance program for the intended Service Area;
 3. Demonstrated capacity to adequately serve low-income persons residing in their Service Areas;
 4. The availability of other qualified entities to service a particular area;
 5. The geographic area customarily serviced by the potential Subgrantee;
 6. Cost efficiency in administering a Fuel Assistance program;
 7. The ability to enhance accessibility to other low-income programs administered by the Subgrantee;
 8. Acceptable schedule for taking Applications; and
 9. The ability to perform outreach activities and serve homebound recipients.

Subgrantees shall make annual, written applications to MaineHousing that address each of the criteria listed above. Subgrantee applications must be received no later than June 1 of each year.

- C. Allocation to Each Subgrantee. MaineHousing will determine the annual allocation of HEAP funds to each Subgrantee, the amount of which annual allocation shall not include any amount of HEAP funds allocated to MaineHousing to pay Benefits in the event MaineHousing elects to provide Benefits directly. MaineHousing may base any allocation determination on the number of Applications certified eligible in the Service Areas in the previous Program Year.
- D. Subgrantee Administrative and Program Expenses. Subgrantees shall be permitted administrative and program expenses necessary to carry out their responsibilities under this Rule and the Programs. Such expenses will be allowed in a manner consistent with the provisions of the HEAP Act and must be reasonable in amount as determined by MaineHousing following its review of the Subgrantee work plans and budgets. Allowable administrative and program expenses for each of the Programs are listed below. Other expenses may be allowed if authorized by MaineHousing before the expenses are incurred.

Fuel Assistance and ECIP	Expense Category
Salary and fringe benefit costs for the actual time an individual performs intake, processing, or eligibility determination functions associated with an active Application	Program

Salary and fringe benefit costs for the actual time an individual participates in administering Fuel Assistance or ECIP and is not performing functions associated with an active Application	Program
Salary and fringe benefits and other related and reasonable costs for specific HEAP and ECIP training and professional development of individuals performing intake, application processing, eligibility determination, and administration of HEAP fuel assistance and ECIP	Program
Space costs/rent, telephone, copier/printing, office supplies, postage, transportation/travel, data processing/computer costs, equipment repairs and maintenance, equipment purchase/lease, and consultants/professional services associated with the above referenced activities.	Program
Indirect costs	Administrative
Salary and fringe benefits and other related and reasonable costs for specific HEAP and ECIP training and professional development for individuals whose salary and fringe benefits are budgeted directly to Administrative Costs or for whom salary and fringe are included in the agency's Indirect Rate	Administrative
Salary and fringe costs, space costs, rent, telephone, copying, printing, office supplies, postage, transportation, travel, data processing, computer costs, equipment repairs and maintenance, equipment purchase or lease, consultant fees and professional services associated with the administration of HEAP not included in the agency's Indirect Rate or allowable from program funding	Administrative
HEAP Weatherization and CHIP	Expense Category
Material/labor costs for Heating system repairs/replacements and measures installed as part of weatherization	Program
Either salary and fringe benefit costs for the actual time staff participates in administering HEAP Weatherization or CHIP or a program management fee established by MaineHousing.	Program
Space costs/rent, telephone, copier/printing, office supplies, postage, transportation/travel, equipment purchase/lease, liability insurance, pollution occurrence insurance, and consultants/professional services.	Program
Indirect costs	Administrative
Assurance 16 Services	Expense Category

Salary and fringe benefit costs for staff providing direct services and the direct administrative costs associated with providing the services, such as the costs for supplies, equipment, travel, postage, utilities, rental and maintenance of office space	Program
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- E. Assurance 16 Activities. Subgrantees may submit annual proposals, for MaineHousing’s consideration, describing their planned activities and expenses associated with providing services to Applicants pursuant to Assurance 16 of the HEAP Act.
- F. Subgrantee’s Responsibilities. The responsibilities of the Subgrantee include, but are not limited to, the following and as further defined in the annual Subgrant Agreement:
1. To conduct client outreach in a manner consistent with the HEAP Act and as prescribed in this Rule.
 2. To accept and verify Applications from Primary Applicants in a manner consistent with provisions of the HEAP Act and as prescribed in this Rule.
 3. To determine Household eligibility in a manner consistent with provisions of the HEAP Act and as prescribed in this Rule.
 4. To pay benefits, if required by MaineHousing, to or on behalf of Eligible Households in a manner consistent with provisions of the HEAP Act and as prescribed in this Rule.
 5. To provide documentation and assistance as needed for MaineHousing to conduct informal reviews and fair hearings.
 6. To pay Supplemental Benefits, if required by MaineHousing, if such benefits become available during the Program Year.
 7. To use MaineHousing database software and equipment.
 8. To address no-heat emergencies.
 9. To cost effectively administer and operate the Programs.
 10. To prioritize Eligible Households for HEAP Weatherization services in accordance with the HEAT Enterprise software.
 11. To coordinate services between Programs.
 12. To submit to MaineHousing production schedules for the Programs.
 13. To submit to MaineHousing work plans and budgets, monthly status reports and any other such reports or information required in connection with the Programs.
 14. To submit to MaineHousing billing information, including zero billings, for open contracts by 20th of each month.
 15. To use forms provided or approved by MaineHousing to administer the Programs.

16. To protect personally identifiable information.
 17. At Applicant's request, to make reasonable accommodations for a Person with a Disability.
 18. To ensure that procurement of materials and services is conducted in a manner to provide open and free competition and to avoid any appearance of impropriety, the Subgrantee shall be bound by general federal procurement principles at [45 CFR §§ 75.327](#) to 75.335 and property management principles at [45 CFR §§ 75.316](#) to 75.323..
- G. Recordkeeping, Reporting and Accounting. Subgrantee shall comply with the following requirements:
1. Subgrantee shall maintain comprehensive and accurate documentation, payroll reports, financial statements, and other records in connection with its administration of the Programs, including at a minimum, the amount and disposition of the Programs' funds received by the Subgrantee and the total cost necessary to administer the Programs. Subgrantee shall keep such records separate and identifiable from the records of Subgrantee's other business and activities. MaineHousing and its representatives shall have the right to examine such records at reasonable times upon reasonable notice by MaineHousing. Subgrantee shall furnish copies of any such records requested by MaineHousing. All records must be retained by the Subgrantee for a minimum of three (3) years from the end of relevant contract period. In cases of litigation, other claims, audits, or other disputes the Subgrantee will retain all relevant records for at least one (1) year after the final disposition thereof.
 2. Subgrantee shall comply with all reporting requirements of MaineHousing. Subgrantee shall submit to MaineHousing an annual budget prior to each Program Year. Within ninety (90) calendar days after the close of the Subgrantee's fiscal year, Subgrantee shall furnish to MaineHousing an annual financial statement of Subgrantee, prepared by an independent certified public accountant in accordance with audit requirements at 45 CFR Part 75, Subpart F.
- H. Funds for administrative expenses for the Program Year and supplemental funding received, if any, may be spent only between October 1 and the following September 30 of the applicable Program Year, unless otherwise authorized by MaineHousing.
- I. Noncompliance.
1. MaineHousing shall have the right to terminate the Subgrantee Agreement in its sole discretion if it determines the Subgrantee has failed to perform one or more of its obligations to include malfeasance or misappropriation of funds. A written Notice of Termination of Subgrantee will set forth the specific violation.
 2. For non-compliance other than those which MaineHousing determines are subject to immediate termination, a deficiency notice will be sent to the Subgrantee in the event it fails to comply with any provision of this Rule, the Subgrantee Agreement, the Program Handbook, and the provisions of other applicable law. The Notice will set forth the specific violation and allow a reasonable time period for response by the Subgrantee. Upon review and consideration of any responses, MaineHousing will notify the Subgrantee in writing of any action to be taken and may establish a reasonable time period within which remedial action must be taken. Failure of Subgrantee to comply will result

in a Notice of Termination of Subgrantee stating the cause and effective date of its termination.

3. MaineHousing shall have the right to suspend in whole or in part the Subgrantee's performance of one or more services provided under the Agreement whenever MaineHousing determines such suspension is in MaineHousing's best interest.
4. MaineHousing may bar a Subgrantee's participation in programs administered by MaineHousing for its malfeasance or misfeasance with respect to the administration or operation of any of the Programs.

13. Indian Tribes.

- A. Direct Allocation to Indian Tribes. Indian Tribes may receive a direct allocation of HEAP funds from the Secretary of the United States Department of Health and Human Services pursuant to the HEAP Act. The amount of the direct allocation is determined by MaineHousing. In its determination MaineHousing will consider the number of Eligible Households during the previous Program Year that include an Applicant who is a member of the Indian Tribe, when that information is available.
- B. Agreements with Indian Tribes. When an Indian Tribe receives a direct allocation of Fuel Assistance and ECIP, MaineHousing will enter into an agreement with the Indian Tribe that, at a minimum, provides for the coordination of services and administration of the Fuel Assistance and ECIP by Indian Tribe and Subgrantees to prevent duplication of services.

14. Vendors.

- A. Vendor Eligibility. A vendor interested in becoming a Vendor must demonstrate the capacity and stability of its business to MaineHousing's satisfaction. The vendor must supply a credit report and a business plan. The vendor must be in business for one year prior to becoming a Vendor.

MaineHousing reserves the right to exclude a vendor for the following, not limited to:

1. Any bankruptcies or judgments;
2. Owners and/or officers of vendor were previously owner/officer of terminated Vendor;
3. Failure to comply with Close-Out requirements.

B. Enrollment.

1. Open Enrollment for new vendors: vendors may enter into a Vendor Agreement during the time period as prescribed by MaineHousing. If the vendor does not submit accurate and complete documentation the vendor may not be allowed to participate in the current Program Year.
2. Re-Enrollment for Vendors: Vendors who have a current Program Year contract may enroll as prescribed by MaineHousing. Continued participation is contingent upon performance and compliance with terms of Vendor Agreement.

C. MaineHousing, at its discretion, may terminate any Vendor:

1. That does not comply with the terms and conditions of the Vendor Agreement;

2. That fails to provide documentation and cooperate with any audit/investigation and/or the return of unused Benefits as determined by any audit/investigation. In addition, MaineHousing may undertake any of the following:
 - a. Bar the Vendor from future participation;
 - b. Refer the case to State or federal officials for criminal prosecution or civil action; and
 - c. Pursue other remedies as determined by MaineHousing.
- D. Vendors must comply with State law concerning consumer home heating rights, which is described in Office of the Maine Attorney General Consumer Law Guide Chapter 19.
- E. Vendor may not consider an Eligible Household's outstanding indebtedness to Vendor in calculating the Retail Cash Price applicable to a delivery of Home Energy to that Eligible Household.
- F. Return of Payments.
1. In the event Vendor receives a Benefit Return form requesting the return of Benefits paid to Vendor on behalf of Eligible Households, Vendor shall return such Benefits to MaineHousing, or Subgrantee as allowed by MaineHousing, within fifteen (15) calendar days of date of Benefit Return form.
 2. In the event Vendor becomes aware of any of the events listed below affecting an Eligible Household, Vendor shall within fifteen (15) calendar days of the date that Vendor becomes aware of any such event, submit to MaineHousing a completed Benefit Return form and return any remaining Benefits paid to Vendor on behalf of the affected Eligible Household, unless the remaining Benefits are less than \$25.
- Vendor may aggregate any remaining Benefits with a balance less than \$25 and return the balance to MaineHousing when the Annual Consumption Report is submitted. All related recordkeeping must clearly show all remaining benefit balances.
- a. The death of an individual who was the sole member of an Eligible Household;
 - b. The institutionalization of an individual who was the sole member of an Eligible Household;
 - c. Vendor's receipt of a written notice from an Eligible Household that it no longer desires to receive Home Energy deliveries from Vendor;
 - d. An Eligible Household has not received deliveries of Home Energy for twelve (12) consecutive months;
 - e. An Eligible Household has moved out of Vendor's Service Area;
 - f. An Eligible Household has moved out of State;
 - g. Vendor has been paid an excessive Benefit on behalf of the Eligible Household.
3. Vendor shall return to MaineHousing all unused Benefits in its possession or custody,

whether directly or indirectly, within fifteen (15) calendar days of the termination of the Vendor Agreement.

4. With respect to each return of Benefits, the Vendor agrees to provide in writing: the name and address of the Vendor; the name and address of the Eligible Household; the Eligible Household's account number; the Benefit amount being returned; and a concise explanation for the return of funds. In addition Vendor must include a detailed account history showing delivery activity and payment activity from twelve (12) months prior to the date the Benefit was received by Vendor to the current date. Vendor must also provide any other information required by MaineHousing related thereto.
 5. Vendors may refund credit balances to Eligible Households only to the extent that such credit balances can be documented and demonstrated to be the Eligible Household's funds and not Fuel Assistance funds.
- G. As part of the Annual Consumption Report process, Vendors must review Eligible Household accounts and identify any remaining Benefits that were issued in or prior to the preceding Program Year. All such unused Benefits must be returned to MaineHousing no later than June 30.
- H. Use of Benefits.
1. Program benefits may not be sold, released or otherwise conveyed, with or without consideration, by the Eligible Household or the Vendor without written authorization from MaineHousing. MaineHousing will only authorize such conveyances when circumstances arise that prevent the Eligible Household from using the benefit and MaineHousing determines such conveyance is in the best interest of the Eligible Household and is consistent with the intent of the HEAP Act.
 2. Benefits cannot be used to pay Incidental Costs.
 3. Unless otherwise authorized by MaineHousing, the Vendor may only deliver the product stated on the Vendor Voucher Report, the Credit Notification Report, or the purchase order for wood or ECIP.
 4. Vendor may deliver the entire Benefit if the Household has placed an order (for partial Benefit) or if the Household is on automatic delivery unless:
 - a. The Household advises the Vendor all Applicants are moving;
 - b. The Household advises the Vendor that Household's Heating System has mechanical difficulties;
 - c. The Household's Home Energy storage tanks are either being replaced or do not meet code.
- I. In the case of electricity and natural gas Vendors, the Vendor may apply HEAP Benefit funds received for the account of the Eligible Household to past due charges for Home Energy deliveries to the Eligible Household, with the oldest charges being paid first. HEAP Benefits cannot be applied to Incidental Costs.
- J. Vendor Watch List. In the event MaineHousing determines, in its sole judgment based on Vendor's

actions or omissions or other information obtained by MaineHousing directly or from any third party, that such actions, omissions or other information raises issues concerning Vendor's continued ability to make Home Energy deliveries or otherwise comply with the terms of the Vendor Agreement, or that Vendor's performance is out of compliance with the requirements of the Vendor Agreement, MaineHousing may place, in its sole discretion, Vendor on a Watch List.

- K. Prohibited Discrimination. The Vendor is prohibited from discriminating against any Eligible Household regarding the extension of credit to purchase Home Energy or other services, the price of Home Energy or other services, or the terms or conditions of the delivery of Home Energy or other services solely on the basis of its being an Eligible Household.

15. Errors and Program Abuse.

A. Reports of Errors and Program Abuse:

1. Subgrantees must report in writing to MaineHousing suspected Errors and Program Abuse related to Programs.
2. Any individual may report to MaineHousing suspected Errors and Program Abuse related to Programs:
 - a. By telephone at 1-800-452-4668 or (207) 626-4600
 - b. In writing to MaineHousing, ATTN: HEAP Errors and Program Abuse, 353 Water Street, Augusta, Maine 04333
 - c. By e-mail to LIHEAPcompliance@mainehousing.org;
 - d. Or via MaineHousing's website at <http://mainehousing.org/contact/info-request-form>

The report must include the name of the person being reported, their county of residence, and details of the suspected Errors and Program Abuse.

- B. MaineHousing will investigate all reported Errors and Program Abuse. If there is documented information to indicate Errors and Program Abuse, MaineHousing may notify the Applicant and provide them an opportunity to respond. Based on the response, MaineHousing will determine what, if any, appropriate action should be taken.
- C. Once Errors and Program Abuse is confirmed or if an Applicant fails to respond to inquiries regarding suspected Errors and Program Abuse, an Overpayment will be calculated and communicated to the Applicant. In addition to the Overpayment, the communication will include: 1) the facts surrounding the decision, 2) the reason for the decision, and 3) the manner by which the Applicant can request an appeal. MaineHousing may investigate the previous three (3) Program Years from the Date of Discovery. The Overpayment may include any or all of those three (3) years.
- D. When calculating an Overpayment MaineHousing will use the HEAP Handbook in effect for the applicable years the Overpayment occurred.
- E. An Applicant may request a fair hearing to dispute an Overpayment. The Applicant must submit to MaineHousing a written request for a fair hearing no later than thirty (30) calendar days from the postmark date of the first notification from MaineHousing of suspected Errors and Program Abuse.

All requests for fair hearing shall follow the Rule as set forth in Section 15.

- F. MaineHousing will pursue recouping of Overpayments by any and all of the following:
 - 1. Applicant may pay MaineHousing the full amount an Overpayment.
 - 2. Applicant may enter into a payment arrangement. Minimum monthly payment allowed will be set at \$5.00 a month.
 - 3. Despite the existence of a repayment agreement, MaineHousing will recoup any current and future Benefits to offset against an Overpayment balance. MaineHousing will recoup 50% of a Household's current Program Year's Benefit and 50% of a Household's future Program Years' Benefits until the Overpayment has been paid in full.
 - 4. MaineHousing will recoup Benefits on account with the Applicant's Vendor to offset against an Overpayment balance.
- G. When Applicant fails to repay Overpayment, the case may be referred to other parties for additional action.
- H. MaineHousing may close an Overpayment for any of the following reasons:
 - 1. Overpayment has been paid in full.
 - 2. The overpayment is determined to be invalid based on a fair hearing decision or a court decision.
 - 3. All adult persons(s) responsible for Overpayment are deceased.

16. Appeal.

- A. The benefit notification shall:
 - 1. State the Benefit amount;
 - 2. State the date the Benefit was sent to the Vendor;
 - 3. State the approved Home Energy type;
 - 4. State the manner by which the Applicant can request an informal review, if applicable;
 - 5. State the manner by which the Applicant can request an appeal, if applicable.
- B. The denial notification shall:
 - 1. State the facts surrounding the decision;
 - 2. State the reason(s) for the decision;
 - 3. State the manner by which the Applicant can request an appeal, if applicable.
- C. The Applicant must submit a written appeal request for an informal review no later than:

1. Thirty (30) calendar days from the postmarked date of the denial notification;
 2. Thirty (30) calendar days from the postmarked date of the benefit notification;
 3. Ninety (90) calendar days from the Date of Application, if the Application has not been approved or denied; or
 4. Ninety (90) calendar days from the postmarked date of the request for refund of an Overpayment.
- D. Written requests for appeal may be mailed to MaineHousing, 353 Water Street, Augusta, Maine 04330; or emailed to LIHEAPcompliance@mainehousing.org.
- E. Informal Review. Informal reviews are intended to provide a minimum hearing requirement and need not be as elaborate as the fair hearing. An Applicant may request, in writing, an informal review for any dispute other than a dispute regarding TANF Supplemental Benefits.

The informal review will be conducted by a person other than the one who made or approved the decision under review or a subordinate of this person. MaineHousing will review the file, conduct necessary research, and give the Applicant an opportunity to present written or oral objections to the decision under review. In rendering a decision MaineHousing will evaluate the accuracy of the calculations, the level of documentation provided by the Applicant, and the accuracy of the decision. MaineHousing will communicate the results of the research/review to the Applicant.

F. Fair Hearing.

Pursuant to the HEAP Act, [42 USC §8624\(b\)\(13\)](#), MaineHousing will provide an Applicant an opportunity for a fair administrative hearing if the Applicant's claim for assistance has been denied or not acted upon with reasonable promptness. MaineHousing will also provide an Applicant an opportunity for a fair administrative hearing if the Applicant disputes the amount of their Benefit or if the Applicant is required to refund an Overpayment.

1. Fair hearings shall be conducted in accordance with the Maine Administrative Procedures Act, Title 5, Chapter 375 by the Director of MaineHousing (or his/her designee) or such other contractor selected by MaineHousing. The parties may receive a transcript of the hearing upon payment of the reasonable cost for the production thereof.
2. Within thirty (30) calendar days of the hearing's conclusion the hearing officer will prepare a recommended hearing decision. Copies of the recommended decision will be provided to the appellant.
3. A final decision and order will be made by the Director of MaineHousing in writing within sixty (60) calendar days of receipt of the hearing officer's recommendation. In the event the Director of MaineHousing presides over a hearing, she/he shall render his/her decision and order within sixty (60) calendar days of the hearing's conclusion or sixty (60) calendar days of the recommended decision. The Director's decision and order shall include findings of fact sufficient to apprise the parties of its basis. A copy of the decision and order will be provided promptly to each party to the proceeding or his representative of record. Written notice of the party's right to appeal the decision and other relevant information will be provided to the parties at the time of the decision and

order. The decision and order will be implemented by the Subgrantee no later than ten (10) calendar days after receipt if it is in the Appellant's favor and otherwise forty-five (45) calendar days unless stayed on appeal.

G. TANF Supplemental Benefits are not subject to appeal.

17. Additional Provisions.

- A. Other Laws. If this Rule conflicts with any provision of applicable federal or State law, including without limitation the Act and the HEAP Act, such federal or State law shall control.
- B. Additional Requirements. This Rule does not preclude such additional or alternative requirements as may be necessary to comply with the Act and the HEAP Act.
- C. Pool of Eligible Households. This Rule establishes a pool of eligible applicants but does not preclude additional reasonable criteria and does not confer any automatic right or entitlement on any person or entity eligible hereunder.
- D. Availability of Funds. Assistance provided pursuant to this Rule is conditioned on the availability of HEAP funds.
- E. 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.
- F. Final Action. The Director of MaineHousing, individually or by exercise of the delegation powers contained in the Act, shall make all decisions and take all action necessary to implement this Rule. Such action of the Director shall constitute final agency action.

BASIS STATEMENT: This replacement rule repeals and replaces in its entirety the current Home Energy Assistance Program Rule. The rule establishes standards for administering fuel assistance, emergency fuel assistance, TANF Supplemental Benefits, weatherization, and heating system repair and replacement funds to low-income households in the State of Maine. This replacement rule: amends the definitions of "Dwelling Unit", "Live-in Care Attendant", and "Priority Applicant"; allows expired government-issued photo identification cards to be accepted as documentation for a Primary Applicant; expands Dwelling Unit eligibility; modifies the amount of a Household's HEAP Benefit that can be recuperated to address Overpayments; establishes the Benefit amount available for eligible Households that have no calculated energy costs; expands allowable costs for Energy Crisis Intervention Program funds; removes the requirement that all Central Heating Improvement Program jobs over \$1,000 have a final inspection; allows Subgrantees to charge support costs associated with taking and processing HEAP Applications to Administrative dollars; removes the option to have HEAP Benefits retroactively applied to Home Energy deliveries that have already been paid; adjusts the minimum monthly payment amount for Households entering into a repayment agreement for an Overpayment; and clarifies that HEAP Applicants will be provided an opportunity for a fair administrative hearing if they dispute the amount of their HEAP Benefit. Other changes correct errors or provide clarification to the previous version of the rule.

PUBLIC COMMENT:

Process:

Summary of Comments and Responses to Comments:

STATUTORY AUTHORITY: 30-A M.R.S.A. §§4722(1)(W), 4741(1) and (15), and 4991 et seq.; 42 U.S.C.A. §§8621, et seq.

FISCAL IMPACT NOTE: The replacement HEAP Rule will not impose any cost on municipalities or counties for implementation or compliance.

EFFECTIVE DATE:

DETAILED MODEL PLAN (LIHEAP)

Program Name: Low Income Home Energy Assistance
Grantee Name: ME ST HOUSING AUTHORITY
Report Name: DETAILED MODEL PLAN (LIHEAP)
Report Period: 10/01/2020 to 09/30/2021
Report Status: Draft

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13. CONGRESSIONAL DISTRICTS OF:			
* a. Applicant 1		b. Program/Project: Statewide	
Attach an additional list of Program/Project Congressional Districts if needed. 2			
14. FUNDING PERIOD:		15. ESTIMATED FUNDING:	
a. Start Date: 10/1/2020	b. End Date: 09/30/2021	* a. Federal (\$): \$38,500,000	b. Match (\$): \$0
* 16. IS SUBMISSION SUBJECT TO REVIEW BY STATE UNDER EXECUTIVE ORDER 12372 PROCESS?			
a. This submission was made available to the State under the Executive Order 12372			
Process for Review on :			
b. Program is subject to E.O. 12372 but has not been selected by State for review.			
c. Program is not covered by E.O. 12372.			
* 17. Is The Applicant Delinquent On Any Federal Debt?			
<input type="radio"/> YES			
<input checked="" type="radio"/> NO			
Explanation:			
18. By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)			
**I Agree <input checked="" type="checkbox"/>			
** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.			
18a. Typed or Printed Name and Title of Authorized Certifying Official Daniel Brennan, Director		18c. Telephone (area code, number and extension) (207) 626-4611	
		18d. Email Address dbrennan@mainehousing.org	
18b. Signature of Authorized Certifying Official		18e. Date Report Submitted (Month, Day, Year) TBD	
Attach supporting documents as specified in agency instructions.			

Section 1 - Program Components

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

August 1987, revised 05/92,02/95,03/96,12/98,11/01

OMB Clearance No.: 0970-0075

Expiration Date: 09/30/2021

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Department of Health and Human Services
Administration for Children and Families
Office of Community Services
Washington, DC 20201

August 1987, revised 05/92, 02/95, 03/96, 12/98, 11/01
OMB Approval No. 0970-0075
Expiration Date: 09/30/2020

THE PAPERWORK REDUCTION ACT OF 1995 (Pub. L. 104-13) Use of this model plan is optional. However, the information requested is required in order to receive a Low Income Home Energy Assistance Program (LIHEAP) grant in years in which the grantee is not permitted to file an abbreviated plan. Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, gathering and maintaining the data needed, and reviewing the collection of information. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless it displays a currently valid OMB control number.

Section 1 Program Components

Program Components, 2605(a), 2605(b)(1) - Assurance 1, 2605(c)(1)(C)

1.1 Check which components you will operate under the LIHEAP program. (Note: You must provide information for each component designated here as requested elsewhere in this plan.)		Dates of Operation	
		Start Date	End Date
<input checked="" type="checkbox"/>	Heating assistance	10/01/2020	04/30/2021
<input type="checkbox"/>	Cooling assistance		
<input checked="" type="checkbox"/>	Crisis assistance	11/01/2020	04/30/2021
<input checked="" type="checkbox"/>	Weatherization assistance	10/01/2020	09/30/2021

Provide further explanation for the dates of operation, if necessary

Heating Assistance: For FFY 2021, Subgrantees will begin taking applications on August 24, 2020 and will continue taking applications through July 15, 2021.

Weatherization Assistance Component: End date 09/30/2021 unless MaineHousing extends beyond 09/30/2021.

Estimated Funding Allocation, 2604(C), 2605(k)(1), 2605(b)(9), 2605(b)(16) - Assurances 9 and 16

1.2 Estimate what amount of available LIHEAP funds will be used for each component that you will operate: The total of all percentages must add up to 100%.	Percentage (%)
Heating assistance	58.00%
Cooling assistance	0.00%
Crisis assistance	5.00%
Weatherization assistance	15.00%

Carryover to the following federal fiscal year	7.00%
Administrative and planning costs	10.00%
Services to reduce home energy needs including needs assessment (Assurance 16)	5.00%
Used to develop and implement leveraging activities	0.00%
TOTAL	100.00%

Alternate Use of Crisis Assistance Funds, 2605(c)(1)(C)

1.3 The funds reserved for winter crisis assistance that have not been expended by March 15 will be reprogrammed to:

<input checked="" type="checkbox"/>	Heating assistance	<input type="checkbox"/>	Cooling assistance
<input type="checkbox"/>	Weatherization assistance	<input type="checkbox"/>	Other (specify):

Categorical Eligibility, 2605(b)(2)(A) - Assurance 2, 2605(c)(1)(A), 2605(b)(8A) - Assurance 8

1.4 Do you consider households categorically eligible if one household member receives one of the following categories of benefits in the left column below? Yes No

If you answered "Yes" to question 1.4, you must complete the table below and answer questions 1.5 and 1.6.

	Heating	Cooling	Crisis	Weatherization
TANF	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No
SSI	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No
SNAP	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No
Means-tested Veterans Programs	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No

	Program Name	Heating	Cooling	Crisis	Weatherization
Other(Specify) 1		<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No	<input type="radio"/> Yes <input checked="" type="radio"/> No

1.5 Do you automatically enroll households without a direct annual application? Yes No

If Yes, explain:

1.6 How do you ensure there is no difference in the treatment of categorically eligible households from those not receiving other public assistance when determining eligibility and benefit amounts?

Maine does not implement categorical eligibility.

SNAP Nominal Payments

1.7a Do you allocate LIHEAP funds toward a nominal payment for SNAP households? Yes No

If you answered "Yes" to question 1.7a, you must provide a response to questions 1.7b, 1.7c, and 1.7d.

1.7b Amount of Nominal Assistance: \$21.00

1.7c Frequency of Assistance

<input checked="" type="checkbox"/>	Once Per Year
<input type="checkbox"/>	Once every five years
<input type="checkbox"/>	Other - Describe:

1.7d How do you confirm that the household receiving a nominal payment has an energy cost or need?

Applicants residing in subsidized housing with heat included must provide the following to verify that the applicant has an indirect energy cost:

- One of the following documents is required to verify the applicant's/tenant's responsibilities for monthly rent and/or utilities: a) current lease/rental agreement; b) housing subsidy recertification worksheet; c) valid lease agreement; or c) recertification form (HUD 50058/50059 or RD 3560-8).
- Copy of a current electric utility bill (if applicant is responsible for electricity).

Determination of Eligibility - Countable Income

1.8. In determining a household's income eligibility for LIHEAP, do you use gross income or net income?

Gross Income

Net Income

1.9. Select all the applicable forms of countable income used to determine a household's income eligibility for LIHEAP

Wages

Self - Employment Income

Contract Income

Payments from mortgage or Sales Contracts

Unemployment insurance

Strike Pay

Social Security Administration (SSA) benefits

Including MediCare deduction

Excluding MediCare deduction

Supplemental Security Income (SSI)

Retirement / pension benefits

General Assistance benefits

Temporary Assistance for Needy Families (TANF) benefits

Supplemental Nutrition Assistance Program (SNAP) benefits

Women, Infants, and Children Supplemental Nutrition Program (WIC) benefits

Loans that need to be repaid

Cash gifts

Savings account balance

One-time lump-sum payments, such as rebates/credits, winnings from lotteries, refund deposits, etc.

Jury duty compensation

Rental income

Income from employment through Workforce Investment Act (WIA)

Income from work study programs

Alimony

<input checked="" type="checkbox"/>	Child support
<input checked="" type="checkbox"/>	Interest, dividends, or royalties
<input checked="" type="checkbox"/>	Commissions
<input type="checkbox"/>	Legal settlements
<input type="checkbox"/>	Insurance payments made directly to the insured
<input type="checkbox"/>	Insurance payments made specifically for the repayment of a bill, debt, or estimate
<input checked="" type="checkbox"/>	Veterans Administration (VA) benefits
<input type="checkbox"/>	Earned income of a child under the age of 18
<input type="checkbox"/>	Balance of retirement, pension, or annuity accounts where funds cannot be withdrawn without a penalty.
<input type="checkbox"/>	Income tax refunds
<input type="checkbox"/>	Stipends from senior companion programs, such as VISTA
<input type="checkbox"/>	Ameri-Corp Program payments for living allowances, earnings, and in-kind aid
<input type="checkbox"/>	Reimbursements (for mileage, gas, lodging, meals, etc.)
<input type="checkbox"/>	Other
<p>If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.</p>	

Section 2 - HEATING ASSISTANCE

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

August 1987, revised 05/92,02/95,03/96,12/98,11/01
OMB Clearance No.: 0970-0075
Expiration Date: 09/30/2021

LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Section 2 - Heating Assistance

Eligibility, 2605(b)(2) - Assurance 2

2.1 Designate the income eligibility threshold used for the heating component:

Add	Household size	Eligibility Guideline	Eligibility Threshold
1	All Household Sizes	HHS Poverty Guidelines	the greater of 150% of Federal Poverty Level or 60% State Median Income

2.2 Do you have additional eligibility requirements for Heating Assistance? Yes No

2.3 Check the appropriate boxes below and describe the policies for each.

Do you require an Assets test? Yes No

Do you have additional/differing eligibility policies for:

Renters? Yes No

Renters Living in subsidized housing? Yes No

Renters with utilities included in the rent? Yes No

Do you give priority in eligibility to:

Elderly? Yes No

Disabled? Yes No

Young children? Yes No

Households with high energy burdens? Yes No

Other? Yes No

Explanations of policies for each "yes" checked above:

Subgrantee will make reasonable and good-faith effort during the first ninety (90) days it takes applications to interview, process, and serve households with direct energy costs and members who are:

- Elderly- at least 60 years of age
- Young Children- 72 months (6 years of age) or younger
- Disabled

Determination of Benefits 2605(b)(5) – Assurance 5, 2605(c)(1)(B)

2.4 Describe how you prioritize the provision of heating assistance to vulnerable populations, e.g., benefit amounts, early application periods, etc.

Intake/Application Process: Subgrantee will make reasonable and good-faith effort during the first ninety (90) days it takes applications to interview, process, and serve households with direct energy costs and members who are most susceptible to hypothermia (elderly, disabled, and families with children 72 months of age (6 years) or under).

Maine uses a tiered benefit calculation that assures the highest benefits go to households with the highest heating energy costs and the lowest income. Household applications are entered into MaineHousing's centralized LIHEAP database, which automatically calculates household benefit amounts. As set forth in Chapter 24 of MaineHousing's Rules, the benefit calculation takes into account the following factors: i) Household's actual fuel consumption data collected from energy vendors or estimated annual heating costs calculated by using the Design Heat Load formula; ii) Household income; and iii) Household size.

2.5 Check the variables you use to determine your benefit levels. (Check all that apply):

<input checked="" type="checkbox"/> Income
<input checked="" type="checkbox"/> Family (household) size
<input checked="" type="checkbox"/> Home energy cost or need:
<input checked="" type="checkbox"/> Fuel type
<input checked="" type="checkbox"/> Climate/region
<input checked="" type="checkbox"/> Individual bill
<input checked="" type="checkbox"/> Dwelling type
<input type="checkbox"/> Energy burden (% of income spent on home energy)
<input type="checkbox"/> Energy need
<input checked="" type="checkbox"/> Other - Describe:

Other (description): Benefit levels are based on the household's percent of poverty and actual consumption of primary heating fuel type for the prior heating season or by the Design Heat Load formula.

Benefit Levels, 2605(b)(5) - Assurance 5, 2605(c)(1)(B)

2.6 Describe estimated benefit levels for FY 2021:

Minimum Benefit	\$132	Maximum Benefit	\$2,024
------------------------	-------	------------------------	---------

2.7 Do you provide in-kind (e.g., blankets, space heaters) and/or other forms of benefits? Yes X No

If yes, describe.

