

December 17, 2024 Board Packet

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Board of Commissioners Meeting – December 17, 2024 9:00 a.m. to 12:00 p.m.

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

| | | |
|-------|--|--|
| 9:00 | Adopt Agenda (VOTE) Remote Commissioners - Reason remote - Any other persons at their location Approve minutes of November 19, 2024 meeting (VOTE) Communications and Conflicts Chair of the Board Updates | All Frank O’Hara All Frank O’Hara |
| 9:15 | Director Updates | Dan Brennan |
| 9:30 | Adopt DOE Weatherization State Plan (VOTE) | Ashley Carson/Kim Ferenc |
| 9:40 | Adopt Housing First Rule (VOTE) | Jodie Stevens/Adam Krea |
| 9:50 | Elect Officers (VOTE) | All |
| 10:00 | Approve 2025 Budget (VOTE) <u>Department Reports:</u> Asset Management Development Energy and Housing Services Finance Monthly Report Financial & Budget Report Finance Delinquency Report & Charts Homeless Initiatives Homeownership Housing Choice Vouchers Human Resources & Facilities Information Technology Planning and Research 2024 Board Calendar | Darren Brown/Adam Krea All |
| | Adjourn (VOTE) | All |

The next meeting of the Board is scheduled for January 21, 2025
virtually and in person at 26 Edison Drive, Augusta, Maine



Minutes of the Board of Commissioners Meeting November 19, 2024

MEETING CONVENED

A meeting of the Board of Commissioners for MaineHousing convened on November 19, 2024, at the offices of MaineHousing, 26 Edison Drive, Augusta, Maine and virtually. Notice of the meeting was published on November 8, 2024, in Central Maine newspapers. Notice of Board of Commissioners meetings is also on MaineHousing's website at www.mainehousing.org.

In lieu of Chair Frank O'Hara, Vice-Chair Laura Buxbaum ran the meeting.

Vice-Chair Laura Buxbaum called the meeting to order at 9:04 a.m. Director Dan Brennan, Commissioners Renee Lewis, and Melissa Hue attended in person. Chair Frank O'Hara attended remotely for medical reasons, he was alone at his location. Commissioner Nancy Harrison attended remotely due to her schedule, she was alone at her location. Deputy Treasurer Gregory Olsen on behalf of State Treasurer Henry Beck attended remotely due to his schedule, he was alone at his location. Commissioners Elizabeth Dietz, Noël Bonam, and Paul Shepherd were absent. There was a quorum present.

PUBLIC ATTENDANCE

Guests and staff present for all or part of the meeting included: Jamie Johnson, Senior Director of Operations; Ashley Carson, Chief Counsel; Adam Krea, Senior Director of Finance and Lending; Scott Thistle, Communications Director; Erik Jorgensen, Senior Director of Government Relations and Communications; Jonny Kurzfeld, Director of Planning and Research; Craig Given, Director of Information Technology; Patricia Harriman, Director of Homeownership; Mark Wiesendanger, Director of Development; Jane Whitley, Director of Human Resources and Facilities; Kelly Watson, Director of Homeless Initiatives; Kim Ferenc, Manager of Housing Services; Tom Cary, Treasurer; Karen Lawlor, Executive Administrator; Bobbi Crooker, Energy and Housing Services Director; Sarah Johnson, Manager of Home Energy Assistance Programs; Allison Gallagher, Director of Housing Choice Vouchers; Jodie Stevens, Counsel; Deanna Trask, Weatherization Program Officer; James Driscoll, Counsel; Betty Mezoff, Housing Program Officer; Darren Brown, Director of Finance; Robert Conroy, Director of Asset Management; Liza Fleming-Ives, Genesis; Tyler Norod, Westbrook Development; Kristin Styles, Westbrook Development; Molly Feeney, Knox County Homeless Coalition; Greg Payne, Senior Advisor for Housing Policy; Ross Anthony, Maine Governor's Energy Office; Andrew Eppich, DHHS; Kristen McAuley, DHHS Deputy Director Office of Behavioral Health; Emily Leighton, DHHS; Jackie Watson, YCCAC; Jess LeBlanc, Debbie Laurie, Bangor City Manager; and Jack Watson, Paralegal and Note taker.

ADOPT AGENDA

Commissioner Renee Lewis made a motion seconded by Commissioner Nancy Harrison to adopt the November 19, 2024, agenda. The vote carried unanimously.

APPROVE MINUTES OF OCTOBER 15, 2024, MEETING

Commissioner Nancy Harrison made a motion seconded by Commissioner Renee Lewis to accept the October 15, 2024, minutes as written. The vote carried unanimously.

COMMUNICATIONS AND CONFLICTS

- Vice-Chair Laura Buxbaum mentioned how she attended the MAHC conference last week and had some very nice conversations.
- Commissioner Nancy Harrison mentioned how she had a lender from another institution reach out to her looking for contacts in the development department and she emailed the lender Adam Krea and Mark Wiesendanger's names and general numbers and sent an email to Dan Brennan to let him know she did that.

VICE CHAIR OF BOARD UPDATES

- Laura Buxbaum mentioned how we had elections recently and shared that she thought Director Dan Brennan's message about the election was superb. Laura proceeded to read the last few sentences of Dan's message and thanked him.
- Laura also shared that she is happy to have Frank O'Hara back attending the meeting and is looking forward to him chairing again soon.

DIRECTOR UPDATES

Director Brennan summarized recent issues, and his activities as follows:

- He attended the Linnhaven Mobile Home Park celebration where there was a lot of press coverage and legislative discussion.
- He also attended the Preble Street Homeless Conference, where the keynote speaker was Jeff Olivet from OSIC. Dan was able to have dinner with him and others. The conference also gave them the opportunity to publicly introduce Dean Klein as the Executive Director of Maine's Continuum of Care. Dean will be attending the board meeting in January.
- Dan attended the quarterly meeting of the Maine Association of Public Health Directors in Bar Harbor.
- Dan also went to Washington D.C. to represent the advisory board of the Federal Home Loan Bank of Boston. He was the only FHFA representative there. He had some great discussions about great work we are doing in Maine and how they want to bring more money into the state.
- He also mentioned how he will be heading to Colby College again soon to do a presentation to students, where he gets to talk a bit about what MaineHousing does.
- Met with Ann Gass, the head of the Maine Shared Equity Housing Network where they talked about shared equity housing and the challenges and opportunities that come along with it. In relation to this, Laura Buxbaum brought up the topic of shared equity housing land trusts and a brief discussion then ensued about wanting to learn more about them.
- The Maine Climate Council will be rolling out their new updated plan for Maine Won't Wait on November 21st.
- Dan presented to the Portland Rotary.
- Dan went to the Maine Affordable Housing Conference last week.
- He also went to Tedford Shelter's groundbreaking and thought it was great.

- Will be going to Washington D.C. from December 9th to December 11th for an executive director workshop. Will be about looking ahead to 2025 and figuring out what to expect with the new administration.
- Did press release on November 19th that talked about the Eviction Prevention Program. There will be a waitlist for the program because we are projecting that all the funds will be used.
- Will soon be announcing 7.7 million dollars of emergency housing relief fund money. 34 million dollars were requested.
- Thinking that next week we will be announcing the results of the 9% tax credit scoring.
- We have exceeded our first time home buyer goal.
- RFPs out for human resources. One is a compensation study. Another is for an HR consultant. The preliminary budgets do not reflect the compensation study that has yet to be concluded.
- Goal setting is included in the board packet. Frank O'Hara mentioned that he will submit some comments.
- Mentioned that Bridge training modules will be made accessible to learn more about things like fair housing and the Housing Choice Voucher Program.

DOE WEATHERIZATION STATE PLAN PUBLIC HEARING

Chief Counsel Ashley Carson and Manager of Housing Services Kim Ferenc came up to conduct the public hearing for the Department of Energy Weatherization State Plan. Chief Counsel Carson began by introducing the commissioners and MaineHousing staff representing MaineHousing and then asked Kim Ferenc to go over the stakeholder process for the proposed plan.

Kim shared that the first draft of the plan was presented to the board by Amanda Roy, Manager of Weatherization on October 15, 2024, and the draft was shared with our partner network comprised of sub-grantees on October 10, 2024. She also stated how the draft State Plan was presented to our Policy Advisory Committee and Efficiency Maine Trust, on October 30th. Revisions were made based on input from stakeholders. Those revisions were used to create the draft that is being presented for the public hearing. Kim went on to say that after the public hearing a final draft will be created and then submitted to the DOE for review. Upon approval, the final draft will be published on MaineHousing's website and implemented on April 1, 2025.

Ashley Carson thanked Kim and stated that the notice to interested parties on the Plan was sent out on November 5, 2024, and was also published on our website and newspapers state-wide on the same day. She said the comment period for the Plan expires on November 27th at 5:00 o'clock, and that the hearing is being recorded and will be transcribed. All the comments will be summarized and written comments in response to them will be made available to the public. Chief Counsel Carson then asked if anyone would like to comment. No comments were received, and the hearing was adjourned.

NEW SERIES RESOLUTION

Treasurer Tom Cary came up to ask the Board for their approval of the new Series Resolution, which both authorizes the issuance of up to \$500 million of Bonds and Notes in the Mortgage Purchase Program for a period of approximately 15 months and authorizes entering into new Swaps in an amount not to exceed \$150 million during the same 15 months. Tom, while speaking to the

Board, explained to the Board the reason for asking, and the history of this resolution. He also answered questions from the Board.

Vice-Chair Laura Buxbaum entertained the proposed motion as outlined in page 33 of the board packet, it was motioned by Commissioner Renee Lewis, and seconded by Chair Frank O'Hara, the vote carried unanimously.

HOUSING FIRST RULE PUBLIC HEARING

Senior Director of Finance and Lending Adam Krea, Counsel Jodie Stevens, and DHHS Deputy Director of the Office of Behavioral Health Kristen McAuley came up to conduct the Housing First Rule public hearing. Counsel Jodie Stevens stated how the Housing First Program Administrative Responsibility Rule is a joint rule that sets forth the responsibilities of each agency and their joint responsibilities in administering the Housing First Program. She said how the Housing First Program was established by the State of Maine Legislature to facilitate the delivery of support and stabilization services to residents of properties in the State of Maine that provide permanent housing for persons who are experiencing chronic homelessness. The Rule is administrative in nature. The Housing First Program is still being developed by the Office of Behavioral Health and MaineHousing. The Rule is a joint rule, but there are two separate rules. There is one proposed by the Office of Behavioral Health and one proposed by MaineHousing. The two rules are essentially identical. Jodie reiterated that this public hearing is for both rules. She said how any of the comments made on the rules would affect both rules. She also stated that written comments on the rules would be accepted until Monday, December 2nd, at 5:00 o'clock. It was stated that the purpose of this hearing was to accept public comment only. Once the comment period closed, the Office of Behavioral Health and MaineHousing would work jointly to summarize and respond to those comments and make them available to the public. Jodie then asked if anyone would like to comment. No comments were received and the hearing was adjourned.

RESOURCE ALLOCATION

Senior Director of Finance and Lending Adam Krea came up to speak about resource allocation. Adam began by explaining how our operating budget is about 25 million dollars. He said how other than our operating budget, MaineHousing's budget is made up of federal programs, state programs, bonds and tax credits. Adam said how our resources that are discretionary are only 8% of the total resources MaineHousing puts out each year. Adam then proceeded to go over, as outlined in the board packet on page 27, MaineHousing's discretionary resources which total 85.96 million dollars for 2025.

After Adam went over MaineHousing's discretionary resources for 2025, Commissioner Renee Lewis asked Adam how similar these discretionary resources are to last year. Adam said they are quite similar. Vice-Chair Laura Buxbaum meanwhile asked Adam about future funding in the aftermath of the election. Adam did not have an answer to that question, he said we will have to wait and see.

POST ELECTION AND GOVERNOR'S OFFICE UPDATE

Senior Director of Government Relations and Communications, Erik Jorgensen and Senior Advisor for Housing Policy in the Governor's Office of Policy, Innovation and the Future, Greg Payne came up to give a post-election update. Erik Jorgensen mainly focused on legislative results in Maine. Some of the notable things Erik shared were that the Maine legislature will continue to be controlled by Democrats in both the House and the Senate, Ryan Fecteau will be the Speaker of the House,

and Mattie Daughtry will be the President of the Senate. Erik expects that the marquee issue this legislative session will be that money is getting tighter. Erik also stated that from his experience as a legislator, about 45% of the budget goes to local and higher education, and 33% of the budget goes to health and human services. This means that the remaining quarter or so of the budget funds the rest of the State Government. Two other things Erik shared were that he thinks the housing committee will be back, and that State Treasurer Henry Beck will not be running again, meaning the legislature will have to decide who to replace him with. Finally, Erik said that he expects that the big legislative push this session will be on the affordable housing credit improvement act. He said that it has a lot of bipartisan support. Erik then introduced Greg Payne.

Greg Payne gave his Governor's Office update. He said state leadership has never been stronger, and housing is a top issue, with strong bipartisan support. He said Governor Mills is committed to housing. Greg did share however, that he is not optimistic about federal support, but we will have to wait and see. Greg also mentioned a road map project they are working on, and emphasized that there is bipartisan support for protecting affordable mobile home parks. Finally, Greg explained that there is continuing work around the creation of the Office of Community Affairs, which the legislature recently authorized.

PRELIMINARY 2025 BUDGETS

Director of Finance Darren Brown came up to present the 2025 preliminary budgets. Darren explained that this year's operating results and profitability have been favorably impacted by the high interest rate environment. He said the higher interest rate environment has helped us grow our loan portfolio. It has also helped with our loan production and provided higher earnings for both our mortgage and non-mortgage investments. He said it is impossible to know, but a fairly comparable rate environment is expected next year. Darren then explained that while there is going to be a decrease in total programs revenues, that is attributed primarily to the completion of many Covid-19 related programs. Overall, a significant amount of net operating income is going to be generated this year. He said the 2025 budgets present a very strong and healthy financial position. Darren then proceeded to go into more detail about the preliminary budgets, by going over with the commissioners, the preliminary budget attachment that was outlined in the board packet. While reviewing the attachment, Darren explained the budget for next year is about 26 million dollars. He also explained that we are going to be under budget by about 6.0% this year. This is in large part due to lower salary and employee benefit expenses, which were mainly caused by a significant employee turnover rate and positions being vacant for a long time. Darren pointed out, as outlined in the attachment, that 650,000 dollars are budgeted for a merit adjustment in 2025. This is just a parameter. Once the compensation study is released, adjustments will be made. It was also mentioned that insurance health premiums are increasing by 16.7%, due to a high utilization rate.

ADJOURN

Commissioner Renee Lewis made a motion seconded by Commissioner Nancy Harrison to adjourn the meeting. The meeting was adjourned at 11:48 a.m. by unanimous vote of the Board.

Respectfully submitted,

Elizabeth Dietz

Memorandum

To: Daniel E. Brennan, Director
From: Kelly Watson, Director of Homeless Initiatives
Date: November 26, 2024
RE: Sole Source for Sarah Day Chess Consulting

Overview

MaineHousing published an Invitation to Submit Proposals for Rapid Resolution/Housing Problem Solving Training Consultant on January 18, 2023, seeking a partner who could provide training to MaineHousing staff and partner agencies on topics of how to conduct Rapid Resolution interventions, particularly conducting Housing Problem Solving conversations. Sarah Day Chess Consulting (“SDCC”) was selected and entered into a Professional Services Contract (the “Contract”) with MaineHousing on March 2, 2023.

The Contract is set to expire December 31, 2024. These training services must be reprocured in 2025, however, MaineHousing will not know its training needs until all of the annual grantees are determined, which will be after December 31, 2024. As SDCC has acted as the trainer for the last several years, MaineHousing would be able to enter into a no-cost extension with SDCC for the month of January, which should allow enough time to identify the grantees and reprocure the services.

Justification

MaineHousing’s Procurement Policy, Section IV – Sole Source Procurement, allows for procurement of goods or services by soliciting a proposal from only one source if the item is unique or specific to a vendor or the vendor has unique expertise in providing a service. As SDCC has been providing this service for several years, they are familiar with MaineHousing’s systems, providers and specific needs and can continue the services for an additional month at no additional cost. Onboarding a new service provider would disrupt training and come at a much greater expense for MaineHousing.

Request

To allow MaineHousing to continue contracting with SDCC for the month of January 2025 at no additional cost.

ACKNOWLEDGED & APPROVED

11/26/2024

Date



Daniel Brennan
Director, Maine State Housing Authority

Planning & Research Department Memorandum

To: Dan Brennan
From: Amanda Ouellette, UI/UX Designer
Date: December 6th, 2024
Subject: Sole Source Procurement for Scribe

Background

The Planning and Research department would like to create step-by-step tutorials to document several work processes. We want to purchase the software Scribe How to aid in the creation of these tutorials.

Justification

A thorough search for tools with comparable function to Scribe How did unearth some alternatives, but each was critically deficient in at least one way. Most were browser add-ins only, meaning they could only document processes that happened within a browser window. The only alternative identified that is capable of documenting outside of a browser lacked the security measures that make Scribe How acceptable from an information security perspective. Under Section IV of MaineHousing's Procurement Policy, Sole Source Procurement is allowed in situations where 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. Based on the review of the market conducted by PnR we believe Scribe How is unique in that it is the only service that includes the necessary features and security measures.

Request

The Planning and Research Department would like to purchase Scribe How. We have worked in conjunction with the IT Department to make sure this purchase meets our company AI standards and security compliance requirements.

ACKNOWLEDGED & APPROVED

12/9/24

Date



Daniel Brennan
Director, Maine State Housing Authority

Audit Department Memorandum

To: Board of Commissioners
From: Linda L. Grotton, Director of Audit
Date: December 17, 2024
Subject: Audit Committee Report

The MaineHousing Audit Committee held quarterly meetings on July 8 and December 4, 2024. Laura Buxbaum (Chair of the Audit Committee) and Audit Committee members Betty Dietz and Nancy Harrison met with Linda Grotton.

Annual Audited Financial Statements

Baker, Newman and Noyes presented the 2023 Audited Financial Statements to the full Board at the April monthly meeting. At that meeting, Laura Buxbaum observed that in her other Board experience, a Finance Committee or other subset of the Board would first meet with the auditors to review the report before it is presented to the full Board. At the July 8 meeting, Audit Committee members discussed the role of the Audit Committee with regard to the audited financial statements. It was noted that the Audit Committee Chair signs the Engagement Letter each year. In the absence of a Finance Committee of the Board, it is the desire of Audit Committee members to meet with the external auditors when the audit is complete, prior to presentation to the full Board.

Internal Audit Update

HEAP Benefit Returns: When a HEAP (Home Energy Assistance Program) participant moves, passes away, or does not use their full benefit amount, fuel vendors return HEAP funds to MaineHousing. Depending on the circumstances, those funds may be reissued to the client, carried over to the next program year, or returned to DHHS if the funds had expired. Linda conducted an internal audit of MaineHousing's HEAP Benefit Returns, which was completed by the end of July. She found that some expired Benefit Returns had not been properly returned to DHHS as required. Information was provided to DHHS for their review, who then provided guidance regarding the process for returning expired funds. The Energy and Housing Services Department has made some organizational staffing changes and is instituting additional controls to ensure proper and timely reconciliation of Benefit Returns in the future.

ERA 2 Program Close-out: Linda updated Audit Committee members regarding a forensic audit commenced in May to review the accounting of ERA2 program funds by a sub recipient. MaineHousing is now in receipt of all ERA2 program closeout funds, and the issue is now closed.

Conflict of Interest: MaineHousing has experienced an uptick in the number of Conflict of Interest complaints regarding employees of our partner agencies. Linda (along with Ashley Carson and Jamie Johnson) drafted a formal Conflict of Interest Policy and Procedures document for partners to strengthen controls when a conflict of interest or perceived conflict of interest exists. The new disclosure form was rolled out in October, and provides a consistent format to replace various Conflict of Interest questions previously included in RFP's, tax credit applications, vendor information questionnaires, and contracts.

Employee Grievance: Linda was asked to facilitate an independent, non-biased review of an employee's request for a reasonable accommodation. Linda hired external counsel (with specialty in the field) to conduct an impartial investigation. The reasonable accommodation was subsequently granted, and the issue is now closed. Additional training for all supervisors, managers, and directors in the area of handling reasonable accommodations is recommended.

Information Security Committee (ISC): On two occasions, a EHS staff member provided a CAA partner with an excel spreadsheet containing client PII via an unencrypted email. The emails violated MaineHousing's data security policy, and the spreadsheet contained information that violated MaineHousing's records retention policy. ISC members met with the new Director of EHS, who provided a formal response outlining actions to be taken to prevent future occurrences. These actions include retraining of all staff members regarding established protocols in the handling of confidential information, as well as coaching of the 2 staff members who sent the unencrypted emails. With the assistance of IT, EHS is also in the process of reviewing all data retained on the system -- to ensure the documents/files are truly needed, to ensure PII data elements are scrubbed when not required, and to ensure information is in compliance with the records retention policy.

External Audit Updates

ERA Fraud: In early October, MaineHousing (along with other ERA fund recipients) received a joint notice from the U.S. Department of the Treasury and the Treasury Office of Inspector General stating, "Grantees are expected to reimburse Treasury or their own ERA programs with their jurisdiction's own non-ERA funds for ERA award funds that were disbursed due to fraud." It was Treasury's own rules and expectations for getting rent relief funds out as fast as possible that enabled much of the fraud that occurred. This action will result in penalizing those States who took fraud seriously (like Maine), while other States did not look for fraud at all. Erik Jorgensen is informing Maine's Congressional delegates, and Linda provided specific information to assist NCSHA in their plan to push back.

BNN 2024 Annual Financial Audit. The 2024 Audit will be commencing soon. Linda will be participating in an Entrance Meeting next week (December 10), and the Information Security Committee will be meeting with BNN's CyberSecurity Manager to review IT financial system controls on December 5.

DOE Weatherization: DOE performed a comprehensive on-site technical and remote programmatic monitoring of the Weatherization Program in May. During the Exit Meetings, monitors were very complimentary of Maine's Weatherization Program, and the final report received on June 25 detailed a number of strengths and best practices. However, the monitoring did result in 4 findings, 2 concerns, and 2 recommendations for improvement. Linda shared a copy of the report with Audit Committee members at the July meeting. Since then, EHS staff provided a response to each of the areas of concern. As of the end of November, DOE had accepted and closed all programmatic findings, but technical findings were still under review.

ARPA Review: Eide Bailly is a national CPA/Consulting firm hired by the State of Maine to review ARPA fund expenditures. As of July, they were in the process of auditing Q1 2024 documentation (the final quarter of the Housing Navigation Pilot Program). No further updates are available.

PBCA 2024 Annual Audit: In progress. Final report expected in January, 2025.

Next Audit Committee meeting: February 6, 2025

Energy & Housing Services Department Memorandum

To: Maine State Housing Authority Board of Commissioners

From: Kim Ferenc, Manager of Housing and Weatherization

Date: December 10, 2024

Subject: Intent to Proceed with 2025 Maine DOE WAP Application and State Plan

At your December 19, 2024, meeting, we will request your adoption of the 2025 Maine DOE Weatherization Assistance Program (WAP) Application and State Plan, as provided in your Board Packet. This submission is part of the annual application process for administering the Department of Energy Weatherization Assistance Program for program year 2025, which spans April 1, 2025, through March 31, 2026.

The WAP is designed to deliver high-quality weatherization services to Maine's aging housing stock, improving energy efficiency, reducing household energy consumption, and lowering heating costs. The program also addresses health and safety hazards through the installation of necessary measures. Priority is given to households eligible for HEAP assistance, particularly those with a high energy burden that include an elderly member, a person with disabilities, or a child under 6 years old.

A public hearing was held on November 19, 2024, and the comment period has since closed with no comments received.

MaineHousing has updated the draft State Plan originally presented to the Board in November to expand the use of Weatherization Readiness Funds (WRF). In accordance with DOE Weatherization Program Notice 24-9, WRF can now be utilized for both Health & Safety measures and Incidental Repairs. No additional revisions have been made to the 2025 Maine DOE WAP Application and State Plan.

PROPOSED MOTION:

On November 19, 2024, MaineHousing conducted a public hearing for the purpose of receiving comments on the proposed 2025 Department of Energy (DOE) State Plan for the Maine Weatherization Assistance Program. Notice of the hearing was published on our website and in the newspapers statewide and sent to interested parties. There were no comments from the public at the time of the hearing. The end of the public comment period was Monday, November 27, 2024, and no comments were received.

PROPOSED MOTION: We are seeking a motion to adopt the MaineHousing Department of Energy Weatherization Assistance Program 2025 State Plan.