Subgrantees provide a number of in-kind and/or other benefits including

- Extensive use of volunteers
- Coordination with utility benefits
- Private contributions for fuel assistance

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 3 - COOLING ASSISTANCE

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

August 1987, revised 05/92,02/95,03/96,12/98,11/01
OMB Clearance No.: 0970-0075
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LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Section 3 - Cooling Assistance

Eligibility, 2605(c)(1)(A), 2605 (b)(2) - Assurance 2

3.1 Designate The income eligibility threshold used for the Cooling component:

Add	Household size	Eligibility Guideline	Eligibility Threshold
1			0.00%

3.2 Do you have additional eligibility requirements for Cooling Assistance? Yes No

3.3 Check the appropriate boxes below and describe the policies for each.

Do you require an Assets test? Yes No

Do you have additional/differing eligibility policies for:

Renters?	<input type="radio"/> Yes <input type="radio"/> No
Renters Living in subsidized housing?	<input type="radio"/> Yes <input type="radio"/> No
Renters with utilities included in the rent?	<input type="radio"/> Yes <input type="radio"/> No
Do you give priority in eligibility to:	
Elderly?	<input type="radio"/> Yes <input type="radio"/> No
Disabled?	<input type="radio"/> Yes <input type="radio"/> No
Young children?	<input type="radio"/> Yes <input type="radio"/> No
Households with high energy burdens?	<input type="radio"/> Yes <input type="radio"/> No
Other?	<input type="radio"/> Yes <input type="radio"/> No

Explanations of policies for each "yes" checked above:

3.4 Describe how you prioritize the provision of cooling assistance to vulnerable populations, e.g., benefit amounts, early application periods, etc.

Determination of Benefits 2605(b)(5) - Assurance 5, 2605(c)(1)(B)

3.5 Check the variables you use to determine your benefit levels. (Check all that apply):

<input type="checkbox"/> Income
<input type="checkbox"/> Family (household) size
<input type="checkbox"/> Home energy cost or need:
<input type="checkbox"/> Fuel type
<input type="checkbox"/> Climate/region
<input type="checkbox"/> Individual bill
<input type="checkbox"/> Dwelling type
<input type="checkbox"/> Energy burden (% of income spent on home energy)
<input type="checkbox"/> Energy need
<input type="checkbox"/> Other - Describe:

Benefit Levels, 2605(b)(5) - Assurance 5, 2605(c)(1)(B)

3.6 Describe estimated benefit levels for FY 2018:

Minimum Benefit	\$0	Maximum Benefit	\$0
------------------------	-----	------------------------	-----

3.7 Do you provide in-kind (e.g., fans, air conditioners) and/or other forms of benefits? Yes No

If yes, describe.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 4 - CRISIS ASSISTANCE

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

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LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Section 4: CRISIS ASSISTANCE

Eligibility - 2604(c), 2605(c)(1)(A)

4.1 Designate the income eligibility threshold used for the crisis component

Add	Household size	Eligibility Guideline	Eligibility Threshold
1	All Household Sizes	HHS Poverty Guidelines	The greater of 150% Federal Poverty Level or 60% State Median Income

4.2 Provide your LIHEAP program's definition for determining a crisis.

Energy Crisis shall have the same meaning as set forth in 42 U.S.C.A. §8622(3), as same may be amended from time to time. The term "energy crisis" means weather-related and supply shortage emergencies and other household energy-related emergencies.

A household may be eligible for crisis assistance if there is an imminent loss of heat due to: i) Less than 3-day supply of fuel (e.g. reading of 1/8 tank or less on a standard 275 gallon heating oil tank; reading of 25% or less on a propane tank; "3-day or less" supply standard applies to other delivered fuel types) ii.) Disconnection of service notice from natural gas or electric utility if the household's heating system requires electricity/natural gas, iii.) Dysfunctional or unsafe primary heating system and no other operable heating system capable of heating the dwelling adequately during severe cold weather, iv.) Eviction due to nonpayment of rent if heat is included in the household's rent.

A household is not considered to be in an energy crisis if: i.) Household has any other heating system that is safe, operable, and capable of heating the dwelling adequately during severe cold weather, and has a supply of product for that heating system; ii.) Household has financial means to purchase fuel, iii.) Household has financial means to pay rent and avert eviction.

4.3 What constitutes a life-threatening crisis?

- Household is currently without heat or utility service to operate a heating source or heating system.
- Household is tenant whose rent includes heat and is facing eviction within 24 hours for nonpayment of rent.

Crisis Requirement, 2604(c)

4.4 Within how many hours do you provide an intervention that will resolve the energy crisis for eligible households? 48 hours

4.5 Within how many hours do you provide an intervention that will resolve the energy crisis for eligible households in life-threatening situations? 18 hours

Crisis Eligibility, 2605(c)(1)(A)

4.6 Do you have additional eligibility requirements for CRISIS ASSISTANCE?

Yes No

4.7 Check the appropriate boxes below and describe the policies for each

Do you require an Assets test?

Yes No

Do you give priority in eligibility to :	
Elderly?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Disabled?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Young Children?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Households with high energy burdens?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Other?	<input type="radio"/> Yes <input checked="" type="radio"/> No
In Order to receive crisis assistance:	
Must the household have received a shut-off notice or have a near empty tank?	<input checked="" type="radio"/> Yes <input checked="" type="radio"/> No
Must the household have been shut off or have an empty tank?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Must the household have exhausted their regular heating benefit?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Must renters with heating costs included in their rent have received an eviction notice?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Must heating/cooling be medically necessary?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Must the household have non-working heating or cooling equipment?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Other? see attached	<input type="radio"/> Yes <input checked="" type="radio"/> No
Do you have additional / differing eligibility policies for:	
Renters?	<input type="radio"/> Yes <input checked="" type="radio"/> No
Renters living in subsidized housing?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Renters with utilities included in the rent?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Explanations of policies for each "yes" checked above:	

Allowable expenditures must be related to averting an Energy/Life-Threatening Crisis and may include:

1. Home Energy deliveries provided the Eligible Household has exhausted any remaining Benefits previously paid to a Vendor on behalf of the Eligible Household;
2. Surcharges, reconnection charges, or penalties related to a final utility disconnection notice;
3. Crisis benefits may be paid to a natural gas or an electric utility to prevent disconnection of service if the household's Heating System requires electricity/natural gas;
4. Heating System repairs;
5. Purchasing space heaters;
6. Rental payment assistance provided the household is a tenant whose rent includes heat and is facing eviction due to nonpayment of rent;
7. Temporary relocation provided the household is experiencing a Life Threatening Crisis that cannot be averted within 18 hours by one of the above measures.

Crisis funds cannot be used to pay for Home Energy deliveries or Heating System repairs if the Applicant resides in Subsidized Housing with heat included or a Rental Unit with heat included.

Determination of Benefits	
4.8 How do you handle crisis situations?	
<input checked="" type="checkbox"/>	Separate component
<input type="checkbox"/>	Fast Track
<input type="checkbox"/>	Other - Describe:
4.9 If you have a separate component, how do you determine crisis assistance benefits?	
<input type="checkbox"/>	Amount to resolve the crisis.

<input checked="" type="checkbox"/>	Other - Describe: The maximum (crisis) benefit amount is determined annually based on economic conditions, available funding, and the average cost of a minimum delivery of home energy.
-------------------------------------	--

Crisis Requirements, 2604(c)

4.10 Do you accept applications for energy crisis assistance at sites that are geographically accessible to all households in the area to be served?

Yes No **Explain.**

Crisis applications are given priority at all intake and processing steps. Crisis procedures include home visits if necessary, referrals, or communication with vendors.

Subgrantees take crisis applications by one of the following methods:

- 1) If the household has previously completed an application and has been certified eligible for heating assistance in the current program year, they may apply for crisis assistance over the telephone. In such cases, Subgrantees complete an Energy Crisis Intervention Program Worksheet to assess and document the crisis situation.
- 2) If the household does not have a current certified heating assistance application on file, they may apply for crisis assistance over the telephone. In such cases, the applicant will need to make arrangements to go into the Subgrantee's office or remote intake site to complete the application process - i.e. sign the application documents and provide any required documentation to verify the household's eligibility.
- 3) Elderly or disabled applicants may apply over the telephone. If necessary, the Subgrantee will make arrangements for a home visit to secure the applicant's signature on the application documents and any required documentation to verify the household's income-eligibility.

Conditioned on the availability of crisis funds, some form of assistance that will resolve the Energy Crisis will be provided within 48 hours after household has been certified eligible for the Energy Crisis Intervention Program (ECIP). In Life Threatening Crisis situations some form of assistance that will resolve the crisis will be provided within 18 hours after a Household has been certified eligible for ECIP.

4.11 Do you provide individuals who are physically disabled the means to:

Submit applications for crisis benefits without leaving their homes?

Yes No **If No, explain.**

Travel to the sites at which applications for crisis assistance are accepted?

Yes No **If No, explain.**

If you answered "No" to both options in question 4.11, please explain alternative means of intake to those who are homebound or physically disabled?

At applicant's request, the Subgrantee must make reasonable accommodations for a person with a disability.

Elderly or disabled individuals may apply over the telephone. If necessary, the Subgrantee will make arrangements for a home visit to secure the applicant's signature on the application documents and to obtain any required documentation to verify the household's income-eligibility.

Benefit Levels, 2605(c)(1)(B)

4.12 Indicate the maximum benefit for each type of crisis assistance offered.

Winter Crisis	\$400.00 maximum benefit
Summer Crisis	\$0.00 maximum benefit
Year-round Crisis	\$0.00 maximum benefit

4.13 Do you provide in-kind (e.g. blankets, space heaters, fans) and/or other forms of benefits?

Yes No **If yes, Describe**

If the crisis cannot be resolved within the required timeframe, space heaters may be provided for the household's use until such time as a fuel delivery can be made or the heating system repaired.

4.14 Do you provide for equipment repair or replacement using crisis funds?

Yes No

If you answered "Yes" to question 4.14, you must complete question 4.15.

4.15 Check appropriate boxes below to indicate type(s) of assistance provided.

	Winter Crisis	Summer Crisis	Year-round Crisis
--	------------------	------------------	-------------------

Heating system repair	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Heating system replacement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cooling system repair	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Cooling system replacement	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Wood stove purchase	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Pellet stove purchase	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Solar panel(s)	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Utility poles / gas line hook-ups	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Other (Specify): Gas line hook-ups	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

4.16 Do any of the utility vendors you work with enforce a moratorium on shut offs?

Yes No

If you responded "Yes" to question 4.16, you must respond to question 4.17.

4.17 Describe the terms of the moratorium and any special dispensation received by LIHEAP clients during or after the moratorium period.

November 15 through April 15 - Disconnect not permitted if income-eligible customer agrees to a special payment arrangement. Requires Public Utilities Commission (PUC) approval. 30 day delay, with renewals up to 90 days, if physician certifies that disconnect would adversely affect the health of a household member. Cannot disconnect if an overdue amount is less than \$50, unless the overdue amount is more than 90 days old or the utility bills four times a year or less.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 5 - WEATHERIZATION ASSISTANCE

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

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LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Section 5: WEATHERIZATION ASSISTANCE

Eligibility, 2605(c)(1)(A), 2605(b)(2) - Assurance 2

5.1 Designate the income eligibility threshold used for the Weatherization component

Add	Household Size	Eligibility Guideline	Eligibility Threshold
1	All Household Sizes	HHS Poverty Guidelines	200%

5.2 Do you enter into an interagency agreement to have another government agency administer a WEATHERIZATION component? Yes No

5.3 If yes, name the agency.

5.4 Is there a separate monitoring protocol for weatherization? Yes No

WEATHERIZATION - Types of Rules

5.5 Under what rules do you administer LIHEAP weatherization? (Check only one.)

Entirely under LIHEAP (not DOE) rules

Entirely under DOE WAP (not LIHEAP) rules

Mostly under LIHEAP rules with the following DOE WAP rule(s) where LIHEAP and WAP rules differ (Check all that apply):

Income Threshold

Weatherization of entire multi-family housing structure is permitted if at least 66% of units (50% in 2- & 4-unit buildings) are eligible units or will become eligible within 180 days

Weatherize shelters temporarily housing primarily low income persons (excluding nursing homes, prisons, and similar institutional care facilities).

Other - Describe:

Mostly under DOE WAP rules, with the following LIHEAP rule(s) where LIHEAP and WAP rules differ (Check all that apply.)

Income Threshold

Weatherization not subject to DOE WAP maximum statewide average cost per dwelling unit.

Weatherization measures are not subject to DOE Savings to Investment Ratio (SIR) standards.

Other - Describe: Dwelling unit will not be eligible for weatherization services if the dwelling unit received weatherization services funded by HEAP or DOE within the preceding ten (10) year period.

Eligibility, 2605(b)(5) - Assurance 5

5.6 Do you require an assets test? Yes No

5.7 Do you have additional/differing eligibility policies for :

Renters Yes No

Renters living in subsidized housing? Yes No

5.8 Do you give priority in eligibility to:

Elderly? Yes No

Disabled? Yes No

Young Children?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Households with high energy burdens?	<input checked="" type="radio"/> Yes <input type="radio"/> No
Other? Young children 72 months (6 years) of age or less	<input checked="" type="radio"/> Yes <input type="radio"/> No

If you selected "Yes" for any of the options in questions 5.6, 5.7, or 5.8, you must provide further explanation of these policies in the text field below.

5.6 Asset test: Applies to heating system replacement under the Central Heating Improvement Program activities (see attached - Section 5.5 Weatherization)

5.7 Renters living in subsidized housing with heat included (see attached - Section 5 Multifamily Weatherization)

5.8 Priority Applicant means a Household with a Direct Energy Cost as well as a member in the Household who is (i) an Elderly Person 60 years of age or older, or (ii) disabled, or (iii) 72 months (6 years) of age or under.

Subgrantees are required to prioritize their wait list of eligible households for weatherization services in accordance with the HEAT Enterprise software, which ranks an eligible household's priority by taking into account household income, home energy costs, and any household members considered to be Priority Applicants. Households on the Subgrantee's wait list are weatherized in order of priority. A Subgrantee may move up an eligible household's priority based on travel considerations (e.g. Subgrantee's next weatherization project is out of town; another dwelling with a lower priority number in the same area may also be weatherized during the program year to save on travel costs) or due to co-funding a project with other program resources.

Benefit Levels	
5.9 Do you have a maximum LIHEAP weatherization benefit/expenditure per household? <input type="radio"/> Yes <input checked="" type="radio"/> No	
5.10 If yes, what is the maximum? \$0	
Types of Assistance, 2605(c)(1), (B) & (D)	
5.11 What LIHEAP weatherization measures do you provide? (Check all categories that apply.)	
<input checked="" type="checkbox"/> Weatherization needs assessments/audits	<input checked="" type="checkbox"/> Energy related roof repair
<input checked="" type="checkbox"/> Caulking and insulation	<input checked="" type="checkbox"/> Major appliance Repairs
<input checked="" type="checkbox"/> Storm windows	<input checked="" type="checkbox"/> Major appliance replacement
<input checked="" type="checkbox"/> Furnace/heating system modifications/ repairs	<input checked="" type="checkbox"/> Windows/sliding glass doors
<input checked="" type="checkbox"/> Furnace replacement	<input checked="" type="checkbox"/> Doors
<input type="checkbox"/> Cooling system modifications/ repairs	<input checked="" type="checkbox"/> Water Heater
<input type="checkbox"/> Water conservation measures	<input type="checkbox"/> Cooling system replacement
<input checked="" type="checkbox"/> Compact florescent light bulbs	<input checked="" type="checkbox"/> Other - Describe: Heat Pumps

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 6 - Outreach, 2605(b)(3) - Assurance 3, 2605(c)(3)(A)

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

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**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP)
MODEL PLAN
SF - 424 - MANDATORY**

Section 6: Outreach, 2605(b)(3) - Assurance 3, 2605(c)(3)(A)

6.1 Select all outreach activities that you conduct that are designed to assure that eligible households are made aware of all LIHEAP assistance available:

- Place posters/flyers in local and county social service offices, offices of aging, Social Security offices, VA, etc.
- Publish articles in local newspapers or broadcast media announcements.
- Include inserts in energy vendor billings to inform individuals of the availability of all types of LIHEAP assistance.
- Mass mailing(s) to prior-year LIHEAP recipients.
- Inform low income applicants of the availability of all types of LIHEAP assistance at application intake for other low-income programs.
- Execute interagency agreements with other low-income program offices to perform outreach to target groups.
- Other (specify):

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 7 - Coordination, 2605(b)(4) - Assurance 4

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

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**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP)
MODEL PLAN
SF - 424 - MANDATORY**

Section 7: Coordination, 2605(b)(4) - Assurance 4

7.1 Describe how you will ensure that the LIHEAP program is coordinated with other programs available to low-income households (TANF, SSI, WAP, etc.).

<input type="checkbox"/>	Joint application for multiple programs
<input checked="" type="checkbox"/>	Intake referrals to/from other programs
<input type="checkbox"/>	One - stop intake centers
<input type="checkbox"/>	Other - Describe:

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 8 - Agency Designation, 2605(b)(6) - Assurance 6

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
ADMINISTRATION FOR CHILDREN AND FAMILIES

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LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Section 8: Agency Designation, 2605(b)(6) - Assurance 6 (Required for state grantees and the Commonwealth of Puerto Rico)

8.1 How would you categorize the primary responsibility of your State agency?

<input type="checkbox"/>	Administration Agency
<input type="checkbox"/>	Commerce Agency
<input type="checkbox"/>	Community Services Agency
<input type="checkbox"/>	Energy / Environment Agency
<input checked="" type="checkbox"/>	Housing Agency
<input type="checkbox"/>	Welfare Agency
<input type="checkbox"/>	Other - Describe:

Alternate Outreach and Intake, 2605(b)(15) - Assurance 15

If you selected "Welfare Agency" in question 8.1, you must complete questions 8.2, 8.3, and 8.4, as applicable.

8.2 How do you provide alternate outreach and intake for Heating Assistance?

Subgrantees partner with community based programs including social service organizations and town offices to provide applicants with alternate venues to apply for heating assistance.

8.3 How do you provide alternate outreach and intake for Cooling Assistance?

Not applicable. Maine does not offer cooling assistance.

8.4 How do you provide alternate outreach and intake for Crisis Assistance?

Subgrantees have other funds (non-LIHEAP) funds available to provide crisis assistance. Additionally, Subgrantees keep community partners informed about the availability of crisis assistance funds.

8.5 LIHEAP Component Administration.	Heating	Cooling	Crisis	Weatherization
8.5a Who determines client eligibility?	Community Action Agencies	Non-Applicable	Community Action Agencies	Community Action Agencies
8.5b Who processes benefit payments to gas and electric vendors?	State Housing Agency	Non-Applicable	State Housing Agency	
8.5c who processes benefit payments to bulk fuel vendors?	State Housing Agency	Non-Applicable	State Housing Agency	
8.5d Who performs installation of weatherization measures?				Community Action Agencies, Contractors

If any of your LIHEAP components are not centrally-administered by a state agency, you must complete questions 8.6, 8.7, 8.8, and if applicable, 8.9.

8.6 What is your process for selecting local administering agencies?

Subgrantees will be selected annually based on the following criteria:

1. Experience with providing Fuel Assistance or similar programs to low-income persons;
2. Current capacity to administer a timely and effective Fuel Assistance program for the intended Service Area;
3. Demonstrated capacity to adequately serve low-income persons residing in their Service Areas;
4. The availability of other qualified entities to service a particular area;
5. The geographic area customarily serviced by the potential Subgrantee;
6. Cost efficiency in administering a Fuel Assistance program;
7. The ability to enhance accessibility to other low-income programs administered by the Subgrantee;
8. Acceptable schedule for taking Applications; and
9. The ability to perform outreach activities and serve homebound recipients.

8.7 How many local administering agencies do you use? 9

8.8 Have you changed any local administering agencies in the last year?

- Yes
 No

8.9 If so, why?

<input type="checkbox"/>	Agency was in noncompliance with grantee requirements for LIHEAP -
<input type="checkbox"/>	Agency is under criminal investigation
<input type="checkbox"/>	Added agency
<input type="checkbox"/>	Agency closed
<input type="checkbox"/>	Other - describe

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 9 - Energy Suppliers, 2605(b)(7) - Assurance 7

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Section 9: Energy Suppliers, 2605(b)(7) - Assurance 7

9.1 Do you make payments directly to home energy suppliers?

Heating Yes No

Cooling Yes No

Crisis Yes No

Are there exceptions? Yes No

If yes, Describe.

MaineHousing may issue direct checks to LIHEAP recipients who do not have a designated vendor in their area or who pay rent with heat included.

MaineHousing and Subgrantees encourage recipients to apply their benefits to their electric utility account if their benefit cannot be used for their primary heating system and the eligible household is responsible for their electric utility bill. Benefits are determined based on a household's designated primary fuel type.

9.2 How do you notify the client of the amount of assistance paid?

Once the client's application has been approved for payment, the Subgrantee mails a benefit notification letter to the Primary Applicant. The benefit notification letter shall:

- State the Benefit amount;
- State the date the Benefit was sent to the Vendor;
- State the approved Home Energy type;
- State the time period for the Benefit; and
- State the manner by which the Primary Applicant can request an appeal.

9.3 How do you assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment?

Vendor performance is ensured through Vendor Agreements, annual reports provided by contracted vendors, and on-site or desk monitoring. Additionally, vendors must submit detailed transactions reports with benefit returns to show delivery and payment activity/history for the LIHEAP client's account.

9.4 How do you assure that no household receiving assistance under this title will be treated adversely because of their receipt of LIHEAP assistance?

The contract between MaineHousing and the vendor explicitly prohibits discrimination. Participating vendors must agree not to discriminate against any eligible household regarding the extension of credit to purchase Home Energy or other services, the price of Home Energy or other services, or the terms or conditions of the delivery of Home Energy or other services solely on the basis of its being an eligible household.

9.5. Do you make payments contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households?

Yes No

If so, describe the measures unregulated vendors may take.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 10 - Program, Fiscal Monitoring, and Audit, 2605(b)(10) - Assurance 10

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ADMINISTRATION FOR CHILDREN AND FAMILIES

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LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Section 10: Program, Fiscal Monitoring, and Audit, 2605(b)(10)

10.1. How do you ensure good fiscal accounting and tracking of LIHEAP funds?

In order to ensure good fiscal accounting and tracking around Heating Assistance, Crisis Assistance, Weatherization, and Central Heating Improvement Program, MaineHousing performs onsite and desk reviews of each Subgrantee which include a review of agency fiscal policies and procedures; a reconciliation of billings submitted to agency general ledger detail and supporting documentation; and an examination of each Subgrantee's Uniform Grant Guidance Audit (2CFR 200). Additionally, six month Corrective Action Reviews are required in the event MaineHousing identifies significant compliance concerns with an individual Subgrantee.

Each onsite visit will include an entrance and exit interview. Onsite monitoring includes, but is not limited to: review of the previous audit report to identify focus areas for the review; analyzing the data used by each Subgrantee to determine client income eligibility and benefit determination; observation of the applicant intake process; and other monitoring steps to ensure overall program compliance. Additionally, desk reviews may be completed periodically and would include such things as checking application data residing in MaineHousing's centralized LIHEAP database for anomalies using pre-determined indicators or specific data points (i.e. duplicate addresses, certification outside the required 30 business day period, etc.).

The fair hearing process in place at MaineHousing provides an opportunity to conduct additional in-depth client file monitoring because a thorough analysis is completed by the MaineHousing Compliance Officer of each filed complaint to ensure that the Subgrantee followed program rules in determining client eligibility and benefit determination.

The monitoring of energy suppliers is conducted in a number of ways:

- Onsite visits to vendors (those deemed high risk as well as a sampling of others);
- Desk reviews of vendors: a random sample of client accounts are reviewed to assess the vendor practices and determine vendor risk rating; Review of submitted annual vendor reports using data points to identify anomalies;
- Review of transaction reports (delivery and payment activity) from May 1st forward for the benefit year(s) being returned.

After each conducted monitoring, MaineHousing issues a written report containing all findings to the Subgrantee/vendor. The report will establish a reasonable time period for comment and the required corrective action(s) by the Subgrantee/vendor.

Upon request from the Subgrantee/vendor, MaineHousing will provide technical assistance in all areas needing corrective action.

Depending upon the significance of the issue(s), failure to comply with the required corrective action plans could result in a notice of termination of the contract.

Management of Vendor Refunds (Benefit Returns):

All benefit returns must be submitted to MaineHousing. Benefit returns are tracked and reconciled to the appropriate fiscal year. Any expired funds or any amounts exceeding the 10% carryover limit will be returned to DHHS.

Audit Process

10.2. Is your LIHEAP program audited annually under the Single Audit Act and OMB Circular A - 133?

Yes No

10.3. Describe any audit findings rising to the level of material weakness or reportable condition cited in the A-133 audits, Grantee monitoring assessments, inspector general reviews, or other government agency reviews of the LIHEAP agency from the most recently audited fiscal year.

No Findings

Finding	Type	Brief Summary	Resolved?	Action Taken

10.4. Audits of Local Administering Agencies

What types of annual audit requirements do you have in place for local administering agencies/district offices? Select all that apply.

- Local agencies/district offices are required to have an annual audit in compliance with Single Audit Act and OMB Circular A-133
- Local agencies/district offices are required to have an annual audit (other than A-133)
- Local agencies/district offices' A-133 or other independent audits are reviewed by Grantee as part of compliance process.
- Grantee conducts fiscal and program monitoring of local agencies/district offices

Compliance Monitoring

10.5. Describe the Grantee's strategies for monitoring compliance with the Grantee's and Federal LIHEAP policies and procedures: Select all that apply

Grantee employees:

- Internal program review
- Departmental oversight
- Secondary review of invoices and payments
- Other program review mechanisms are in place. Describe:

Local Administering Agencies / District Offices:

- On - site evaluation
- Annual program review
- Monitoring through central database
- Desk reviews
- Client File Testing / Sampling
- Other program review mechanisms are in place. Describe:

10.6 Explain, or attach a copy of your local agency monitoring schedule and protocol.

MaineHousing's Program Compliance Officers performs onsite audits of the Subgrantees. These field audits allow for first-hand observation of program activity. Monitoring tasks include:

- Reviewing procedures and client file documentation
- Confirming and evaluating use of LIHEAP statewide database
- Verifying Subgrantees are knowledgeable of regulations
- Confirming that quality of work meets minimum program standards

Additionally, each Subgrantee is audited by an independent public accountant who performs single audit test work. MaineHousing reviews each Subgrantee's independent audit, noting any findings and following up on all findings/questioned costs to ensure that they are addressed and corrected in a timely manner.

10.7. Describe how you select local agencies for monitoring reviews.

Site Visits:

Onsite program and fiscal monitoring reviews are conducted annually at all local agencies. Additional reviews may be conducted if major issues are identified during the annual review.

Desk Reviews:

MaineHousing conducts desk reviews throughout the program year to ensure compliance with program requirements. MaineHousing's Program Compliance Officers conduct desk audits of the following application files:

- Fair Hearing Requests: applicants submit requests for fair hearings if they believe there was an error made in processing their application or benefit. The Program Compliance Officers will review the file for accuracy and completeness.
- Computer generated reports: MaineHousing generates periodic healthy data queries to identify and resolve potential compliance issues - ex. duplicate social security numbers, Applicant/Landlord same address, and Medical Deduction for analysis. The Program Compliance Office or Program Officers review these reports and application files as necessary.
- Files involving reports of alleged fraud.
- Files where questions arise during billing reviews of Weatherization or Central Heating Improvement Program jobs.

10.8. How often is each local agency monitored?

MaineHousing conducts program and fiscal monitoring of Subgrantees at least once per year for compliance with Federal and State rules and regulations in a manner consistent with applicable state law and the HEAP Act.

10.9. What is the combined error rate for eligibility determinations? OPTIONAL

10.10. What is the combined error rate for benefit determinations? OPTIONAL

10.11. How many local agencies are currently on corrective action plans for eligibility and/or benefit determination issues? 0

10.12. How many local agencies are currently on corrective action plans for financial accounting or administrative issues? 0

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 11 - Timely and Meaningful Public Participation, 2605(b)(12) - Assurance 12, 2605(c)(2)

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**LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP)
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Section 11: Timely and Meaningful Public Participation, 2605(b)(12), 2605(C)(2)

**11.1 How did you obtain input from the public in the development of your LIHEAP plan?
 Select all that apply.**

- Tribal Council meeting(s)
- Public Hearing(s)
- Draft Plan posted to website and available for comment
- Hard copy of plan is available for public view and comment
- Comments from applicants are recorded
- Request for comments on draft Plan is advertised
- Stakeholder consultation meeting(s)
- Comments are solicited during outreach activities
- Other - Describe:

11.2 What changes did you make to your LIHEAP plan as a result of this participation?

Prior to the public hearing process, MaineHousing worked with its Subgrantees, vendors, vendor industry agency, and representatives from Maine Equal Justice, Maine Public Advocates office, other State agencies and interested parties. As a result of these meetings, MaineHousing proposed a number of changes, including:

1. Removed a requirement that oil and kerosene vendors provide a \$0.07 Discount Off the Retail Daily Cash Price for all home energy deliveries.
2. Increased the income limits for Central Heating Improvement Program so as to be consistent with the HEAP/DOE weatherization programs' income thresholds of 200% of the federal poverty level.
3. Amended the definition of a priority applicant from household members 24 months of age or less to 72 months of age or less.

Public Hearings, 2605(a)(2) - For States and the Commonwealth of Puerto Rico Only

11.3 List the date and location(s) that you held public hearing(s) on the proposed use and distribution of your LIHEAP funds?

	Date	Event Description
1	5/26/2020	Public Hearing to be held at MaineHousing 353 Water St., Augusta, ME

11.4. How many parties commented on your plan at the hearing(s)? To Be Determined

11.5 Summarize the comments you received at the hearing(s).

To Be Determined

11.6 What changes did you make to your LIHEAP plan as a result of the comments received at the public hearing(s)?

To Be Determined

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 12 - Fair Hearings, 2605(b)(13) - Assurance 13

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Section 12: Fair Hearings, 2605(b)(13) - Assurance 13

12.1 How many fair hearings did the grantee have in the prior Federal fiscal year? 2

12.2 How many of those fair hearings resulted in the initial decision being reversed? 0

12.3 Describe any policy and/or procedural changes made in the last Federal fiscal year as a result of fair hearings?

To Be Determined

12.4 Describe your fair hearing procedures for households whose applications are denied.

Fair hearings will be conducted by MaineHousing, in accordance with the Maine Administrative Procedures Act, Title 5, Chapter 375, upon request of any applicant in accordance with the Maine State Housing Authority, Home Energy Assistance Program Rule, Chapter 24, as amended.

12.5 When and how are applicants informed of these rights?

Applicants are notified of their fair hearing rights at the time of application and through the benefit determination process. An Appeal Information sheet is provided to the applicant at the time of application. The benefit notification and denial notice provide the applicant information about their rights to an appeal/fair hearing.

12.6 Describe your fair hearing procedures for households whose applications are not acted on in a timely manner.

MaineHousing requires each applicant requesting a fair hearing be contacted by telephone and receive a letter. If an application is not acted on in a timely manner, MaineHousing works directly with the Subgrantee to help facilitate/expedite the application process.

12.7 When and how are applicants informed of these rights?

Applicants are notified of their fair hearing rights at the time of application and through the benefit determination process. Fair hearing rights information is provided to the applicant at the time of application, the benefit notification, and the denial notice.

Section 13 - Reduction of home energy needs, 2605(b)(16) - Assurance 16

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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Section 13: Reduction of home energy needs, 2605(b)(16) - Assurance 16

13.1 Describe how you use LIHEAP funds to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance?

Subgrantees may submit annual proposals for MaineHousing's consideration, describing their planned activities and expenses associated with providing services to applicants pursuant to Assurance 16 of the LIHEAP Act. Assurance 16 funds may only be used to fund activities that encourage and enable eligible households to reduce their home energy needs and thereby the need for energy assistance.

Only LIHEAP eligible households may receive Assurance 16 services. Services funded by Assurance 16 must be energy related and may include family development case management and educational activities. Subgrantees are required to have proper fiscal controls to ensure the LIHEAP funds are expended proportional to the overall funding sources using proper cost allocation methodology. There must be proper documentation of participation and a methodology to measure outcomes from the Assurance 16 activities.

Allowable Costs:

- Salaries and benefit costs for any staff directly providing services "that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance is allowable".
- Additionally, direct costs associated with providing these services, including supplies, equipment, postage, utilities, rental office space, and travel costs incurred for official business are allowable.

Unallowable Costs: Services that are already provided as part of the delivery of other federal programs cannot be charged to Assurance 16. Examples:

- Working with an electric utility to forestall a shut-off as part of providing an Energy Crisis Intervention Program (ECIP) benefit cannot be charged to Assurance 16 because this activity is already required and funded under ECIP.
- Outreach/Intake services, regardless of where they are provided, or who (which staff member/position) provides them, cannot be charged to Assurance 16. These activities are already required under HEAP fuel assistance, and therefore, do not provide an additional benefit to eligible households.
- Mailed out applications are not allowed to be charged to Assurance 16.
- Indirect charges cannot be charged to Assurance 16.
- Client referrals to other programs or resources that are not related to clients' home energy needs or do not reflect an additional net benefit for the client.

13.2 How do you ensure that you don't use more than 5% of your LIHEAP funds for these activities?

MaineHousing has established the following requirements to ensure compliance:

- Budget up to 5% of Maine's LIHEAP funds for Assurance 16 activities; Subgrant agreements specify the allocation amount for these activities.
- Subgrantees are required to submit budgets and work-plans that outline their processes for administering these activities.
- Monitor Subgrantees' expenditures monthly.
- Subgrantee's record-keeping must demonstrate a direct link between services provided to clients and costs charged to Assurance 16. Salary costs for providing Assurance 16 services must be supported by timesheet documentation.

13.3 Describe the impact of such activities on the number of households served in the previous Federal fiscal year.

MaineHousing provides its Subgrantees with an opportunity to develop/submit proposals and funding requests for Assurance 16 (A16) initiatives. Seven (7) Subgrantees were awarded funds for Assurance 16 activities. Activities included short-term case management, comprehensive energy saving education/counseling, and providing participants with energy kits.

13.4 Describe the level of direct benefits provided to those households in the previous Federal fiscal year.

Not applicable.

13.5 How many households applied for these services? To Be Determined

13.6 How many households received these services? To Be Determined

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 14 - Leveraging Incentive Program, 2607A

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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Section 14: Leveraging Incentive Program, 2607(A)

14.1 Do you plan to submit an application for the leveraging incentive program?

Yes No

14.2 Describe instructions to any third parties and/or local agencies for submitting LIHEAP leveraging resource information and retaining records.

If leveraging awards become available, MaineHousing will collect leveraging information from Subgrantees. Subgrantees will maintain and provide the following information:

1. Identify and describe each resource/benefit;
2. Identify the source(s) of each resource; and
3. Describe the integration/coordination of each resource/benefit with the LIHEAP program, consistent with 1 or more of conditions A-H in 45 CFR 96.87(d)(2)(iii).

14.3 For each type of resource and/or benefit to be leveraged in the upcoming year that will meet the requirements of 45 C.F.R. Â§ 96.87(d)(2)(iii), describe the following:

Resource	What is the type of resource or benefit?	What is the source(s) of the resource?	How will the resource be integrated and coordinated with LIHEAP?
1	Home Repair	State funds	Home Repair funds are administered by the Subgrantees operating the LIHEAP /Weatherization programs. MaineHousing's Home Repair Program funds may be used in conjunction with HEAP weatherization for repairs and weatherization measures.
2	Heating Assistance	Local organizations/ partnerships, including United Way, fuel vendors, and faith-based organizations	Subgrantees appropriate and distribute these funds to low-income households as supplements and/or alternatives to the LIHEAP program. The type and amount of assistance provided by the resource may directly affect the LIHEAP benefit amount received by the households.
3	Discount rates and debt forgiveness for electricity	Maine's public utility companies	Coordinated through the utility company and Subgrantee. Outreach and intake are incorporated in the LIHEAP application process.
4	Winterization assistance	Donations from local church groups and other organizations.	Donated materials or volunteer labor for the installation of winterization measures.
5	In-kind and other benefits, including blankets, sleepers, snow suits, and sweatshirts, which are intended to improve client comfort and reduce heating costs.	Fund-raising initiatives and drives; examples Project Santa and American Red Cross.	Subgrantees ensure LIHEAP clients are aware of and have access to these benefits.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 15 - Training

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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Section 15: Training

15.1 Describe the training you provide for each of the following groups:

a. Grantee Staff:

Formal training on grantee policies and procedures

How often?