**U.S. Department of Energy
WEATHERIZATION ANNUAL FILE WORKSHEET
(Grant Number: DE-EE0009906,) State: ME, Program Year: 2025**

IV.1 Subgrantees

| Subgrantee | City | Tentative | |
|--|--------------|----------------|-------|
| | | Funding | Units |
| Aroostook County Action Program | Presque Isle | \$338,321.00 | 23 |
| Community Concepts, Inc. | Lewiston | \$1,244,612.00 | 116 |
| Downeast Community Partners | Ellsworth | \$15,000.00 | 1 |
| iCAST | Statewide | \$314,000.00 | 25 |
| Kennebec Valley Community Action Program | Waterville | \$625,153.00 | 45 |
| Penquis Community Action Program | Bangor | \$779,786.00 | 61 |
| Waldo Community Action Partners | Belfast | \$15,000.00 | 1 |
| Western Maine Community Action | East Wilton | \$127,791.00 | 4 |
| York County Community Action Corporation | Sanford | \$241,525.00 | 15 |
| Total: | | | |

IV.2 WAP Production Schedule

| Weatherization Plans | Units |
|---|-------|
| Total Units (excluding reweatherized units) | 291 |
| Rewatherized Units | |

| Average Unit Costs, Units subject to DOE Project Rules | | |
|---|---|----------------|
| VEHICLE & EQUIPMENT AVERAGE COST PER DWELLING UNIT (DOE RULES) | | |
| A | Total Vehicles & Equipment (\$5,000 or more) Budget | \$0.00 |
| B | Total Units Weatherized | 291 |
| C | Total Units Reweatherized | 0 |
| D | Total Dwelling Units to be Weatherized and Reweatherized (B + C) | 291 |
| E | Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D) | \$0.00 |
| AVERAGE COST PER DWELLING UNIT (DOE RULES) | | |
| F | Total Funds for Program Operations | \$1,489,952.00 |
| G | Total Dwelling Units to be Weatherized and Reweatherized (from line D) | 291 |
| H | Average Program Operations Costs per Unit (F divided by G) | \$5,120.11 |
| I | Average Vehicles & Equipment Acquisition Cost per Unit (from line E) | \$0.00 |
| J | Total Average Cost per Dwelling (H plus I) | \$5,120.11 |

**U.S. Department of Energy
WEATHERIZATION ANNUAL FILE WORKSHEET
(Grant Number: DE-EE0009906,) State: ME, Program Year: 2025**

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| Method used to calculate energy savings: MaineHousing will be using the DOE WAP algorithm to calculate energy savings. | Other (describe below) |
| Estimated energy savings (Mbtus): | <u>\$12,013</u> |
| This year estimated energy savings: | \$12,013 |
| Prior year estimated energy savings: | \$7,823 |

IV.4 DOE-Funded Leveraging Activities

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| See Maine 2025 DOE State Plan Master File. |
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IV.5 Policy Advisory Council Members

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|---|--|
| Glenn Pole, Chair | Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com |
| Mark Isaacson Vice Chair | Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com |
| Kenneth Colburn, Treasurer | Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com |
| Joan Welsh, Secretary | Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com |
| Heather Furth | Type of organization: Efficiency Maine Trust, Board of Directors Phone: (207) 376-2463 Email: efficiency@efficiencymaine.com |
| Suzanne MacDonald | Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com |
| Christopher Rauscher | Type of organization: Efficiency Maine Trust, Board of Directors Phone: (866) 376•2463 Email: efficiencymaine@efficiencymaine.com |
| Daniel Brennan (Maine State Housing Authority Ex Officio) | Type of organization: Unit of State Government, Maine State Housing Authority Phone: (207) 626•4600 Email: dbrennan@mainehousing.org |

**U.S. Department of Energy
WEATHERIZATION ANNUAL FILE WORKSHEET
(Grant Number: DE-EE0009906.) State: ME, Program Year: 2025**

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| Dan Burgess (Governor's Energy Office Ex Officio) | Type of organization: Unit of State Government, Governor's Energy Office Phone: (207) 624-7446 Email: daniel.burgess@maine.gov |
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IV.6 State Plan Hearings (Note: attach notes and transcripts to the SF-424)

| Date Held | Newspapers that publicized the hearings and the dates the notice ran |
|-------------------|---|
| November 19, 2024 | <p><i>Notice of Public Hearing was published on November 5, 2024 in the following daily newspapers:</i></p> <p><i>Kennebec Journal</i></p> <p><i>Waterville Morning Sentinel</i></p> <p><i>Brunswick Times Record</i></p> <p><i>Portland Press Herald</i></p> <p><i>Bangor Daily News</i></p> <p><i>Lewiston Sun Journal</i></p> <p><i>The public hearing transcript will be sent to the DOE Regional Office as part of Maine's 2025 DOE Application.</i></p> |

IV.7 Miscellaneous

Bobbi Crooker is named as MaineHousing's Business Officer, Recipient Business Officer and is the representative authorized to act on behalf of MaineHousing to negotiate the award. All DOE official correspondence related to the award will be addressed to the Recipient Business Officer.

Bobbi Crooker is named as MaineHousing's Recipient Principal Investigator and is the technical representative authorized to act on behalf of MaineHousing as project manager for the award. The Recipient Principal Investigator is the prime point of contact for the DOE Project Officer during the project period of performance and will receive a copy of all DOE official correspondence related to the award.

Program Partners:

Grantee WAP management staff attend regularly scheduled monthly meetings with Subgrantee Housing Directors. These meetings provide ongoing opportunities for Subgrantees to provide input regarding WAP implementation, including suggestions for changes and content in the DOE Annual State Plan.

Grantee WAP team participate in the bimonthly NASCSP Region 1 meetings. This is an opportunity for the regional Grantees to discuss best practices and ways to address barriers experienced at the state level.

Weatherization Readiness Funds (WRF):

Maine State has the fifth oldest housing stock in the nation. Many Maine homes are older than 1940 and are in need of repairs before any weatherization measures can be installed. MaineHousing will follow DOE guidance in 24-9 and use WRF to provide necessary repairs (e.g., Health and Safety issues, structural) in dwellings that have been deferred from receiving weatherization or will be deferred for costs exceeding allowable averages for Health & Safety and Incidental Repair services.

MaineHousing's Subgrantees maintain a list of homes deferred for weatherization services that will benefit from the WRF.

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(Grant Number: DE-EE0009906,) State: ME, Program Year: 2025

Distribution of WRF Funds: MaineHousing will distribute the funds among our Subgrantees. The Subgrantees will identify projects from their deferral tracking list to complete repairs using WRF.

WRF Household Prioritization: MaineHousing will require Subgrantees to use the same prioritization method used to determine priority for weatherization services. Priority for weatherization services is identified through the system of record based on household composition, annual energy consumption usage for heat (cost), and poverty level. Households with an older adult (60 years or older), a person with disabilities, and/or a child younger than six (6) years of age will be given priority for WRF and weatherization services.

Restrictions related to the funding: WRF funding will be restricted to eligible site-built single family and manufactured housing. CAA must certify that the home will receive WAP services after the WRF tasks have been completed. Projects that receive WRF must also be weatherized using DOE WAP funding. The DOE funded weatherization job must be completed within 6 months of the WRF job completion.

Grantee Monitoring of WRF activities: The Grantee will work closely with the Subgrantee personnel to ensure there is quality workmanship, financial systems and procedures in place. Grantee Technical staff will inspect each Subgrantee's completed work to verify compliance with the Installation Standards set forth by DOE SWS and Maine State Building codes. The Grantee will monitor/inspect a minimum of 10% of the WRF completed units.

The Grantee will track the funds for each building and unit including the measures/repairs and costs associated with the WRF completion through the system of record. The funds will be monitored as part of the annual monitoring of the Subgrantee to ensure funds are expended in accordance with this plan and to ensure the end result is a completed weatherization unit.

Cost per Unit The WRF Cost per Unit is set at \$15,000.00. Each subgrantee will be held to the ACPU of \$15,000, waivers may be considered on a case-by-case basis if as a state the ACPU is below that limit.

Work in Progress:

Grantee intends to apply to DOE for use of the regional priority lists. Maine is located in Region 3 (cold) and intends to apply to DOE to use all three established regional priority lists: single-family site-built homes, manufactured homes, and low-rise multifamily projects. The Grantee will work with the DOE Technical Project Officer to apply for and implement these lists for the Maine WAP network.

Maine has applied to transition the energy auditing software to ECOS. The intent is to begin the Program Year 2025 Weatherization Assistance Program in ECOS. At that time, Maine will transition out of the existing software, HEAT Enterprise. All historical data from Weatherization stored within HEAT will be provided to the appropriate subgrantees as well as archived within MaineHousing.

Maine intends to develop a mentorship program to expand the Quality Control Inspector capacity in accordance with WPN 22-4. The mentorship partnership would expand the network statewide to ensure training is diverse, encompasses an array of best practices, and ensures the responsibility is evenly distributed.

The Efficiency Maine Trust reviewed MaineHousing's draft plans for the 2025 DOE WAP program at its October 30, 2024 meeting.

Policy Advisory Council: 2009 Public Law Chapter 372, An Act Regarding Maine's Energy Future, repeals 5 MRSA §3327, which established the Energy Resources Council, and places oversight of energy related programs under the jurisdiction of the Efficiency Maine Trust as of July 1, 2010. The new law requires that "after July 1, 2010, the Maine State Housing Authority, prior to applying for federal funds on behalf of the State...for weatherization, energy conservation and fuel assistance pursuant to the Weatherization Assistance for Low Income Persons Program administered through the United States Department of Energy and the Low Income Home Energy Assistance Program administered through the United States Department of Health and Human Services, shall submit to the board for its review and input the authority's implementation plans for the use of such funds. The plans must provide for coordination by the Maine State Housing Authority in its use of such funds with the programs administered by the trust.... The Maine State Housing Authority shall include in its plans any recommendations of the board to the extent the recommendations are consistent with the applicable federal guidelines governing the use of the funds." The Efficiency Maine Trust is controlled by a board of nine voting members. The statutory membership includes the Director of the Maine State Housing Authority, the Director of the Governor's Office of Energy Independence and Security and seven members appointed by the Governor that adequately represent the interests of commercial energy consumers, industrial energy consumers, small business energy consumers, residential energy

consumers, and low-income energy consumers. The body as a whole must include persons with knowledge and experience in financial matters, consumer advocacy, conservation fund programs, carbon reduction programs, and climate change policy.

**U.S. Department of Energy
WEATHERIZATION ASSISTANCE PROGRAM
STATE PLAN MASTER FILE**

(Grant Number DE-EE0009906, State: ME, Program Year: 2025)

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V.1 Eligibility

V.1.1 Approach to Determining Client Eligibility

1. *Provide a description of the definition of income used to determine eligibility*

Definition of Low Income. Grantee has chosen to use the definition of household income, as described in the Home Energy Assistance Program Rule. Incomes calculated using this definition are adjusted as needed to align with WPN 25-3 PY 2025 *Poverty Income Guidelines and Definition of Income*¹, WPN 22-5 *Expansion of Client Eligibility In the Weatherization Assistance Program* and any related DOE guidance thereafter, to determine household energy burden and eligibility.

Income Verification. Subgrantees obtain required income documentation and verify income eligibility as part of the intake process to certify households eligible to receive fuel assistance benefits from the Department of Health and Human Services' Low-Income Home Energy Assistance Program (HEAP). If a household member receives either TANF or SNAP assistance, that member will have Categorical Income Eligibility for HEAP, as the Maine Department of Health and Human Services has already vetted their income. Household members not listed on the TANF or SNAP documentation will need to provide all applicable income documentation. Only those households who have Categorical Income Eligibility or whose income has been verified within the previous 12 months to be at or below 200 percent poverty level are considered for weatherization services. Subgrantees will re-verify income eligibility prior to commencing an energy audit for households whose application eligibility certification has expired. Subgrantees are required to ensure client eligibility during the period in which services are delivered. Clients that do not qualify for HEAP, but are still at or below 200% of poverty or for those that choose not to apply for HEAP, but still want weatherization services will be required to complete a DOE Weatherization Assistance Program only application and provide all required documentation to determine Program eligibility.

2. *Describe what household eligibility basis will be used in the Program*

Grantee has chosen the following definition of low income for the basis of eligibility for the Weatherization Assistance Program (WAP): Low income means that income in relation to household/family size is at or below 200 percent of the poverty level determined in accordance with criteria established by the Director of the Office of Management and Budget.

3. *Describe the process for ensuring qualified non-citizens are eligible for weatherization benefits*

A household may include:

- a. A qualified non-citizen who has obtained the status of a qualified non-citizen 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 (SAWS) who perform seasonal agricultural work during a specified period of time; or
- b. A qualified non-citizen who has obtained the status of a qualified non-citizen lawfully admitted for temporary residence under Section 245A and 210A of the Immigration and Nationality Act by approval of an application and who is aged, blind and/or has a disability as defined in Section 1414 (a)(1) of the Social Security Act (Public Law 74271); or
- (c) Cuban or Haitian qualified non-citizen as defined in Public Law 96422, Section 50I (e).

Households are considered eligible if qualified non-citizen members have a "Green Card" or show permanent residence (I-551 Alien Registration Card, Passport, I-688 Employment Authorization Card, I-766 Employment Authorization Document, I-94 with R-1 or R-2 status designation).

V.1.2 Approach to Determining Building Eligibility

1. *Procedure to determine that units weatherized have eligibility documentation*

Eligible Dwellings: Household members must meet one of the following eligibility criteria to be considered for weatherization services and to assure compliance with the requirements of 10 CFR 440.22:

- a. A dwelling unit shall be eligible for weatherization assistance if it is occupied by a household who has Categorical Income Eligibility or whose income is at or below 200 percent of the poverty level and/or meets the eligibility for assistance under the Low Income Home Energy Assistance Act of 1981 as determined in accordance with criteria established by the Director of the Office of Management and Budget; or

- b. Prior to weatherizing entire rental buildings, a specific eligibility test will be applied. Not less than 66 percent (or 50 percent in the case of rental dwellings of two (2) or four (4) dwelling units), must be eligible or must become eligible dwelling units within 180 days under a federal, state or local program for rehabilitating the building or making similar improvements to the building.
2. Multi-family eligibility – (WPN) 22-5 expanded WAP’s categorical income eligibility to include HUD means-tested programs’ income qualifications at or below 80% of Area Median Income (AMI). WPN 22-5 was accompanied by three spreadsheets listing HUD properties which were categorically or potentially income eligible.
 3. [Weatherization Memorandum 109: Eligible Buildings - U.S. Department of Housing and Urban Development \(HUD\) Lists \(energy.gov\)](#)

Eligibility Documentation. All subgrantee files and records contain authorized HEAP applications with verified income documentation (home owners and renters), as well as *WAP Consent Form*, *Proof of Ownership* and *Landlord/Tenant Agreement* (if applicable). All documents are available for review by state or federal staff as needed. Documentation of categorical eligibility will be obtained and kept in client file.

Undue or Excessive Enhancements. Grantee conducts desk reviews on weatherization jobs to confirm that no undue or excessive enhancements occurred to the value of the dwelling unit. If costs are questionable, an “Open Item Report” is issued to the Subgrantee. Dialog and documentation determines whether the cost is allowable. If not, it is removed from the DOE billing and the subgrantee uses non-WAP funding.

4. Describe re-weatherization compliance

The Consolidation Appropriations Act of 2021 allows Grantee to weatherize units 15 years after the date of such previous weatherization was completed to receive further financial assistance for weatherization utilizing DOE and other federal program funds. Grantee requires that these units be reported separately. Each dwelling unit served must receive a completely new energy audit that takes into account any previous energy conservation improvements to the dwelling. Subgrantees are allowed to count these homes as completions for the purposes of compliance with the per-home expenditure limit in 10 CFR 440.18.

The Maine State Housing Authority (Grantee) maintains available data of previously weatherized homes and assists Subgrantees in determining compliance with the re-weatherization requirements. For weatherization jobs completed in the prior 15 years Grantee and Subgrantee rely primarily on records maintained by the Subgrantee. Weatherization jobs completed between 1998-2008 are tracked in Grantee’s Central Heating Improvement Program and Weatherization Jobs SIR database. Weatherization jobs completed 2009-September 2016 are tracked in Grantee’s ECOS database. Weatherization jobs completed October 2016 to present are tracked in Hancock Software’s web-based energy audit software system referred to as HEAT Enterprise (HEAT Enterprise). Multi-family projects will be tracked manually in an internal database.

5. Describe what structures are eligible for weatherization

Grantee defines an eligible structure as a dwelling unit, including a stationary manufactured home, stick built house, and multi-family buildings. An eligible dwelling does not include a camper, or other structures designed and constructed to provide temporary living quarters. All dwelling units will have a permanent physical address documented by a current tax bill or confirmation from a municipal official.

A dwelling unit is eligible for weatherization assistance if it is occupied by a family who has Categorical Income Eligibility or whose income is at or below 200 percent of the poverty level and/or is eligible for assistance under the Low-Income Home Energy Assistance Program.

Non-traditional dwelling units such as shelters and units with a business component will be discussed with DOE prior to commencement of the project.

Maine WAP includes the following components:

- a. An individual audit for each dwelling unit;
- b. Energy savings calculations based on the American Society of Heating and Refrigerating and Air Conditioning Engineers (ASHRAE) fundamentals; and
- c. A comprehensive health and safety protocol. Prior to initiating any weatherization activities, Subgrantees are required to evaluate the physical condition of the home, the mechanical systems, and building tightness.

If the structure fails to meet minimum standards as to Structural Integrity and Health & Safety, weatherization

must be deferred until the issue is resolved. See [V.1.2.5 Deferral Process](#) and [V.5.2 Energy Audit Procedures](#). Grantee complies with its [State Historic Preservation Office \(SHPO\) Programmatic Agreement \(PA\)](#) to satisfy DOE's Section 106 requirement for all structures eligible for weatherization.

Grantee complies with DOE WAP Memorandum 110, Historic Preservation Review Process for Utilizing Weatherization Funds on Tribal Lands, to follow the written procedures of Historic Preservation on Tribal land.

6. Describe how rental units/multifamily buildings will be addressed

Grantee intends to weatherize rental units/multifamily buildings with the DOE Grant Funds.

Rental units will be eligible for WAP provided that the Subgrantee has obtained written authorization from landlords/building owners and not less than 66% (50% for duplexes and four-unit buildings, and certain eligible types of multi-family buildings) of the dwelling units in the building are: (i) eligible dwelling units, or (ii) will become eligible dwelling units within 180 days under a Federal, State or local government program for rehabilitating the building or making similar improvements.

The Subgrantee is required to ensure that the benefits of the weatherization assistance on rental units accrue primarily to the low income tenants residing in the units and that no undue or excessive enhancement occurs to the value of the rental units. Additionally, the Subgrantee must require that the landlords/building owners execute the [Weatherization Rental Agreement](#), to ensure that for a period of one (1) year following the weatherization work, the tenants in that rental unit will not be subjected to rent increases unless the increases are demonstrably related to matters other than the weatherization work performed. The [Weatherization Rental Agreement](#) further requires adherence by the landlords/owners to the requirements of 10 CFR §440.22(b)(3) and §440.22(c)-(e), as laid out in the [Weatherization Assistance Program Guidance](#).

If the landlords/owners increase the rent in violation of the [Weatherization Rental Agreement](#) and the [Weatherization Assistance Program Guidance](#), the landlords/owners must repay the full cost of the weatherization assistance. Any dispute as to the circumstances for a rent increase will be reviewed by the Subgrantee or MaineHousing, if requested by the Subgrantee, landlord/owner or tenant.

WAP will be working closely with the DOE Project Officer and the new multifamily Subgrantees to ensure that all DOE approvals and training needs are met. Priority will be given to identifying and providing weatherization assistance to: older adult persons, persons with disabilities, families with children, high residential energy users, and households with high energy burden. Multifamily buildings because of their size and character, may offer an opportunity to meet many of these priorities. When addressing "significant energy improvements" in multifamily dwellings, WAP will contact the DOE Project Officer and refer to the WPN 22-12 Multifamily Weatherization and WPN 22-13 Weatherization of Rental Units.

Eligible Dwelling Units. Grantee intends to weatherize rental dwelling units occupied by income eligible (low-income) tenant(s), providing a direct benefit to the low-income tenant(s). In the event of 2-4 unit buildings, one of the units may be occupied by the owner. Grantee, consistent with Department of Energy guidance, requires the weatherization of the entire building not just the low-income units.

Prioritization. Rental unit buildings will be prioritized similar to single unit buildings: tenants with the highest energy use and highest energy burden (as a percentage of income) will receive priority. DOE funding is used to weatherize multi-family unit buildings provided at least 66 percent of residents in a three (3) unit property and 50 percent in a two (2) or four (4) unit property (determined on a building-by-building basis in a multi-building property) meet WAP income guidelines or HUD categorical eligibility.

Written Permission. Prior to conducting the energy audit, the Subgrantee must verify the ownership of the unit/building and secure landlord's/owner's and tenant's consent, in writing, to proceed with weatherization measures. In addition, the landlord and tenant are required to sign a [Weatherization Rental Agreement](#) before the Subgrantee can proceed with weatherization. The provisions of this Agreement include:

- a. **Rent Increases:** Secure landlord's/owner's and tenant's signature on a [Weatherization Rental Agreement](#) that prohibits an increase for twelve (12) months because of any increase in the value of the property due solely to the weatherization work.
- b. **Sale of Property:** If the property is sold within one (1) year of the completion of weatherization work, the owner may be required to reimburse the Grantee for the cost of the weatherization material installed.

Tenant Complaints. Customer survey cards, client phone calls, and client comments during site monitoring are tracked by Grantee. Grantee technicians, program and management staff engage with clients and Subgrantees as needed to address issues. Closure is documented in applicable Grantee databases.

7. Describe the deferral process

Some dwelling conditions or client circumstances may require deferral of weatherization until the issues are resolved. Documentation of all activities in the client's file is required. "Deferral" does not necessarily mean that the home will not receive weatherization services, but that until the conditions are rectified, the weatherization services are temporarily postponed.

Deferral of Services Policy. See Grantee's Weatherization Assistance Program Guidance, Section 6(J) for Grantee's Deferral of Weatherization Services Policy, which provides the guidelines for Subgrantees when a building should be deferred because the building is not appropriate for weatherization.

Deferral Tracking. All deferred jobs, including the reason for deferral, are entered and tracked in an excel spreadsheet developed by DOE and electronically in the appropriate system of record.

Deferral Notification: Subgrantee provides a written Notice of Deferral to each deferred client with the reason for deferral. A copy of the Notice of Deferral is retained with the weatherization job in HEAT Enterprise.

Once the applicant notifies the Subgrantee that the deferral reason(s) have been resolved/addressed the applicant will receive priority for WAP providing they still meet WAP eligibility.

Clients have the right to appeal the decision to defer WAP services. They must make this request by contacting the Manager of Weatherization Services in writing within 30 calendar days of the date the Deferral of Services Notice was signed. The request must include the reason(s) why they don't agree with this decision along with any documentation that will show that the deferral reason was made in error or not accurate.

V.1.3 Definition of Children

Definition of children: younger than six (6) years of age.

V.1.4 Approach to Tribal Organizations

Grantee has five federally recognized Indian Tribes and each of them participate in the HEAP fuel assistance, as well as HEAP and DOE weatherization programs (WAP): Penobscot Indian Nation; Houlton Band of Maliseets; Aroostook Band of Mic Macs; Passamaquoddy Tribe, Pleasant Point; and Passamaquoddy Tribe, Indian Township. Grantee and the Indian Tribes maintain annual Memorandums of Understanding that outline the disbursement terms of WAP funds for these Tribal Entities.

The low-income members of an Indian tribe shall receive benefits equivalent to the assistance provided to other low-income persons within Maine. Grantee allocates funds to five (5) tribal organizations based upon the number of eligible HEAP clients. This has resulted in three percent of Grantee's DOE grant award being allocated to the five (5) tribes. Actual administration of the weatherization programs within tribal organizations' land is provided by Subgrantees that service areas include Counties in which Indian Tribes are located.

Process: Tribal organizations process HEAP fuel assistance applications for tribal members and verify eligibility for benefits. Subgrantees contact the local tribal organizations to obtain eligible HEAP fuel assistance applications, as well as contact information for tribal members that are at 200% or below poverty guidelines that do not meet HEAP fuel assistance income eligibility or who have not applied for fuel assistance. Upon receipt of the applications/information, audits and weatherization jobs may be scheduled.

V.2 Selection of Areas to Be Served

Selection Method. In the case of areas currently served by a Subgrantee established under Section 222(a)(12) of the Economic Opportunity Act of 1964, as amended, funds available under this program will be granted to that Subgrantee for the same geographic area. Any new or additional Subgrantees shall be selected at a hearing in accordance with 10 CFR Section 440.14(a), as amended, and upon the basis of the criteria set forth in 10 CFR 440.15(a), as amended.