Annually

Biannually

As needed

Other - Describe:

Employees are provided with policy manual

Other-Describe:

MaineHousing's participation in monthly Maine Community Action Association's Energy Council meetings provides venue for additional training and feedback throughout the program year.

b. Local Agencies:

Formal training conference

How often?

Annually

Biannually

As needed

Other - Describe:

On-site training

How often?

Annually

Biannually

As needed

Other - Describe:

Employees are provided with policy manual

Other - Describe

MaineHousing provides annual LIHEAP training for Subgrantees. MaineHousing also provides training and technical assistance to all Subgrantees through regular monthly meetings and through monitoring visits. Additionally, MaineHousing will, upon request from the Subgrantee or in response to needs MaineHousing identifies, provide technical assistance.

c. Vendors
<input checked="" type="checkbox"/> Formal training conference
How often?
<input checked="" type="checkbox"/> Annually
<input type="checkbox"/> Biannually
<input type="checkbox"/> As needed
<input type="checkbox"/> Other - Describe:
<input checked="" type="checkbox"/> Policies communicated through vendor agreements
<input checked="" type="checkbox"/> Policies are outlined in a vendor manual
<input checked="" type="checkbox"/> Other - Describe: MaineHousing provides annual training for vendors. MaineHousing also provides training and technical assistance to vendors through monitoring visits. Additionally, MaineHousing will, upon request from the vendor or in response to needs MaineHousing identifies, provide technical assistance.

15.2 Does your training program address fraud reporting and prevention?
<input checked="" type="radio"/> Yes
<input type="radio"/> No
If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 16 - Performance Goals and Measures, 2605(b)

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES
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LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) **MODEL PLAN** **SF - 424 - MANDATORY**

Section 16: Performance Goals and Measures, 2605(b) - Required for States Only

16.1 Describe your progress toward meeting the data collection and reporting requirements of the four required LIHEAP performance measures. Include timeframes and plans for meeting these requirements and what you believe will be accomplished in the coming federal fiscal year.

Energy Cost Data:

MaineHousing's centralized LIHEAP database and application documents require the following information:

- Main fuel type and vendor account number;
- As part of the application process applicants age 18 years or older are required to sign a release permitting the Subgrantee and MaineHousing to provide information to and obtain information from other parties or agencies; and
- Electric utility account information.

Home Energy Consumption: Per the vendor agreement, vendors are contractually obligated to submit **Annual Consumption Reports** to MaineHousing to report deliveries for a household's main fuel, from May 1st through April 30th. The consumption data is entered/imported into MaineHousing's centralized LIHEAP database.

Electricity vendors are required to provide non-heat usage data for clients. Household Income is entered into MaineHousing's centralized LIHEAP database. LIHEAP benefits are calculated by and stored in MaineHousing's centralized LIHEAP database.

Home Energy Status

Crisis Assistance: MaineHousing's centralized LIHEAP database and Crisis application documents capture the number of households without home energy service (disconnected, out of fuel, inoperable equipment) and the number of households at risk of losing home energy (past due/disconnect notice, nearly out of fuel, at risk equipment).

Heating Assistance: MaineHousing's centralized LIHEAP database supports the collection and reporting of the LIHEAP Performance Measures Restoration and Prevention data requirements.

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 17 - Program Integrity, 2605(b)(10)

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LOW INCOME HOME ENERGY ASSISTANCE PROGRAM(LIHEAP) MODEL PLAN SF - 424 - MANDATORY

Section 17: Program Integrity, 2605(b)(10)

17.1 Fraud Reporting Mechanisms

a. Describe all mechanisms available to the public for reporting cases of suspected waste, fraud, and abuse. Select all that apply.

- Online Fraud Reporting
- Dedicated Fraud Reporting Hotline
- Report directly to local agency/district office or Grantee office
- Report to State Inspector General or Attorney General
- Forms and procedures in place for local agencies/district offices and vendors to report fraud, waste, and abuse
- Other - Describe:

MaineHousing has zero tolerance for fraud. MaineHousing's Compliance Program Officer investigates any concerns reported by energy vendors, Subgrantees, or third-parties.

Suspected fraud and abuse may be reported to a dedicated email address: LIHEAPcompliance@mainehousing.org

b. Describe strategies in place for advertising the above-referenced resources. Select all that apply

- Printed outreach materials
- Addressed on LIHEAP application
- Website
- Other - Describe:

The LIHEAP Handbook for Subgrantees and the Vendor guide, which are distributed annually and maintained on MaineHousing's website portal to accommodate real-time changes, include information about reporting suspected fraud, misuse, and abuse.

a. Indicate which of the following forms of identification are required or requested to be collected from LIHEAP applicants or their household members.

Type of Identification Collected	Collected from Whom?						
	Applicant Only		All Adults in Household		All Household Members		
Social Security Card is photocopied and retained	<input type="checkbox"/>	Required	<input type="checkbox"/>	Required	<input type="checkbox"/>	Required	
	<input type="checkbox"/>	Requested	<input type="checkbox"/>	Requested	<input checked="" type="checkbox"/>	Requested	
Social Security Number (Without actual Card)	<input type="checkbox"/>	Required	<input type="checkbox"/>	Required	<input checked="" type="checkbox"/>	Required	
	<input type="checkbox"/>	Requested	<input type="checkbox"/>	Requested	<input type="checkbox"/>	Requested	
Government-issued identification card (i.e.: driver's license, state ID, Tribal ID, passport, etc.)	<input checked="" type="checkbox"/>	Required	<input type="checkbox"/>	Required		Required	
	<input type="checkbox"/>	Requested	<input type="checkbox"/>	Requested		Requested	
Other		Applicant Only Required	Applicant Only Requested	All Adults in Household Required	All Adults in Household Requested	All Household Members Required	All Household Members Requested
1		<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

b. Describe any exceptions to the above policies.

See attachment - Section 17 Program Integrity

17.3 Identification Verification

Describe what methods are used to verify the authenticity of identification documents provided by clients or household members. Select all that apply

- Verify SSNs with Social Security Administration
- Match SSNs with death records from Social Security Administration or state agency
- Match SSNs with state eligibility/case management system (e.g., SNAP, TANF)
- Match with state Department of Labor system
- Match with state and/or federal corrections system
- Match with state child support system
- Verification using private software (e.g., The Work Number)
- In-person certification by staff (for tribal grantees only)
- Match SSN/Tribal ID number with tribal database or enrollment records (for tribal grantees only)
- Other - Describe:

Social Security Administration: SSN, Social Security income and Supplemental Security Income may be verified through the State Verification and Exchange System (SVES) for those Applicants who self-declare receipt of Social Security income and/or Supplemental Security Income. If the SSN and/or benefits cannot be verified via SVES, the Applicant will be required to provide proof of SSN and a copy of their Social Security award letter.

Department of Labor history report required for all applicants who self-declare receipt of unemployment benefits. Applicants who claim zero income or self-declare they are unemployed must sign an affidavit.

17.4. Citizenship/Legal Residency Verification

What are your procedures for ensuring that household members are U.S. citizens or aliens who are qualified to receive LIHEAP benefits? Select all that apply.

- Clients sign an attestation of citizenship or legal residency
- Client's submission of Social Security cards is accepted as proof of legal residency
- Noncitizens must provide documentation of immigration status
- Citizens must provide a copy of their birth certificate, naturalization papers, or passport
- Noncitizens are verified through the SAVE system
- Tribal members are verified through Tribal enrollment records/Tribal ID card
- Other - Describe:

17.5. Income Verification

What methods does your agency utilize to verify household income? Select all that apply.

- Require documentation of income for all adult household members
 - Pay stubs
 - Social Security award letters
 - Bank statements
 - Tax statements
 - Zero-income statements
 - Unemployment Insurance letters
 - Other - Describe: Odd Job Income Worksheet, Self-Employment Worksheet
- Computer data matches:
 - Income information matched against state computer system (e.g., SNAP, TANF)
 - Proof of unemployment benefits verified with state Department of Labor
 - Social Security income verified with SSA
 - Utilize state directory of new hires
 - Other - Describe:

For Applicants who self-declare receipt of Social Security Income and/or Supplemental Security Income, benefits may be verified using the electronic verification process established between MaineHousing and the Social Security Administration.

17.6. Protection of Privacy and Confidentiality

Describe the financial and operating controls in place to protect client information against improper use or disclosure. Select all that apply.

- Policy in place prohibiting release of information without written consent
- Grantee LIHEAP database includes privacy/confidentiality safeguards
- Employee training on confidentiality for:
 - Grantee employees
 - Local agencies/district offices
- Employees must sign confidentiality agreement
 - Grantee employees
 - Local agencies/district offices
- Physical files are stored in a secure location
- Other - Describe: Mandatory cybersecurity training for all users of MaineHousing's centralized LIHEAP database system.

17.7. Verifying the Authenticity

What policies are in place for verifying vendor authenticity? Select all that apply.



All vendors must register with the State/Tribe.



All vendors must supply a valid SSN or TIN/W-9 form



Vendors are verified through energy bills provided by the household



Grantee and/or local agencies/district offices perform physical monitoring of vendors



Other - Describe and note any exceptions to policies above:

MaineHousing runs a background check for all new vendors to verify there are no civil or federal judgments or bankruptcies.

Contracts are made only with vendors who possess the ability to perform successfully under the terms and conditions of a proposed procurement with consideration given to matters such as vendor integrity, record of past performance, financial and technical resources or accessibility to other necessary resources. All vendors must supply valid TIN number, or Social Security number, in the contracting process.

17.8. Benefits Policy - Gas and Electric Utilities

What policies are in place to protect against fraud when making benefit payments to gas and electric utilities on behalf of clients? Select all that apply.

- Applicants required to submit proof of physical residency
- Applicants must submit current utility bill
- Data exchange with utilities that verifies:
 - Account ownership
 - Consumption
 - Balances
 - Payment history
 - Account is properly credited with benefit
 - Other - Describe:
- Centralized computer system/database tracks payments to all utilities
- Centralized computer system automatically generates benefit level
- Separation of duties between intake and payment approval
- Payments coordinated among other energy assistance programs to avoid duplication of payments
- Payments to utilities and invoices from utilities are reviewed for accuracy
- Computer databases are periodically reviewed to verify accuracy and timeliness of payments made to utilities
- Direct payment to households are made in limited cases only
- Procedures are in place to require prompt refunds from utilities in cases of account closure
- Vendor agreements specify requirements selected above, and provide enforcement mechanism
- Other - Describe:

17.9. Benefits Policy - Bulk Fuel Vendors

What procedures are in place for averting fraud and improper payments when dealing with bulk fuel suppliers of heating oil, propane, wood, and other bulk fuel vendors? Select all that apply.

- Vendors are checked against an approved vendors list
- Centralized computer system/database is used to track payments to all vendors
- Clients are relied on for reports of non-delivery or partial delivery
- Two-party checks are issued naming client and vendor
- Direct payment to households are made in limited cases only
- Vendors are only paid once they provide a delivery receipt signed by the client
- Conduct monitoring of bulk fuel vendors
- Bulk fuel vendors are required to submit reports to the Grantee
- Vendor agreements specify requirements selected above, and provide enforcement mechanism
- Other - Describe:

Wood vendors are paid after they provide a delivery receipt signed by the client.

17.10. Investigations and Prosecutions

Describe the Grantee's procedures for investigating and prosecuting reports of fraud, and any sanctions placed on clients/staff/vendors found to have committed fraud. Select all that apply.

- Refer to state Inspector General
- Refer to local prosecutor or state Attorney General
- Refer to US DHHS Inspector General (including referral to OIG hotline)
- Local agencies/district offices or Grantee conduct investigation of fraud complaints from public

Grantee attempts collection of improper payments. If so, describe the recoupment process

MaineHousing will investigate all reported Errors and Program Abuse. If there is documented information to indicate Errors and Program Abuse, MaineHousing will notify the Applicant and provide them an opportunity to respond. Based on the response, MaineHousing will determine what, if any, appropriate action should be taken.

Once Errors and Program Abuse is confirmed or if an Applicant fails to respond to inquiries regarding suspected Errors and Program Abuse, an overpayment will be calculated and communicated to the Applicant. In addition to the overpayment, the communication will include: 1) the facts surrounding the decision, 2) the reason for the decision, and 3) the manner by which the Applicant can request an appeal. MaineHousing may investigate the previous three (3) Program Years from the Date of Discovery. The overpayment may include any or all of those three (3) years.

- Applicant may pay MaineHousing the full amount of an overpayment.
- Applicant may enter into a payment arrangement. Minimum monthly payment allowed will be set at \$5.00 a month.
- Despite the existence of a repayment agreement, MaineHousing will recoup 50% of any current and future Benefits to offset against an overpayment balance.
- MaineHousing will recoup Benefits on account with the Applicant's Vendor to offset against an overpayment balance. When Applicant fails to repay overpayment, the case may be referred to other internal and external groups for additional action.

MaineHousing may close an overpayment for any of the following reasons:

- Overpayment has been paid in full;
- The overpayment is determined to be invalid based on a fair hearing decision or a court decision; or
- All adult persons(s) responsible for overpayment are deceased.

Clients found to have committed fraud are banned from LIHEAP assistance. For how long is a household banned?

Contracts with local agencies require that employees found to have committed fraud are reprimanded and/or terminated

Vendors found to have committed fraud may no longer participate in LIHEAP

Other - Describe:

If any of the above questions require further explanation or clarification that could not be made in the fields provided, attach a document with said explanation here.

Section 18: Certification Regarding Debarment, Suspension, and Other Responsibility Matters

Section 18: Certification Regarding Debarment, Suspension, and Other Responsibility Matters

Certification Regarding Debarment, Suspension, and Other Responsibility Matters- Primary Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective primary participant is providing the certification set out below.
2. The inability of a person to provide the certification required below will not necessarily result in denial of participation in this covered transaction. The prospective participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective primary participant to furnish a certification or an explanation shall disqualify such person from participation in this transaction.
3. The certification in this clause is a material representation of fact upon which reliance was placed when the department or agency determined to enter into this transaction. If it is later determined that the prospective primary participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.
4. The prospective primary participant shall provide immediate written notice to the department or agency to which this proposal is submitted if at any time the prospective primary participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
5. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meanings set out in the Definitions and Coverage sections of the rules implementing Executive Order 12549. You may contact the department or agency to which this proposal is being submitted for assistance in obtaining a copy of those regulations.
6. The prospective primary participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

7. The prospective primary participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," provided by the department or agency entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

8. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

9. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

10. Except for transactions authorized under paragraph 6 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, and Other Responsibility Matters--Primary Covered Transactions

(1) The prospective primary participant certifies to the best of its knowledge and belief, that it and its principals:

(a) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded by any Federal department or agency;

(b) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(c) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (1)(b) of this certification; and

(d) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

(2) Where the prospective primary participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion--Lower Tier Covered Transactions

Instructions for Certification

1. By signing and submitting this proposal, the prospective lower tier participant is providing the certification set out below.
2. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.
3. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous when submitted or had become erroneous by reason of changed circumstances.
4. The terms covered transaction, debarred, suspended, ineligible, lower tier covered transaction, participant, person, primary covered transaction, principal, proposal, and voluntarily excluded, as used in this clause, have the meaning set out in the Definitions and Coverage sections of rules implementing Executive Order 12549. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations.
5. The prospective lower tier participant agrees by submitting this proposal that, [[Page 33043]] should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.
6. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled ``Certification Regarding Debarment,

Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction," without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions.

7. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that it is not proposed for debarment under 48 CFR part 9, subpart 9.4, debarred, suspended, ineligible, or voluntarily excluded from covered transactions, unless it knows that the certification is erroneous. A participant may decide the method and frequency by which it determines the eligibility of its principals. Each participant may, but is not required to, check the List of Parties Excluded from Federal Procurement and Non-procurement Programs.

8. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of a participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

9. Except for transactions authorized under paragraph 5 of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is proposed for debarment under 48 CFR part 9, subpart 9.4, suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility an Voluntary Exclusion--Lower Tier Covered Transactions

(1) The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.

(2) Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

By checking this box, the prospective primary participant is providing the certification set out above.

Section 19: Certification Regarding Drug-Free Workplace Requirements

Section 19: Certification Regarding Drug-Free Workplace Requirements

This certification is required by the regulations implementing the Drug-Free Workplace Act of 1988: 45 CFR Part 76, Subpart, F. Sections 76.630(c) and (d)(2) and 76.645(a)(1) and (b) provide that a Federal agency may designate a central receipt point for STATE-WIDE AND STATE AGENCY-WIDE certifications, and for notification of criminal drug convictions. For the Department of Health and Human Services, the central point is: Division of Grants Management and Oversight, Office of Management and Acquisition, Department of Health and Human Services, Room 517-D, 200 Independence Avenue, SW Washington, DC 20201.

Certification Regarding Drug-Free Workplace Requirements (Instructions for Certification)

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification set out below.
2. The certification set out below is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, the agency, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. For grantees other than individuals, Alternate I applies.
4. For grantees who are individuals, Alternate II applies.
5. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
6. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio studios).
7. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously

identified the workplaces in question (see paragraph five).

8. Definitions of terms in the Non-procurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

Controlled substance means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

Conviction means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

Criminal drug statute means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

Employee means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All direct charge employees; (ii) All indirect charge employees unless their impact or involvement is insignificant to the performance of the grant; and, (iii) Temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of sub-recipients or subcontractors in covered workplaces).

Certification Regarding Drug-Free Workplace Requirements

Alternate I. (Grantees Other Than Individuals)

The grantee certifies that it will or will continue to provide a drug-free workplace by:

- (a) Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
- (b) Establishing an ongoing drug-free awareness program to inform employees about:
 - (1) The dangers of drug abuse in the workplace;
 - (2) The grantee's policy of maintaining a drug-free workplace;
 - (3) Any available drug counseling, rehabilitation, and employee assistance programs;and
- (4) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
- c) Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph (a);

- (d) Notifying the employee in the statement required by paragraph (a) that, as a condition of employment under the grant, the employee will --
- (1) Abide by the terms of the statement; and
 - (2) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
- (e) Notifying the agency in writing, within ten calendar days after receiving notice under paragraph (d)(2) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;
- (f) Taking one of the following actions, within 30 calendar days of receiving notice under paragraph (d)(2), with respect to any employee who is so convicted --
- (1) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (2) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
- (g) Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs (a), (b), (c), (d), (e) and (f).
- (B) The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant:

Place of Performance (Street address, city, county, state, zip code)

353 Water Street

Address Line 2

Address Line 3

Augusta

ME

04330

Check if there are workplaces on file that are not identified here.

Alternate II. (Grantees Who Are Individuals)

(a) The grantee certifies that, as a condition of the grant, he or she will not engage in the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance in conducting any activity with the grant;

(b) If convicted of a criminal drug offense resulting from a violation occurring during the conduct of any grant activity, he or she will report the conviction, in writing, within 10 calendar days of the conviction, to every grant officer or other

designee, unless the Federal agency designates a central point for the receipt of such notices. When notice is made to such a central point, it shall include the identification number(s) of each affected grant.

[55 FR 21690, 21702, May 25, 1990]

By checking this box, the prospective primary participant is providing the certification set out above.

Section 20: Certification Regarding Lobbying

Section 20: Certification Regarding Lobbying

The submitter of this application certifies, to the best of his or her knowledge and belief, that:

(1) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of an agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

(2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions

(3) The undersigned shall require that the language of this certification be included in the award documents for all sub-awards at all tiers (including subcontracts, sub-grants, and contracts under grants, loans, and cooperative agreements) and that all sub-recipients shall certify and disclose accordingly. This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

Statement for Loan Guarantees and Loan Insurance

The undersigned states, to the best of his or her knowledge and belief, that:

If any funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this commitment providing for the United States to insure or guarantee a loan, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions. Submission of this statement is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any

person who fails to file the required statement shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

By checking this box, the prospective primary participant is providing the certification set out above.

Assurances

Assurances

(1) use the funds available under this title to--

(A) conduct outreach activities and provide assistance to low income households in meeting their home energy costs, particularly those with the lowest incomes that pay a high proportion of household income for home energy, consistent with paragraph (5);

(B) intervene in energy crisis situations;

(C) provide low-cost residential weatherization and other cost-effective energy-related home repair; and

(D) plan, develop, and administer the State's program under this title including leveraging programs, and the State agrees not to use such funds for any purposes other than those specified in this title;

(2) make payments under this title only with respect to--

(A) households in which one or more individuals are receiving--

(i) assistance under the State program funded under part A of title IV of the Social Security Act;

(ii) supplemental security income payments under title XVI of the Social Security Act;

(iii) food stamps under the Food Stamp Act of 1977; or

(iv) payments under section 415, 521, 541, or 542 of title 38, United States Code, or under section 306 of the Veterans' and Survivors' Pension Improvement Act of 1978; or

(B) households with incomes which do not exceed the greater of -

(i) an amount equal to 150 percent of the poverty level for such State; or

(ii) an amount equal to 60 percent of the State median income;

(except that a State may not exclude a household from eligibility in a fiscal year solely on the basis of household income if such income is less than 110 percent of the poverty level for such State, but the State may give priority to those households with the highest home energy costs or needs in relation to household income.

(3) conduct outreach activities designed to assure that eligible households, especially households with elderly individuals or disabled individuals, or both, and households with high home energy burdens, are made aware of the assistance available under this title, and any similar energy-related assistance available under subtitle B of title VI (relating to community services block grant program) or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;(4) coordinate its activities under this title with similar and related programs administered by the Federal Government and such State, particularly low-income energy-related programs under subtitle B of title VI (relating to community services block grant program), under the supplemental security income program, under part A of title IV of the Social Security Act, under title XX of the Social Security Act, under the low-income weatherization assistance program under title IV of the Energy Conservation and Production Act, or under any other provision of law which carries out programs which were administered under the Economic Opportunity Act of 1964 before the date of the enactment of this Act;(5) provide, in a timely manner, that the highest level of assistance will be furnished to those households which have the lowest incomes and the highest energy costs or needs in relation to income, taking into account family size, except that the State may not differentiate in implementing this section between the households described in clauses 2(A) and 2(B) of this subsection;

(6) to the extent it is necessary to designate local administrative agencies in order to carry out the purposes of this title, to give special consideration, in the designation of such agencies, to any local public or private nonprofit agency which was receiving Federal funds under any low-income energy assistance program or weatherization program under the Economic Opportunity Act of 1964 or any other provision of law on the day before the date of the enactment of this Act, except that -

(A) the State shall, before giving such special consideration, determine that the agency involved meets program and fiscal requirements established by the State; and

(B) if there is no such agency because of any change in the assistance furnished to programs for economically disadvantaged persons, then the State shall give special consideration in the designation of local administrative agencies to any successor agency which is operated in substantially the same manner as the predecessor agency which did receive funds for the fiscal year preceding the fiscal year for which the determination is made;

(7) if the State chooses to pay home energy suppliers directly, establish procedures to --

(A) notify each participating household of the amount of assistance paid on its behalf;

(B) assure that the home energy supplier will charge the eligible household, in the normal billing process, the difference between the actual cost of the home energy and the amount of the payment made by the State under this title;

(C) assure that the home energy supplier will provide assurances that any agreement entered into with a home energy supplier under this paragraph will contain provisions to assure that no household receiving assistance under this title will be treated adversely because of such assistance under applicable provisions of State law or public regulatory requirements; and

(D) ensure that the provision of vendor payments remains at the option of the State in consultation with local grantees and may be contingent on unregulated vendors taking appropriate measures to alleviate the energy burdens of eligible households, including providing for agreements between suppliers and individuals eligible for benefits under this Act that seek to reduce home energy costs, minimize the risks of home energy crisis, and encourage regular payments by individuals receiving financial assistance for home energy costs;

(8) provide assurances that,

(A) the State will not exclude households described in clause (2)(B) of this subsection from receiving home energy assistance benefits under clause (2), and

(B) the State will treat owners and renters equitably under the program assisted under this title;

(9) provide that--

(A) the State may use for planning and administering the use of funds under this title an amount not to exceed 10 percent of the funds payable to such State under this title for a fiscal year; and

(B) the State will pay from non-Federal sources the remaining costs of planning

and administering the program assisted under this title and will not use Federal funds for such remaining cost (except for the costs of the activities described in paragraph (16));

(10) provide that such fiscal control and fund accounting procedures will be established as may be necessary to assure the proper disbursement of and accounting for Federal funds paid to the State under this title, including procedures for monitoring the assistance provided under this title, and provide that the State will comply with the provisions of chapter 75 of title 31, United States Code (commonly known as the "Single Audit Act");

(11) permit and cooperate with Federal investigations undertaken in accordance with section 2608;

(12) provide for timely and meaningful public participation in the development of the plan described in subsection (c);

(13) provide an opportunity for a fair administrative hearing to individuals whose claims for assistance under the plan described in subsection (c) are denied or are not acted upon with reasonable promptness; and

(14) cooperate with the Secretary with respect to data collecting and reporting under section 2610.

(15) * beginning in fiscal year 1992, provide, in addition to such services as may be offered by State Departments of Public Welfare at the local level, outreach and intake functions for crisis situations and heating and cooling assistance that is administered by additional State and local governmental entities or community-based organizations (such as community action agencies, area agencies on aging and not-for-profit neighborhood-based organizations), and in States where such organizations do not administer functions as of September 30, 1991, preference in awarding grants or contracts for intake services shall be provided to those agencies that administer the low-income weatherization or energy crisis intervention programs.

* This assurance is applicable only to States, and to territories whose annual regular LIHEAP allotments exceed \$200,000. Neither territories with annual allotments of \$200,000 or less nor Indian tribes/tribal organizations are subject to Assurance 15.

(16) use up to 5 percent of such funds, at its option, to provide services that encourage and enable households to reduce their home energy needs and thereby the need for energy assistance, including needs assessments, counseling, and assistance with energy vendors, and report to the Secretary concerning the impact of such activities on the number of households served, the level of direct benefits provided to those households, and the number of households that remain unserved.

File Attachment: Low Income Home Energy Assistance

Grantee Name: Maine State Housing Authority

Report Name: Detailed Model Plan (LIHEAP)

Report Period: 10/01/2020 to 09/30/2021

Section 2 Heating Assistance

2.1 Eligibility Guideline

Maine will use the following standards to determine income eligibility:

- i. the greater of 150% of Federal poverty guidelines or 60% of State median income.

MaineHousing will establish eligibility guidelines based on the availability of federal funding for the programs during each program year. MaineHousing strives to provide an average benefit in an amount to purchase at least 100 gallons of fuel. MaineHousing reserves the right to lower the percent of poverty criteria for HEAP eligibility to manage funding, benefit levels, and eligibility.

File Attachment: Low Income Home Energy Assistance

Grantee Name: Maine State Housing Authority

Report Name: Detailed Model Plan (LIHEAP)

Report Period: 10/01/2020 to 09/30/2021

Section 5.5 Weatherization

Maine will allocate up to 15% of the FFY 2021 grant for HEAP Weatherization and other energy-related home repair, including the Central Heating Improvement Program (CHIP).

HEAP Weatherization

1. The purpose of HEAP Weatherization is to reduce Eligible Households' need for Fuel Assistance, particularly those with the lowest Household Incomes that pay a high proportion of Household Income for Home Energy and those that include Priority Applicants.
 - a. Using HEAP Weatherization in conjunction with DOE funds: If the HEAP Weatherization guidelines conflict with those required by 10 CFR Part 440, DOE requirements shall have precedence. HEAP Weatherization funds may only be used to weatherize Dwelling Units occupied by HEAP income-eligible households.
 - b. Weatherization measures must be installed in accordance with the Maine Weatherization Standards, as may be amended from time to time.
 - c. A Household may be eligible for HEAP Weatherization if the Household:
 - i. is eligible for HEAP/fuel assistance;
 - ii. has a HEAP application certified-eligible within the twelve (12) months preceding the date of the Subgrantee's energy audit of the Dwelling Unit; and
 - iii. does not have a more recent Application that has been certified-denied, unless the sole reason for the denial is over-income and the Household income does not exceed 200% of federal poverty.
 - d. Income Eligibility. MaineHousing uses the DOE income threshold of 200% of federal poverty to determine income-eligibility for HEAP Weatherization. If a Household's total income exceeds the HEAP income guidelines, but is less than or equal to 200% of poverty, the Household may be eligible for HEAP Weatherization provided the following are true:
 - i. Household is otherwise eligible for HEAP/fuel assistance (income is the sole reason for denial). The Application must be complete and all required documentation has been submitted/accepted and the eligibility was determined/certified within the

twelve (12) months preceding the date of the Subgrantee's energy audit of the Dwelling Unit;

- ii. Household does not have a more recent Application that has been certified-denied, unless the sole reason for the denial is over-income and the Household income does not exceed 200% of federal poverty guidelines.

2. Proof of Ownership. The Subgrantee shall verify ownership of all Dwelling Units and Rental Units prior to performing any work. Proof of ownership may include current property tax bill, statement from the local tax assessor, town clerk or similar municipal official, or documentation from electronic registry.

Life estates and leases require a copy of the document conferring the Applicant's rights.

The Subgrantee must obtain the written permission of the owner of the Rental Unit prior to performing any work.

3. A Dwelling Unit will not be eligible under HEAP Weatherization if:

- a. Dwelling Unit received weatherization services under HEAP Weatherization or another MaineHousing program within the prior ten (10) year period.
- b. Dwelling Unit has been designated for acquisition or clearance by a federal, state, or local program or order;
- c. Dwelling Unit has been designated for foreclosure;
- d. Dwelling Unit is for sale;
- e. Dwelling Unit is vacant;
- f. Dwelling Unit is uninhabitable as determined by a local municipality, State Agency, MaineHousing, or a Community Action Agency;
- g. Dwelling Unit is in poor structural condition making the installation of HEAP Weatherization services impractical, impossible, or ineffective;
- h. Dwelling Unit is in such poor structural condition that the proposed HEAP Weatherization services would have a longer life expectancy than the Dwelling Unit;
- i. Dwelling Unit has been damaged by fire, flood or an act of God and repair of the damage is covered by insurance;
- j. There are obvious discrepancies found between the information supplied on the Application and observed conditions during the HEAP Weatherization process. The Subgrantee must resolve any discrepancies before work can continue.

4. Allowable Uses:

- a. Weatherization needs assessments/audits;
- b. Air sealing and insulation;
- c. Storm windows;
- d. Heating System modifications/repairs;
- e. Heating System replacements;
- f. Heating System cleaning, tuning, and evaluating;
- g. Compact fluorescent light bulbs;
- h. Energy related roof repairs;
- i. Major appliance repairs/replacements, including water heaters, provided the total cost of the appliances does not exceed 20% of the labor and material costs associated with the installation of energy conservation measures or one appliance if the 20% will not cover the repair/replacement cost of one appliance;
- j. Incidental Repairs – per unit average not to exceed 20%;
- k. Health and safety measures – per unit average not to exceed \$1,200;
- l. Replacement windows and doors are allowable only under exceptional circumstances and only after all other reasonable repair options have been considered and rejected.

5. Fuel Switching: As a general guideline, the practice of fuel switching when replacing Heating Systems is not allowed. However, if the Subgrantee determines that the switching of a fuel source is warranted, then a written waiver request should be submitted to MaineHousing for review and consideration (on a case-by-case basis) prior to the installation.

6. Work on an eligible Dwelling Unit previously weatherized under a MaineHousing program may be reopened if:

- a. the reopening occurs within six (6) months of completion of the original weatherization service; and
- b. The reopening is required because the previous service is the proximate cause of an immediate threat to the health and safety of the occupants; or
- c. The quality of weatherization material or its installation is deemed deficient by MaineHousing.

7. Subgrantees shall administer and operate HEAP Weatherization in their Service Areas, unless otherwise authorized by MaineHousing.
8. For the purposes of HEAP Weatherization, Subgrantees must conduct a public bid process to secure weatherization contractors at least annually as prescribed by MaineHousing.

Central Heating Improvement Program (CHIP)

1. A Household may be eligible for CHIP services if the Household:
 - A. is eligible for HEAP/fuel assistance;
 - B. has a household income less than or equal to 200% federal poverty level;
 - C. has a HEAP application certified-eligible within the prior twelve (12) months; and
 - D. does not have a more recent Application that has been certified-denied.
2. Subgrantees shall provide CHIP services based on the following priority order:
 - A. Eligible Households experiencing an Energy Crisis caused by Heating System malfunction or failure.
 - B. Non-wood Heating Systems that cannot achieve a minimum steady state efficiency of 70% (as determined by a CTE).
 - C. Preventative CTE and minor repairs on a non-emergency basis (owner-occupied dwelling units only). Date of the last CTE by a licensed technician must be more than 12 months prior to the initiation of services date.
 - D. The installation of a Heat Pump.
3. Eligible Households shall be served on a first-come, first-served basis with respect to each level of priority except when the Subgrantee is providing weatherization services to a Dwelling Unit. In this case, CHIP activities to Eligible Households that enable the Subgrantee to leverage funds may be served first.
4. Subgrantees shall administer and operate CHIP in their Service Areas unless otherwise determined by MaineHousing.
5. Heating System Replacement. Household may be eligible for assistance to replace a Heating System if the Household is eligible for HEAP/fuel assistance benefits. The amount of assistance shall take into account the Household's and non-occupying co-owner's countable assets.

The overall purpose of these asset limitations is to encourage a Household's contribution to meeting their needs, when possible, and at the same time recognize that household assets represent

needed income and insurance against financial calamities, and that it is prudent to retain these assets to some extent.

A. The Household will be required to contribute toward the cost of replacing the Heating System if the Household has countable assets in excess of \$5,000 or \$50,000 if a member of the Applicant Household is an Elderly Person. The same guidelines apply to Non-occupying Co-owner's Countable Assets. Countable assets are resources that are available to meet the immediate and urgent needs of the Household, and include:

- iii. Cash and funds on prepaid debit cards;
- iv. Money in a checking or savings account (health savings accounts, educational funds, and burial accounts are excluded);
- v. Stocks or bonds;
- vi. U.S. Treasury bills;
- vii. Money market funds; and
- viii. Retirement accounts if there are no penalties or fees for withdrawals.

B. A Household's contribution shall be determined by subtracting \$5,000 or \$50,000 (whichever is applicable) from its total countable assets. That difference will then be multiplied by the Household's percentage of ownership. A non-occupying co-owner's contribution shall be similarly calculated. The maximum CHIP benefit amount shall be determined by subtracting the sum of the Household's and non-occupying co-owner's contributions from the total replacement costs.

6. Rental Units Occupied By An Eligible Household: A life-time maximum benefit of \$400 for an Eligible Household. The maximum allowed in a non-owner occupied multi-family building is the lesser of \$400 times the number of Heating Systems that provide heat to Eligible Households or \$1,600.

7. If an Eligible Household member holds a life estate or life lease interest in and occupies the Dwelling Unit, the Dwelling Unit may be eligible if:

- the document conferring the Applicant's rights of the life estate or life lease states that the Eligible Household member is responsible for maintaining the Dwelling Unit, or is silent as to who is responsible for maintenance or
- the Dwelling Unit is owned by an Eligible Household.

8. Proof of Ownership. The Subgrantee shall verify ownership of all Dwelling Units and Rental Units prior to performing any work. Proof of ownership may include current property tax bill, statement from the local tax assessor, town clerk or similar municipal official, or documentation from electronic registry.

9. A Dwelling Unit will not be eligible under CHIP if:

- A. Dwelling Unit is a Rental Unit that has received prior CHIP services to the life-time maximum benefit;

- B. Dwelling Unit has been designated for acquisition or clearance by a federal, state, or local program or order;
- C. Dwelling Unit has been designated for foreclosure;
- D. Dwelling Unit is for sale;
- E. Dwelling Unit is vacant;
- F. Dwelling Unit is uninhabitable as deemed by a local municipality, State Agency, MaineHousing, or a Community Action Agency;
- G. Dwelling Unit is in poor structural condition making the installation of CHIP services impractical, impossible, or ineffective;
- H. Dwelling Unit is in such poor structural condition that the proposed CHIP services would have a longer life expectancy than the Dwelling Unit;
- I. Dwelling Unit has been damaged by fire, flood or an act of God and repair of the damage is covered by insurance;
- J. There are obvious discrepancies found between the information supplied on the Application and observed conditions during the CHIP process. The Subgrantee must resolve any discrepancies before work can continue;
- K. Dwelling Unit has any other Heating System that is safe, operable, and is capable of heating the dwelling adequately during severe cold weather; or
- L. Subgrantee determines the Applicant failed to properly maintain a Heating System that was previously repaired or replaced under CHIP.

Eligible Households who apply for CHIP services for more than one Dwelling Unit will be subject to additional review to ensure the requested services are consistent with the intent of the program.

10. CHIP Allowable Uses:

- A. Cleaning, tuning, and evaluating oil or gas systems
- B. Cleaning, evaluating, and servicing solid fuel systems
- C. Replacing oil or gas burners
- D. Replacing cracked heat exchangers
- E. Replacing oil, gas, electric or solid fuel Heating Systems
- F. Sealing and insulating Heating System pipes or ducts in unconditioned spaces
- G. Installing electrical or mechanical Heating System ignition systems

- H. Replacing or relocating thermostats and anticipator adjustment
- I. Baffling of the combustion chamber
- J. Optimizing the firing rate
- K. Cleaning of the chimney
- L. Smoke Alarms.
- M. Fire extinguishers
- N. Carbon Monoxide detectors
- O. Oil tanks
- P. Oil tank gauges;
- Q. Other measures necessary to bring Heating Systems into compliance with applicable State and local codes and Maine Fuel Board requirements.
- R. Other measures necessary to correct any Heating System problems that pose an immediate threat to the health and safety of the Eligible Household.

11. CHIP Unallowable Uses:

- A. Reimbursement or payment for purchases made by or costs incurred by an Applicant.
- B. Replacement of a Heating System if the Dwelling Unit received a prior Heating System replacement funded by CHIP unless the Heating System is near the end of or beyond its estimated useful life as defined by <http://portal.hud.gov/hudportal/documents/huddoc?id=CNAeTool.pdf>.

12. Fuel Switching. As a general guideline, the practice of fuel switching is not allowed. However, if the Subgrantee determines that the switching of a fuel source is warranted, then a written waiver request must be submitted to MaineHousing for review and consideration (on a case-by-case basis) prior to the installation.

13. Subgrantee must perform a final inspection on all CHIP services for heating system replacement jobs. Inspections will include an evaluation to determine:

- A. Compliance with applicable codes;
- B. That all work performed was authorized by the Subgrantee; and

C. The combustion efficiency level of the Heating System where technically feasible.

14. Specific Procurement Requirements. Prior to the performance of CHIP services, the Subgrantee shall follow the procedures below:

A. Procurement less than or equal to \$10,000. Procurement of services, including materials, equipment and services from specialized trades, such as electricians, plumbers, masons and oil burner repair people shall be performed in accordance with the following procedures.

- i. Solicit by telephone, email, vendor website, catalog, price list, or similar means one price quote for the required materials, equipment and services.
- ii. Determine if the quoted price is reasonable based on one or more factors identified by Subgrantee, such as recent purchases of, or research on, goods or services of the same kind or related knowledge or expertise; otherwise, solicit two price quotes by similar means.
- iii. Copies of all procurement records, including basis for the contractor selection and factors used to determine if the quoted price is reasonable, must be retained in the Subgrantee files.

B. Procurement over \$10,000. Procurement of services, including materials, equipment and services from specialized trades, such as electricians, plumbers, masons and oil burner repair people shall be performed in accordance with the following procedures.

- i. Perform a price survey for the required materials, equipment and services.
- ii. Make every reasonable attempt to receive price quotations or bids from at least three (3) reputable Contractors and fully document the bid process and all bids received on a survey sheet.
- iii. Purchase the materials, equipment or services from the Contractor, whose bid or proposal is the lowest, taking into consideration the Contractor's performance record and other relevant factors. Fully document the selection process.
- iv. Copies of all procurement records, including basis for contractor selection must be retained in the Subgrantee files.

C. The Subgrantee must prepare an Invitation to Bid or a Request for Proposal, which:

- i. Identifies all requirements which prospective bidders must fulfill, including the due dates for bids; and

ii. Identifies all factors which the Subgrantees will consider in evaluating and awarding bids.

D. The Invitation to Bid or Request for Proposal must be mailed, faxed or emailed to no less than three (3) prospective contractors who may reasonably be expected to submit a bid.

E. All bids must be received by the Subgrantee contact person via mail, fax or e-mail prior to a specified time for a bid opening at a specified time and location. All bids received must be kept in a secure location prior to all bids being received and tabulated. In addition, all correspondence relating to the procurement action must be retained in the bid files.

F. Sole Source Procurement. Subgrantee may solicit a proposal from only one source for one of the following reasons.

i. Sole source procurement may be used in the following instances:

ii. Emergency or Urgent Need. An emergency situation or other urgent need exists and only one known source can provide the required goods or services within the time needed. Emergency or urgent situations include, but are not limited to, natural disasters or a Life Threatening Crisis.

iii. Uniqueness. The item or service is available from only one source, based on a reasonable, good faith review of the market for the type of item or service needed.

iv. Inadequate Competitive Proposals. After evaluation of all proposals submitted in a competitive procurement, all proposals are determined to be inadequate.

v. Subgrantee shall submit a written statement justifying the use and approval of all sole source procurements, in excess of \$3,000, to MaineHousing for its consideration prior to the installation of services.

vi. Subgrantee will retain a copy of the solicitation and the proposal received in response, a record of the approval by MaineHousing in Subgrantee's records.

File Attachment: Low Income Home Energy Assistance
Grantee Name: Maine State Housing Authority
Report Name: Detailed Model Plan (LIHEAP)
Report Period: 10/01/2020 to 09/30/2021

Section 5 Multifamily Weatherization

MaineHousing’s goal for the weatherization of multifamily units is for the low income tenants to receive a direct benefit. Multifamily properties are those with two or more units. If the owner occupies one of the units in a two to four unit rental property, the property will be considered a single family dwelling provided the owner is LIHEAP eligible.

MaineHousing allows for the weatherization of the entire building rather than just the low income units. If a property consists of more than one building, each building will need to qualify on its own.

The purpose of HEAP Weatherization is to reduce Eligible Households’ need for Fuel Assistance, particularly those that include Priority Applicants and pay a high proportion of Household Income for Home Energy. Therefore, the primary focus is on properties where the low income tenants see a direct financial benefit. For these reasons, HEAP Weatherization funding may be used to weatherize multifamily units according to the following guidelines:

1. Not less than 66% (or 50% in the case of multi-family units of 2 or 4 dwelling units), must be LIHEAP eligible (all buildings if a multi-building property).
2. The percentage of units weatherized per program year that may be multi-family is limited to the percentages shown in the table below. This represents the percentage of multi-family units in each county.
3. Multi-family properties must have resident-paid heat (without utility allowances) in order to have HEAP fund 100% of the costs of a weatherization.
4. Any other property (those with heat included in rent or those with utility allowances) will be required to pay 40% of the cost of the weatherization and HEAP will pay for 60% of the cost. This is the average cost breakdown between materials and labor respectively.

Percent HEAP Weatherized Units that May be Multi-Family by County:

Androscoggin County	32%
Aroostook County	18%
Cumberland County	26%
Franklin County	13%
Hancock County	9%
Kennebec County	21%
Knox County	12%
Lincoln County	8%
Oxford County	15%
Penobscot County	22%
Piscataquis County	8%
Sagadahoc County	16%
Somerset County	10%
Waldo County	11%
Washington County	8%
York County	22%

File Attachment: Low Income Home Energy Assistance

Grantee Name: Maine State Housing Authority

Report Name: Detailed Model Plan (LIHEAP)

Report Period: 10/01/2020 to 09/30/2021

Section 5.5 Weatherization – Quality Assurance and Training Protocols

MaineHousing administers the HEAP Weatherization and other energy-related home repair, including the Central Heating Improvement Program (CHIP) mostly under LIHEAP rules. Pursuant to the requirements of the Model Plan, MaineHousing has established quality control, training, inspection, and installation protocols to ensure program integrity and work quality.

1. HEAP Weatherization Protocols:

- a. **Maine State Housing 2020 Maine Weatherization Standards (“Standards”):** HEAP Weatherization work shall comply with all applicable codes and Standards. The Standards provide guidelines to local administering agencies and contractors regarding the proper delivery of weatherization services for residential buildings. The purpose of the Standards is to ensure that high quality service is given at a reasonable cost and is delivered uniformly throughout Maine. The success of this program depends upon agencies and contractors having a full understanding of these weatherization standards.

The objective of the Standards is twofold. First, it serves to define the appropriate application of weatherization measures for each residence serviced. The Standards delineate material specifications as well as the steps that should be followed to complete each measure. Alternative methods will be allowed, but whatever method is used must meet or exceed the standard described in the relevant section of this document. Second, the Standards set guides for the expectation of quality of the installed product. Procedures are included for evaluating the quality of each installed conservation measure and the overall quality of the completed job. Additionally, the Standards help ensure that weatherization program funds are used in the most cost-effective manner possible.

The Standards are intended to be a dynamic document, changing as necessary to reflect advances in best practices for weatherization and the health and safety of clients and weatherization personnel.

- b. **Final Inspection:** No dwelling unit may be billed under HEAP Weatherization until the subgrantee has performed a final inspection and certified that the applicable work was performed in an acceptable manner.
- c. **Desk Reviews:** MaineHousing staff performs a comprehensive compliance and technical (desk) review of jobs submitted for billing. This review verifies weatherization services were administered and installed in accordance with program requirements; verifies eligibility of dwelling unit and household, required documentation has been signed by the appropriate parties, and the pre- and post-weatherization testing and measures installed were consistent/compliant with program requirements. Any identified issues or questions must be addressed with and resolved by the subgrantee prior to payment.
- d. **Monitoring:** MaineHousing’s Technical Service Specialists do quality control. At a minimum, 5% of all units billed as completed will receive State unit inspections. If the work does not comply with program requirements and Standards, the MaineHousing Technical Service Specialist will require the subgrantee to issue an add-work/rework order or de-bill the job

e. **Training:**

- i. MaineHousing organizes specialized trainings as determined necessary.
- ii. MaineHousing conducts ongoing assessment of subgrantee training needs during onsite inspections, audits, desk reviews, and joint meetings. MaineHousing's Technical Service Specialists work in the field with subgrantee staff to provide training and support as needed.
- iii. Maine's Building Technical Committee meets on a monthly basis to discuss all aspects of the weatherization program. The committee consists of a technical representative from each subgrantee. MaineHousing participates in the monthly BTC meetings where production, training, and other programmatic developments and standards are discussed. Through this venue subgrantees are continually updated with information and techniques regarding energy conservation and health and safety issues. This ensures that all subgrantees are receiving the same information and creates consistency for a quality program across the state.
- iv. MaineHousing participates in monthly meetings with the Housing Council. This council consists of weatherization managers from each subgrantee. This serves as a forum for discussing policy issues, identifying training needs, and for sharing information.

2. **Central Heating Improvement Program (CHIP) Protocols:**

- a. **Final Inspections:** Subgrantee must perform a final inspection on all CHIP services for heating system replacements. Inspections will include an evaluation to determine:
 - i. Compliance with applicable codes;
 - ii. That all work performed was authorized by the subgrantee; and
 - iii. The combustion efficiency level of the Heating System (when technically feasible).
- b. **Desk Reviews:** The EHS Weatherization Program Officer performs desk audits of 100% of the CHIP job billings. This review verifies – i) services were procured, administered and installed in accordance with program requirements; ii) eligibility of dwelling unit and household; and iii) required documentation has been signed by the appropriate parties. Any identified issues or questions must be addressed with and resolved by the subgrantee prior to payment.
- c. **Monitoring:** MaineHousing performs onsite inspections as deemed necessary.

File Attachment: Low Income Home Energy Assistance

Grantee Name: Maine State Housing Authority

Report Name: Detailed Model Plan (LIHEAP)

Report Period: 10/01/2020 to 09/30/2021

Section 8 Agency Designation

8.5 (d) Who performs installation of weatherization measures? (other description)

Community Action Agency crews or independent contractors.

File Attachment: Low Income Home Energy Assistance

Grantee Name: Maine State Housing Authority

Report Name: Detailed Model Plan (LIHEAP)

Report Period: 10/1/2020 to 9/30/2021

Section 7: Program Monitoring Schedule PY2021

Maine State Housing Authority – FFA 2020 LIHEAP Program Monitoring Schedule		
Subgrantee	From	To
Aroostook County Action Program (ACAP)	11/4/2020	11/6/2020
Community Concepts, Inc., (CCIA)	4/27/2021	4/29/2021
Downeast Community Partners (DCP)	1/13/2021	1/15/2021
Kennebec Valley Community Action Program (KVCAP)	12/16/2020	12/18/2020
Penquis Community Action Program (PCAP)	2/24/2021	2/26/2021
The Opportunity Alliance (TOA)	11/18/2020	11/20/2020
Waldo Community Action Program (WCAP)	4/6/2021	4/8/2021
Western Maine Community Action (WMCA)	2/3/2021	2/5/2021
York County Community Action Corp. (YCCAC)	3/16/2021	3/18/2021

File Attachment: Low Income Home Energy Assistance

Grantee Name: Maine State Housing Authority

Report Name: Detailed Model Plan (LIHEAP)

Report Period: 10/1/2020 to 9/30/2021

Section 9: Fiscal Monitoring Schedule PY2021 (tentative)

Maine State Housing Authority – FY 2021 LIHEAP Fiscal Monitoring Schedule		
Subgrantee	From	To
Aroostook County Action Program (ACAP)	6/7/2021	6/11/2021
Community Concepts, Inc., (CCI)	11/9/2020	11/13/2020
Downeast Community Partners (DCP)	8/16/2021	8/20/2021
Kennebec Valley Community Action Program (KVCAP)	11/16/2020	11/20/2020
Penquis Community Action Program (PCAP)	9/20/2021	9/24/2021
The Opportunity Alliance (TOA)	12/7/2020	12/11/2020
Waldo Community Action Program (WCAP)	7/12/2021	7/16/2021
Western Maine Community Action (WMCA)	4/19/2021	4/23/2021
York County Community Action Corp. (YCCAC)	5/17/2021	5/21/2021

File Attachment: Low Income Home Energy Assistance

Grantee Name: Maine State Housing Authority

Report Name: Detailed Model Plan (LIHEAP)

Report Period: 10/01/2020 to 09/30/2021

Section 17 Program Integrity

17.2 Identification Documentation Requirements

Social Security Numbers:

All Applicants two years of age or older must provide proof of Social Security Number (SSN), unless an Applicant's SSN can be verified by using the electronic verification process established between MaineHousing and the Social Security Administration. Any document used to prove SSN must contain all nine (9) digits and the Applicant's full name. Acceptable documents are:

- a. Social Security Card issued by the Social Security Administration;
- b. SSA-1099 tax form;
- c. Non SSA-1099 tax form;
- d. Medicare card with card number ending in the suffix "A";
- e. Internal Revenue Service form 1095-C Employer-Provided Health Insurance Offer and Coverage;
- f. Valid unexpired U.S. Military documents such as DD 214 Certificate of Release or Discharge from Active Duty issued by the U.S. Department of Defense;
- g. Bank tax form; or
- h. W-2 (current wage and tax statement).

If the household includes a child under the age of two who has not received a SSN, the application is processed. However, the applicant must provide the child's SSN for subsequent program year applications.

Verification of Primary Applicant's Identity:

Subgrantees shall verify Primary Applicants' identities by requesting valid unexpired government-issued identification cards. One of the following can be provided to establish the identity of the Primary Applicant:

- Driver's license;
- State issued ID card;
- Passport or passport card; or
- U.S. Military ID

Non-U.S. Citizens:

If a Household member is not a U.S. citizen, Applicant must provide a Social Security Card issued by the Social Security Administration or one of the following:

1. Permanent Resident Card (I-551)
2. Unexpired foreign passport stamped by the U.S. Government indicating that the holder has been "Processed for I-551"

3. Permanent resident Re-entry Permit (I-327)
4. Arrival Departure Form I-94 with “Temporary I-551” stamp and holder’s photograph affixed
5. Travel Document issued to Permanent Residents (I-327)
6. Travel Document issued to Refugees (I-571) Form I-94 stamped with one of the following statuses: Asylee, Parolee or Parole, Refugee, Asylum, HP-humanitarian parolee, PIP-public interest parolee, or Cuban-Haitian Entrant

17.3 Identification Verification

For Applicants who self-declare receipt of social security income, Social Security benefits and Applicant identity will be verified by using the electronic verification process established between MaineHousing and the Social Security Administration. If Social Security benefits cannot be verified via the electronic verification process, Applicants will be required to provide a copy of their Social Security award letter.

17.6 Protection of Privacy and Confidentiality

Any information obtained by grantee or Subgrantee, its employees, agents, contractors, or any other representatives in the administration of Programs, whether obtained from the applicant or household or from a third-party, shall be kept confidential and shall not be made available for public inspection or released to any person, entity or agency unless: there is written consent to do so; information is required for an audit or the like; applicant or household has released such information for participation in a fair hearing; or disclosure of said information is required by law.

Any statements of financial condition or information concerning LIHEAP or Energy Crisis Intervention Program (ECIP) applicants or recipients submitted to vendors, or its employees, agents, contractors or other representatives is kept confidential.

Contracts with Subgrantees and energy vendors include specific guidelines for protecting client confidentiality and personally identifiable information. Keeping protected information secure is an obligation mandated by contractual agreements between MaineHousing and its partners.

Additionally, MaineHousing has an Acceptable Use Policy in-place with Subgrantees.

17.9 Benefits Policy

MaineHousing uses Vendor Agreements, annual reports provided by all contracted vendors, and on-site monitoring. LIHEAP household shall select vendor who has entered into a Vendor Agreement to provide Home Energy; HEAP benefits are paid directly to vendor.

Vendors must maintain records, including delivery tickets, for all customer deliveries. Each year MaineHousing audits a number of vendors on a rotating basis. MaineHousing verifies the vendor’s

compliance with LIHEAP policies and procedures and selects for review, at a minimum, a 10% sample of client accounts. Delivery tickets are verified to ensure that the vendor is making deliveries and is providing the required discount.

If significant problems are found, MaineHousing places the vendor on a “Watch List”. The vendor will receive benefit payments post-delivery and will be closely monitored by MaineHousing.

MaineHousing investigates any and all client, Subgrantee, or third-party reports of vendor issues and pursues corrective action with the vendor as warranted (including placement on the Watch List).

17.10 Investigations and Prosecutions (Other description)

Primary Applicants will be required to refund any overpayment. A Household’s eligibility to receive benefits from Programs is contingent on the resolution of any overpayment.

1. MaineHousing will recoup 50% of all outstanding overpayments from any current or future Benefits until the overpayment is paid in full.
2. The Household may be eligible for ECIP if they have entered into and are in compliance with the terms of a repayment agreement with MaineHousing to resolve the overpayment or the overpayment has been paid in full.
3. The Household will not be eligible to receive benefits under the Weatherization Assistance Program or CHIP until the overpayment is paid in full.

“Overpayment” means any HEAP benefit paid to, or on behalf of, any Applicant or Household that exceeds the amount the Applicant or Household was eligible to receive.

BENEFIT DETERMINATION

- The number of points assigned to an Eligible Household will be determined pursuant to the following:

Calculated or Reported Energy Cost	Points
\$0.01-\$400	5
\$401-\$800	10
\$801-\$1200	15
\$1201-\$1600	20
\$1601-\$2000	25
\$2001-\$2500	30
\$2501 and over	35
Calculated or Reported Energy Cost falling between brackets will be rounded to the next higher or lower dollar amount, as appropriate. For example: \$400.01-\$400.49 will be rounded to \$400; \$400.50-\$400.99 will be rounded to \$401.	

Poverty Level as Calculated under the Federal Poverty Income Guidelines	Percentage of Points
0%-25%	130%
26%-50%	120%
51%-75%	110%
76%-100%	100%
101%-125%	90%
126%-150%	80%
>than 150% FPIG but not exceeding the maximum of the greater of 150% FPIG or 60% State Median Income	70%
Calculated poverty level amounts falling between brackets will be rounded to the next higher amount. For example: income at 75.1% will be rounded to 76%.	

All final point results that are fractional will be rounded up to the nearest whole number.

Final point results will be multiplied by a dollar-per-point value, which is set by MaineHousing upon confirmation of LIHEAP grant/award amount.

Section 2.6 of the Model Plan:

FFY 2020 minimum and maximum benefits were calculated using the tables above and point values for the Consumption based and Design Heat Load Calculation method, which were \$44 and \$33 per point respectively.

FFY 2020	Minimum Benefit = \$132	Maximum Benefit = \$2,024
Consumption	Lowest consumption (\$0-\$400) = 5 points	Highest consumption (\$2,501+) = 35 points
Income	Highest income (greater of 150% FPL or 60% AMI) = 70% of points	Lowest income (0%-25% FPL) = 130% of points
Final points	5 x 0.70 = 4 points	35 x 1.30 = 46 points
Benefit	\$33 x 4 points = \$132	\$44 x 46 = \$2,024

2. Calculating Energy Costs. Energy Costs are calculated by the Consumption Based or DHLC method.

A. Consumption Based. Energy Costs will be based on the Eligible Household’s actual Home Energy deliveries, as reported on the Annual Consumption Report, for the primary Heating System as declared on the Eligible Household’s Application.

1. If the primary Heating System is electric, Energy Costs will be calculated by deducting \$600 from the annual electricity cost as reported by the Vendor on the Annual Consumption Report. The \$600 deduction eliminates the non-heating usage of electricity.
2. If an Eligible Household resides in Subsidized Housing and has a Direct Energy Cost, any annual utility allowance for heating will be deducted from the Eligible Household’s Energy Cost reported by the Vendor on the Annual Consumption Report.
3. Energy Cost will be calculated using the Consumption Based method provided the Eligible Household meets the following requirements:
 - i. The Eligible Household has a Direct Energy Cost and;
 - ii. An Applicant occupied the residence for the entire previous Heating Season and;
 - iii. The Eligible Household purchased all of their Home Energy for their primary Heating System from a Reporting Vendor(s) for the previous Heating Season and;
 - iv. Reporting Vendor(s) submitted an Annual Consumption Report to MaineHousing that provided the Eligible Household’s Home Energy delivery information and;
 - v. The Eligible Household’s Energy Costs, as reported by Vendor(s) to MaineHousing, is for their residence only and;
 - iv. The Eligible Household’s primary Heating System does not use wood, wood pellets, corn, coal, or bio-bricks.

B. Design Heat Load Calculation. DHLC shall be used to estimate the Energy Costs for Eligible Households that do not meet the requirements of the Consumption Based method. Under the DHLC, the number of rooms occupied by the Eligible Household shall be multiplied by the number of BTUs needed to heat an average sized room in a Dwelling Unit. That product will then be multiplied by the number of square feet of an average sized room in a Dwelling Unit. Next, that second product will be multiplied by the number of heating degree days of the Service Area in which the Eligible Household’s Dwelling Unit is located. That third product is then divided by one million BTUs. The quotient is then multiplied by the cost of the Eligible Household's primary Home Energy type per one million BTUs. That fourth product is then divided by the efficiency rate of the primary

Home Energy type to arrive at the Eligible Household's amount of energy consumption. The cost per one million BTUs and efficiency rate of the Applicant's Home Energy type will be periodically established by MaineHousing. The DHLC is based on the following factors:

1. The total number of rooms in the Dwelling Unit as listed on the Application. Hallways, bathrooms, and closets are not counted in the total number of rooms;
2. An assumed standard room size for the Dwelling Unit type. Standard room sizes and BTUs required to heat a Dwelling Unit vary by Dwelling Unit type because average room size and surface area exposure to the elements vary by Dwelling Unit type. The standard room sizes and BTUs used for each Dwelling Unit type are as:

Dwelling Unit Type	Standard Room Size	BTUs
Stick-built/Modular	144 square feet	14.3
Manufactured Home/mobile home	100 square feet	13
Apartment	120 square feet	8.3

3. The heating degree days for the Service Area. Heating degree days are determined by the National Weather Station in Gray, Maine.

Subgrantee	Service Area - counties	Heating Degree Days
Aroostook County Action Program	Aroostook	9543
Community Concepts, Inc.	Androscoggin, Oxford	7373
Kennebec Valley Community Action Program	Kennebec, Somerset	7680
Kennebec Valley Community Action Program	Lincoln, Sagadahoc	7420
Penquis Community Action Program	Penobscot, Piscataquis	8245
Penquis Community Action Program	Knox	7359
The Opportunity Alliance	Cumberland	7426
Waldo Community Action Partners	Waldo	7297
Downeast Community Partners	Washington, Hancock	7771
Western Maine Community Action	Franklin	8866
York County Community Action Corporation	York	7012

4. The estimated BTUs required to heat the Dwelling Unit;
5. Average cost per one million BTU. MaineHousing determines the average costs per one million BTU annually. Oil, kerosene, and propane costs are obtained by averaging the costs reported by the Governor's Energy Office (GEO). Average costs for all other fuel types are based on a representative survey of Vendors' pricing.
6. The efficiency rate for the primary Home Energy type listed on the Application. The Energy Cost per one million BTU and efficiency rate are based on the primary Home Energy type specified on the Eligible Household's Application.

Home Energy Type	Efficiency Rate
Oil	65%
Kerosene	65%
Propane	65%
Natural Gas	65%
Electric	100%
Firewood	50%
Corn	60%
Wood Pellets	80%
Bio-bricks	80%



2021-2022 Low Income Housing Tax Credit Qualified Allocation Plan



CHAPTER 16 LOW-INCOME HOUSING TAX CREDIT RULE

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99-346 MAINE STATE HOUSING AUTHORITY

Chapter 16: LOW-INCOME HOUSING TAX CREDIT RULE

SECTION 1: INTRODUCTION

The federal Low-Income Housing Tax Credit (LIHTC) was created by the Tax Reform Act of 1986 to encourage private capital investment in the development of affordable rental housing. It is governed by [Section 42](#) of the Internal Revenue Code of 1986, as amended, and associated regulations. As the designated housing credit agency for the State of Maine, MaineHousing is required by [Section 42](#) of the Code and [30-A MRSA §§4741\(1\) and \(14\)](#) to adopt a Qualified Allocation Plan (QAP) for allocating and administering LIHTC; this rule is the State's QAP.

This rule repeals and replaces in its entirety the prior Chapter 16, *Low Income Housing Tax Credit Rule*, except that the allocation provisions continue to apply to projects that were awarded LIHTC under a prior rule, or a program subject to a prior rule.

Capitalized terms used in this rule are defined in **Appendix A**, unless the context otherwise indicates, or if not defined therein, have the same meaning as set forth in [Section 42](#) of the Code.

SECTION 2: HOUSING NEEDS AND PRIORITIES

MaineHousing and the Department of Economic and Community Development annually complete a statewide needs assessment as part of the Consolidated Housing and Community Development Plan. *Maine Consolidated Plan (2020-2024)* establishes the following housing priorities:

- A. expand affordable housing opportunities;
- B. improve and preserve the quality of housing; and
- C. help Maine people attain housing stability.

SECTION 3: SET-ASIDES AND MAXIMUM CREDIT AMOUNT

- A. Nonprofit Set-Aside. MaineHousing will set aside ten percent (10%) of the annual State Ceiling for Projects in which a Qualified Nonprofit Organization owns an interest and materially participates in the development and operation throughout the Compliance Period in accordance with [Section 42\(h\)\(5\)\(B\)](#) of the Code. An Applicant will qualify if it is owned by either a Qualified Nonprofit Organization, or a business corporation which is 100% owned by one or more Qualified Nonprofit Organization(s), and (in accordance with [Section 42\(h\)\(5\)\(C\)](#) of the Code) it is the general partner or manager/managing member and controls the Project's development and day-to-day operation.

- B. Preservation Set-Aside. MaineHousing will set aside up to \$300,000 of the annual State Ceiling for the preservation and rehabilitation of one existing multifamily rental housing project if the scope of rehabilitation meets the minimum requirements set forth in Section 5.D.2. and one of the following:
1. at least 25% of its units, or those in a Related Development, are assisted under a Rural Development program; or
 2. at least 25% of its units will be converted to Section 8 under HUD’s Rental Assistance Demonstration (RAD) Program.
- Demolition and reconstruction on an existing housing site will be treated as new construction and is not eligible for this set-aside.
- C. Maximum Credit Amount. The maximum amount of Credit that will be allocated for each Project is the least of (i) \$20,000 per Credit Unit, (ii) 25% of the State Ceiling, and (iii) the amount MaineHousing determines is necessary to ensure the Project’s financial feasibility and long-term viability.

SECTION 4: ALLOCATION PROCESS

- A. Pre-Application Submission. Each Project must undergo a mandatory Pre-Application review by MaineHousing to assess its feasibility, suitability for housing, and eligibility for Credit. Applicants must submit the information and documents set forth in **Appendix B** with the pre-application fee specified in Section 4.C. to MaineHousing by Thursday, July 9, 2020 for the 2021 QAP and by Thursday, June 10, 2021 for the 2022 QAP. MaineHousing will discuss Projects with 2021 QAP Applicants by Tuesday, August 11, 2020 and with 2022 QAP Applicants by Tuesday, July 13, 2021. An Applicant will not be eligible for Credit if
1. it fails to provide a complete Pre-Application submission in accordance with this subsection, or
 2. there is any material change in the Project between the Pre-Application submission and the Application unless required by MaineHousing.
- B. Application. Applications are subject to the following limitations, conditions and requirements:
1. Existing Housing.
 - a) Acquisition and Rehabilitation Projects. Projects that involve the acquisition and rehabilitation of Affordable Housing must include the addition of at least 20 new units, or meet the requirements of the Preservation Set-Aside in Section 3.B.

- b) Demolition of Existing Housing. Demolition of existing housing that has not been condemned or declared blight by a municipality is not eligible unless approved by MaineHousing.
2. Deadline. The deadlines for submitting Applications are 5:00 PM on Thursday, September 24, 2020 for the 2021 State Ceiling and 5:00 PM on Thursday, August 26, 2021 for the 2022 State Ceiling.
 3. Format. The Application must be completed and submitted electronically in the form and manner prescribed by MaineHousing. MaineHousing may require the Applicant to submit additional information.
- C. Fees. Applicants must pay the following fees when due. All fees are non-refundable.

Type of Fee	Amount	Due Date
Pre-application Fee	\$2,000	By Pre-application deadline in Section 4.A.
Application Fee	\$2,500	Postmarked for delivery by Application deadline in Section 4.B.2
Allocation Fee	7.5% of Credit	Earlier of Carryover Allocation (Section 8.B.) or Final Allocation (Section 8.A.)
Monitoring Fee*	\$1,000 per Credit Unit	Final Allocation (Section 8.A.)

*MaineHousing may charge an additional monitoring fee to cover any increased costs due to income averaging or other extraordinary monitoring requirements during the Compliance Period.

- D. Ineligible Applicants. An Application will be deemed ineligible if one or more of the following has occurred:
1. The Applicant, any Principal thereof, or Affiliates of either
 - a) has an uncorrected IRS Form 8823 in connection with any LIHTC Project to the extent it is correctable unless previously waived by MaineHousing;
 - b) has been declared in default or has been 60 calendar days or more delinquent on any loan with MaineHousing, unless the default or delinquency has been cured or there is an approved payment or workout plan in good standing prior to the Application deadline;
 - c) has ever been the owner of any project in which MaineHousing has foreclosed a mortgage interest or received a deed-in-lieu of foreclosure of a mortgage interest unless previously waived by MaineHousing;

- d) is presently debarred, suspended, proposed for debarment, or excluded from participation in any federal or state programs;
 - e) has in the last 10 years either commenced or had commenced against it any proceeding in or for bankruptcy, receivership, reorganization or any other arrangement for relief from creditors commenced against it that affected a MaineHousing-funded project that was not dismissed within 90 calendar days; or
2. The tax credit syndicator, investor, or Affiliates of either
- a) transferred its interest in any LIHTC Project after March 25, 2014 in violation of the Ownership Transfer Rule; or
 - b) failed to make any required capital contributions with respect to any LIHTC Project, and has not corrected such actions prior to the Application deadline.

MaineHousing may reject the Application if it determines the deficiencies are not addressed. MaineHousing may also require financial statements from the Applicant, Principal thereof, or Affiliates of either.

- E. Notice to Local Jurisdiction. Upon receipt of an Application, MaineHousing will notify the Chief Executive Officer of the municipality with jurisdiction over the location of the proposed Project. The notice will provide for a 15-day comment period. MaineHousing will consider any comments received.
- F. Selection Process. Applications for the State Ceiling with the highest scores will be awarded Credit until the applicable State Ceiling is fully awarded.
 - 1. The preservation set-aside is limited to one Project. If the set-aside is not sufficient to complete the Project proposed in the highest scoring eligible Application, MaineHousing may allocate additional Credit, allocate the Credit under the set-aside to the next highest-scoring eligible Application that does not need more than the set aside, or not allocate any Credit under the preservation set-aside. All Applications that participate in the preservation set-aside and do not win will be placed on a waiting list.
 - 2. The highest scoring Qualified Nonprofit Organization will be the winner of the nonprofit set-aside regardless of its ranking among other Applicants. If the set-aside is not fully awarded to the highest scoring eligible Applicant, MaineHousing may allocate additional Credit to the next highest scoring eligible Applicant for the set-aside, not fully allocate Credit under the set-aside, or require an Applicant that has not indicated that it is participating in the set-aside to participate in the set-aside. MaineHousing may, if necessary, require the Applicant to change its ownership structure. All Applications that participate in the nonprofit set-aside and do not win will be scored with the other Applications.