Grantee's WAP serves all counties statewide through eight (8) Subgrantees. Each Subgrantee is, in fact, a Community Action Agency or other public or non-profit entity. Grantee may expand the Subgrantee Network to add additional non-profit organizations to provide WAP services.

The Grantee ensures that each Subgrantee is selected on the basis of public comment received during a public hearing conducted pursuant to 440.14(a) and other appropriate findings regarding:

- a. The Subgrantee's experience and performance in weatherization or housing renovation activities;
- b. The Subgrantee's experience in assisting low-income persons in the area to be served; and

- c. The Subgrantee's capacity to undertake a timely and effective weatherization program.

In selecting a Subgrantee, preference is given to any Community Action Agency or other public or non-profit entity, which has, or is currently administering, an effective program under this part or under Title II of the Economic Opportunity Act of 1964. Program effectiveness is evaluated by consideration of factors including, but not necessarily limited to the following:

- a. The extent to which the past or current program achieved or is achieving weatherization goals in a timely fashion;
- b. The quality of work performed by the Subgrantee;
- c. The number, qualifications, and experience of the staff members of the Subgrantee; and
- d. The ability of the Subgrantee to secure volunteers, training participants, public service employment workers, and other federal or state training programs.

Subgrantee Removal. In the event that a Subgrantee is unable to complete the terms of its Subgrantee Agreement, or if Grantee determines that the Subgrantee cannot fulfill its obligations under the Subgrantee Agreement, Grantee will reach out to other Subgrantees to fulfill the terms of their Subgrantee Agreement and work with the Subgrantees to extend their WAP services into the territory needing service coverage or Grantee will select new Subgrantee pursuant to 10 CFR Section 440.14(a), as amended, and upon the basis of the criteria set forth in 10 CFR 440.15(a), as amended Contracts would be amended as needed to accommodate the change in service area. This process ensures that WAP services are delivered with minimal interruption to clients if this type of situation was encountered.

V.3 Priorities

Prioritization. Priority for weatherization services is identified through HEAT Enterprise, based on household composition, annual energy consumption usage for heat (cost), and poverty level. This process gives priority to households with high residential energy users and high energy burden. Households with an older adult (60 years or older), a person with disabilities, and/or families with children younger than six (6) years of age are given priority for weatherization services. Grantee reports this information in the Quarterly Performance Report submitted to DOE. Data from Grantee's fuel assistance database (referred to as LIHEAP Cloud) is uploaded annually into HEAT Enterprise and becomes the basis for determining priority and wait lists. HEAT Enterprise calculates a WAP ranking for each household by assigning points based on household income, home energy costs, and households with children age 6 or less. The maximum number of points allotted to a household is 20, which would result in the highest priority.

Wait Lists. Subgrantees are required to develop and maintain a wait list consisting of HEAP eligible households. Households on the Subgrantee's wait list should be weatherized in order of ranking according to HEAT Enterprise. Households with the highest WAP ranking have the highest priority. A Subgrantee may move up an eligible household's priority based on geographic considerations (e.g., if a high priority weatherization project is out of town, another dwelling with a lower priority ranking in the same area may also be weatherized during or at the same time to save on travel costs) or because the Subgrantee is funding the project with additional other resources.

V.4 Climatic Conditions

Maine's weather and geography directly affect energy consumption in homes. Heating requirements vary from south to north based on the District Heating Factors for the United States. Maine's 7500 to 9800 degree day environment mandates consideration of heating needs. In order to meet the additional heating needs of those in the northern and western portions of Maine, the Grantee uses a sliding scale of allocation based on recorded Heating Degree Days (HDD).

Maine's Hancock Software Energy Audit Tool (HEAT Enterprise) accounts for localized climatic variances by using climate data from the National Oceanic and Atmospheric Administration (NOAA). Heating degree hours are calculated using state climate data associated with each Maine zip code. The data set that is used to determine HDD can be found at NOAA.org. (www.ncei.noaa.gov/access/search/data-search/normals-hourly-1991-2020).

Maine's Heating Degree Days by County (HDD):

| Subgrantee | Service Area – counties | Heating Degree Days |
|--|-------------------------|---------------------|
| Aroostook County Action Program | Aroostook | 8,204 |
| Community Concepts, Inc. | Androscoggin, Oxford | 6,904 |
| Community Concepts, Inc. | Cumberland | 6,248 |
| Downeast Community Partners | Washington, Hancock | 6,734 |
| Kennebec Valley Community Action Program | Kennebec, Somerset | 7,255 |
| Kennebec Valley Community Action Program | Lincoln, Sagadahoc | 6,170 |
| Penquis Community Action Program | Penobscot, Piscataquis | 7,257 |
| Penquis Community Action Program | Knox | 6,352 |
| Waldo Community Action Partners | Waldo | 6,856 |
| Western Maine Community Action | Franklin | 8,078 |
| York County Community Action Corporation | York | 6,301 |

V.5 Type of Weatherization Work to Be Done

V.5.1 Technical Guides and Materials

Technical Guides. Standards for the proper installation of materials and procedures are described in the *Maine Weatherization Standards* and the [Maine Field Guide](https://www.mainehousing.org/partners/partner-type/community-agencies/maine-weatherization-programs) which are located on the Grantee’s website <https://www.mainehousing.org/partners/partner-type/community-agencies/maine-weatherization-programs>.

The *Maine Weatherization Standards* are aligned with the companion Maine Field Guide, which embodies SWS applicable to the Maine Weatherization Assistance Program. While the *Maine Weatherization Standards* and the Maine Field Guide are fully aligned, the documents are distinct. The *Maine Weatherization Standards* provides more overview and detail on overarching goals and guidance for delivery of weatherization services. The Maine Field Guide format provides clear quality standards for specific measures and test procedures using concise SWS language and photographs, and is well suited for direct use in the field.

Notification/Distribution to Subgrantees. Grantee has created and maintains a dedicated web portal for Subgrantees, which provides electronic access to current versions of technical guides, program updates, procedure manuals, standard documents, relevant client education brochures, and a link to all WAP Program Notices and Memoranda. See <http://www.mainehousing.org/partners/partner-type/community-agencies>.

Notifications of updates to program manuals or guidance are posted to the HEAT Enterprise Home/News page. This page is maintained as a “Bulletin Board” and includes highlights of updates, implementation dates and directions to guidance as applicable. Since all users view the Home/News page on log-in, this ensures that Subgrantee field staff are apprised of and directed to the details of important updates as they are implemented.

Program updates and notifications are emailed to Subgrantee Housing Directors and posted on our web portal.

Required Language. All Subgrantee Agreements contain the following language: “Subgrantee agrees to ensure that the standard work specifications for work quality outlined in WPN 22-4, Section 1, will be met and that all contracts with vendors will contain the same requirement.” The Subgrantee’s signature on the Agreement confirms that all expectations contained in the Subgrantee Agreement, Work Plan, and Budget are understood and implemented. The Subgrantee must deliver the executed Agreement, with Work Plan and Budget to the Grantee for approval before WAP funds will be disseminated.

All weatherization work is performed in accordance to DOE approved energy audit procedures and 10 CFR 440 Appendix A.

NEPA Review. Subgrantees may only perform activities identified in the current NEPA Maine determination.

Maine Field Guide type approval dates.

Maine Weatherization Field Guide (Single-family and Mobile Home) DOE approved on September 23, 2021

| Special Materials/Audit Procedures Approvals | |
|---|---------------------|
| Item | Comments |
| Social Cost of Carbon Inclusion | Approved 12/4/2022 |
| Energy Star Light Emitting Diode (LED) Lighting | Approved 10/4/2022 |
| Energy Star Refrigerators | Approved 10/4/2022 |
| Rigid Foam Board Insulation Complying with ASTM C 1289 | Approved 8/24/2022 |
| Lifetime Changes | Approved 7/30/2020 |
| Spray Polyurethane Foam (SPF) Insulation | Approved 11/27/2018 |

V.5.2 Energy Audit Procedures

Audit Procedures and Dates Most Recently Approved by DOE

Audit Procedure: Single-Family

Audit Name: Other (specify) 12/5/2016 Hancock Software

Approval Date: 8/24/2022 DOE approved HEAT v1.0.1(G015-SP8)

Audit Procedure: Manufactured Housing

Audit Name: Other (specify) May 22, 2017 Hancock Software

Approval Date: 8/24/2022 DOE approved HEAT v1.0.1(G015-SP8)

Audit Procedure: Multi-Family

Audit Name: Other (specify) TREAT

Approval Date: MaineHousing is currently applying for TREAT

Comments

1. Grantee's energy audits consists of the following components:
 - a. an individual audit for each dwelling unit,
 - b. energy savings calculations based on ASHRAE fundamentals, and
2. A comprehensive health and safety protocol. Prior to initiating any weatherization activities, Subgrantees are required to evaluate: the physical condition of the home, the mechanical systems, and building tightness. Evaluation of the physical condition of the home and its mechanical systems is accomplished using blower door tests, combustion efficiency analysis, ventilation assessment, fossil fuel appliance combustion safety testing, and moisture level evaluation. Results determine the necessity for various remedial actions, which must be accomplished prior to weatherization, as well as whether investing program dollars in the structure is appropriate.
3. Grantee's health and safety procedures, as described in the Maine Weatherization Standards require a total assessment of the home. Briefly, and not all inclusive, the auditor is required to assess the home from basement to attic using HEAT Enterprise:
 - a. list possible pollutant sources;
 - b. record any observable pollutant indicators;
 - c. interview the client as to health problems and lifestyle;
 - d. test all combustion appliances to the degree allowed by law as to efficiency and safe operation;
 - e. perform zone pressure diagnostic testing if applicable;
 - f. determine combustion air requirements and assess the adequacy of the existing combustion air supply;
 - g. test for spillage, back-drafting, and venting capability of all combustion exhaust vents; and
 - h. check CO production of all combustion appliances.
 - Homes that fail combustion safety tests must be deferred until corrective action is taken. Homes with unvented fossil fuel heaters cannot be weatherized until such heaters are removed, except when ANSI approved and used as secondary heat only. In addition, no weatherization activity that will affect the drying capability of the home may be undertaken until all necessary moisture control

activities have been completed. After the weatherization measures are completed, the home must be checked again to ascertain that all combustion appliances are operating safely. If homes fail to meet minimum standards as to Structural Integrity and Health & Safety, weatherization must be deferred until the issue is resolved. Once a deferred home becomes eligible for weatherization, all energy audit diagnostics, including blower door testing and combustion safety testing, must be redone to establish a new baseline for the building conditions. Documentation of all activities in the client file is required.

4. Grantee standard work specifications are embodied in the [Field Guide](#) and is posted on the Grantee's website. This measures selection system applies to all types of dwelling units and is based on instrumented audits interacted with ASHRAE 62.2–2016 based calculations for energy use, actual installation and energy costs and material lifetimes to produce a savings investment ratio (SIR)-driven work order. These calculations will be conducted using HEAT Enterprise.
5. Grantee requires Subgrantees to utilize, to the degree allowed by law, diagnostic equipment including blower doors, combustion analyzers, hygrometers, CO analyzers, digital manometers and infrared cameras. Mandated tests include blower door tests, combustion efficiency analysis, minimal ventilation assessment, fossil fuel appliance CO testing, and moisture level evaluation.
6. Grantee's HEAT Enterprise uses the basic heat loss equation for conductive heat loss, (BTU/hr times area times degrees Fahrenheit over "R") taken from the ASHRAE 62.2–2016 Fundamentals Handbook, for pre and post weatherization energy use. Included in the calculations are heating degree-day correction factors and a blower door "N" factor when necessary. The results are checked against actual consumption whenever possible (HEAP vendors are required to provide consumption data; clients are asked to provide fuel bills during the audit). As the database grows, any necessary adjustments to correction factors will be made. Grantee's energy audit calculates SIRs for each contemplated weatherization measure, which reflect local heating degree-day figures and a heating degree-day correction factor.
7. In HEAT Enterprise, material lifetimes were updated based on DOE input and are the most conservative generally accepted by the industry. Installation costs are established by using actual subcontractor and supplier bids as well as crew installation costs at each Subgrantee.
8. A SIR is calculated for each contemplated energy conservation measure (ECM). Measures are arranged in descending order of payback by HEAT Enterprise with any individual measure with a SIR of less than 1 being considered "unallowable" unless paid for with another funding source (non-DOE). It is possible for the Subgrantee to elect to do fewer measures than proposed on any given job as long as measures are accomplished in the order established by HEAT Enterprise.
9. Projected incidental repair costs are also calculated and added to the total cost. Incidental repair costs are capped at 15 percent of the total cost of weatherization tasks being completed (conductive + air infiltration + mechanical tasks) in a contract period. Overall calculated SIR for activities excluding health and safety must be equal to or greater than 1. Grantee's audit system assigns an energy savings to air infiltration reduction as determined by reduction of the CFM50 figure from blower door testing. As there is no way to accurately predict a post weatherization CFM50 figure, Grantee may waive the SIR requirement for the aggregate of air infiltration reduction measures on a case-by-case basis if the overall payback requirement is not met by the post blower door test.
10. All weatherization work is performed in accordance to DOE approved energy audit procedures and 10 CFR 440 Appendix A. Supplemental DOE Approval for Spray Foam as an Air Sealing (Infiltration) Material as well as Insulation Material approved November 27, 2018

V.5.3 Final Inspection

Every DOE WAP unit reported as a completed unit receives a final inspection by the Subgrantee's BPI certified Quality Control Inspector (QCI), to ensure that all work meets the minimum standard work specifications as outlined in the [National Renewable Energy Laboratory \(NREL\) Single-Family Quality Control Inspector Job Task Analysis](#). The QCI must complete and provide an [Inspection Completion Form](#) to Grantee for every completed unit, certifying that the weatherization materials and measures were properly installed in accordance with the Grantee WAP standards.

Grantee conducts desk reviews on up to 100 percent of completed jobs, based on Subgrantee performance. Grantee will only authorize payment to the Subgrantee when satisfied that all work is completed in accordance with the work quality requirements outlined in WPN 22-4, Section 1. The Subgrantee is notified of any job not in compliance and is required to take the steps necessary to complete the job. In addition, the Grantee will perform quality assurance inspection reviews of at least 5 percent of completed units and 10 percent of all completed units of Subgrantees that allow the audit and inspection to be done by the same person.

Subgrantee Agreements outline disciplinary action for inadequate inspection practices, as well as other duties not performed in accordance with expectations contained in the Agreement. *To wit:* Grantee shall notify the Subgrantee of the respects in which the Subgrantee's performance is deficient and the time period Subgrantee has to conform its performance. In the event the Subgrantee fails to correct deficiencies in its performance within the specified time, Grantee may withhold Subgrantee's funding under the Agreement until Subgrantee is in compliance.

If a Subgrantee weatherizes a project that is financed/owned by the Subgrantee, or sufficient reserves are in place for the project to incur these costs, without prior approved clearance, the Grantee has the right to refuse to reimburse for weatherization costs incurred.

Maine Weatherization Standards, Subgrantee Agreements, and Grantee's Weatherization Assistance Program Guidance and Procedures (Section 6), provide policies and procedures that govern the inspection process.

V.6 Weatherization Analysis of Effectiveness

HEAT Enterprise system reports are used as tools by the Grantee to monitor Subgrantee WAP production. Additionally, the HEAT Enterprise system calculates an Energy Savings Report for each job that includes pre-R, post-R as well as annual and lifetime BTU savings for the dwelling. Grantee plans to implement the following procedures to analyze the effectiveness of weatherization projects:

1. Grantee reviews estimated energy savings calculations and reports produced by HEAT Enterprise, which also prioritizes all activities in all types of housing addressed by WAP.
2. Grantee surveys recipients of weatherization services and shares results with Subgrantees performing the work.
3. Grantee's Energy and Housing Services team (EHS) communicates regularly with Subgrantee weatherization technicians through telephone, email and onsite visits.
4. Grantee's EHS staff participates in monthly Housing Council meetings and Building Technician Committee (BTC) meetings hosted and attended by Subgrantees directors, managers and technical staff. These meetings provide a platform to receive and solicit feedback from Subgrantees regarding technical concerns, training and other areas that may need improvement. Grantee will implement training based on need.

Grantee conducts up to 100 percent desk review of all jobs and provides timely feedback to Subgrantees. Grantee's State Monitor Technical Review Checklist and State Monitor Compliance Review Checklist classifies common or problematic areas of work identified during desk audits of each weatherized unit. This checklist includes specific areas of the building model, which prompts the monitor to require that the audit be restated if housing characteristics were not accurately entered into the initial audit. Grantee maintains a database which tracks jobs that have issues, follows-up with the Subgrantee, and documents resolutions.

The desk review process will flag any units that need additional monitoring in the form of a unit inspection. Any uncharacteristic testing numbers, costs, or unusual circumstances and measures will trigger this inspection. These inspections will be considered part of the required Quality Control Inspections. When findings or concerns are found on these inspections, the state monitor will work with the Subgrantee to help them understand how the issue occurred, how to prevent it and provide any additional training as needed.

V.7 Health and Safety

Purpose and scope. The primary goals for Grantee WAP are to implement cost effective weatherization procedures to conserve energy and to assess and correct related health and safety hazards. Materials used for the abatement of such hazards not listed in Appendix A of 10 CFR 440 must meet all standards incorporated by reference and made a part of 10 CFR 440.

1. Subgrantees will be allowed to expend program funds for the abatement of energy related health and safety hazards up to an average of \$1,200 per unit. Grantee health and safety related costs will be charged to either the administrative or training and technical assistance cost category. It is the responsibility of Subgrantees to manage the health and safety expenditure report as part of the billing process. The health and safety costs excluded from the cost effective calculations are tracked separately.

The cost of eliminating health and safety hazards, which is necessary before or because of installation of weatherization materials, is an allowable expense. Definitions of "minor" or allowable Health & Safety related repairs, and at what point repairs are considered beyond the scope of weatherization are included in the applicable sections of Grantee's 2025 Health and Safety Plan Template, (4.0, 7.6, 7.9, 7.14, 7.16), and are aligned with the Maine Weatherization Standards.

Grantee WAP has set parameters by defining allowable minor repairs versus unallowable major repairs for potentially out-of-scope repairs such as roof, structure, moisture, electrical, and worker/client safety. This has greatly reduced the call for case-by-case considerations. However, rigors will be applied to any case-by-case consideration, including cost, Health and Safety risk, SIRs, pursuit of non-WAP resources, and the extent of benefits to especially vulnerable low-income households and individuals per 10 CFR 440.

2. Subgrantees are encouraged to leverage other funds whenever possible when addressing non-cost effective tested items. Problems with the dwelling unit that have no connection with weatherization activities can only be addressed with other funding sources, such as Grantee's *Lead Hazard Reduction Demonstration Grant*, or its *Home Repair Program*. Potential funding sources include, but are not limited to:
 - a. Central Heating Improvement Program (CHIP)
 - b. Community Development Block Grant (CDBG)
 - c. Maine State Housing Authority programs
 - d. City or Town assistance
 - e. USDA Rural Economic Development (formerly FHA)
 - f. Housing and Urban Development (HUD)
 - g. Local church and community groups
 - h. Building Materials Bank
 - i. Habitat for Humanity
 - j. Donations from local businesses
 - k. Landlords

Intake Procedures. Per the Maine Weatherization Standards, the auditor's duties include an evaluation of available information starting with viewing the client application, interviewing the client, and assessing the dwelling. A series of tests as outlined in the *Maine Weatherization Standards* and the *Field Guides* are performed in order to identify potential health and safety hazards as well as energy conservation opportunities. The clients sign a WAP Consent Form that specifies, "In consideration of any WAP services received, I have received a copy of the EPA publication *The Lead-Safe Certified Guide to Renovate Right* and have also been educated on weatherization and health and safety topics pertinent to my home."

Client Education and Training. As outlined in WPN 22-7, the auditor makes the client aware of potential hazards and provides them with appropriate instructions and educational materials. The client also receives guidance and information on energy conservation tips, both verbally and through educational materials relating to the subject(s). In addition to various brochures and manuals available to clients, education is provided as the home is being weatherized. Crews, contractors, inspectors and other qualified personnel explain various related concepts as the work progresses. Clients are encouraged to contact appropriate Subgrantee after weatherization if they have any questions, concerns, or wish to report feedback on the conservation efforts.

Deferral of Services Policy: See Grantee's *Weatherization Assistance Program Guidance*, Section 6(J) for Maine's *Deferral of Weatherization Services Policy*.

Grantee Health and Safety Program: Grantee health and safety related costs will be charged to either the administrative or training and technical assistance cost category. Grantee will follow all Occupational Safety and Health Administration (OSHA) safety regulations, and national, state and local codes as further described under the Subgrantee/Contractor Safety section below.

Subgrantee/Contractor Safety: Subgrantees must comply with OSHA requirements in all weatherization activities. When contractors are employed by Subgrantees, those contractors are expected to comply with OSHA requirements as well. The contractors' costs to comply with OSHA, as applicable, are part of their bid price. Related costs for Subgrantees to comply with OSHA requirements may be charged under section 440.18 as health and safety, tools and equipment, incidental repairs, etc.

1. Grantee WAP expects the crews, contractors, and other field personnel to be able to work under conditions that do not jeopardize their own health and safety.
2. Weatherization personnel shall be properly trained in workplace safety and will be provided with necessary protective equipment by their employer. All weatherization workers must comply with EPA's Renovation, Repair and Painting Rule (RRP) and at least one (1) person on each weatherization crew (includes both

- subcontractor crews and Subgrantee direct hires) must be trained in Renovation, Repair and Painting (RRP).
3. Subgrantees and contractors are expected to follow the requirements of Construction Industry OSHA Safety and Health Standards (29 CFR 1926/1910).
 4. Subgrantees must comply with the OSHA Hazard Communication "Right to Know Program." The program requires chemical manufacturers or importers to assess the hazards of chemicals that they produce or import. It also requires that all employers provide information to their employees about the hazardous chemicals to which they are exposed, by means of a hazard communication program, labels and other forms of warning, material safety data sheets, and information and training. Subgrantees must follow the record keeping requirements for Occupational Injuries and Illnesses.
 5. Subgrantees are responsible for maintaining vehicles purchased with federal funds so that they are in safe and proper operating condition.
 6. Subgrantees are responsible for ensuring all work performed in client homes abides by federal, state, and local codes and regulations.
 7. Grantee verifies contractor and Subgrantee compliance with OSHA 10, Safety Data Sheets (SDS), and RRP requirements as follows:
 - a. As part of the annual bid process, contractors are required to submit RRP certifications. Grantee reviews this documentation to ensure compliance.
 - b. Grantee conducts in-progress monitoring inspections to verify compliance with OSHA 1910 and 1926, RRP, and reviews/compares SDS information to actual products being installed.
 - c. Grantee conducts client interviews to confirm that they received SDS information prior to the installation of WAP measures.

Client Health and Safety. Client health and safety is a priority for Grantee WAP. Through DOE trainings, related trainings at Maine Safety Works, and field training, Grantee has developed a comprehensive plan to ensure safety in energy related areas. Subgrantees are required to have the proper equipment to perform the necessary weatherization tests. Subgrantee personnel are required to attend trainings as determined necessary. Homes constructed prior to 1978 are presumed to contain lead paint. All weatherization clients residing in homes constructed prior to 1978 will receive the EPA publication The Lead-Safe Certified Guide to Renovate Right prior to the commencement of any weatherization activities.

1. Maine's Community Action Agency Building Technology Committee (BTC) meets on a monthly basis to discuss all technical aspects of the weatherization program. The committee consists of a technical representative from each Subgrantee. Through this venue, Subgrantees are continually updated with information and techniques regarding energy conservation and health and safety issues. This system ensures that all Subgrantees are receiving the same information and creates consistency for a quality program statewide.
2. The Weatherization and CHIP programs work in unison to guarantee "A House as a System" approach when conducting an audit.
3. All Subgrantees have blower doors, digital manometers, CO testers, heating system efficiency testers, and hygrometers, as well as other test equipment. All weatherization personnel are required to be trained in energy related health and safety issues and indoor air quality problems. Testing and corrective procedures requiring special licensing on a state level will be referred to the appropriate authority.

Health and Safety Guidance Grantee uses the Table of Issues (adopted in DOE WPN 22-7) as a reference of a majority of conditions that Grantee regards as hazardous. In all cases these conditions will determine the course that weatherization will take. The chart outlines the hazard, the importance of correction, if postponement of weatherization services is necessary, types of testing, and corrective procedures for each hazard. In addition to the prescribed guidance in the Table of Issues, the following will be assessed and addressed, as applicable:

1. Air Conditioning and Heating Systems. Because of Maine's high heating degree-day environment, cooling needs are considered insignificant for Maine dwellings. Therefore, Maine climate conditions do not warrant defining at-risk occupants or the repair or replacement of air conditioning systems under DOE WAP.