3. Except as set forth above, MaineHousing will make awards in score order to select threshold-eligible Applications. If the last Application selected for an award of Credit needs more Credit than remains under the applicable State Ceiling, MaineHousing may elect to either (a) not award the remaining Credit to any Application, or (b) award additional Credit under the next annual State Ceiling to the Application. All threshold-eligible Applications that are not selected will be placed on a waiting list. Any Credit that is returned or is otherwise unused will be made available to waiting list Applications using this process.
- G. Notice to Proceed. MaineHousing will meet with each Applicant selected for a Credit award. If the Applicant accepts the Credit award conditions, MaineHousing will issue a Notice to Proceed. Applicants must execute and return the Notice within the time period specified.
 - H. Credit Allocation. Upon receipt of the fully executed Notice to Proceed, MaineHousing will evaluate the Application pursuant to Section 7 to determine the amount of Credit, if any, to be allocated.
 - I. Termination of Application or Notice to Proceed. MaineHousing will deem an Application withdrawn and any Notice to Proceed cancelled if one or more of the following occur without MaineHousing's written approval after the Application is submitted:
 1. The Application or the Notice to Proceed is assigned or the Applicant or any Principal thereof changes;
 2. The location of the Project changes from the location identified in the Application;
 3. There is any change which would result in a net reduction in the Application's score except as provided in Section 6.H;
 4. There is a change in the Project's design or financing from what was in the Application which MaineHousing determines would result in a substantial increase in the amount of Credit or other MaineHousing funding;
 5. The Project's TDC Index exceeds the TDC Index Cap, or any other failure to meet the threshold requirements in Section 5;
 6. There is any other material or substantive amendment or change to the Application; or
 7. Any event in Section 4.D. occurs and is not cured within any applicable cure period

SECTION 5: THRESHOLD REQUIREMENTS

Applications must meet the following threshold requirements to be eligible for Credit:

- A. **Affordability.** An Applicant must agree that the Project will comply with [Section 42](#) of the Code and this QAP for a minimum period of 45 years to maintain the Project as residential rental housing, keep at least 60% of the total Credit Units in a Project occupied by persons with 50% area median income and keep the Credit Units in the Project rent-restricted in accordance with [Section 42](#) of the Code. The applicant waives the right to request MaineHousing to present a qualified contract under [Section 42\(h\)\(6\)](#) of the Code.
- B. **Section 811.** For Family Housing, the Applicant agrees to accept HUD Section 811 Project Rental Assistance (PRA) and comply with the program requirements, if made available by MaineHousing. This does not necessarily constitute a commitment of PRA funding.
- C. **Total Development Cost (TDC).** Cost reasonableness will be evaluated using an index, which is the weighted average of the TDC per unit and the TDC per bedroom. For mixed-use projects, the TDC for only the residential portion of the project, including common areas, will be used for this calculation. The weighted average will be calculated as follows:

$$([2 \times \text{TDC/unit}] + [\text{TDC/bedroom}]) \text{ divided by } 3.$$

The product of this calculation will be referred to throughout this document as the “TDC Index”. An Application will be rejected if the TDC Index exceeds the TDC Index Cap below for a project of its type at any time prior to the later of the construction loan closing or carryover allocation.

Type of Project	TDC Index Cap
Adaptive Reuse	\$270,000 per unit
New construction	\$255,000 per unit
Acquisition and rehabilitation of existing housing	\$165,000 per unit

Demolition and reconstruction of all housing on the same site or another site will be treated as new construction. If a Project involves more than one project type, the TDC Index Cap for the Project is the average of the TDC Index Caps allocable to each type, weighted by the number of units of each type. TDC Index Caps are increased by 3% for Projects that receive Passive House Certification.

- D. **Acquisition and Rehabilitation of Existing Housing.** Projects that involve the acquisition and rehabilitation of existing multifamily housing are subject to the following:
 1. **Capital Needs Assessment.** The Application must include a capital needs assessment satisfying the requirements set forth in **Appendix C**.
 2. **Minimum Rehabilitation Requirements.** The Rehabilitation Costs per unit of existing housing must be at least \$50,000.

3. Relocation/Displacement. The Project must comply with MaineHousing's *Temporary Relocation and Permanent Displacement Policies* and, if the Project is federally-assisted, all applicable federal requirements, including the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended. The Applicant must take reasonable steps to minimize the displacement of existing tenants of the Project. The Application must identify any tenants who will be permanently displaced and the reason for the displacement. The Project's TDC must include all costs associated with permanent and temporary displacement or relocation. MaineHousing will not allocate Credit until it has approved a project's relocation plan.
- E. Development and Management Experience and Capacity. Applicant teams must have sufficient knowledge, experience and capacity to adequately design, develop, complete, maintain, manage, and operate LIHTC Projects and to provide related services, such as accounting, tax and legal advice, and resident service coordination. If MaineHousing determines the Applicant's team lacks sufficient qualifications, the team may be required to
1. hire a qualified consultant,
 2. hire additional qualified staff, or
 3. replace a team member.
- F. Site Control. The Applicant must have site control of the Project throughout the Application process in the form of an option, a purchase and sale contract, ownership, or long-term lease. The Applicant, its agents, and MaineHousing must have access to the Project site, and if the Project is an existing occupied property, access to records and other information about the existing tenants, including current rent and income information.
- G. Growth Management Limitations. A Project that involves the new construction or acquisition of newly-constructed residential rental property or the conversion of existing buildings to residential rental property must comply with the State's Growth Management Law, [30-A M.R.S.A. § 4349-A](#), as amended. Projects must meet one of the following two sets of criteria to be eligible for a Credit allocation:
1. If the municipality in which the Project is located has adopted a comprehensive plan or growth management plan that is consistent with applicable State law, then the Project must be in a designated growth area as identified in such plan; or
 2. Otherwise the Project must be located in an area
 - a) served by a public sewer system with existing capacity for the Project,
 - b) identified as a census-designated place in the latest Federal Decennial Census, or
 - c) in an urban municipality and defined under [23 M.R.S.A. § 754](#) as compact.

The law exempts projects that exclusively serve certain populations, such as persons with disabilities, who are homeless, or are wards of the State.

H. Project Feasibility. The Applicant must have the financial ability to develop and complete the Project and to operate it throughout the Compliance Period.

1. Development Budget. The Applicant must identify

- a) all sources of funding for development and completion, whether direct or indirect, including the amount, timing, terms, conditions, and status (e.g. “applied for” or “committed”) as of the date of the Application and uses of the funding based on the projected costs of and schedule for developing and completing the Project; and
- b) all sources and uses of funding for the Project, whether direct or indirect and whether they are included in the development budget for the Project.

2. Operating Budget. The Applicant must identify all

- a) sources of income, including rent from the residential units, any income from commercial or non-residential space, and the amount, terms and conditions of rental or operating assistance; and
- b) costs of operating the Project as projected over the Compliance Period. The Applicant also must identify all forms of property tax relief (such as a PILOT, tax abatement or exemption, or Tax Increment Financing) and other assistance that reduces operating costs.

3. Related Development. Any Related Development must be completed prior to or concurrently with the completion of the Project, and there must be sufficient funding to operate the Related Development.

4. Financial Re-Characterization. MaineHousing may re-characterize any information about the sources and uses for a Project and any Related Development, such as information that is inconsistent with the requirements of a funding source or is unreasonable based on comparable LIHTC Projects, industry standards, or market conditions. The Applicant must address all development and operating deficits identified by MaineHousing.

I. Project Design. The design and construction or rehabilitation of the Project must comply with MaineHousing’s Construction Standards and all applicable local, state and federal codes, regulations, statutes and ordinances.

J. Project Amenities. The Project must have the following amenities and services:

1. Community Room. The Project must include an on-site community room with sufficient capacity to serve tenants' needs. For a scattered-site Project, only one community room is required and should be centrally located to the greatest extent possible to best serve all tenants;
2. Laundry Facilities. The Project must include either a washer/dryer hook-up in each unit or a fully accessible, centrally located laundry facility with sufficient capacity to serve all tenants; and
3. Telemedicine Capabilities. The Project must include broadband infrastructure with capacity sufficient to support the provision of Telemonitoring and/or Telehealth services.

Broadband infrastructure includes cables, fiber optics, CAT5e (or greater) interior wiring, or other permanent (integral to the structure) infrastructure, including wireless infrastructure, as long as the installation results in broadband infrastructure in each dwelling unit sufficient for the build-to standard established by ConnectME Authority.

The providers and the tenants may not be charged for the use of the internet or wireless and telephone services provided for telemedicine services.

4. Shared Facilities. An amenity will meet the requirements if the Project
 - a) is fully accessible and located on an accessible path to the Project,
 - b) is within an existing multifamily housing project adjacent to the subject site,
 - c) has sufficient capacity to serve both the Project's tenants and the existing project,
 - d) will be available to the Project's tenants during the Compliance Period on the same terms as the residents of the existing multifamily project, and
 - e) will not charge the tenants to use the shared amenity other than a reasonable fee that does not exceed the amount charged to any others for the same use.
5. Recreational Activities. An area(s) of recreational activity must be located on the Project site or within a ½ mile. The area(s) and activities must be free of charge to the tenants and not require membership. Projects with single-family detached style units satisfy this requirement if each unit has a private lawn with sufficient room for playground equipment, gardening or other activities acceptable to MaineHousing.
6. Exceptions. The requirements of this subsection do not apply to existing multifamily housing projects if the Applicant cannot comply with the requirements because of the nature of the site, structural limitations, zoning restrictions or other land use limitations.

- K. Resident Service Coordination. The Applicant must make a resident service coordinator available to the tenants on-site a minimum of one (1) hour per week for every five (5) Credit Units over an appropriate number of days each week acceptable to MaineHousing. The coordinator shall meet with tenants in a private and confidential manner to evaluate individual needs and make appropriate referrals. The services provided must be free of charge to the tenants. The Applicant must maintain adequate funding throughout the Compliance Period.
- L. Smoke-free Housing. The Applicant must
 - 1. implement a written occupancy policy prohibiting smoking in the units and common areas,
 - 2. include a non-smoking clause in the lease for every household, and
 - 3. make educational materials on tobacco treatment programs (including the phone number for the statewide Maine Tobacco HelpLine) available to all tenants through the resident service coordinator.
- M. Waiting List Preference. The Applicant must give an occupancy preference to eligible persons whose names are on a public housing or Section 8 waiting list, except for Projects financed by Rural Development or with Section 8 Project-Based Rental Assistance.

SECTION 6: SCORING CRITERIA

The Applicant must complete all information and submit all documentation required to be eligible for points.

Project Characteristics

- A. Rehabilitation or Reuse of Existing Housing, Structure or Site. **3 Points**

The Project site exhibits one or more of the following characteristics:

- 1. Replacement or rehabilitation of existing rental housing containing 5 or more units without permanently displacing any existing tenants or increasing their housing costs (including rent and all other charges paid by the tenant) by more than 10%;
- 2. Rehabilitation, remediation, or reuse of an existing building or structure that has a current use other than multifamily rental housing;
- 3. One or more buildings or structures used for purposes other than single family residential housing or agriculture purposes, have been or will be demolished or removed for purposes of redeveloping the site;

4. Left vacant or nearly vacant in the development of a downtown or other city or town center, such as a vacant lots or parking lots abutting commercial buildings and/or multifamily rental housing; or
5. Specifically designated by a municipality for redevelopment to renew a blighted area or remediate environmental risks to the occupants.

Vacant lots in single-family residential areas are not eligible for points under this subsection. Undeveloped portions of existing sites are not eligible for points unless the existing project on the site previously satisfied one of the above criteria.

B. Historic Rehabilitation. 3 points

The Project includes the rehabilitation of a certified historic structure using capital contributions generated from federal and state historic rehabilitation tax credits.

C. Populations with Special Needs. 3 points

The Project gives an occupancy preference for at least 20%, but not less than 4 of the units, to persons who are homeless or displaced, have disabilities, are victims of domestic violence, or have other special housing needs.

The Applicant must commit to maintain a waiting list for the specific population(s) that qualify for the preference or the set-aside, and must make appropriate, voluntary services available through a qualified third-party provider other than the resident service coordinator required under Section 5.L.

D. National Housing Trust Fund. 1 point

The Applicant agrees to accept and use any funding from MaineHousing’s National Housing Trust Fund program for the Project. Any funding award will require a certain number of units in the Project to be affordable to and occupied by Extremely Low Income households. Awarding points is not a commitment of funding from the National Housing Trust Fund.

E. Family Housing. Up to 6 points

The Project is for families and a minimum percentage of the Credit Units are two and/or three or more bedroom units as follows:

Project for Families with Minimum Percentage of Credit Units by Bedroom Size	Points
At least 50% of the Credit Units are two or more bedroom units and at least 20% of the Credit Units are three or more bedroom units	6 points
At least 70% of the Credit Units are two or more bedroom units	3 points

F. Readiness. **6 points**

MaineHousing must approve both the design to be submitted to the municipality and the State and the final design, including all plans, details and specifications. The Project and any Related Developments must have all

1. municipal land use approvals (except building and other permits customarily issued during construction), and
2. State land use approvals (such as site plan, subdivision, storm water, or wetlands approvals) required to proceed with and complete construction.

As of the Application date, the timeframe to appeal all such approvals must have expired with no appellate action being taken, or all appeals have been resolved.

G. Accessibility. **Up to 12 points**

One (1) point for each unit that

1. exceeds the minimum number of such units required by applicable federal and state accessibility laws, and
2. meets the requirements for a Type A unit under ANSI Standard A117.1-2009, up to the maximum points by project type below.

Type of Project	Maximum Points
Projects for Older Adults	12 points
Other Projects	6 points

Financial Characteristics

H. Below Market Capital. **Up to 6 points**

Points are based on Below Market Capital, relative to the Total Project Cost as follows:

Percentage of Below Market Capital to Total Project Cost	Points
\$100,000 (minimum amount) to 3%	1 point
>3% up to 6%	2 points
>6% up to 9%	3 points
>9% up to 12%	4 points
>12% up to 15%	5 points
>15%	6 points

If any Below Market Capital for which an Applicant was awarded points is reduced or terminated and the Project becomes infeasible, the Applicant must find alternative funding with similar terms within 90 calendar days of notification from MaineHousing or MaineHousing will re-score the Application. Rescoring may result in loss of funding or developer penalties in future rounds.

I. Acquisition Cost. **Up to 4 points**

Points are based on the percentage by which the acquisition costs are less than the average acquisition costs for a project of its type as follows:

Type of Project	Average Acquisition Cost
Acquisition and rehabilitation of existing housing	\$47,000 per unit
New construction	\$14,000 per unit
Adaptive Reuse	\$12,000 per unit

For purposes of this subsection, acquisition costs include

1. the purchase price for all of the land and any existing building(s) even if donated or leased to the Applicant at below market value,
2. the cost of razing or demolishing any building(s) and structure(s), or any part thereof, on the Project site, and
3. the Capitalized Lease Value of all leases of land or land and building(s) that are part of the Project, with the exception of parking spaces.

The value of any project reserves transferred to the Project as part of the acquisition and included in the purchase price will not be included for purposes of this subsection.

Percentage of Project's Acquisition Cost to Average Acquisition Cost	Points
0% to 1% (nominal)	4 points
>1% to <25%	3 points
25% to 50%	2 points
>50% to 75%	1 point

J. New Project-Based Rental Assistance. **Up to 6 points**

Points are based on the number of assisted units with a commitment of new eligible project-based rental assistance relative to the number of Credit Units.

Percentage of Assisted Units to Credit Units	Points
15% to < 25% (but not less than 4 units)	2 points
25% to < 50%	3 points
50% to < 75%	4 points
75% to <100%	5 points
100%	6 points

The assistance must be from RD or HUD, have similar terms to RD or HUD, or provide a minimum amount of \$200 per month for each assisted unit. Section 8 Project-based Vouchers ([24 CFR Part 983](#)) are only eligible if the vouchers were awarded pursuant to a competitive process prior to the Application date. Assistance made available, either directly or indirectly, by MaineHousing is not eligible.

K. Property Tax Relief. Up to 4 points

Points are based on the percentage of the Project’s annual incremental property tax revenue returned to the Applicant or foregone by the taxing authority as follows:

Percentage and Duration of Tax Benefit or Relief	Points
50% to <75% for at least 15 years	1 point
50% to <75% for at least 20 years	2 points
50% to <75% for at least 30 years	3 points
≥ 75% for at least 15 years	2 points
≥ 75% for at least 20 years	3 points
≥ 75% for at least 30 years	4 points

Only Tax Increment Financing, payment in lieu of taxes, abatement, or other property tax relief arrangement approved by the taxing authority and all other applicable governing entities is eligible. A Project that is either a) located in a jurisdiction that does not assess property taxes or b) is exempt from property taxes will be awarded one (1) point.

Funding made possible by an Affordable Housing TIF will not be eligible unless the Applicant submits a complete application for the TIF at least 30 calendar days before the applicable Application deadline.

Project Location

L. Housing Need. Up to 8 points

Points are based on the need for the type of housing in an area as follows:

1. Housing Projects for Older Adults located in the following Service Center Communities:

Housing Projects for Older Adults			
Service Center Community			Points
Auburn	Falmouth	Saco	8 points
Augusta	Kennebunk	Scarborough	
Bangor	Kittery	Sanford	
Biddeford	Lewiston	South Portland	
Brunswick	Old Orchard Beach	Topsham	
Caribou	Portland	Waterville Windham	
Bath	Hermon	Rockland	6 points
Belfast	Houlton	Rockport	
Brewer	Lincoln	Rumford	
Bridgton	Madawaska	Skowhegan	
Ellsworth	Millinocket	Westbrook	
Freeport	Presque Isle	Wiscasset	
Bar Harbor	Dexter	Norway	4 points
Bethel	Dover-Foxcroft	Oxford	
Blue Hill	Gardiner	Pittsfield	
Boothbay Harbor	Mexico	Rangeley	
Camden	Mount Desert	Van Buren	
Damariscotta	Newport		

2. Other Housing Projects in the following Service Center Communities:

Other Housing Projects (not specifically for Older Adults)			
Service Center Community			Points
Auburn	Brunswick	Rumford	8 points
Augusta	Lewiston	Sanford	
Bangor	Old Orchard Beach	South Portland	
Bath	Orono	Waterville	
Biddeford	Portland	Westbrook	
Brewer			
Bar Harbor	Gardiner	Saco	6 points
Belfast	Kittery	Scarborough	
Caribou	Madawaska	Skowhegan	
Ellsworth	Presque Isle	Topsham	
Falmouth	Rockland	Windham	
Farmington			
Calais	Houlton	Newport	4 points
Camden	Kennebunk	Norway	
Dexter	Lincoln	Pittsfield	
Dover-Foxcroft	Mexico	Rockport	
Fort Kent	Millinocket	Van Buren	
Hermon			

3. Projects located on Native American tribal lands will be awarded **8 points**.

For the 2021 QAP, municipalities receive their Housing Need score from the 2020 QAP if that score was greater.

M. Community Revitalization. **Up to 3 points**

Two (2) points if the Project is located within the boundaries of and contributes to the revitalization goals and efforts identified in a Community Revitalization Plan.

One (1) extra point if the Project also involves the preservation of existing Affordable Housing or is located in a QCT and at least 20% of the units are market rate.

N. Smart Growth. **Up to 15 points**

Smart Growth Feature	Points
Access to Public Transportation. The Project is located within a Safe Walking Distance (½ mile or less) of a designated pick-up location for existing Fixed-route Public Transportation.	5 points
Demand Response Transportation. Demand Response Transportation is available to all tenants with no eligibility criteria that would limit or deny service.	5 points
Proximity to Activities Important to Daily Living. The Project is located within not more than a ½ mile of at least 3 Activities Important to Daily Living.	5 points

O. High Opportunity Areas. **3 points**

The Project is located in a city or town that meets MaineHousing’s standards for high opportunity. High Opportunity Areas are communities with above average access to health care, services, economic activity, and quality education Municipalities that were High Opportunity Areas in the 2020 QAP are also deemed High Opportunity Areas for the 2021 QAP.

High Opportunity Areas			
	Eddington		Rockland
	Eliot		Rockport
Arundel			
Auburn	Ellsworth	Lisbon	Sabattus
		Litchfield	
Augusta	Falmouth	Lyman	Saco
Bangor	Farmingdale		Sanford
Bar Harbor	Farmington		Scarborough
	Fort Kent		
Bath	Freeport	Manchester	
		Mapleton	
		Mechanic Falls	
Belfast	Fryeburg	Minot	
Benton		Naples	Sidney
Biddeford	Glenburn	New Gloucester	South Portland
Blue Hill	Gorham	North Berwick	
Boothbay	Gray	Norway	Standish
			Thomaston
Bowdoin	Greene	Oakland	Topsham
Bowdoinham	Hallowell	Old Orchard Beach	Turner
Brewer	Hampden	Old Town	Union
	Hancock		
	Harpwell	Orono	Vassalboro
			Veazie
Bristol		Orrington	
Brunswick	Hermon		Waterville
Buxton	Holden	Phippsburg	Wells
	Houlton		West Bath
Camden	Kennebunk		West Gardiner
Cape Elizabeth	Kennebunkport	Portland	Westbrook
Caribou	Kittery	Presque Isle	Windham
Carmel			Winslow
Chelsea			Woolwich
Cumberland	Lebanon	Raymond	Yarmouth
Damariscotta			
Dayton			
	Lewiston	Richmond	York
Durham			

Sponsor Characteristics

P. Developer Capacity.

Up to 4 points

Points are based on the development experience of the Applicant, any Principal thereof, or Affiliates of either as follows:

Completed at least one multifamily rental housing project with MaineHousing funding or completed at least one LIHTC Project in another state(s).	4 points
Experience developing and operating multifamily rental housing or experience managing Affordable Housing, <i>and</i> the Applicant has a contract with a qualified LIHTC consultant to develop the Project.	3 points
Experience developing and operating multifamily rental housing.	2 points

Q. Owner Performance. Up to 4 Points

Points are based on the recent performance of the Applicant. MaineHousing may reject the Application if it determines outstanding deficiencies are not addressed, or require financial statements from the Applicant, Principals thereof, or Affiliates.

Has not been 60 calendar days or more delinquent in the payment of any MaineHousing loan since September 22, 2014 (except delinquencies resulting from the delay or loss of Section 8 housing assistance payments), declared in default by MaineHousing, nor had a municipal tax lien placed on any housing funded by MaineHousing.	2 points
For the 2022 QAP only, no LIHTC Projects still in their Compliance Period had a year-end operating deficit, in the last full Fiscal Year, unless the operating deficit was fully funded by the Application deadline.	1 point
Was not (a) issued an IRS Form 8823 for any reason other than a violation of UPCS or local inspection standards (box 11c) that was subsequently reported as “noncompliance corrected” within the correction period, nor (b) had an IRS audit finding resulting in a recapture event, since September 22, 2016.	1 point

R. Management Experience. Up to 3 points

The company that will manage the Project has at least

one (1) staff person with a minimum of three (3) years of experience successfully managing at least one (1) LIHTC Project.	2 points
one (1) staff person with LIHTC training for every 150 units in LIHTC Project(s) the company plans to manage.	1 points

S. Management Performance. Up to 3 points

Management Companies who have proven exceptional performance in their management of LIHTC Projects still in their Compliance Period are eligible for points as follows.

The average of the most recent physical plant inspection scores as of June 30 before the Application deadline is equal to Above Average or better.	1 point
The average of Project Reports submission scores for the last reporting period as of June 30 before the Application deadline is equal to Above Average or better.	1 point
The average of the most recent Management and Occupancy Review scores as of June 30 before the Application deadline is equal to Above Average or better.	1 point

T. Tie Breaker.

If more than one Application has the same score, the Application for the least amount of Credit and 0% deferred debt from MaineHousing per unit will have priority. If the Applications request the same amount of these resources, the Application with the most acceptable plan to convert the Project to affordable homeownership for the residents after the Extended Use Period will have priority. The plan must describe the process for transferring ownership to the residents, the purchase price or process for determining it, any financial assistance available for residents (including any reserves), how the affordability will be maintained, and must provide for homebuyer counseling and professional representation of the residents at the time of the conversion.

U. Review Process.

MaineHousing will notify each Applicant of its initial score in writing. If MaineHousing assigns a score in a scoring category which is lower than the score the Applicant assigned itself in the scoring category, the Applicant will have five business days from such written notice to demonstrate to MaineHousing that the Application as submitted should receive the higher score. MaineHousing will then make a final determination of scores and the ranking of Applications.

SECTION 7: PROJECT EVALUATION

A. Amount of Credit. The amount of Credit allocated will be determined as follows:

1. The Applicable Percentage for the month in which the calculation is made will be used to determine the amount of Credit;
2. The calculation of the amount of Credit will be based on 130% of Eligible Basis. MaineHousing has designated the entire State as a DDA under [Section 42\(d\)\(5\)\(B\)\(v\)](#) of the Code because of the high cost of developing housing, the low median income, and the high annual operating costs for housing relative to other states;

3. To determine the amount of Credit, MaineHousing will use the lesser of (a) the market rent, based on the Application market study as approved by MaineHousing, and (b) the maximum Credit rent. For three or more bedroom units MaineHousing will use the maximum Credit rent for two-bedroom units plus \$50.00;
4. The amount of Credit allocated for a Project will not exceed the least of
 - a) the amount the Project is eligible to receive under [Section 42](#) of the Code,
 - b) the amount MaineHousing determines is necessary for financial feasibility and viability throughout the Credit Period, and
 - c) the Maximum Credit Amount;
5. The Applicant must submit financial and all other required information. MaineHousing will evaluate the need for Credit based on
 - a) all sources of financing, including the terms and conditions,
 - b) equity expected to be generated by reason of tax benefits, and
 - c) the uses of funds, including the reasonableness of development costs and operating expenditures; and
6. In order to determine the amount of Credit, MaineHousing must identify a gap between development sources and uses absent a Credit allocation. MaineHousing may limit recognition of Intermediary Costs, re-characterize Project sources and uses and make reasonable assumptions with respect to projected revenues and expenses. MaineHousing will also take into consideration any federal limitations when combining the Credit with other federal assistance (i.e. “subsidy layering” guidelines).

B. Developer Fee. Developer Fee will be determined as follows:

1. Maximum Developer Fee. The total Developer Fee may not exceed the sum of 15% of the Housing Development Costs, plus 10% of the costs of acquisition of land, existing buildings and equipment, determined without regard to the Developer Fee.
2. Net Developer Fee. The amount of Developer Fee not deferred may not exceed \$750,000 plus any unused construction contingency returned to the Applicant after completion.
3. Additional Developer Fee. An Applicant is eligible for Developer Fee in excess of the Net Developer Fee calculated above only if it is deferred and used to increase the tax credit basis.

C. General Contractor Intermediary Costs. The general contractor’s Intermediary Costs must be

1. separated from other construction and rehabilitation costs,

2. with general conditions and overhead and profit parsed out, and
 3. no more than 14% of the Total Construction Cost, within the following ranges:
 - a) General conditions up to 6% of Total Construction Cost, and
 - b) Overhead and profit up to 8% of Total Construction Cost
- D. Time of Credit Determination. MaineHousing will determine the amount of Credit at the time of
1. Application, which will be evidenced by the Notice to Proceed;
 2. the allocation of Credit, including any carryover allocation;
 3. the date each Qualified Building is Placed in Service; and
 4. if a Qualified Building is allocated Credit pursuant to Section 9, the date of issuance of the tax-exempt bonds.
- Prior to each determination, the Applicant must certify the full amounts of all funding sources and provide any other information required by MaineHousing.
- E. Binding Agreement; Rate Lock. The Applicable Percentage for each Qualified Building will be based on the Placed in Service month unless the Applicant elects an earlier option.
- F. Market Study. The applicant must submit a comprehensive market study prepared by a qualified professional in accordance with the *National Council of Housing Market Analysis Model Standards for Market Studies for Rental Housing*. MaineHousing may require the Applicant to either correct any inadequacies it identifies or submit a new market study. MaineHousing also may elect to commission its own market study.
- G. Construction Cost Increases. MaineHousing may allocate additional Credit to a Project if its construction costs increase after the Application date and the increase is the result of market conditions or other circumstances beyond the Applicant's control. Any additional Credit will not exceed an amount necessary to generate equity equal to 5% of the Total Construction Cost based on construction bids.

SECTION 8: ALLOCATION OF CREDIT

- A. Allocation. MaineHousing will issue one or more IRS Form(s) 8609 after receipt of the following:
1. A complete request for allocation of Credit in a form prescribed by MaineHousing.

2. An audit report on the schedule of project costs prepared by an independent, third party certified public accountant including all associated costs (such as commissions, due diligence, legal, accounting, reserves, and other similar items).
3. Certification of the Project's sources, including all federal, state and local subsidies in any stage of commitment. This certification must include income, operating and development cost projections and methods for satisfying any deficits.
4. The allocation fee and monitoring fee less the amount of any allocation fee paid in connection with the issuance of a carryover allocation.

B. Carryover Allocation.

1. The Applicant must submit the following to receive a carryover allocation:
 - a) A complete request for carryover allocation in the form prescribed by MaineHousing no later than the first day of December of the year in which the carryover allocation is made.
 - b) Certification of the Project's sources, including all federal, state and local funding. This certification must include income, operating and development cost projections and methods for satisfying any deficits.
 - c) Development progress report, including completion likelihood.
2. The applicant must execute a carryover allocation and return it to MaineHousing, together with the allocation fee, no later than December 31 of the year in which the carryover allocation is made.
3. A carryover allocation will be subject to the following conditions:
 - a) satisfactory evidence that more than 10% of the Project's reasonably expected basis is incurred within 12 months of the carryover allocation, including an audit report prepared by an independent, certified public accountant; and
 - b) any performance conditions MaineHousing may require.

Failure to comply with these conditions may result in termination of the carryover allocation.

- C. Tax Credit Compliance Experience. Prior to an allocation the Applicant must demonstrate that the entity managing the Project has sufficient Credit compliance experience and training. The entity must complete a Credit compliance training or receive a certification from a MaineHousing-approved trainer.

- D. Extended Use Agreement. Prior to an allocation of Credit, the Owner must enter into an Extended Use Agreement with MaineHousing obligating the Owner to comply with [Section 42](#) of the Code, the threshold requirements in Section 5, and commitments for which the Application was awarded points. The Extended Use Agreement must be recorded in the appropriate registry of deeds prior to all mortgage liens and encumbrances on the Project and before MaineHousing issues any IRS Form 8609 for the Project.
- E. Converting a Carryover Allocation. MaineHousing may convert a carryover allocation to the year in which it is terminated or the following year if there are extenuating circumstances beyond the Applicant's control. The carryover allocation must be rescinded by the mutual consent of MaineHousing and the Applicant. There can be no change in the design or financing that would render the Application withdrawn under Section 4.I. The Project will be subject to the QAP in effect at the time of the original allocation.
- F. Forward Allocation of Credit. MaineHousing may issue a binding commitment to allocate State Ceiling available in the subsequent year upon determining that the amount of Credit in the current year's State Ceiling is insufficient.

SECTION 9: TAX-EXEMPT BOND FINANCED PROJECTS

Projects financed with tax-exempt bond proceeds must satisfy all QAP requirements except

- A. the Maximum Credit Amount limitation in Section 3.C.,
- B. the application limits in Section 4.B.1.,
- C. the application deadlines in Section 4.B.2.,
- D. the selection process described in Sections 4.F.,
- E. the affordability threshold requirement set forth in Section 5.A.,
- F. the requirement of a minimum \$50,000 per unit of Rehabilitation Costs for Projects involving the acquisition and rehabilitation of existing housing in Section 5.D.2.,
- G. the scoring criteria in Section 6, and
- H. the Developer Fee limits in Section 7.B.

SECTION 10: MONITORING

- A. Compliance with Applicable Laws. Owners must comply with all local, state and federal laws and regulations, including without limitation

1. [Section 42](#) of the Code and associated regulations and guidance,

2. UPCS and all other local, state and federal health, safety and building codes applicable to the Project;
 3. the [Federal Fair Housing Act, Title VIII of the Civil Rights Act of 1968](#), as amended by the Fair Housing Amendments Act of 1988 ([42 U.S.C. § 3601 et seq.](#)), Title II of the Americans with Disabilities Act of 1990 ([42 U.S.C. § 12101 et seq.](#)), and the Maine Human Rights Act ([5 M.R.S.A., Chapter 337, Subchapter IV](#)) and all other applicable federal, state and local fair housing and accessibility requirements, and the regulations, guidance and standards associated with all of the foregoing; and
 4. Title VI of the Violence Against Women Reauthorization Act of 2013, [42 USC Chapter 136, Subchapter III, Part M](#), and all associated regulations and guidance, as may be amended (VAWA).
- B. Recordkeeping and Record Retention. Each Owner must keep on file and available to MaineHousing upon request the following records for each Qualified Building in its LIHTC Project(s) for each year in the Extended Use Period:
1. The total number of residential rental units including the number of bedrooms and the square footage of each unit;
 2. The number of low-income units;
 3. The rent charged for each unit including any utility allowances;
 4. The number of occupants in each low-income unit;
 5. The number of low-income unit vacancies and information showing when, and to whom, the next available units were rented;
 6. Income certification and third-party documentation verifying the income of each household occupying a Credit Unit at the time of initial occupancy and for each new person added to the household after initial occupancy;
 7. Annual income certifications and third-party documentation verifying the income of each household occupying a Credit Unit in a LIHTC Project are required if not all of the units in the LIHTC Project are Credit Units, or the LIHTC Project is financed or assisted under a state or federal program that requires annual certifications.

For a LIHTC Project with 100% Credit Units that are subject to more than one income limit, annual income certifications are only required for the households occupying the Credit Units subject to the lower income limits. The annual certification may be a self-certification, except that third-party documentation verifying the income of the

household is required every 6 years from the date the LIHTC Project is Placed in Service and otherwise upon request by MaineHousing. The self-certification must be

- a) in writing,
- b) include the size of the household and annual household income,
- c) state that the information is complete and accurate,
- d) indicate that third-party source documentation will be provided if requested by the Owner or MaineHousing, and
- e) witnessed.

Annual income certifications are not required for a LIHTC Project with 100% Credit Units subject to the same income limit.

8. The Eligible Basis and Qualified Basis of each Qualified Building at the end of the first year of the Credit Period;
9. The character and use of the nonresidential portion of a Qualified Building included in its Eligible Basis;
10. A determination of the student status of the resident household;
11. The tenant occupancy policies and procedures and lease. The lease form and content must be acceptable to MaineHousing and comply with all applicable federal, state and local laws (including VAWA); and
12. All other disclosures to tenants, certifications and other records required by applicable local, state and federal laws.

Owners must maintain these records throughout the Extended Use Period for at least 6 years after the due date (with extensions) for filing the federal income tax return for that year, except that the records for the Credit Period's first year must be retained at least 6 years beyond the due date (with extensions) for filing the federal income tax return for the last year of the Compliance Period.

C. Annual Reports. Each Owner must submit the following to MaineHousing by March 1st of each year throughout the Extended Use Period:

1. Certification for the prior calendar year that the Owner's LIHTC Project(s) comply with IRS Treasury Regulation § 1.42-5(c)(1) and *MaineHousing's Low Income Housing Tax Credit Program Owner's Certificate of Continuing Program Compliance* attached hereto as **Appendix D**.