2. Asbestos. According to the EPA's *Building Air Quality Guide*, the mere presence of asbestos in a building does not mean that the health of a building occupant is endangered. Asbestos-containing material in good condition, not damaged or disturbed, is not likely to release asbestos into the air.
3. Combustion Appliances and Combustion Gases. Grantee recognizes that combustion gases in homes pose the most serious hazard. As a result, Grantee has adopted a comprehensive plan to ensure safe operation of combustion appliances and to make sure that weatherization procedures do not contribute to a problem.
4. Per the SWS, (2.02 Combustion Safety) CO in the appliance vent, ambient CO and spillage testing must occur as part of a weatherization job. If the mandatory testing results are outside of the allowable limits, a clean, tune & evaluate (CTE) of the heating system must occur as part of a weatherization job.
5. Energy auditors must comply with the rules of the Maine Fuel Board: Prior to performing a combustion safety and efficiency test, a limited energy auditor technician shall obtain the manufacturer's installation and operating instructions for the specific equipment to be tested. Energy auditors must make every effort to obtain an equipment manual on site or online. When a manual is not obtainable, the energy auditor must order a CTE by a licensed Heating Technician. This CTE must be performed prior to invoicing the job. A visual inspection, CAZ pressure test, spillage test, and ambient CO measurement must still be conducted as part of the energy audit.
6. In addition, CTEs should also be conducted as part of routine maintenance and safety practices. Subgrantees must provide in their Work Plan established internal policies that describe how CTEs will be addressed for clients of the weatherization program. Of all the by-products of fuel combustion, carbon monoxide (CO) is deadly. Grantee views any ambient level of CO as potentially dangerous and will be considered a warning signal that a problem exists. Corrective procedures requiring special licensing will be referred to the appropriate authority. Grantee follows guidance provided in the ASHRAE standards.
7. Mold and Moisture. A thorough moisture assessment of the home is done during the audit process and conditions are noted in HEAT Enterprise. The assessment process includes a client interview, visual inspection, measuring humidity levels and blower door testing. Corrective procedures include client education, eliminating/reducing source of moisture, and providing mechanical ventilation as prescribed by ASHRAE standards.
8. Occupant Pre-existing or Potential Health Conditions. Agencies will provide an "Occupant Pre-Existing or Potential Health Conditions" form to the client which explains that some weatherization measures create dust, smells, or other conditions that may aggravate certain health conditions in some individuals. The client will then have the opportunity to self-identify any pre-existing or potential health concerns that may be aggravated by weatherization services.
9. Diagnostic equipment, such as blower doors, will not be used on units where such equipment could exacerbate existing problems (e.g., vermiculite in open floored attics).
10. Spray Polyurethane. Grantee must follow EPA recommendations (available online at <http://www.epa.gov/saferchoice/ventilation-guidance-promote-safe-use-spray-polyurethane-foam-spf-insulation-incluyendo>).

V.8 Program Management

V.8.1 Overview and Organization

Organization Overview. The Maine State Housing Authority (MaineHousing), created in 1969 by the state legislature, is Maine's housing finance agency. MaineHousing is a quasi-state agency with a Board of Commissioners appointed by the Governor and confirmed by the Legislature. MaineHousing administers the DOE Weatherization Assistance Program. MaineHousing's mission statement reads, "The mission of MaineHousing is to assist Maine people to obtain and maintain decent, safe, affordable housing and services suitable to their unique housing needs." In carrying out this mission, MaineHousing provides leadership, maximizes resources, and promotes partnerships to develop and implement sound housing policy.

Since its inception, MaineHousing has provided housing for low and very low-income renters and the opportunity for low and moderate-income Maine families to purchase their own homes. In the more recent past, MaineHousing has expanded its programs to meet new challenges posed by various housing needs: people who are homeless; people with special housing needs (such as mental health consumers); older adults; low income homeowners who cannot afford basic home repairs; and others.

The State of Maine developed the nation's first Weatherization Program in 1973 in response to the energy crisis that gripped the northeast and caused economic hardship across the country. Maine WAP became the model used in developing funding for a program in every state in the nation. The program was originally administered by the Division of Community Services, an executive department agency. It was re-assigned to MaineHousing in 1991.

By its nature, MaineHousing rarely serves its customers directly. It places a heavy reliance on its partners to deliver its programs and services to the households that it serves. These partners include real estate professionals and lenders, non-profit organizations, other government agencies (in particular, Maine Department of Economic and Community Development, and Health and Human Services) municipalities, for-profit corporations, private developers, private property owners, management corporations, and Community Action Agencies. With offices located throughout Maine, eight (8) of Maine's Community Action Agencies serve as Subgrantees for the DOE Weatherization and Low Income Home Energy Assistance Programs (HEAP).

In addition to WAP, MaineHousing serves as Grantee for HEAP, Central Heating Improvement Program and other home repair programs. Weatherization serves as MaineHousing's cornerstone to providing thousands of Maine homeowners and renters with funds to repair and improve their homes. CDBG and other state and federal sources of funds will be used in conjunction with WAP funds to address this home repair crisis. In addition, MaineHousing consistently designates up to 15 percent of its HEAP grant to weatherization and heating system repair programs.

Review of Subgrantee Work Plans, Budgets, and Reported Results - Grantee requires Subgrantees to provide a Work Plan and Budget for the 2025 DOE program as part of the Subgrantee Agreement. Grantee will review the Work Plan and Budget and request any updates, if necessary, for the program year. No funds will be advanced to Subgrantees until the Work Plan and Budget is reviewed and approved by Grantee. Grantee's EHS staff will perform comparisons of Subgrantees monthly billings versus their approved budgets to identify financial or compliance variances. EHS staff will work with Subgrantees to correct/understand variances as they are identified during this process.

Allocation of Funding to Subgrantees - Grantee will allocate program funding to Subgrantees based on the percentage of HEAP applications approved. Grantee reserves the right to re-allocate funding among Subgrantees during the program year based on program performance and need statewide.

Competitive Process for Subgrantees

Grantee intends to conduct a competitive process to attract new Subgrantees to provide DOE WAP services. The Grantee will ensure that each Subgrantee is selected on the basis of public comment received during a public hearing conducted pursuant to 440.14(a). Grantee will consider:

- a. The Subgrantee's experience and performance in weatherization or housing renovation activities;
- b. The Subgrantee's experience in assisting low-income persons in the area to be served; and
- c. The Subgrantee's capacity to undertake a timely and effective weatherization program.

Preference will be given to a Subgrantee who is currently administering, an effective program. Program effectiveness is evaluated by consideration of factors including, but not necessarily limited to the following:

- a. The extent to which the past or current program achieved or is achieving weatherization goals in a timely fashion;
- b. The quality of work performed by the Subgrantee;
- c. The number, qualifications, and experience of the staff members of the Subgrantee; and
- d. The ability of the Subgrantee to secure volunteers, training participants, public service employment workers, and other federal or state training programs.

V.8.2 Administrative Expenditure Limits

Pursuant to 10 CFR 440.18(e) Grantee will not allow more than 7.5% of the DOE allocation to be available to Subgrantees for administrative purposes, unless Subgrantees meets the below criteria for an additional 5%. Subgrantees will be required to provide budgets reflecting actual administrative costs, and allocations will be made in accordance with those budgets.

Grantee WAP may allow up to an additional five percent administrative funding for Subgrantees that qualify based on the following criteria:

1. As required by federal regulations, the Subgrantees must receive less than \$350,000 for their total annual sub-granted amount.
2. Subgrantee budgets must reflect reasonably expected administrative costs for the new grant period, which are in excess of the five percent. These expected costs should be based on the best information currently available.
3. The Subgrantees must have no uncorrected audit or monitoring findings regarding the allocation of costs to the DOE sub-grant for the most current period available.

Any Subgrantee meeting criteria defined in 10 CFR 440.18(d) may receive increased administrative funding, not to exceed an additional five percent (20 percent total), based on actual costs incurred. The Grantee will require the Subgrantees to submit a letter of application for additional administrative funding. This letter must address the impact on production and the need for the additional administrative funds as well as the three (3) criteria shown above.

V.8.3 Monitoring Activities

Programmatic/Subgrantee Monitoring. The monitoring approach under the Grantee WAP is to work closely with Subgrantee personnel to ensure continued quality workmanship and to ensure adequate financial systems and procedures. Grantee WAP will administer Quality Control Inspections (QCI) in accordance with SWS outlined in the Field Guides and 10 CFR 440 using both the independent QCI and independent auditor/QCI. This will enable Subgrantees with fewer staff to utilize the process. In all cases QCIs will be Subgrantee employees or hired contractors and the Grantee will perform quality assurance reviews of at least 5 percent of completed units and 10 percent of all completed units of Subgrantees that allow the audit and inspection to be done by the same person.

Comprehensive coverage of all Subgrantee WAP activities is achieved by a combination of regularly scheduled Grantee efforts:

1. Administrative and
2. Fiscal monitoring – annually.
3. Onsite inspection of in process and completed units – ongoing.
4. Client file review (Compliance & Technical) – monthly.
5. Subgrantee monitoring – annually.
6. Review of Subgrantee work plans, budgets, and reported results – ongoing.
7. Review of independent Subgrantee annual audits – annually.

Grantee has developed its own monitoring tool that includes reviews of the Subgrantee Uniform Grant Guidance Audit prescribed by 2 CFR 200. Among other things, Grantee has determined that the DOE monitoring tool duplicates many financial and compliance audit requirements under 2 CFR 200 which all Subgrantees must have their independent auditors perform annually. Subgrantees are required to submit their annual independent audit (Single-Audit) report to Grantee as soon as the report is available.

Subgrantee Monitoring: On site monitoring will consist of administrative, programmatic and technical components. All eight of our Subgrantees will have at a minimum one on site monitoring on an annual basis.

1. Annual Subgrantee Administrative Monitoring Review
 - a. Priority & Wait List
 - b. Reweatheringization
 - c. Deferrals
 - d. Contractors & Procurement
 - e. Required Documents
 - f. Energy Audits
 - g. Field Notes
 - h. Licensing & Certifications
 - i. HEAT Audits
 - j. Photo Documentation
 - k. Equipment Compliance
2. Each comprehensive monitoring visit will include an exit interview during which the WAP Program Officer/Specialist apprises Subgrantee personnel of any findings, recommended improvements, and best practices as applicable. Within 30 days of the Subgrantee Monitoring visit, the WAP Program Officer/Specialist will prepare and deliver a report to the Subgrantee summarizing any findings and requesting corrective actions. The WAP Program Officer/Specialist will perform a follow-up review of any corrective action plans within six months of the monitoring visit.
3. If significant issues are identified, Grantee requires the Subgrantee to submit a corrective action plan for Grantee's review/approval. Grantee will conduct a six (6) month follow-up review to ensure the plan was executed and effective in addressing the issues.
4. If Grantee is not able to conduct onsite administrative and/or programmatic monitoring remote desk monitoring will be performed. The same monitoring tools and criteria will be used as much as possible utilizing online software for individual meetings/interviews and information submissions to MaineHousing via Sharefile to obtain the same outcome as a physical onsite.

Financial Monitoring. Grantee staff will perform comprehensive fiscal monitoring of each Subgrantee on an annual basis using the Compliance Review Administrative Monitoring Tool. During the annual fiscal audit, Grantee conducts a 10 percent file review of Subgrantee's production. If a significant issue is cited, Grantee will expand the sample size.

The EHS Fiscal Compliance Specialist addresses the following areas of performance under DOE Weatherization:

1. Annual Financial Monitoring review
 - a. Financial/Fiscal Accountability
 - b. Uniform Grant Guidance Audit prescribed by 2 CFR 200
 - c. General ledger
 - d. Payroll/Personnel/Timecards
 - e. Vehicles and equipment purchases
 - f. Indirect rate review to make sure it is being calculated correctly
 - g. Invoicing
 - h. Corrective action plans
 - i. Contractor payments
2. Each comprehensive monitoring visit includes an exit interview in person meeting, or written communication, during which the EHS Fiscal Compliance Specialist apprises Subgrantee personnel of pertinent findings and recommended improvements, as applicable. Within 30 days of the administrative/fiscal monitoring visit, the EHS Fiscal Compliance Specialist will prepare and deliver a report to the Subgrantee summarizing these findings and requesting corrective actions.

Additionally, the Fiscal Compliance Specialist will perform a six (6) month follow-up review of corrective action plans, if applicable.

3. If significant issues are identified, Grantee requires the Subgrantee to submit a corrective action plan for Grantee's review/approval. Grantee will conduct a six (6) month follow-up review to ensure the plan was executed and effective in addressing the issues.
4. If Grantee is not able to perform fiscal monitoring onsite for numerous reasons all needed data for review will be sent to Grantee and a comprehensive desk review will be completed.