A completed and executed IRS Form 8609 for each Qualified Building must be submitted with the first certification; and

2. Certain information and data about the tenants in Credit Units for the prior calendar year, including household income; monthly rental payments; family composition; use of Section 8 rental assistance and other similar assistance; the race, ethnicity, age and disability status of the members of the households; and all other occupancy information required by MaineHousing.
- D. Review. For new LIHTC Projects, MaineHousing will complete a review of tenant records within two (2) years following the year the last Qualified Building is Placed in Service. MaineHousing will give owners reasonable prior written notice of a review. To the extent required by the Internal Revenue Service (IRS), MaineHousing will inspect low income certifications and tenant records in accordance with IRS Treasury Regulation § 1.42 5(c)(2)(iii)(A) through (D) and § 1.42 5(d) and will give no more than 15 calendar days prior notice.
- E. Inspections. Every one to three years after a Project is Placed in Service, MaineHousing will inspect LIHTC Projects. For new LIHTC Projects, MaineHousing will inspect Credit Units by the end of the second calendar year following the year the last Qualified Building is Placed in Service. MaineHousing will give reasonable prior written notice. To the extent required by the Internal Revenue Service, MaineHousing will inspect the LIHTC Projects in accordance with IRS Treasury Regulation § 1.42 5(c)(2)(iii)(A) through (D) and § 1.42 5(d) and will give no more than 15 calendar days prior notice.
- F. Notification of Noncompliance. MaineHousing will notify an Owner in writing of any failure to
1. submit any complete certifications or information required by MaineHousing when due,
 2. allow MaineHousing to perform any review or inspection required under this Section, or
 3. comply with [Section 42](#) of the Code or any others requirements under this QAP.

The Owner will have a reasonable period of time to correct the noncompliance identified in the notice. MaineHousing will file a Form 8823, “Low-Income Housing Credit Agencies Report of Noncompliance” with the Internal Revenue Service within 45 calendar days of the end of the correction period.

SECTION 11: GENERAL

- A. Conflicts. If this rule conflicts with [Section 42](#) of the Code or any other provision of federal or State law, the federal or State law shall control.

- B. Full Discretion. MaineHousing is entitled to the full discretion allowed by law in making all decisions and interpretations under this rule.
- C. Not an Entitlement. This rule establishes a pool of eligible Applicants but does not preclude additional reasonable criteria and does not confer any automatic right or entitlement to Credit on any person or entity eligible hereunder. MaineHousing may reject any and all Applications and may refuse to award any or all of the Credit.
- D. Final Agency Action. The director of MaineHousing, individually or by exercise of the delegation of powers contained in the Act, shall make all decisions and take all action necessary to implement this rule. Such action of the director shall constitute final agency action.
- E. Waiver. Upon a determination of good cause, the director of MaineHousing or the director's designee may, subject to statutory limitations, waive any provision of this rule. The waiver must be in writing and must be supported by documentation of the pertinent facts and grounds.
- F. Freedom of Access Act. MaineHousing is subject to the Freedom of Access Act, [1 M.R.S.A. §401 et seq.](#), which requires the disclosure of all information provided to MaineHousing that is not specifically excluded, such as confidential information under the Act. MaineHousing shall not be liable for the disclosure of any information that it determines must be disclosed under the Freedom of Access Act.
- G. Liability. Compliance with [Section 42](#) of the Code is the responsibility of the Owner. MaineHousing is in no way responsible for an Owner's compliance or liable for an Owner's noncompliance. Any allocation, review or inspection by MaineHousing and any determination made by MaineHousing pursuant to this QAP is for the sole benefit of MaineHousing. No liability or responsibility for Owner compliance with [Section 42](#) of the Code or other applicable requirements and no representation or warranty of a Project's feasibility or viability, eligibility for Credit, or compliance shall be implied or construed from any such actions and determinations by MaineHousing.
- H. Headings/Context. The headings in this rule are for convenience only and do not define or limit the scope of the provisions of this rule. The use of Section, Subsection or Appendix without a reference to another document or source refers to a section, subsection and Appendix of this rule.

STATUTORY AUTHORITY: [30-A MRSA §§4741\(1\) and 4741\(14\)](#), [Section 42](#) of the Internal Revenue Code of 1986, as amended

BASIS STATEMENT: This rule is the qualified allocation plan for allocating and administering federal low income housing tax credits ("LIHTC") in the State of Maine, which MaineHousing, as the State's designated housing credit agency, is required to adopt pursuant to [Section 42](#) of the Internal Revenue Code and the above-referenced sections of the Maine Housing Authorities Act.

99-346 Maine State Housing Authority
 Chapter 16 Low-Income Housing Tax Credit Rule
 May __, 2020
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This rule replaces the prior rule and includes the following changes:

Throughout

- 2 year QAP
- Updated deadlines, accelerated in 2022.
- Removed unnecessary and redundant language.
- Repaired grammatical errors (e.g. capitalization, punctuation, wrong tense, awkward wording, passive voice, etc.)
- Provided updated links for reference materials.

Cover Page Newly redesigned Cover Page

Section 2: Simplified and reworded the housing priorities to match the language in the new Maine Consolidated Plan

Section 4A: Pre-apps due July 9, 2020. Moved to June in 2021

Section 4B: Applications due September 24. Moved to August in 2021.

Section 5A: The requirement to keep 40% of the total credit units in the project at 50% area median income was increased to 60% of the units at 50% area median income.

Section 5C: TDC Index Caps. Adaptive Reuse increased to \$270K. New Construction increased to \$255K. Acquisition/Rehab increased to \$165K. Caps are increased and additional 3% for projects receiving Passive House certification.

Section 5I: Market Studies. No longer required to be dated before the application deadline. However, a current market study will be required before award.

Section 5J: Recreational Activities. Removed the “Safe Walking Distance” requirement. Now activities locations must be within half a mile by any common means of travel.

Section 6L: Housing Need. Updated to reflect changing demographics. Those municipalities that have fallen off will be allowed one additional year to claim points.

Section 6M: Tax Credit/Market Rent Differential points removed. The category favored more urban projects.

Section 6N: Smart Growth. Proximities to Activities of Daily Living. “Safe Walking Distance” requirement removed. 2 pts. for healthcare-specific services removed and added to total.

Section 6O. High Opportunity Areas. Updated to reflect new data regarding access to education, economic growth/jobs, income levels, access to health care, access to

transportation. Those municipalities that have fallen off will be allowed one additional year to claim the points.

- Section 6Q. Owner Performance. Operating Deficit scoring will not be included this year. A deficit will not be required to be funded this year.
- Section 6S. Management Performance. Changed the way the points were awarded. They are now based off Asset Management’s physical plant inspection, project report submission and MOR scores.
- Section 6U. Review Process. Developers will be notified of their score, given a week to agree or disagree with it, then MSHA makes a final determination and ranks scores.
- Section 7F: Market Study. Will still be required, just not at application deadline.
- Section 9F: Developer Fee limits. Removed language about Developers applying for interest-bearing debt and credit only.
- Section 10D: We will give no more than 15 days’ notice for inspections as required by the IRS.
- Section 10E: We will give no more than 15 days’ notice for inspections as required by the IRS.
- Definitions: Above Average clarified. Activities Important to Daily Living clarified.

Process:

Notice of Agency Rule-making Proposal (MAPA-3) was submitted to the Secretary of State for publication in the May 6, 2020 edition of the appropriate newspapers. Additionally, MaineHousing sent the proposed rule to Interested Parties on May 6, 2020, and published the proposed rule on its website on May 6, 2020. MaineHousing held a public hearing on May 26, 2020. The comment period was held open until June 5, 2020 at 5:00 pm.

FISCAL IMPACT OF THE RULE: The 2021 State of Maine ceiling of federal low-income housing tax credits is projected to raise approximately \$32,600,000 of private investor capital, and the 2022 State of Maine ceiling of federal low-income housing tax credits is projected to raise approximately \$30,600,000 of private investor capital. The private investor capital generated by the federal low-income housing tax credits will be used to develop affordable housing for low-income persons. Additionally, it is estimated that 1,400 jobs a year will be created with this investment. The rule will not impose any costs on municipalities or counties for implementation or compliance.

EFFECTIVE DATE:

APPENDIX A

Definitions

“Above Average” means an average overall score of 4 in the rating category - Physical plant inspections, Project Reports submissions, or Management and Occupancy Reviews. Physical plant inspections, and Management Occupancy Reviews are scored on the following scale: 1- Unsatisfactory, 2 – Below Average, 3 – Average, 4 – Above Average, and 5 – Superior. Project Reports submissions are scored as 5-Timely Submission and 1-Late Submission for each required submission report – Audited Financial Review (AFR), Budget, and Owner Certification of Continued Compliance.

“Act” means the Maine Housing Authorities Act, [30-A M.R.S.A. §4701 et seq.](#), as may be amended from time to time.

“Activities Important to Daily Living” means activities or destinations that are important to course of daily living of the population served by the Project, which include a grocery store, a public school only if the Project is housing for families, a daycare only if the Project is housing for families, a senior center only if the Project is Older Adult Housing, a pharmacy, a bank or credit union, a post office, a retail store, a general health care practitioner’s office, a public library, a location where people socialize, a hospital and other activities or destinations approved by MaineHousing. Convenience stores and gas stations are not eligible destinations for purposes of this subsection. If there is more than one activity or destination important to the course of daily living within a single establishment, each activity or destination will be counted separately (e.g. a retail store that also includes a pharmacy and a bank branch will be treated as 3 destinations important to the course of daily living).

“Adaptive Reuse” means the conversion of an existing non-housing building or structure to multi-family residential rental housing or the reconstruction of existing housing that has become functionally obsolete, as determined by MaineHousing.

“Affiliates” means any person or entity directly or indirectly controlling, controlled by, or under common control with another person or entity.

“Affordable Housing” means multi-family rental housing that has five or more units and is assisted under a HUD or Rural Development program or is subject to a restrictive covenant requiring units in the housing to be restricted to households with income at or below 60% of area median income, as determined by HUD.

“Affordable Housing TIF” means an affordable housing development district and development program approved by MaineHousing pursuant to MaineHousing’s Affordable Housing Tax Increment Financing Program, [30-A M.R.S.A., Chapter 206, Subchapter 3](#) and the Act, as may be amended.

“Applicant” means the entity applying for Credit, its successors and assigns, which must be the entity that will be the owner of the Project for tax purposes; must be duly organized and validly existing under the laws of the state in which it is formed, and if not formed in this State, must be

duly authorized to conduct business in this State; and must be in good standing under the laws of this State and its state of formation, if not this State.

“Application” means an application to MaineHousing for an allocation of Credit.

“Below Market Capital” means the face value of a grant and the net present value of the savings produced by other funding with an effective rate that is less than the market rate. For this calculation, the market rate is the 10-year Treasury note rate 60 calendar days before the Application deadline plus 300 basis points. Such grants and funding must be committed to the Applicant for the Project no later than the Application deadline and do not include construction-period financing, donations or below market purchases of land and buildings, investor capital from tax credits, funding made possible by Tax Increment Financing, any Developer Fee that is loaned, deferred or foregone for the benefit of the Project, service funding, operating funds, rental assistance and any resources made available, either directly or indirectly, by MaineHousing.

“Capitalized Lease Value” means the net present value of all lease payments under a lease calculated over the term of the lease using the 10-year Treasury note rate 60 calendar days before the Application deadline plus 300 basis points.

“Code” means the Internal Revenue Code, Title 26 of the United States Code, and applicable regulations promulgated pursuant thereto, as may be amended.

“Community Revitalization Plan” means (1) a community that has been designated by HUD or RD as an Empowerment Zone, a Renewal Community or Enterprise Community, or a Neighborhood Revitalization Strategy Area; or (2) a written plan that was formally adopted by the governing body of a municipality no more than twelve (12) years prior to the Application deadline following a concerted planning process and public input, specifically targets a neighborhood or area in the community (not a single building or site or the entire municipality) for redevelopment or revitalization, and includes (a) an assessment of the existing physical structures and infrastructure of the area, (b) detailed policy goals with respect to economic redevelopment, the rehabilitation or development of housing (including multi-family rental housing) and the improvement or expansion of infrastructure, and (c) proposed activities and a timetable for implementing the policy goals. Plans for a single development and plans formulated by or on behalf of the Applicant are not Community Revitalization Plans. A comprehensive plan that meets all of the requirements in (2) may qualify.

“Credit” or “LIHTC” means the low-income housing tax credit established pursuant to [Section 42](#) of the Code and allocated pursuant to this rule.

“Credit Units” means units in a Project that are eligible for Credit.

“Demand Response Transportation” means on-call transportation services that operate at least 3 days per week and provide service throughout the day.

“Developer Fee” **means** the total compensation for the work, costs and risks associated with developing a Project, including without limitation, creating the Project concept, identifying and acquiring the Project site, obtaining construction and permanent financing, obtaining necessary subsidies, negotiating the syndication of investment interests in the Project, obtaining all necessary

regulatory approvals, constructing and/or rehabilitating the Project and marketing, and includes all amounts paid to consultants to perform this work, except fees for professional services such as environmental assessments, rental market studies, soil tests, and water tests, and includes all reserves, in the form of cash, expected to be paid to the tax credit developer from the Project.

“DDA” means an area of the State that is designated by HUD as a difficult development area pursuant to [Section 42\(d\)\(5\)\(B\)\(iii\)](#) of the Code or an area of the State that is designated by MaineHousing as a difficult-to-develop area in Section 7.A.3 pursuant to [Section 42\(d\)\(5\)\(B\)\(v\)](#) of the Code.

“Extended Use Agreement” means an agreement that satisfies the requirements of [Section 42\(h\)\(6\)\(B\)](#) of the Code.

“Extended Use Period” means the period of time specified by MaineHousing in the Extended Use Agreement executed in connection with a Project pursuant to [Section 42\(h\)\(6\)\(D\)](#) of the Code, which is the period set forth in Section 5.A. for Projects allocated Credit under the State Ceiling.

“Extremely Low Income” means income that is at or below 30% of the area median income as determined pursuant to the regulations and guidance governing the National Housing Trust Fund.

“Family Housing” means housing for families that qualifies for points under the Family Housing scoring criteria set forth in Section 6.E.

“Fiscal Year” means the fiscal year for a LIHTC Project as defined in the Owner’s organizational documents.

“Fixed-route Public Transportation” means year-round, regularly scheduled public transportation that operates at least 5 days per week and provides regular service throughout the day.

“High Opportunity Areas” mean those communities in the State designated by MaineHousing as areas of opportunity for low-income persons based primarily on population and access to employment, education and healthcare. Specific factors considered include population, proximity to major employers, proximity to colleges and universities, proximity to hospitals, availability of public transportation and geographic diversity.

“Housing Development Costs” means the total of all direct and indirect costs incurred in financing, creating, purchasing or rehabilitating a LIHTC Project except the costs attributable to the acquisition of the land and any existing buildings as determined by MaineHousing.

“Housing for Older Adults” means a Project that is designated as elderly or senior housing and receives funding and project-based rental assistance under a RD or HUD multi-family elderly housing program (such as [RD’s Section 515 Rural Rental Housing Program](#) and [HUD’s Section 202 Supportive Housing for the Elderly Program](#)) or that meets the definition of “housing for older persons” under the federal [Fair Housing Act, 42 U.S.C. § 3607\(b\)\(2\)](#) and the Maine Human Rights Act, [5 M.R.S.A. §4581 et seq.](#) and all associated regulations, as may be amended.

“HUD” means the United States of America acting through the United States Department of Housing and Urban Development.

“Intermediary Costs” means all Housing Development Costs except the actual construction costs or eligible rehabilitation costs under [Section 42\(e\)](#) of the Code attributable to the development of the units.

“IRS” means the United States Department of Treasury, Bureau of Internal Revenue Service.

“LIHTC Project” means a qualified low-income housing project as defined in and governed by [Section 42\(g\)](#) of the Code.

“MaineHousing” means Maine State Housing Authority.

“MaineHousing’s Construction Standards” means MaineHousing’s [Quality Standards and Procedures Manual](#) in effect 60 calendar days prior to the applicable deadline for an Application for Credit which include without limitation certain energy efficiency standards and UPCS.

“Maximum Credit Amount” means the maximum amount of Credit a Project is eligible to receive pursuant to Section 3.C.

“National Housing Trust Fund” means the Housing Trust Fund established under Title I of the Housing and Economic Recovery Act of 2008, [12 U.S.C. §4568](#), together with associated regulations and guidance now or hereafter promulgated pursuant thereto.

“Net Developer Fee” means the Developer Fee with respect to a Project that does not exceed the applicable limit set forth in Section 7.B.2., including any portion thereof that is deferred or loaned to pay for costs associated with the Project (and does not include any additional Developer Fee allowed under Section 7.B.3).

“Notice to Proceed” means the notice that a Project has been selected for further evaluation to determine the Project’s eligibility for Credit and the amount of Credit to be allocated for the Project. The Notice to Proceed will require the submission of all information necessary for MaineHousing to determine the amount of Credit, if any, to be allocated to the Project, obligate the Applicant to fulfill all commitments made in the Application, and require the Applicant to promptly and diligently develop and complete the Project according to the deadlines specified in the notice.

“Owner” means the legal owner of a LIHTC Project or Qualified Building for which an Application has been submitted to MaineHousing or which has received an allocation of Credit from MaineHousing pursuant to this Qualified Allocation Plan or a prior Qualified Allocation Plan for the State.

“Ownership Transfer Rule” means Chapter 27 of MaineHousing’s rules, *Transfers of Ownership Interests*, and the policies and procedures related thereto, all as may be amended.

“Passive House Certification” means certification from Passive House Institute US, Inc. (PHIUS) or Passive House Institute (PHI) prior to MaineHousing’s issuance of IRS Form 8609.

“Placed in Service” means the date on which a Qualified Building is suitable and available for occupancy as determined in accordance with [Section 42](#) of the Code.

“Principal” means any person or entity with a controlling interest in another entity, including without limitation, a person or entity with an ownership interest in an Applicant that controls the development and day-to-day operation of a Project, such as the general partner(s) of a limited partnership or the manager(s) or member(s) invested with the management authority of a limited liability company, and all persons and entities with an ownership interest in or control of said entity.

“Project” means the property described in the Application, which must be a qualified low-income housing project as defined in and governed by [Section 42\(g\)](#) of the Code.

“Project Reports” means the annual certification and tenant data required under Section 10.C., and if required for the LIHTC Project, the audited financial report (AFR) and the annual project budget.

“QCT” means an area of the State designated by HUD as a qualified census tract pursuant to [Section 42\(d\)\(5\)\(B\)\(ii\)](#) of the Code.

“Qualified Allocation Plan” or “Plan” means the plan for allocating and administering the Credit adopted by the housing credit agency pursuant [Section 42\(m\)\(1\)\(B\)](#) of the Code.

“Qualified Building” means a qualified low-income building as defined in and governed by [Section 42\(c\)\(2\)](#) of the Code.

“Rehabilitation Costs” means with respect to a Project (1) the site costs, (2) the costs of complying with the construction requirements of other funding sources except those required by the Applicant, any Principal thereof or Affiliates of either, (3) contractor profit, overhead and general conditions, and (4) certain costs identified in the capital needs assessment required under Section 5.D.1. of the QAP, including (a) the cost of correcting all violations of applicable federal, state and local health, safety and building codes and correcting deferred maintenance, (b) the rehabilitation or replacement of all structures, systems, facilities and components that have reached or exceed their useful life or will reach their useful life within 5 years, (c) the cost of complying with MaineHousing’s Construction Standards, (d) the cost of complying with the most current accessibility requirements for new construction projects under applicable federal, state and local accessibility laws, regulations, standards and guidance, and (e) the remediation and disposal of any environmental or other hazards identified in environmental reports. Rehabilitation Costs do not include construction contingency, relocation costs, or other soft costs.

“Related Development” means any development of which the Project is a part or is related and the Project cannot be completed, either structurally or financially, without the completion of the development.

“RD” or “Rural Development” means the United States of America acting through the United States Department of Agriculture, Rural Housing Services.

“Safe Walking Distance” means a pedestrian route appropriate to the area, as determined by MaineHousing, with sidewalks, crosswalks and traffic signals at busy roads or intersections and year-round walkability, which includes being plowed during the winter.

“Section 8” means Section 8 of the United States Housing Act of 1937, [42 U.S.C. § 1437f](#), as may be amended.

“Service Center Community” means an entire municipality that provides jobs and retail to surrounding areas and is a center for education, health care, cultural, recreational and social services, designated pursuant to the Municipal Planning Assistance Program of the State’s Department of Agriculture, Conservation and Forestry as a Regional Service Center as of January 2013.

“State” means the State of Maine.

“State Ceiling” means the State’s housing credit ceiling established pursuant to [Section 42\(h\)\(3\)\(C\)](#) of the Code.

“Tax Increment Financing” means any type of tax increment financing, including without limitation an Affordable Housing TIF, a development district and development program approved by a municipality or a tax increment financing district approved by the State’s Department of Economic and Community Development pursuant to [30-A M.R.S.A., Chapter 206](#), as may be amended.

“TDC Index” means the calculation described in Section 5.C.

“TDC Index Cap” means the limit on Total Development Cost set forth in Section 5.C.

"Telehealth" means the use of interactive real-time visual and audio or other electronic media for the purpose of consultation and education concerning and diagnosis, treatment, care management, and self-management of a patient's physical and mental health and includes real-time interaction between the patient and the telehealth provider, synchronous encounters, asynchronous encounters, store and forward transfers and remote patient monitoring. Telehealth includes telephonic services when interactive telehealth services are unavailable or when a telephonic service is medically appropriate for the underlying covered service.

"Telemonitoring," means the use of information technology to remotely monitor a patient's health status via electronic means through the use of clinical data while the patient remains in a residential setting, allowing the provider to track the patient's health data over time. Telemonitoring may or may not take place in real time.

“Total Construction Cost” means the sum of site costs, costs of constructing or rehabilitating structures, systems, facilities, units and components, general requirements, bond premiums, and contractor overhead and profit as determined by MaineHousing.

“Total Development Cost” or “TDC” means Total Project Cost less (1) the fees required by MaineHousing, (2) the Project’s operating deficit account to the extent required by MaineHousing and (3) the costs associated with any commercial space developed in connection with the Project.

“Total Project Cost” means the sum of all costs associated with the development, construction and rehabilitation of a Project, as determined by MaineHousing. Total Project Cost includes, without limitation, acquisition costs, the Capitalized Lease Value of all leases of land and building(s), demolition costs, Total Construction Cost, construction contingency, costs associated with community service facilities included in the Eligible Basis of the Project, soft costs (such as permits,

design and engineering fees, environmental reports, appraisals, market studies and legal fees), syndication costs, Developer Fee, financing costs and project reserves. Community service facilities are not considered commercial space for purposes of Total Project Cost.

“UPCS” means the Uniform Physical Conditions Standards established by HUD pursuant to [24 CFR § 5.703](#), as may be amended.

APPENDIX B

Pre-Application Submission Requirements

Applicants must submit a request for pre-application review and the following information to MaineHousing **at least 60 calendar days before the applicable Application deadline.**

1. A narrative description of the Project and any Related Development, including, the location, type of housing, total number of units by bedroom size, breakdown of required and/or pledged accessible units by type and location, total number of income-restricted units by bedroom size, proposed affordability, any existing affordability restrictions, any existing or proposed use restrictions, common areas and amenities at the Project, any community service facilities, any commercial space and other unique features of the Project.
2. Conceptual, Diagrammatic Site Plan and Conceptual Floor Plans and Conceptual Building Elevations in accordance with the requirements set forth in MaineHousing's [*Quality Standards and Procedures Manual*](#).
3. The status of applicable federal, State and local land use approvals for the Project and any Related Development, and any site, subdivision and other plans for the Project and any Related Development that have been prepared for submission or have been submitted to applicable municipal, state and federal governmental entities.
4. Details about the parking for the Project, including the number, type and location of all on-site parking and off-site parking and the terms and conditions thereof.
5. An explanation and all supporting documentation for any exceptions from the requirement to provide a community room, laundry facilities, telemedicine facilities or area activities in accordance with Section 5.K of the QAP.
6. All available information about any known or suspected environmental conditions on the Project site and any Related Development or adjacent sites that may impact the Project site or any Related Development, including any environmental reports. To the extent feasible, identify any and all visible (both on and off-site) fuel oil and propane tanks and include them on the site plan.
7. A capital needs assessment for any existing housing that meets the requirements in Section 5.D. and Appendix C.
8. A conceptual construction estimate(s) prepared by a qualified general contractor or third-party estimator for the Project and any Related Development, including trade breakdowns in the form of a schedule of values and a reasonable estimating contingency, if applicable, with sufficient detail to demonstrate expected construction-related costs. All exclusions and qualifications, if any, must be clearly stated in the estimate. The estimate is to be the basis of the hard cost line items contained in the project underwriting without exception.
9. A projected development and operating budget(s) for the Project and any Related Development which must be submitted electronically in the format prescribed by MaineHousing.

APPENDIX C

Capital Needs Assessment Requirements

1. The assessment must include a site visit, an interview with the on-site property manager and maintenance personnel concerning prior and pending repairs and improvements and existing or chronic physical deficiencies, and a physical inspection of the interior and exterior of at least 20% of the units and all other structures, facilities, systems and components that will be part of the Project, including the following:

- a) Site, including without limitation topography, drainage, pavement, curbing, walkways, sidewalks, parking, accessible parking, accessible routes, landscaping, amenities, water, sewer, storm drainage, and all utility lines;
- b) Structural systems and components, both substructure and superstructure, including without limitation foundations, exterior walls, balconies, porches, and stairways, exterior doors and windows, chimneys and roofing;
- c) Interiors, including without limitation unit and common area finishes and substrata (e.g. flooring, underlayment, carpeting, plaster or drywall, wall coverings and paint condition), and unit and common area kitchen finishes, cabinets, countertops and appliances, and unit and common area bathroom finishes, fixtures and accessories, laundry facilities, and common area lobbies and corridors; and
- d) Building systems, including without limitation plumbing supplies and drainage, domestic hot water production, heating, ventilating and air-conditioning production and distributions systems, fuel storage and delivery systems, electrical power distribution and metering systems, lighting controls and fixtures, smoke, fire and any other alarm systems, fire protection systems, security systems, and elevators.

The capital needs assessment must specifically identify all structures, systems, facilities, units and components that were inspected and must include a concise overview of the physical and operational condition of the existing housing and a detailed assessment of the expected useful life and the remaining useful life of each structure, system, facility, unit and component inspected. The assessment must also consider the presence of environmental and other hazards, including without limitation, asbestos, lead paint, mold, water damage and insect infestations.

2. The capital needs assessment must include a recommended scope of work and a cost estimate to complete the scope of work that addresses the following capital needs of the Project, without consideration of financial feasibility:

- a) Correction of all violations of applicable federal, state and local building, health and life safety codes and correction of all deferred maintenance;
- b) Rehabilitation or replacement of all structures, systems, facilities, units and components that have reached or exceeded their useful lives or will reach their useful lives within 5 years;
- c) Rehabilitation of all units and common areas and facilities to bring them into compliance with MaineHousing's Construction Standards to the maximum extent feasible;
- d) Rehabilitation of the minimum number of units and all common areas and facilities that are necessary to comply with the most current requirements for new construction projects under applicable federal, state and local accessibility laws, regulations, standards and guidance (which include without limitation, [Section 504 of the Rehabilitation Act of 1973](#), HUD's housing regulations at [24 C.F.R. Part 8](#) and any accessibility standard designated by HUD; Title II and Title III of the Americans with Disabilities Act of 1990 and the 2010 Standards of Accessible Design; and if the Project involves substantial rehabilitation, the Maine Human Rights Act, the Maine Human Rights Commission's Chapter 8, Housing Regulations, and ANSI Standard A117.1-2009); and

e) Remediation and disposal of any environmental or other hazards identified in the assessment.

3. The capital needs assessment must also identify any structures, systems, facilities, units and components with a remaining useful life of less than 30 years. The Application must include a plan for future rehabilitation or replacement of any identified structure, system, facility, unit and component with a useful life of less than 30 years that is not included in the scope of work for the Project, including possible funding sources, which will be considered in establishing the appropriate funding amounts for the Project's reserve accounts.

**APPENDIX D
LOW INCOME HOUSING TAX CREDIT PROGRAM
OWNER'S CERTIFICATE OF CONTINUING PROGRAM COMPLIANCE**

To: *MaineHousing*
353 Water Street
Augusta, ME 04330-4633

Certification Dates:	From: January 1, 20 _____	To: December 31, 20 _____		
Project Name:			Project No:	
Project Address:		City:	County:	Zip:
Tax ID # of Ownership Entity:				
Building Identification Number(s):	(1)	(2)	(3)	
	(4)	(5)	(6)	
	(7)	(8)	(9)	
	(10)	(11)	(12)	

No buildings have been Placed in Service
 At least one building has been placed in Service but owner elects to begin credit period in the following year.
 If either of the above applies, please check the appropriate box, and proceed to page 2 to sign and date this form.

The undersigned _____ on behalf of _____

_____ (the "Owner"), hereby certifies that:

1. The project meets the minimum requirements of: (check one)
 - 20 - 50 test under Section 42(g)(1)(A) of the Code
 - 40 - 60 test under Section 42(g)(1)(B) of the Code
 - 15 - 40 test for "deep rent-skewed" projects under Section 42(g)(4) and 142(d)(4)(B) of the Code
 - Income Averaging

2. There has been **no change in the applicable fraction** (as defined in Section 42(c)(1)(B) of the Code) for any building in the project:

NO CHANGE **CHANGE**

If **"Change"**, list the applicable fraction to be reported to the IRS for each building in the project for the certification year on page 4:

3. There have been no changes in the building's eligible basis under Section 42(d) of any building in the project.

NO CHANGE **CHANGE**

If **"Change"**, list the changes on page 4:

4. The owner has received an annual Tenant Income Certification from each low-income resident and documentation to support that certification, or the owner has a re-certification waiver letter from the IRS in good standing, has received an annual Tenant Income Certification from each low-income resident, and

documentation to support the certification at their initial occupancy.

YES NO

5. Each low-income unit in the project has been rent-restricted under Section 42(g)(2) of the Code:

YES NO

6. All low-income units in the project are and have been for use by the general public and used on a non-transient basis (except for transitional housing for the homeless provided under Section 42 (i)(3)(B)(iii) of the Code):

YES NO HOMELESS

7. There has been no finding of discrimination under the Fair Housing Act, 42 U.S.C 3601-3619 with respect to this project. A finding of discrimination includes an adverse final decision by the Secretary of Housing and Urban Development (HUD), 24 CFR 180.680, an adverse final decision by a substantially equivalent state or local fair housing agency, 42 U.S.C 3616a(a)(1), or an adverse judgment from a federal court:

FINDING NO FINDING

If "**Finding**", please explain the nature of the violation and attach a copy of the decision or judgment.

8. There has been no finding of discrimination under any other applicable local, State or federal equal access or nondiscrimination law with respect to this project. A finding of discrimination includes an adverse final decision by the governmental agency responsible for administering such law, or an adverse judgment from a court with jurisdiction over such law:

FINDING NO FINDING

If "**Finding**", please explain the nature of the violation and attach a copy of the decision or judgment.

9. Each building in the project is and has been suitable for occupancy, taking into account local health, safety, and building codes (or other habitability standards), and the state or local government unit responsible for making building code inspections did not issue a report of a violation for any building or low income unit in the project:

YES NO

If "**No**", explain the nature of violation on page 4 and attach a copy of the violation report as required by 26 CFR 1.42-5 and any documentation of correction.

10. Each building and all FedHome (HOME) assisted units are suitable for occupancy, taking into account State and local health, safety, and other applicable codes, ordinances, and requirements, and the ongoing property standards established by the participating jurisdiction (MaineHousing) to meet the requirements of 24 CFR, Part 92, HOME Investment Partnership Program, Section 92.251.

YES NO N/A

11. There has been **no change in the eligible basis** (as defined in Section 42(d) of the Code) of any building in the project since last certification submission:

NO CHANGE CHANGE

If "**Change**", state nature of change (e.g., a common area has become commercial space, a fee is now charged for a tenant facility formerly provided without charge, or the project owner has received federal

subsidies with respect to the project which had not been disclosed to the allocating authority in writing) on page 4:

12. All tenant facilities included in the eligible basis under Section 42(d) of the Code of any building in the project, such as swimming pools, other recreational facilities, parking areas, washer/dryer hookups, and appliances were provided on a comparable basis without charge to all tenants in the buildings:
 YES NO
13. If a low-income unit in the project has been vacant during the year, reasonable attempts were or are being made to rent that unit or the next available unit of comparable or smaller size to tenants having a qualifying income before any units were or will be rented to tenants not having a qualifying income:
 YES NO
14. If the income of tenants of a low-income unit in any building increased above the limit allowed in Section 42(g)(2)(D)(ii) of the Code, the next available unit of comparable or smaller size in that building was or will be rented to residents having a qualifying income:
 YES NO
15. Project complies with an extended low-income housing commitment as described in section 42(h)(6) (not applicable to buildings with tax credits from years 1987-1989):
 YES NO N/A
16. In the prior 12 month period, the owner has:
- a) terminated the tenancy of a tenant in a low income unit, including without limitation, non-renewal of the lease of an existing tenant in a low income unit, for other than good cause;
 - b) increased the gross rent of a tenant with respect to a low income unit not otherwise permitted under Section 42 of the Code and any other applicable program (e.g. HOME, HUD Section 8);
 - c) denied tenancy to any applicant or terminated the tenancy of any tenant solely because the applicant or tenant had a Section 8 voucher or certificate; or
 - d) denied tenancy to any applicant, terminated the tenancy of any tenant, or failed to assist a tenant in finding alternative appropriate housing in violation of Title VI of the Violence Against Women Reauthorization Act of 2013, 34 USC Subpart 2 – housing rights Chapter 121 and applicable regulations (VAWA), as amended.
- YES NO

If “Yes”, please explain the nature of the violation on page 4.

17. The project complies with the requirements of all applicable Federal and State Housing Programs included in the development (e.g., Rural Housing Services, HOME, HUD Section 8, or Tax-Exempt Bonds).
 YES NO

If “No”, please explain the nature of the violation on page 4.

18. The owner received its credit allocation from the portion of the state ceiling set-aside for a project involving "qualified non-profit organizations" under Section 42(h)(5) of the code and its non-profit entity materially participated in the operation of the development within the meaning of Section 469(h) of the Code.
 YES NO N/A

19. The property has not suffered a casualty loss resulting in the displacement of residents.
 YES NO

If “Yes”, please explain the nature of the loss on page 4.

20. There has been no change in the ownership or management of the project:

NO CHANGE CHANGE

If "**Change**", complete page 4 detailing the changes in ownership or management of the project.

Note: Failure to complete this form in its entirety will result in noncompliance with program requirements. In addition, any individual other than an owner or general partner of the project is not permitted to sign this form, unless permitted by the state agency.

The project is otherwise in compliance with the Code, including any Treasury Regulations, the applicable State Allocation Plan, and all other applicable laws, rules and regulations. This Certification and any attachments are made UNDER PENALTY OF PERJURY.

(Ownership Entity)

By: _____

Title: _____

Date: _____

PLEASE PROVIDE ANY CHANGES OR EXPLANATIONS REQUIRED UNDER QUESTIONS 1-19.

Question #	Explanation

CHANGE IN MANAGEMENT CONTACT

Date of Change:	
Management Co. Name:	
Management Address:	
Management city, state, zip:	
Management Contact:	
Management Contact Phone:	
Management Contact Fax:	
Management Contact Email:	

1. CHANGES IN OWNERSHIP OR MANAGEMENT

(to be completed **ONLY** if **“CHANGE”** marked for question 20 above)

2. TRANSFER OF OWNERSHIP

Date of Change:	
Taxpayer ID Number:	
Legal Owner Name:	
Address:	
Phone:	
General Partnership:	
Status of Partnership (LLC, etc):	

CHANGE IN OWNER CONTACT

Date of Change:	
Owner Contact:	
Owner Contact Phone:	
Owner Contact Fax:	
Owner Contact Email:	



Asset Management Department Memorandum

To: MaineHousing Board of Commissioners
From: Robert Conroy – Director, Asset Management
Date: May 20, 2020
Subject: **May Board Report** - Asset Management

Rent Relief for Resident of MaineHousing Multifamily Properties Impacted By COVID

MaineHousing is offering a one-time COVID-19 Rent Relief program for residents of properties financed or allocated Housing Tax Credits by MaineHousing. The program will provide up to \$500 to each eligible rent-restricted and market rate resident household who were unable to pay all or some of their April or May rent due to circumstances related to the COVID-19 pandemic.

The Rent Relief Program is for renters who were unable to pay their April or May rent due to circumstances related to the Covid-19 pandemic. The program will provide a one-time payment. The benefit is paid directly to the project owner. The balance of the rent will be postponed, but not forgiven.

Residents may qualify if they were unable to pay their rent due to circumstances related to Covid-19. Examples include being laid off, having a place of employment closed, reduced hours of work, having to stay home to care for children because day care or school has closed, or other loss of income due to the pandemic.

Residents living in Supportive Housing properties or properties that have Federal or State project-based rental assistance are not eligible for the program.

Property Managers will provide each eligible resident the COVID-19 Rent Relief FAQ sheet and have the resident complete a Rent Relief Application.

The resident will return the completed application to the Property Manager. The Property Manager will then upload all the collected applications, along with the completed Rent Relief Transmittal Form and a Property Rent Roll for April and May, to a secure site which can be accessed on the MaineHousing website.

MaineHousing will issue one rent relief reimbursement to the property representing rent relief payments for all of the eligible residents of the property. Individual households will not receive funding.

Communications & Planning Department Memorandum

To: Board of Commissioners

From: Denise Lord

Date: May 19, 2020

Subject: May Board Report

MaineHousing in the News

This month's press interest centered on our response to COVID-19 and the homeless population and the Rent Relief program.

We received MaineHousing's annual report for 2019 from the printers. Copies will be distributed at the Board meeting. The report will also be available on our homepage at the following link:

https://www.mainehousing.org/docs/default-source/annual-reports/2019-annual-report.pdf?sfvrsn=42398e15_0

COVID-19 Response

Homeless

We continue to support the need to follow social distancing guidelines for the shelter population and supporting shelters in their efforts to prevent outbreaks among the homeless.

- We are negotiating our fourth hotel contract; the latest contract will be for the Lewiston area for 15-20 rooms.
- Shelter grant requests continue to come in; most are using their funds to purchase supplies, overtime/incentive pay for staff, and hotel rooms. An appreciative note from one shelter:

“Thank-you so much. This is a relief, to know that we can continue to cover these important aspects of our programming. Please pass our appreciation along to everyone at MSHA who is making this happen.”

Rebecca Hobbs, Executive Director

she/her/hers

Through These Doors (formerly Family Crisis Services)

- As of May 14, funds disbursed:

Shelter Grants:	\$433,413.22
Wellness Contracts:	\$1,756,628.50
Hotel Service Contracts:	\$30,597.00
Total:	\$2,220,638.72

Rent Relief Program

Working with Energy and Housing Services, we developed a public facing dashboard that provides data on the use of the Rent Relief program funds. We update the dashboard each business day. The dashboard can be found on the Rent Relief program page:

<https://www.mainehousing.org/programs-services/rental/rentaldetail/covid-19-rental-relief-program>

Building

The exterior signage for the Edison Drive building is complete, and it looks magnificent – definitely worth a drive by if you are in the area. Interior signage is nearly completed. We are now in the final stages: communicating our move to partners and the public, finalizing welcome packets for staff as they return to the office work environment, creating content for the welcome monitors in the lobby and employee entrance, updating staff photos for their key badges, and attending to myriad other details.

Strategic Plan Implementation/Innovation

We added one more Public Housing Authority to our Aging in Place grant program. Lewiston Housing has agreed to offer the program in Androscoggin County. We finalized a Community Solutions Grant with Biddeford; it will go to their city council on May 19th for their approval. Our internal housing solutions team has met and identified strategies to increase affordable housing in Maine. We will take these suggestions to Dan Brennan for consideration.

Learning and Development

Our learning and development program has also pivoted to entirely online learning. The acquisition of the Learning platform will allow us to deliver training and professional development to a largely telecommuting staff. Our first two classes will be available April 16th.

Policy and Research Update

Working with our colleagues in Development and the Legal Department, we facilitated an agreed upon definition of urban and rural for the state tax credit program. We also finalized the affordability index for 2020. The data can be found at <https://www.mainehousing.org/policy-research/housing-data>. This year's rental affordability index was developed using rental data collected by SocialServe using landlord surveys resulting in much more reliable data.

Staff Development and Training

With most of the staff working remotely, staff development and training has shifted to online offerings. Our partners are using our Learning Management System as well. This month, CCI staff will be using a partner portal to access soft skills learning opportunities. We have also asked our Leadership Development Program participants for their ideas to continue their leadership learning.

Partner Meetings

- We talk every day with DHHS about supporting homeless shelters and assisting them in developing evidence based approaches to managing COVID-19; we participate in CDC and MEMA discussions; and we are providing extensive outreach to the shelters.



Development Department Memorandum

To: MaineHousing Board of Commissioners
From: Mark C. Wiesendanger, Director of Development
Date: May 26, 2020
Subject: Monthly Report

2021-2022 Qualified Allocation Plan (9% LIHTC)

A public hearing will be held for the 2021-2022 Qualified Allocation Plan at the Maine State Housing Authority on Tuesday, May 26, 2019 at 10:00 AM. The public comment period ends on June 5th at 5:00 PM. At this time, there are no substantive changes planned to the draft as presented to the Board in April.

Walk-in 4% Program

A new 4% LIHTC program with subsidy offering for new affordable housing has been posted to MaineHousing's website:

https://www.mainehousing.org/docs/default-source/development/program-guides/2020-4-tax-credit-walk-in-funding-program.pdf?sfvrsn=c4418e15_0

With less restrictive requirements, and greater subsidy limits, we expect the new program to fund several projects that were not awarded tax credits in the last competitive 4% and 9% offerings, as well as others currently in developers' pipelines. We expect the program to remain available ("open") for the foreseeable future with no immediate plans to limit projects funded.



Energy & Housing Services Department Memorandum

To: MaineHousing Board of Commissioners
From: Daniel Drost, Director of Energy and Housing Services
Date: May 19, 2020
Subject: EHS Monthly Report – May 2020

**HOME ENERGY ASSISTANCT PROGRAM (HEAP)
PRODUCTION STATISTICS THROUGH APRIL 15, 2020 (Week 36)**

Number of Applications	PY 2020 (5/15/2020)	PY 2019 (5/2/2019)	% change
Applications Taken	45,931	48,047	-4.4%
Confirmed Eligible/Paid	36,576	36,144	+1.2%
Pending (in process)	3,677	2,044	+79.0%
Other (ineligible, denied, void, etc.)	5,678	9,859	-42.2%

Home Energy Assistance Program:

TANF Supplemental Benefits: The Maine Department of Health and Human Services- Office for Family Independence allocates up to \$3 million of Temporary Assistance for Needy Families (TANF) funding annually to MaineHousing to provide a supplemental heating assistance benefit to HEAP eligible households that have a member under the age of 18 years. The TANF Supplemental Benefit amount for the current PY2020 HEAP is \$350.00. MaineHousing processed the first round of PY2020 TANF Supplemental Benefits on May 14, 2020, representing 4,953 households with a total benefit amount of \$1,733,550.

Program adaptations in response to COVID 19:

In response to the COVID 19 pandemic, MaineHousing implemented several temporary modifications to support households applying for HEAP. The temporary program modifications are in effect through the end of the PY2020 HEAP application season, July 15, 2020, and include:

- Looking at a household’s current income situation to determine income eligibility for household members who have had a reduction in income due to the COVID 19 pandemic instead of looking back at the previous 3 months or 12 months of income;
- Allowing self-attestations for certain application documentation when a household is unable to secure documentation after all other options to verify related information have been exhausted; and
- Extending the end date for the Energy Crisis Intervention Program (ECIP) that was scheduled to end on April 30, 2020.

DOE Weatherization Assistance Program (WAP):

COVID 19 program modifications: In response to the COVID 19 pandemic, MaineHousing implemented a temporary modification to the WAP billing process. For community action agencies that have elected to suspend or significantly limit home visitations for the purposes of final

Weatherization inspections MaineHousing will allow billing for a portion of the project. Until a final inspection can reasonably and safely be conducted, direct costs for Weatherization projects may be billed for 75% of the direct costs with the final 25% paid after the completion of a final Weatherization inspection.

Federal Lead Hazard Reduction Grant Program:

On April 15, 2020 MaineHousing submitted the required HUD close out documents for the 2016-2019 Lead Hazard Reduction Demonstration Grant Program.

MaineHousing launched the 2019-2023 Lead Hazard Reduction Grant Program on April 3, 2020. The community action agencies are working with the property owners to enroll 71 units and there are 54 additional units in the pipeline for this grant.

State Lead Hazard Reduction Grant Program:

There are currently 71 units in progress and 24 units in the pipeline.

Finance Department Memorandum

To: Board of Commissioners
From: Darren R. Brown
Date: May 14, 2020
Subject: Monthly Report – Finance Department

ACCOUNTING AND FINANCIAL REPORTING:

- The Accounting and Financial Reporting (AFR) staff completed the first quarter-end closing for 2020 and the financial statements for the period ended March 31, 2020. Due to COVID-19, the vast majority of work associated with processing and closing the agency's accounting and financial records for the quarter was handled remotely by staff. Staff did an excellent job successfully completing all work on schedule. The financial results for the quarter-ended March 31, 2020 are presented in the Financial and Budget Report section.
- The AFR staff also continued work on the A-133 Single Audit for the year ended December 31, 2019. This is an annual audit of MaineHousing's federally funded programs to determine whether the programs have been administered in compliance with federal guidelines. The auditors from Baker Newman & Noyes are conducting the audit remotely because of COVID-19. The AFR staff are coordinating activities between the auditors and program departments. They are also preparing and compiling requested information.

MaineHousing administered and disbursed approximately \$160 million through eighteen different federal programs in 2019. Major federal programs are audited on a rotating basis. The major programs identified for the 2019 audit are the Section 8 New Construction, Housing Trust Fund, Weatherization Assistance, Low Income Home Energy Assistance, and Emergency Solutions Grants programs. The A-133 Single 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. However, an automatic extension of six months is available if needed because of COVID-19.

LOAN ADMINISTRATION:

- The Loan Administration staff is working closely with our single-family loan servicers in responding to customer calls and with the processing of requests for COVID-19 hardship assistance. MaineHousing's single-family loan portfolio consist of approximately 11,000 borrowers. As of the end of April, 240 borrowers had received hardship assistance and an additional 20 were being processed.

Of the total borrowers assisted, 197 borrowers were placed in a temporary forbearance. These borrowers will be evaluated for a repayment plan or loan modification when they are able to resume making their mortgage payment. 43 borrowers were approved and provided with assistance under our Maine HOPE program. This program provides one-time assistance of four monthly mortgage payments. The

assistance is in the form of a 0%, deferred, subordinate loan with no monthly payments. The loan is due upon sale, transfer, refinance, or payoff of the first-time homebuyer loan or the borrower ceases to use the property as a primary residence. Maine HOPE assistance is being provided for borrowers impacted by COVID-19 when other available options have been determined to be inadequate and where the borrower's unemployment benefits are insufficient to cover their mortgage payment plus other monthly living expenses.

There has been a substantial decrease in the volume of borrowers inquiring about COVID-19 assistance. Through the end of April, a total of 633 inquiries were received. Most of these inquiries (369) were received in the latter part of March. Since that time, inquiries have averaged about 60 per week and there were 33 received in the last week of April.

Delinquencies are also being closely monitored and there has not been a significant change at this point. The 60+ days delinquency rate at the end of March was 2.13%, which is a decrease of 33 basis point from the beginning of the year. The rate at the end of April will increase marginally but will remain near the beginning of the year rate of 2.46%. The issuance of the Economic Stimulus checks and increased funding for unemployment benefits by the federal government have assisted many borrowers with making their mortgage payments. We will continue to closely monitor delinquencies over the next several months as the State begins to reopen for business.

- The Loan Administration staff also successfully completed all purchasing, amortizing, billing and reporting functions for the single-family loan portfolio remotely this past month. This was the first month where loan purchases were received in an electronic format rather than paper and staff were able to process and complete their monthly reporting in a timely manner.

Finance Department Memorandum

To: Board of Commissioners

From: Darren R. Brown

Date: May 14, 2020

Subject: Monthly Financial and Budget Report

FINANCIAL RESULTS

Attached are the Balance Sheets and Statements of Revenues, Expenses, and Changes in Net Assets for the period ended March 31, 2020.

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 \$1.9 billion and total combined liabilities approximate \$1.6 billion. Total net assets amount to approximately \$372 million. Total combined revenues approximate \$66.9 million and total expenses amount to approximately \$64.4 million, which results in net operating income of \$2.5 million. For this three-month period in 2019, total combined net operating income was \$7.5 million. Net operating income is approximately \$5 million lower in 2020 due primarily to the activities and operating results of the Mortgage Purchase Fund (MPP), MaineHousing's largest fund group, and a substantially smaller increase in the fair value of non-mortgage investments.

The MPP's current year net operating income is approximately \$1.5 million compared to net operating income of \$5.3 million in 2019. MPP's net operating income has decreased by \$3.8 million due primarily to the recognition of a smaller paper gain associated with adjusting the carrying values of non-mortgage investments. A paper gain of \$0.1 was recognized in 2020, which represents a decrease of approximately \$2.8 million compared with the paper gain of \$2.9 million recorded in 2019. 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, MPP's net operating income is \$1.4 million as of March 31, 2020 compared to \$2.4 million at the end March 2019. The \$1 million reduction is due primarily to a decrease in interest rates and lower interest income from non-mortgage investments.

BUDGET RESULTS

Also attached are the budget variance results for the period ended March 31, 2020. These results are summarized and presented on the attachments 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 2020 are \$83.5 million and total expenses are budgeted at \$75.1 million. Total actual revenues as of March 31, 2020 amount to \$19.1 million, while total expenses amount to \$17.9 million. For the three-month period ended March 31, 2020, revenues exceed expenses by \$1.2 million.

Revenues are slightly under budget at this point due to lower interest income from non-mortgage investments. Interest rates have decreased during the year and average yields from investments are lower than projected. Expense activities are consistent with that anticipated for the period and there are no significant variances at this time.

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 2020 operating expenses are budgeted at approximately \$19.4 million. As of March 31, 2020, approximately \$4.8 million or 25% of the total operating budget has been used. Total other program administrative expenses are budgeted at \$8.6 million and actual expenses amount to \$1.8 million as of March 31, 2020. Overall, expenditures in these areas are consistent with that anticipated for the period and there are no significant variances at this time.

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 their estimated useful life. The total authorized capital budget for 2020 is approximately \$3.8 million. Expenditures amounted to \$2.9 million as of March 31, 2020 and were primarily for renovation work and equipment for the new office building.

The overage for the renovation work on the new building is due to timing differences. The total budget amount for the acquisition and renovation of the new office building has not changed and remains at approximately \$15.7 million. These expenditures have been incurred over three years starting in 2018 and the timing of expenditures had to be estimated each year for budget purposes.

For 2019, actual expenditures amounted to \$9.3 million and were under budget by \$2.8 million. However, only \$0.8 million was carried forward and included in the 2020 Capital Budget because at the time the budget for 2020 was being prepared expenditures for 2019 were expected to be \$2 million higher by year's end. As a result, 2020 expenditures will be \$2 million higher than budget and will amount to approximately \$3.8 million.

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 March 31, 2020.

MAINE STATE HOUSING AUTHORITY
BALANCE SHEETS
MARCH 31, 2020
(IN THOUSANDS OF DOLLARS)

	Memorandum Only Combined Totals		Mortgage Purchase Fund Group	Bondholder Reserve Fund	General Fund	HOME Fund	Federal Programs Fund	Other Funds	Maine Energy Housing & Economic Recovery Funds
	2019	2020							
ASSETS:									
Cash, principally time deposits	1,542	24,494	14,482	3	5,098	13	4,898	0	0
Investments	411,242	383,822	313,304	8,111	27,688	26,382	0	3,051	5,286
Accounts receivable - Federal	3,028	1,679	0	0	0	0	1,679	0	0
Assets held for sale	3,663	3,234	0	0	0	3,234	0	0	0
Accrued interest and other assets	10,850	11,908	7,209	1	91	3,519	1,073	0	15
Mortgage notes receivable, net	1,403,271	1,459,759	1,420,606	0	6,104	24,086	0	0	8,963
Other notes receivable, net	280	241	0	0	231	0	0	10	0
Land, equipment and improvements, net	3,255	16,286	22	0	16,264	0	0	0	0
Other real estate owned	448	852	852	0	0	0	0	0	0
Accumulated decrease in fair value of hedging derivatives	6,837	22,196	22,196	0	0	0	0	0	0
Deferred pension expense	616	610	326	2	56	0	0	226	0
Deferred amount on debt refundings	4,228	3,576	3,576	0	0	0	0	0	0
Total Assets	1,849,260	1,928,657	1,782,573	8,117	55,532	57,234	7,650	3,287	14,264
LIABILITIES AND NET ASSETS:									
Accrued interest payable	16,480	17,085	16,798	0	0	0	0	0	287
Accounts payable - Federal	480	504	0	0	0	0	504	0	0
Accounts payable & accrued liabilities	2,135	2,540	353	5	2,112	0	70	0	0
Unearned income	4,534	7,044	0	0	0	278	504	6,262	0
Net pension liability	2,283	2,282	1,222	7	209	0	0	844	0
Deferred pension credit	1,016	867	464	3	79	0	0	321	0
Derivative instrument - interest rate swaps	6,837	22,196	22,196	0	0	0	0	0	0
Interfund	0	0	3,359	29	(3,051)	495	2,420	(3,252)	0
Mortgage bonds and notes payable, net	1,465,010	1,504,558	1,458,357	0	20,104	0	0	0	26,097
Deferred grant income	0	0	0	0	0	0	0	0	0
Deferred loan origination points	30	26	26	0	0	0	0	0	0
Total Liabilities	1,498,805	1,557,102	1,502,775	44	19,453	773	3,498	4,175	26,384
NET ASSETS:									
Restricted Net Assets	315,678	335,476	279,798	8,073	0	56,461	4,152	(888)	(12,120)
Unrestricted Net Assets	34,777	36,079	0	0	36,079	0	0	0	0
Total Net Assets	350,455	371,555	279,798	8,073	36,079	56,461	4,152	(888)	(12,120)
Total Liabilities and Net Assets	1,849,260	1,928,657	1,782,573	8,117	55,532	57,234	7,650	3,287	14,264

MAINE STATE HOUSING AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE PERIOD ENDED MARCH 31, 2020

(IN THOUSANDS OF DOLLARS)

	<u>Memorandum Only Combined Totals</u>		<u>Mortgage Purchase Fund Group</u>	<u>Bondholder Reserve Fund</u>	<u>General Fund</u>	<u>HOME Fund</u>	<u>Federal Programs Fund</u>	<u>Other Funds</u>	<u>Maine Energy Housing & Economic Recovery Funds</u>
	<u>2019</u>	<u>2020</u>							
REVENUES:									
Interest from mortgages and notes	15,393	15,787	15,685	0	77	15	0	0	10
Income from investments	2,383	1,447	1,199	25	112	83	2	10	16
Net increase (decrease) in the fair value of investments	2,909	138	138	0	0	0	0	0	0
Fee income	2,067	2,026	130	0	66	0	1,745	85	0
Other revenue	6	3	3	0	0	0	0	0	0
Grant income	14,349	17,585	0	0	0	371	16,866	348	0
Income from State	3,482	3,804	0	0	0	3,804	0	0	0
Federal rent subsidy income	24,960	26,086	0	0	0	0	26,086	0	0
Gain on bond redemption	59	0	0	0	0	0	0	0	0
Total Revenues	65,608	66,876	17,155	25	255	4,273	44,699	443	26
EXPENSES:									
Operating expenses	4,401	4,774	0	0	4,774	0	0	0	0
Other program administrative expenses	1,262	1,415	1,317	0	0	0	54	44	0
Mortgage servicing fees	402	429	424	0	5	0	0	0	0
Provision for losses on loans	15	0	0	0	0	0	0	0	0
Losses on foreclosed real estate	0	0	0	0	0	0	0	0	0
Interest expense	11,420	11,536	11,302	0	0	0	0	0	234
Grant expense	15,771	19,922	0	0	0	2,542	17,031	349	0
Federal rent subsidy expense	24,865	26,307	0	0	0	0	26,307	0	0
Loss on bond redemption	0	0	0	0	0	0	0	0	0
Excess arbitrage	0	0	0	0	0	0	0	0	0
Allocated operating costs	0	0	2,603	15	(4,284)	0	1,625	41	0
Total Expenses	58,136	64,383	15,646	15	495	2,542	45,017	434	234
Net Operating Income (Loss)	7,472	2,493	1,509	10	(240)	1,731	(318)	9	(208)
Transfers between funds, net	0	0	0	0	0	0	0	0	0
Change in net assets	7,472	2,493	1,509	10	(240)	1,731	(318)	9	(208)
Net assets at beginning of year	342,983	369,062	278,289	8,063	36,319	54,730	4,470	(897)	(11,912)
Net assets at end of period	350,455	371,555	279,798	8,073	36,079	56,461	4,152	(888)	(12,120)

**MAINE STATE HOUSING AUTHORITY
OPERATING REVENUES AND EXPENSES BUDGET VARIANCE REPORT
FOR THE PERIOD ENDED MARCH 31, 2020**

(IN THOUSANDS OF DOLLARS)

	Mortgage Lending Activities Actual	Federal & Other Program Administration Actual	Total Combined Actual	Total Annual Budget	Total Under/(Over)	% Variance
REVENUES:						
Interest from mortgages and notes	15,762	0	15,762	64,555	48,793	76%
Income from investments	1,336	12	1,348	8,479	7,131	84%
Fee income	196	1,830	2,026	10,399	8,373	81%
Other revenue	3	0	3	60	57	95%
Total Revenues	17,297	1,842	19,139	83,493	64,354	77%
EXPENSES:						
Operating expenses	3,108	1,666	4,774	19,413	14,639	75%
Other program administrative expenses	1,746	98	1,844	8,558	6,714	78%
Interest expense	11,302	0	11,302	47,100	35,798	76%
Total Expenses	16,156	1,764	17,920	75,071	57,151	76%
Excess Revenues Over Expenses	1,141	78	1,219	8,422	7,203	86%

**MAINE STATE HOUSING AUTHORITY
OPERATING AND OTHER PROGRAM ADMINISTRATIVE EXPENSES ATTACHMENT B
FOR THE PERIOD ENDED MARCH 31, 2020**

	Total Annual Budget	Total Year to Date Actual	Budget Available	Percentage of Budget Available
Operating Expenses				
Salaries	10,258,267	2,613,819	7,644,448	75%
Payroll Taxes	748,530	192,157	556,373	74%
Retirement	997,726	245,995	751,731	75%
Medical and Life Insurance	2,839,935	671,718	2,168,217	76%
Other Fringe Benefits	12,000	3,961	8,039	67%
Office Supplies	47,795	7,328	40,467	85%
Printing	128,980	18,325	110,655	86%
Membership and Dues	57,087	14,204	42,883	75%
Subscriptions	21,565	4,161	17,404	81%
Sponsorships	20,000	2,500	17,500	88%
Staff Educ/Train/Conf	193,918	28,446	165,472	85%
Travel/Meals - Staff Educ/Train/Conf	163,363	40,028	123,335	75%
Partner/Client Train/Meetings	49,950	3,000	46,950	94%
Travel/Meals - Partner/Client Training	121,675	9,016	112,659	93%
Staff Events	22,100	2,661	19,439	88%
Meals - Staff Events	27,475	8,193	19,282	70%
Leased Vehicles	134,500	31,564	102,936	77%
Computer Supplies	66,000	37,748	28,252	43%
Computer License SAAS	150,611	48,103	102,508	68%
Building Rent & Utilities	429,437	208,337	221,100	51%
Rent-Other	34,130	8,873	25,257	74%
Repairs and Maintenance	49,900	24,346	25,554	51%
Computer Maintenance	661,492	119,527	541,965	82%
Depreciation	600,000	66,732	533,268	89%
Telephone	72,938	17,954	54,984	75%
Employment Advertising	3,900	0	3,900	100%
Postage and Shipping	90,510	34,113	56,397	62%
Insurance	89,074	11,609	77,465	87%
Recording Fees	1,000	432	568	57%
Payroll Services	27,300	7,273	20,027	73%
Audit Services	147,800	70,000	77,800	53%
Building Interest Expense	511,944	39,987	471,957	92%
Property Expenses	219,775	52,692	167,083	76%
Professional Services	411,859	129,037	282,822	69%
Total Operating Expenses	19,412,536	4,773,839	14,638,697	75%
Other Program Administrative Expenses				
Loan foreclosure expenses	400,000	20,312	379,688	95%
REO expenses	50,000	23,257	26,743	53%
Mortgage Servicing fees	1,738,500	428,952	1,309,548	75%
Provision for losses on loans & REOs	225,000	0	225,000	100%
Loan Origination expenses	3,000,000	717,317	2,282,683	76%
Bond Issuance Costs	750,000	154,091	595,909	79%
Trustee/Bank fees	157,000	41,928	115,072	73%
Program advertising/printing	170,000	18,401	151,599	89%
Bond and mortgagee insurance	15,000	0	15,000	100%
Variable rate bond remarket/liquidity facilities	925,000	229,686	695,314	75%
Cash flow/arbitrage/swap consultants/legal	585,000	110,711	474,289	81%
Homebuyer education	110,000	2,400	107,600	98%
Program administrator fees	422,000	90,785	331,215	78%
Section 8 security deposits/landlord incentives	10,500	7,094	3,406	32%
Total Other Program Administration Expenses	8,558,000	1,844,934	6,713,066	78%

**MAINE STATE HOUSING AUTHORITY
CAPITAL BUDGET
FOR THE PERIOD ENDED MARCH 31, 2020**

ATTACHMENT C

Description	2020 Budget	2020 Actual	Budget Available	% Expended
Computer Hardware:				
New Office Building - network switches	200,000	164,301	35,699	
New Office Building - network data center equipment: (firewall/racks/storage/battery backup)	163,000	125,935	37,065	
Phone system replacement - hardware	27,000		27,000	
Printer	7,000		7,000	
Total computer hardware	<u>397,000</u>	<u>290,236</u>	<u>106,764</u>	<u>73%</u>
Computer Software:				
Enterprise multi-family housing system - initial costs	100,000		100,000	
Coordinated Entry Portal - client list software homeless programs	10,000		10,000	
Phone system replacement - software/licensing	153,000		153,000	
Faxing software	5,000		5,000	
Website redesign	60,000	3,769	56,231	
Web filtering server replacement	5,000		5,000	
Single Family loan servicing system modifications	10,000		10,000	
Single Family lender & loan tracking systems mods	10,200		10,200	
Total computer software	<u>353,200</u>	<u>3,769</u>	<u>349,431</u>	<u>1%</u>
Office Equipment:				
New Office Building - workstations & furniture	800,000	179,250	620,750	
New Office building - security & life safety equipment	25,750	24,640	1,110	
New Office building - audio visual equipment	320,600	228,999	91,601	
New Office building - fitness equipment	21,000	10,235	10,765	
New Office building - network fire suppression system	22,000	20,483	1,517	
Total office equipment	<u>1,189,350</u>	<u>463,607</u>	<u>725,743</u>	<u>39%</u>
New Office Building: - Acquisition/Rehab	<u>1,850,000</u>	<u>2,187,249</u>	<u>(337,249)</u>	<u>118%</u>
Total	<u><u>3,789,550</u></u>	<u><u>2,944,861</u></u>	<u><u>844,689</u></u>	<u><u>78%</u></u>

**MAINE STATE HOUSING AUTHORITY
MEMBERSHIPS, DUES, AND SPONSORSHIPS
FOR THE PERIOD ENDED MARCH 31, 2020**

Description	Amount
Memberships and Dues	
Kennebec Valley Human Resource Association - (2) employee annual membership	365
Maine Real Estate & Development Association - annual membership	1,200
Kennebec Valley Board of Realtors - annual affiliate membership	171
Maine Association of Mortgage Professionals - annual membership	375
Maine Bankers Association - annual affiliate membership	950
Maine Real Estate Management Association - annual membership	125
National Leased Housing Association - annual membership	600
National Association for State Community Services Programs - annual membership	1,302
National Energy Assistance Directors' Association - annual membership	6,341
National Affordable Housing Management Association - affiliate membership	1,075
Urban Land Institute - employee membership	240
Notary Public - (1) employee renewal fee	50
Association of Government Accountants - (5) employee annual memberships	550
Association of Certified Fraud Examiners - employee annual membership	225
Institute of Internal Auditors - employee annual membership	175
Construction Specifications Institute - employee annual membership	325
International Code Council - annual membership	135
Total	<u>\$ 14,204</u>
Sponsorships	
Northern New England Community Action - training conference sponsor	\$ 1,500
Maine Real Estate and Development Association - conference sponsorship	1,000
Total	<u>\$ 2,500</u>

Finance Department Memorandum

To: Board of Commissioners
From: Darren Brown
Date: May 6, 2020
Subject: Monthly Delinquencies Report

MULTI-FAMILY DELINQUENCIES

The Multi-Family portfolio totals \$636 million with 1,086 loans as of April 30, 2020. There are no 60+ days delinquent loans, as shown in *Exhibit 1*. The delinquency rate is 0.00%. The Multi-Family delinquency rate is benchmarked against MaineHousing's historical rates, as shown in *Exhibit 2*.

HOME IMPROVEMENT DELINQUENCIES

The Home Improvement portfolio has 52 loans totaling \$121,228 as of April 30, 2020. The over 60-day delinquency rate is 2.95% and represents two loans in the amount of \$3,576. Delinquency rates for each participating lender are shown in *Exhibit 3*. Historical rates for the Home Improvement portfolio are shown in *Exhibit 4*.

SINGLE-FAMILY DELINQUENCIES

The Single-Family portfolio totals \$985 million with 11,004 loans as of March 31, 2020. The over 60-day delinquencies decreased from 2.35% to 2.13% and the in-foreclosures decreased from 0.86% to 0.84%. The over 60-day delinquencies amount to \$21 million, with approximately \$8.3 million representing accounts in foreclosure. The over 60-day and in-foreclosure historic rates are shown in *Exhibit 6*. MaineHousing's overall delinquency rate by loan dollars is 2.13%; and the overall delinquency rate by loan count is 2.46%. As reflected in *Exhibit 7*, the overall delinquency rate and the in-foreclosure rate by loan count are below the rates for all Maine loans.

Servicer Delinquencies – As of March 31, 2020, Bank of America, NA has the highest overall delinquency rate of 6.44%, with an in-foreclosure rate of 3.68%. Delinquencies for our largest servicer, Mortgage Servicing Solutions, decreased from 2.56% to 2.36%, while the in-foreclosure rate decreased from 0.90% to 0.87%. Camden National Bank has the lowest rate of delinquencies at 1.00%. Delinquency rates for each servicer are shown in *Exhibit 5*.

Delinquencies by Insurance Type – In March 2020, FHA insured loans has the highest delinquency rate by total insurance type of 2.99%, with in-foreclosures at 1.25%. When compared to the total loan portfolio, RD insured loans has the highest delinquency rate of 1.20%, with in-foreclosures at 0.46%. Delinquencies by insurance type and the portfolio as a whole are shown in *Exhibit 8*.

FHA insured loans comprise 17% of the Single-Family portfolio and 24% of delinquencies, while RD insured loans comprise 58% of the portfolio and represent 56% 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 9*.

Foreclosure Prevention Activities – *Exhibit 10* summarizes our foreclosure prevention activities, as well as the number of completed foreclosures. As of March 2020, we have assisted 287 borrowers with various foreclosure prevention options. The volume of borrowers needing assistance decreased significantly in 2019 due to historically low delinquency rates and concerted efforts to offer foreclosure prevention options in the early stages of delinquency. However, with the impact of the COVID-19 pandemic, it is expected that delinquencies will increase for April and May, and are expected to decrease again in June. In anticipation of the virus' effect on our borrowers, we have put into place special foreclosure prevention measures to assist as many of those borrowers as possible.

Multi-Family Delinquent Loans

MAINE STATE HOUSING AUTHORITY
MULTI-FAMILY DELINQUENCIES
4/30/2020

Section 8

BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	ORIGINATION DATE	DELINQUENT		
						1 MONTH	2 MONTHS	3+ MONTHS
NONE						0.00	0.00	0.00
						<u>0.00</u>	<u>0.00</u>	<u>0.00</u>

Rental Housing

BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	ORIGINATION DATE	DELINQUENT		
						1 MONTH	2 MONTHS	3+ MONTHS
ATKINSON APARTMENTS	2,750.00	03/01/20	LEWISTON	ATKINSON ASSOC % H & S RENY PR	08/08/95	550,000.00	0.00	0.00
						<u>550,000.00</u>	<u>0.00</u>	<u>0.00</u>

Supportive Housing & Other

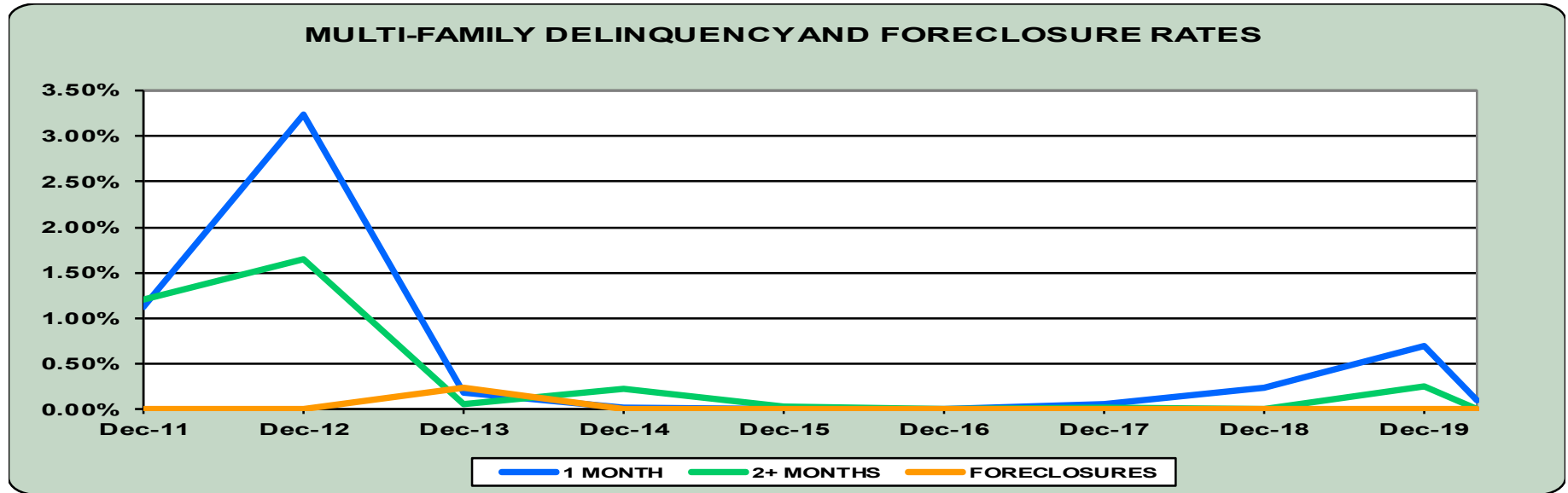
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	ORIGINATION DATE	DELINQUENT		
						1 MONTH	2 MONTHS	3+ MONTHS
INGALLS RD	425.58	03/01/20	BRIDGTON	GOOD NEIGHBORS INC	03/06/96	24,798.00	0.00	0.00
W VALENTINE ST, 216	568.74	03/01/20	WESTBROOK	MORRISON CENTER	04/18/97	36,961.00	0.00	0.00
						<u>61,759.00</u>	<u>0.00</u>	<u>0.00</u>
						<u>611,759.00</u>	<u>0.00</u>	<u>0.00</u>

Grand Total

% of Portfolio Delq 60+ days	0.00%
Total Number of Loans	1,086



Multi-Family Delinquency & Foreclosure Trends



	OUTSTANDING PRINCIPAL		1 MONTH		2+ MONTHS		FORECLOSURES	
	DOLLARS	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	
Apr-20	\$ 635,516,392	\$ 611,759	0.10%	\$ -	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%	
Dec-13	\$ 506,871,177	\$ 896,386	0.18%	\$ 297,366	0.06%	\$ 1,166,866	0.23%	
Dec-12	\$ 487,638,082	\$ 15,815,491	3.24%	\$ 8,056,115	1.65%	\$ -	0.00%	
Dec-11	\$ 486,421,972	\$ 5,436,378	1.12%	\$ 5,875,983	1.21%	\$ -	0.00%	



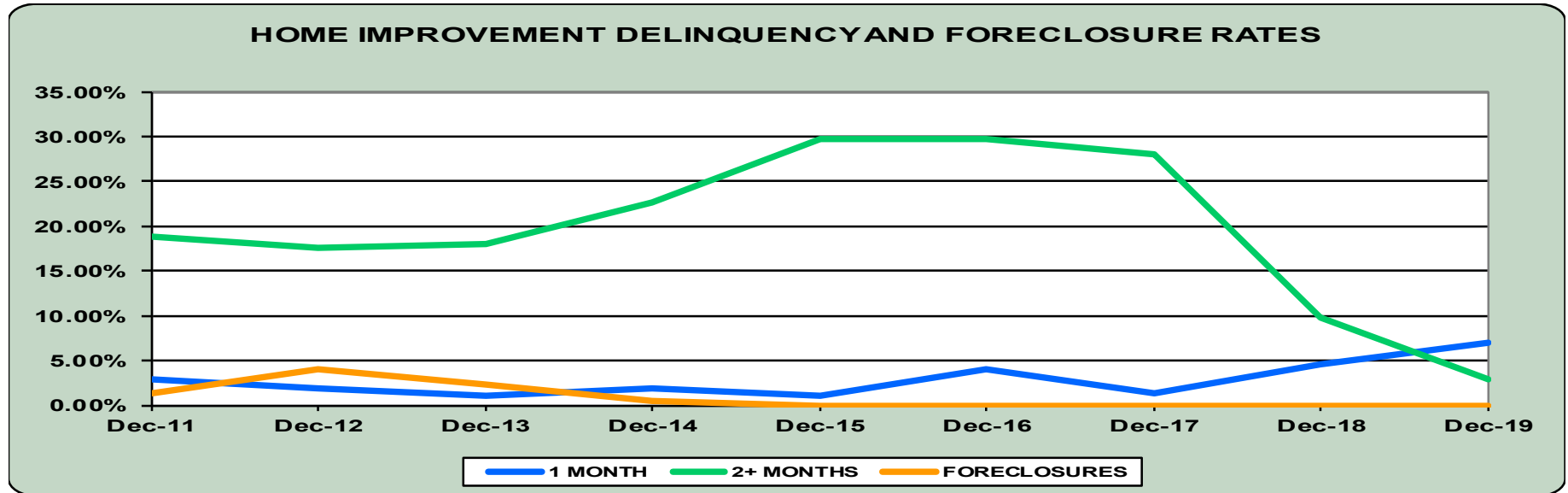
Home Improvement Delinquent Loans

Maine State Housing Authority Home Improvement Delinquencies by Lender 4/30/2020

LENDER	% of Portfolio Delq 60+ Days	OUTSTANDING PRINCIPAL	----- 1 MONTH	DELINQUENT 2 MONTHS	----- 3+ MONTHS
ACAP	0.00%	4,370.25	0.00	0.00	0.00
CCI	0.00%	18,496.48	0.00	0.00	0.00
CED	0.00%	925.19	0.00	0.00	0.00
KVCAP	49.32%	5,298.45	0.00	2,612.97	0.00
PCAP	0.00%	6,217.85	0.00	0.00	0.00
WCCSA	0.00%	3,781.79	0.00	0.00	0.00
WHCAP	100.00%	962.53	0.00	0.00	962.53
YCCAC	0.00%	379.76	0.00	0.00	0.00
BATH SAVINGS	0.00%	24,133.86	0.00	0.00	0.00
CAMDEN NATIONAL	0.00%	17,342.11	0.00	0.00	0.00
KENNEBUNK SAVINGS	0.00%	8,656.58	8,427.56	0.00	0.00
NORTHEAST BANK	0.00%	7,548.79	0.00	0.00	0.00
NORWAY SAVINGS	0.00%	5,888.52	0.00	0.00	0.00
SKOWHEGAN SAVINGS	0.00%	14,406.90	0.00	0.00	0.00
THE FIRST	0.00%	2,819.05	0.00	0.00	0.00
TOTAL	2.95%	121,228.11	8,427.56	2,612.97	962.53
Total Number of Loans	52				



Home Improvement Delinquency & Foreclosure Trends



	OUTSTANDING PRINCIPAL		1 MONTH		2+ MONTHS		FORECLOSURES	
	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE
Apr-20	\$ 121,228	6.95%	\$ 8,428	2.95%	\$ 3,576	29.78%	\$ -	0.00%
Dec-19	\$ 156,955	4.52%	\$ 7,089	9.79%	\$ 15,363	0.00%	\$ -	0.00%
Dec-18	\$ 301,364	1.31%	\$ 3,941	27.98%	\$ 84,317	0.00%	\$ -	0.00%
Dec-17	\$ 515,603	4.02%	\$ 20,749	29.78%	\$ 153,526	0.00%	\$ -	0.00%
Dec-16	\$ 795,184	1.00%	\$ 7,930	29.72%	\$ 236,299	0.00%	\$ -	0.00%
Dec-15	\$ 1,062,015	1.89%	\$ 20,041	22.66%	\$ 240,688	0.49%	\$ 5,160	0.49%
Dec-14	\$ 1,412,221	1.11%	\$ 15,722	18.04%	\$ 254,707	2.33%	\$ 32,897	2.33%
Dec-13	\$ 2,066,062	1.84%	\$ 38,101	17.63%	\$ 364,218	4.08%	\$ 84,283	4.08%
Dec-12	\$ 2,803,309	2.85%	\$ 79,925	18.88%	\$ 529,227	1.38%	\$ 38,727	1.38%
Dec-11	\$ 3,766,637	2.73%	\$ 102,824	15.29%	\$ 576,053	0.00%	\$ -	0.00%



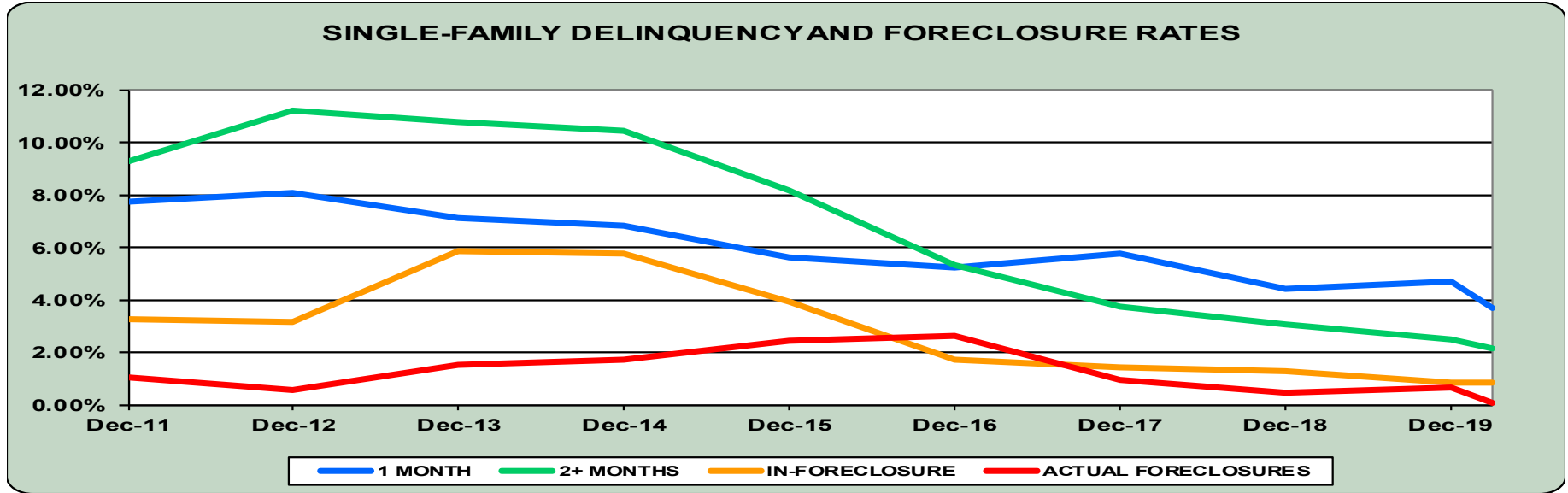
Single-Family Delinquent Loans

Maine State Housing Authority Single-Family Delinquencies by Servicer 3/31/2020

SERVICER	% OF PORTFOLIO	% of Portfolio Delq 60 + days	OUTSTANDING PRINCIPAL	----- 1 MONTH	DELINQUENT 2 MONTHS	----- 3+ MONTHS	IN- FORECLOSURE
MORTGAGE SERVICING SOLUTIONS	67.74%	2.37%	666,964,063.12	28,188,669.79	6,614,204.39	3,330,875.31	5,837,671.75
BANGOR SAVINGS BANK	16.30%	1.20%	160,486,485.11	3,254,118.42	873,150.48	288,900.48	762,008.08
CAMDEN NATIONAL BANK UK	9.00%	1.03%	88,653,949.89	2,089,549.93	237,847.39	324,735.55	349,042.55
MACHIAS SAVINGS BANK	5.82%	2.96%	57,296,985.49	2,007,410.64	545,953.06	231,543.11	916,048.57
BANK OF AMERICA NA	1.07%	6.44%	10,520,270.93	667,664.49	0.00	290,369.25	386,852.24
SALEM FIVE MORTGAGE CORP	0.07%	3.14%	725,326.31	33015.59	0.00	22,785.20	0.00
TOTAL	100.00%	2.13%	984,647,080.85	36,240,428.86	8,271,155.32	4,489,208.90	8,251,623.19



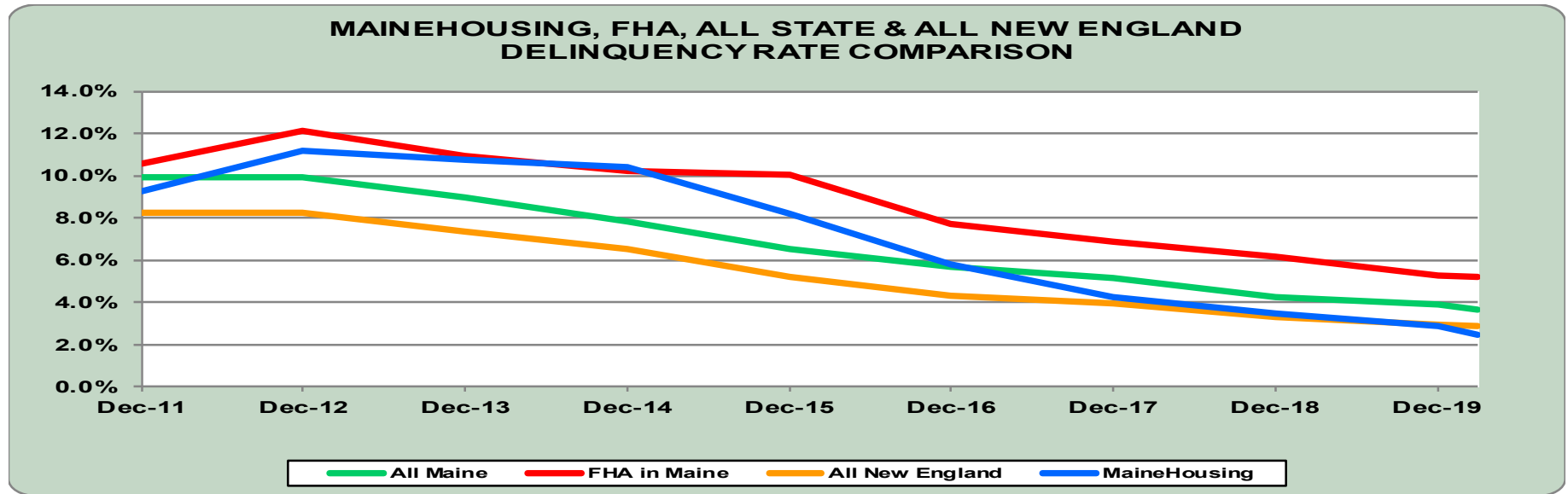
Single-Family Delinquency & Foreclosure Trends



	OUTSTANDING PRINCIPAL		1 MONTH		2+ MONTHS		IN-FORECLOSURE		ACTUAL FORECLOSURES	
	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE
Mar-20	\$ 984,647,081	3.68%	\$ 21,011,987	2.13%	\$ 8,251,623	0.84%	\$ 907,167	0.09%		
Dec-19	\$ 967,171,381	4.69%	\$ 23,774,547	2.46%	\$ 8,037,512	0.83%	\$ 6,357,994	0.66%		
Dec-18	\$ 916,608,577	4.42%	\$ 28,155,105	3.07%	\$ 11,647,401	1.27%	\$ 4,056,247	0.44%		
Dec-17	\$ 844,497,676	5.74%	\$ 31,454,643	3.72%	\$ 12,099,518	1.43%	\$ 7,847,858	0.93%		
Dec-16	\$ 799,557,471	5.23%	\$ 42,682,410	5.34%	\$ 13,625,991	1.70%	\$ 21,142,137	2.64%		
Dec-15	\$ 790,409,905	5.61%	\$ 64,656,769	8.18%	\$ 31,066,182	3.93%	\$ 20,797,314	2.43%		
Dec-14	\$ 810,139,060	6.81%	\$ 84,385,397	10.42%	\$ 46,711,687	5.77%	\$ 13,904,155	1.72%		
Dec-13	\$ 849,385,825	7.11%	\$ 91,501,809	10.77%	\$ 49,783,071	5.86%	\$ 12,980,502	1.53%		
Dec-12	\$ 899,788,247	8.09%	\$ 100,738,963	11.20%	\$ 28,237,109	3.14%	\$ 4,987,749	0.55%		
Dec-11	\$ 980,359,797	7.75%	\$ 90,934,130	9.28%	\$ 31,846,771	3.25%	\$ 9,975,164	1.02%		



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*	115,054	0.79%	1.13%	1.77%	3.69%
FHA for State*	18,779	1.44%	1.57%	2.20%	5.21%
All New England*	1,614,244	0.80%	1.08%	0.99%	2.87%
MaineHousing**	11,004	1.04%	0.53%	0.89%	2.46%

*This information is obtained from MBA's National Delinquency Survey for the fourth quarter of 2019.

**MaineHousing's overall delinquency rate based on loan dollars is 2.13%, whereas rates in this exhibit are based on loan count.



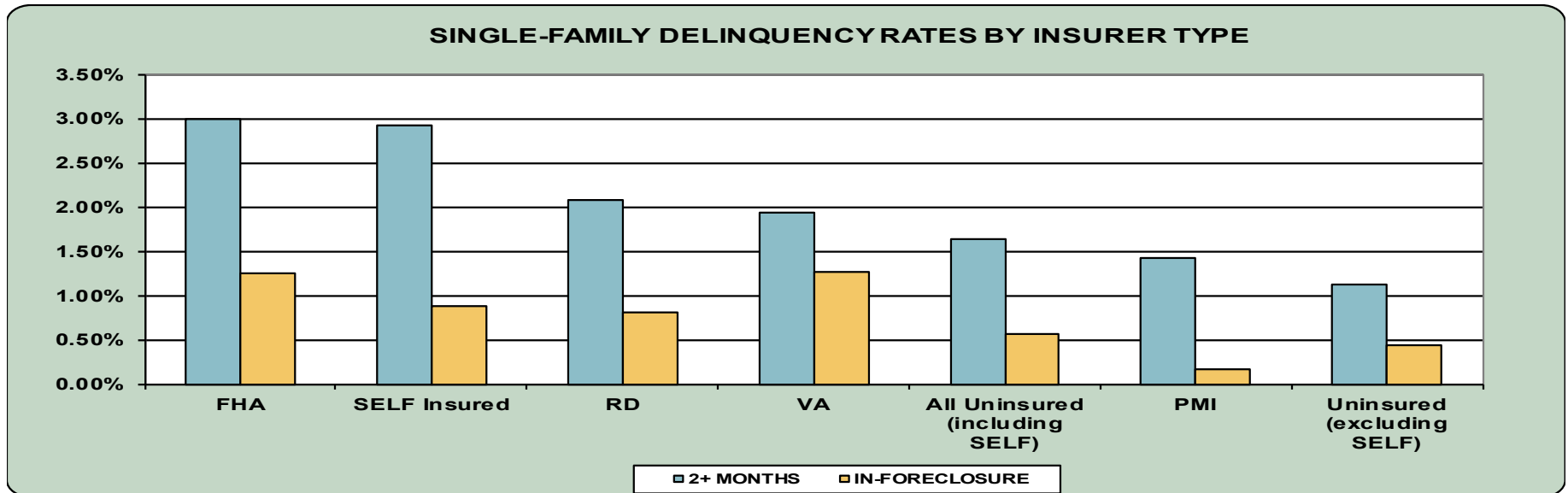
Single-Family Delinquencies by Mortgage Insurer

As A Percent of Total Insurance Type
3/31/2020

TYPE	2+ MONTHS	IN-FORECLOSURE
FHA	2.99%	1.25%
SELF Insured	2.92%	0.88%
RD	2.08%	0.80%
VA	1.94%	1.26%
All Uninsured (including SELF)	1.64%	0.56%
PMI	1.42%	0.16%
Uninsured (excluding SELF)	1.12%	0.43%

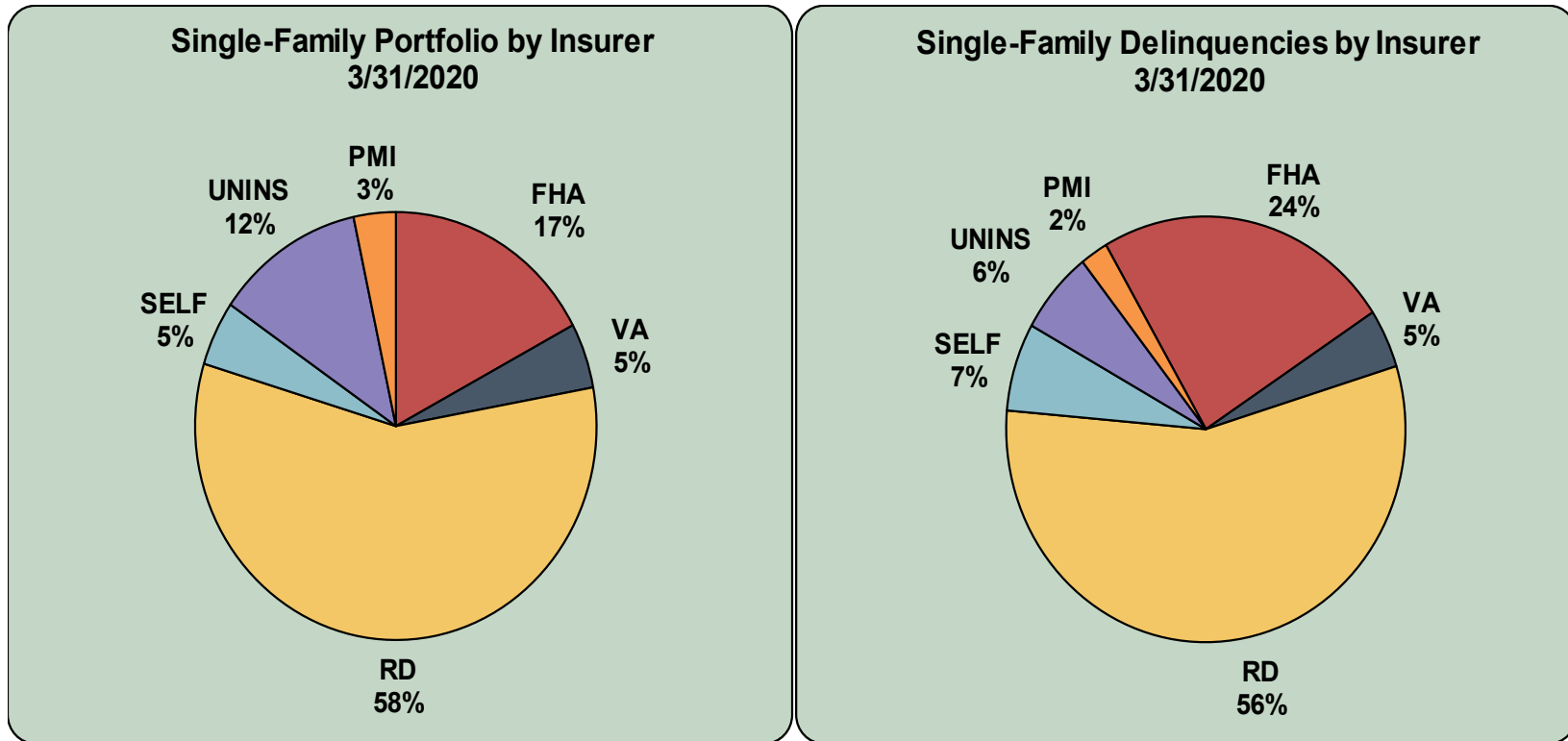
As A Percent of Total Loan Portfolio
3/31/2020

TYPE	2+ MONTHS	IN-FORECLOSURE
RD	1.20%	0.46%
FHA	0.51%	0.21%
All Uninsured (including SELF)	0.28%	0.09%
SELF Insured	0.14%	0.05%
Uninsured (excluding SELF)	0.13%	0.05%
VA	0.10%	0.06%
PMI	0.05%	0.01%

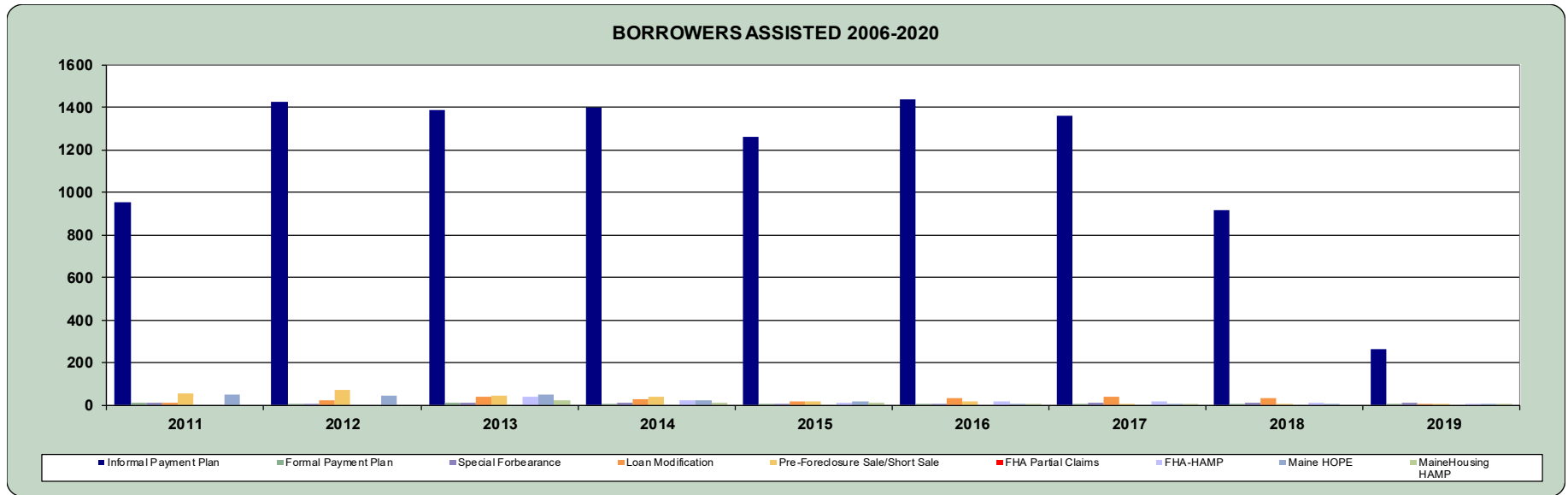


Single-Family Delinquencies by Mortgage Insurer

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	FHA Partial Claims	FHA-HAMP	Maine HOPE	MaineHousing HAMP	Total Workouts
Mar-20	261	1	11	4	1		5	2	2	287
Dec-19	914	3	12	32	4		10	8	0	983
Dec-18	1361	4	12	39	8		15	3	6	1448
Dec-17	1437	8	4	31	14		14	8	7	1523
Dec-16	1259	6	8	19	15		10	16	9	1342
Dec-15	1397	8	11	26	40		21	22	10	1535
Dec-14	1388	12	13	38	44		38	48	24	1605
Dec-13	1424	4	5	24	73			46		1576
Dec-12	952	9	9	9	56			47		1082
Dec-11	505	42	43	25	43	2		71		731

Actual Foreclosures

	Number of Foreclosures	Number of Loans in Portfolio	Percentage of Portfolio
Mar-20	13	11,004	0.12%
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%
Dec-13	146	10,952	1.33%
Dec-12	60	11,571	0.52%
Dec-11	115	12,311	0.93%



Homeless Initiatives Department Memorandum

To: Board of Commissioners

From: Laurie Murray, Director of Homeless Initiatives

Date: May 19, 2020

Subject: Homeless Initiatives Report

2020 Emergency Shelter and Housing Assistance Program (ESHAP)

The Homeless Initiatives Department released the 1st quarter shelter payments for the Operations and Stabilization Shares totaling \$1,526,984. The **Operations Share** is based on bed count. The **Stabilization Share** is contingent upon meeting specific rapid rehousing and stabilization benchmarks for the number of clients assessed and stabilized.

	Operations Share	Stabilization Share	TOTAL
State General Funds	\$347,042	\$347,042	\$694,084
State Home Funds	\$416,450	\$416,450	\$832,900
TOTAL	\$763,492	\$763,492	\$1,526,984

The **Performance Share** provides funding to shelters that achieve specific performance measures that focus efforts on helping clients achieve permanent housing and ensure that they remain in permanent housing. The **Performance Share** is released twice a year at the end of the second and fourth quarter.

The Homeless Initiatives team has continued to work with our shelters and other homeless providers to provide assistance and resources for the COVID-19 pandemic. We provided additional funding to the shelters for costs associated with COVID-19 expenses, including medical and sanitation supplies and additional staffing costs. This program is being funded through our Emergency Shelter Grant (ESG) COVID-19 allocation. To date, we have provided a total of \$622,435 to shelters under this program.

We are also funding shelters that are establishing temporary Wellness Centers to provide for physical distancing of persons experiencing homelessness. So far, these wellness centers have been set-up in Bangor, Portland, Lewiston, and Aroostook County. To date, we have provided a total of approximately \$1.8 million towards these Wellness Centers.

We have begun convening groups with our partners who serve people experiencing homelessness, including the Statewide Homeless Council and Maine Continuum of Care. Our goal is to look at how we can best rapidly re-house individuals coming out of the Wellness Centers and hotels so we can move them into permanent housing. In addition to looking at how to increase the supply of affordable housing, we are focusing on landlord engagement efforts.

To: MaineHousing Board of Commissioners
From: Craig Reynolds, Director of Homeownership
Date: May 7, 2020
Subject: Monthly Report – Homeownership Department

PRODUCTION UPDATE

Purchases & Reservations Past/Current Comparison	April 2019		April 2020		
	#	\$ Volume	#	\$ Volume	% Change # (2020 vs. 2019)
Purchases (YTD)	277	\$34.8M	308	\$45.4M	11.1%
Reservations in Pipeline	243	\$32.6M	283	\$43.2M	16.4%

Monthly Reservations by Program Option		
Total Loans Reserved in April	#	\$
2 points	0	\$0M
0 points	2	\$0.3M
0 points with Advantage	94	\$14.5M
Totals	96	\$14.8M

PROGRAM HIGHLIGHTS

Loan Production & Market Status

As shown by the Production Update above, 2020 loan purchase totals YTD continue well ahead of 2019. This positioning is a result of a very productive first quarter and the carryover of loan reservations taken prior to the impact of COVID-19. Loan reservations are also currently well ahead of last year at this time, however the personal restrictions, employment uncertainty and economic hardship resulting from the COVID-19 response during April have triggered a downward trend in loan reservations as was expected.

Real estate activity has not surprisingly slowed due to the concerns listed above, however real estate services have been designated as Essential Business. Licensees are showing their determination and creativity by continuing to conduct business while still complying with CDC rules regarding safety and social distancing, and heeding the executive orders issued by Governor Mills.

Market mortgage interest rates remain very favorable in the range of 3% - 3.50% for homebuyers determined to persevere through the turmoil caused by the COVID-19 crisis. However, due to the risk posed by increasing loan delinquencies and forbearance requests, the near record low rates being

advertised are generally available only under the most favorable loan scenarios, typically those featuring a small loan to value ratio (LTV) and borrowers with a very high credit score. Loans and borrowers not fitting into this general category may be quoted higher interest rates by some lenders.

With the single family program in need of renewed funding, Treasurer, Tom Cary once again managed to successfully orchestrate a bond sale during a time of uncertainty and high volatility in the bond market at the end of March. Mortgage rates were also experiencing ups and downs due to lender uncertainty of how severe the financial impact of COVID-19 would be in the weeks and months ahead. The decision was made to increase MaineHousing's First Home Loan 0 point - fixed interest rate to a still very competitive 3.625%. When combined with the \$3,500 Advantage down payment and closing cost assistance option the First Home Loan continues to offer a very attractive financing choice for Maine's first time homebuyers. The Homeownership Department is fully operational and open for business!

Virtual Homebuyer Education Update

Consumer Education Coordinator, Matthew Drost facilitated a discussion among the Maine hoMEworks Educators to evaluate best practices and share other information related to offering virtual homebuyer education. They confirmed as expected that with live in-person classes canceled, attendance for the live-online classes offered by Maine education providers has actually been higher than anticipated during what many believed would be a subdued real estate market caused by the COVID-19 pandemic. Educators also report that participation in the nationally offered eHome America online class has remained steady and/or is increasing. Matthew is also pleased to report that MaineHousing was able to assist a fellow HFA prepare to facilitate virtual live homebuyer education. When Minnesota Housing Finance Agency reached out for help through NCSHA, Matthew responded to provide their Communications Initiatives Manager, Tal Anderson with information and resources to help them create and offer virtual classes to serve their own hopeful homebuyers.

Lender Partner Training

Partner Education & Outreach Officer, Lisa McKenna conducted a remote First Home Loan training webinar for a new Primary Residential Mortgage underwriter who already had substantial experience working with other Housing Finance Agencies across the U.S. The training focused primarily on the various documents and overlays that are specific to MaineHousing's program.



Housing Choice Vouchers Department Memorandum

To: MaineHousing Board of Commissioners

From: Allison Gallagher - Director of HCV Programs

Date: May 26, 2020

Subject: Monthly Report – Housing Choice Voucher Program

Inspections Update: April 2020

Abatements: 0

STEP Abatements: 0

24 hour fails: 0

Initials: 39 (23 passed the first time, 11 passed with no life safety fails, 5 failed, 3 cancelled and 1 of those was because the LL didn't want to make the repairs) – 8 re-inspections

STEP inspections: 9 initials

Average number of days to schedule initials: 2

Average number of days to schedule homeless initials: 1

Annuals: 0

Mileage: 5,258

Landlord Repair Program: \$76,163.86

Jim picked up hand sanitizer at Maine Craft Brewing in Portland and delivered to MaineHousing twice this month. Rob had two days delivering the hand sanitizer, Kevin had one day and Shawn had two days.

Information Technology Department Memorandum

To: Board of Commissioners

From: Sheila Nielsen, Director of IT

Date: May 19, 2020

Subject: Monthly Report

The IT Department has been working on the following efforts during the last month.

- COVID – 19 related activities:
 - Monitored telecommuting environment to support staff working remotely.
- Provided annual IT Security Training campaign to entire agency, with 100% completion achieved.
- Edison Drive Building Initiatives:
 - Installed new RingCentral phones and desk cabling. Finalized cutover plan from existing phone vendor to RingCentral. Scheduled admin, end user and management training sessions for new system.
 - Started migration of servers from Water Street data center to Edison Drive.
 - Participated in audio visual system testing and final commissioning
 - Tested new badge printing software, prepared for building security vendor training
 - Established cutover plan to Edison Drive data center with Firstlight
 - Conducted final testing for data center fire suppression.
 - Coordinated final network configuration with building HVAC vendor.
 - Packing at Water Street and preparations for physical move.

Board Calendar 2020

<p>JANUARY 21</p> <ul style="list-style-type: none"> • Legislative Preview (P. Merrill) <p>NCSHA HFA Institute (Jan. 12-17) Washington, DC</p>	<p>FEBRUARY 18</p> <ul style="list-style-type: none"> • Introduce HEAP
<p>MARCH 17</p> <ul style="list-style-type: none"> • HEAP discussion • Audit Committee update <p>NCSHA Legislative Conference (March 9-11) Washington, DC</p>	<p>APRIL 21</p> <ul style="list-style-type: none"> • Commence rulemaking HEAP • 2019 Year-end Financials • Commence rulemaking QAP
<p>MAY 26</p> <ul style="list-style-type: none"> • HEAP public hearing • QAP public hearing 	<p>JUNE 16</p> <ul style="list-style-type: none"> • Adopt HEAP rule • Introduce HCV Annual Plan • Adopt QAP • Commence rulemaking State LIHTC <p>NCSHA Credit Connect (June 2-5) St. Louis, Missouri</p>
<p>JULY 21</p> <ul style="list-style-type: none"> • BOARD MEETING IF NEEDED 	<p>AUGUST 18</p> <ul style="list-style-type: none"> • HCV Annual Plan Public Hearing • State LIHTC public hearing
<p>SEPTEMBER 15</p> <ul style="list-style-type: none"> • Adopt HCV Annual Plan • Adopt State LIHTC rule 	<p>OCTOBER 20</p> <ul style="list-style-type: none"> • NCSHA Annual Conf. (Oct. 24-27) • DOE Weatherization State Plan
<p>NOVEMBER 17</p> <ul style="list-style-type: none"> • Review Preliminary 2021 Budget • DOE Weatherization State Plan Public Hearing 	<p>DECEMBER 15</p> <ul style="list-style-type: none"> • Approve 2021 Budget • Elect Officers • DOE Weatherization Adopt State Plan • MPP Series Resolution