Grantee Monitoring Personnel:

| TITLE/GROUP CATEGORY | HRS /YR | TIME % | ADMIN % | T&TA % | DESCRIPTION OF DUTIES |
|-----------------------------------|---------|--------|---------|--------|---|
| Fiscal Compliance Specialist | 624 | 30.00% | 25.00% | 5.00% | Performs fiscal reviews of Subgrantees to ensure fiscal compliance to federal rules and regulations; provides Programmatic Guidance to Sub-Grantees. |
| Technical Services Specialists #1 | 1,456 | 70.00% | 50.00% | 20.00% | Primary responsibility for field inspections and monitoring of completed weatherized units to ensure quality and compliance with program regulations. Assists in technical training, such as conducting energy audits, contractor relations, including contractor bids |
| Technical Services Specialists #2 | 1,456 | 70.00% | 50.00% | 20.00% | Primary responsibility for field inspections and monitoring of completed weatherized units to ensure quality and compliance with program regulations. Assists in technical training, such as conducting energy audits, contractor relations, including contractor bids |
| WAP Program Specialist #1 | | | | | Performs compliance desk review of completed jobs and onsite Grantee Programmatic compliance monitoring. Provide Subgrantee training to address administrative requirements, compliance issues, Heat Enterprise, and other areas as needed and/or requested by Subgrantee. Provides Programmatic Guidance to WAP Subgrantee |
| WAP Program Officers #1 | 874 | 42.00% | 32.00% | 10.00% | Performs compliance desk review of completed jobs and onsite Grantee Programmatic compliance monitoring. Provide Subgrantee training to address administrative requirements, compliance issues, Heat Enterprise, and other areas as needed and/or requested by Subgrantee. Provides Programmatic Guidance to WAP Subgrantee |
| WAP Program Officers #2 | 1,206 | 58.00% | 33.00% | 25.00% | Performs compliance desk review of completed jobs and onsite Grantee Programmatic compliance monitoring. Provide Subgrantee training to address administrative requirements, compliance issues, Heat Enterprise, and other areas as needed and/or requested by Subgrantee. Provides Programmatic Guidance to WAP Subgrantee |

Independent QCI Monitoring: QCI monitoring has three components: Desk Review, Unit Inspections, and On-site Subgrantee Monitoring Visits.

1. Grantee State Monitors conduct a minimum of 10 percent and up to 100 percent desk/file review of the completed units submitted by each Subgrantee. The percentage of desk review depends on Subgrantees' performance, which is captured on Grantee's internal tracking sheet. This practice allows the Grantee to monitor best practices, identify concerns, and select/prioritize units for onsite inspections for each Subgrantee. *State Monitor Desk Review Checklists* provide Subgrantee with the desk review results for jobs reviewed, including job deficiencies. Deficiencies are tracked by number and level of concern of reviewed jobs on Grantee's internal tracking sheet. *State Monitor Review Checklists* are made available to the Subgrantee in HEAT Enterprise. Any deficiencies identified on the checklists must be addressed in the job file before payment can be issued.
2. EHS Technical Service Specialists will perform onsite unit inspections of completed and in-progress units statewide on an ongoing basis. They will inspect a minimum of five percent of completed units and 10 percent of all completed units of Subgrantees that allow the audit and inspection to be done by the same person.
3. If significant issues are identified, the Technical Services Specialists will expand the percentage of inspected units. Technical Guides and Materials (V.5.1) establishes the criteria for inspection procedures.
4. Capture and reporting of inspection data will be accomplished using the Maine WAP QCI Field Form, which provides a comprehensive checklist that includes:
 - a. Assessment of auditors' pre-existing R-values and accurate building model
 - b. Evaluation of auditors' approach for each distinct area of the structure, attic, walls, basement, site specifics, etc.
 - c. Verification and evaluation of each installed measure
 - d. Combustion appliance inspection and combustion safety testing data
 - e. Blower door, pressure pan and other applicable building diagnostics data
 - f. Exhaust device cfm measurement and confirmation of correct ASHRAE ventilation requirement
 - g. Confirmation of on-site documentation required by SWS such as Insulation Certificates
 - h. Client comments, concerns and positive remarks
5. Within 30 days of the site inspection, the Grantee monitor submits a Unit Inspection Report to the Subgrantee. These reports include findings and any required corrective actions, communications with the client/owner and contractor, observations and an assessment of the auditor's performance. If a rework is ordered, the Subgrantee will have 30 days to complete the rework and notify EHS, in writing, of its completion. The Subgrantee may also contact the Manager of Weatherization in writing during this 30-day period to appeal a rework finding. The unit will be revisited by the Manager of Weatherization, a representative of the Maine Community Action Agency Housing Council, the Grantee monitor, and a Subgrantee representative to resolve the dispute through actual onsite observations and discussion of discrepancies.
 - a. If the rework ordered is not rescinded following this appeal process, the Subgrantee will have 30 days from the date of the appeal resolution to complete the rework.
 - b. If reworks are not completed within 30 days, and the Subgrantee has not demonstrated reasonable cause for delay, a billing adjustment will be made for the entire dwelling unit. The unit will not be reinstated until the rework has been completed.
 - c. If there are significant deficiencies identified, the Grantee monitor will increase the number of units reviewed and frequency of monitoring visits to the Subgrantee until there are assurances that all deficiencies have been resolved.
6. Subgrantees are required to submit corrective action plans when there are indications that the Subgrantee has significant compliance issues.
7. EHS Technical Service Specialists conduct multi-day focused technical monitoring at each Subgrantee office on an annual basis. This includes face-to-face meetings and interviews with Subgrantee weatherization managers, field staff and contractors to evaluate processes and training needs. A written summary of the site visit is provided to the Subgrantee within 30 days. The Subgrantee must respond to any requests, concerns or findings within 30 days.

Independent Subgrantee Audit: Each Subgrantee will have an audit of their financial statements and a Uniform Grant Guidance Audit prescribed by 2 CFR 200 compliance audit conducted by an independent CPA firm following the close of the Subgrantee fiscal year. These audits will comply with all regulations pertaining to DOE WAP and will be made available to Grantee management. Grantee's Fiscal Compliance Specialist evaluates/reviews the results of these audits on an annual basis.

Subgrantee must provide written assurance that corrective action has been taken or present a plan to correct any noted deficiencies within 60 days. During and following this 60-day corrective action period, Grantee staff will offer and be available for training and technical assistance as needed by the Subgrantee.

V.8.4 Training and Technical Assistance Approach and Activities

With the addition of BIL Weatherization funds added to the program, production has increased therefore driving the need for additional staffing capacity as well as subcontractors. Subgrantees have expressed the need to create an inclusive onboarding curriculum. In addition, the cost and associated time to onboard new staff has become an identified need.

Given the ramp up period prior to the deployment of the BIL funds, the subgrantees also have existing staff needs in terms of professional development. The employment market attracted candidates from various backgrounds. The need for soft skill professional development is prevalent.

In addition to Grantee and Subgrantee staffing, the Grantee has partnered with Maine Building Performance Association (BPA) on a Workforce Development Project. BPA recently conducted an in-depth needs assessment survey and are currently analyzing the data. BPA will also work on creating pathways to bring people, schools, and contractors together; integrate a feeder system into statewide energy specialists, pre-apprenticeship, apprenticeship, and internship programs; provide outreach and bring attention to historically underrepresented communities. The Grantee will also conduct outreach via community events such as trade and home shows.

The Grantee has also partnered with the Governor's Energy office and Efficiency Maine Trust. This collaboration will open up additional referral streams for potential program recipients as well as contractor and vendor resources. This partnership will not only enhance the production but will provide program recipients with additional resources to help reduce their energy burden and increase efficiency.

Grantee will continue to support Subgrantees by providing training opportunities for crews and contractors, as well as providing guidance regarding the allowable use of DOE Training and Technical Assistance (T&TA) funds for training weatherization contractors, as well as Subgrantee technicians and weatherization crews. Subgrantees are encouraged to renew their certified employees certifications and licenses six months prior to expiration. These certifications include, but are not limited to, HEP Energy Auditor, HEP Quality Control Inspector, BPI Building Analyst, as well as all other occupational specialties requiring certification. All Subgrantees and contractors are required to have all state and local licenses as required by the state of Maine.

Grantee's WAP T&TA plan provides a variety of activities to support developing and enhancing skills of personnel at the Grantee, Subgrantee and contractor levels. The desired result of all T&TA activities is to maximize energy savings, ensure health and safety of clients and WAP personnel, minimize operating costs, improve management and administrative procedures, and prevent waste, fraud and abuse. New WAP staff who do not possess all required training and certifications will receive necessary training as soon as possible and no later than 6 months from their date of hire. WAP staffs work under supervision as needed until they have received required training and certifications.

The T&TA plan incorporates results and information made available through EHS field monitoring visits and input from Subgrantees, weatherization contractors, WPNs, DOE monitoring visits, internal state audits, IG reports and/or ACSI reports. All Comprehensive Training will be conducted by Interstate Renewable Energy Council (IREC) accredited training organizations. Specific trainings will be administered by qualified personnel as needed. The percentage of comprehensive and specific trainings will be roughly thirty and seventy percent respectfully. A comprehensive breakdown of training activities are found on the T&TA Template submitted as an attachment to this document.

Grantee/Subgrantee Training. Grantee supports the professional development and training needs of Grantee and Subgrantee weatherization staff and contractors. Subgrantees are provided T&TA funds that allow them flexibility in meeting training needs for their WAP staffs and contractors.

1. *BPI (HEP) Comprehensive Training.* Grantee will coordinate and fund mandatory accredited certifications for Grantee and Subgrantee staff as required by Weatherization Program Notices. Comprehensive training will be scheduled as current certifications are expiring or new staff/contractors are employed. Certification renewal is currently on a rolling three-year timeframe.
 - a. During the 2025 DOE plan year, Grantee anticipates coordinating and funding accredited trainings and testing for Grantee, Subgrantee technicians, Contractors, and Subgrantee Crew workers as detailed on Grantee's 2025 DOE T&TA Planning and Reporting Template.
 - b. Grantee will coordinate and fund Crew Leader (CL) and Retrofit Installer (RIT) Comprehensive Training and certification for Subgrantee crew workers and weatherization contractors as needed. Grantee makes training opportunities available annually. These Comprehensive Trainings will be provided to Grantee's weatherization network to ensure continuity and best practices across the work force for weatherization contractors and Subgrantee crews performing weatherization work. IREC accredited training will align with the NREL Job Task Analysis (JTAs) for the scope of work performed by the WAP professional.
2. *Grantee, Subgrantee and Contractor Training.* Grantee will coordinate and fund training to address the top training topics/needs identified by Subgrantees including: HEAT Enterprise software, monitoring and technical best practices, WPN guidance, and training needs identified through Grantee monitoring activities. Training topics will be addressed through Comprehensive or Specific training avenues as needed.
3. *National and Regional Conferences.* Grantee will send Grantee staff, and encourage Subgrantee technical and fiscal personnel and weatherization contractors to attend NASCSP and DOE approved training conferences, as well as other conferences relating to health and safety, air quality, energy audits and weatherization specific measures.
4. *In-House Training.* Grantee staff will provide training on-site as needed in technical and fiscal matters and to address acute deficiencies in the field such as combustion safety training, audit training, ASHRAE, etc..
5. *Online Training Modules.* Grantee continues to develop online training modules geared toward new staff orientations for Subgrantees and/or weatherization contractors, as well as modules focusing on technical, fiscal and overall program management to provide support for weatherization installation and standards on an as needed basis. These trainings are offered to the WAP network via MaineHousing's Bridge Learning Software. Training will be added to address building code compliance. This training is sponsored by the Maine Fuel Board and Maine Manufactured Housing Board at no cost and is virtual. This training is listed on the Maine T&TA Template.

All Subgrantees are required to submit a T&TA work plan with their budget for Grantee approval. These work plans will identify and address T&TA needs at Subgrantee agencies. A standard outline is provided to all Subgrantees setting forth the areas required in their work plans.

The Grantee will review the Work Plans and Budgets to determine whether the Subgrantees are complying with the outline as well as the standards stated above. The Grantee will also coordinate and provide all Subgrantees with current developments in technical procedures and DOE guidance on technical issues. Through these procedures, the Grantee will ensure consistency in the Subgrantees' procedures as well as identifying needs of individual Subgrantees. The Grantee will expend every effort, through monitoring and management activities, to ensure that Grantee continues to operate a quality WAP.

In addition, Subgrantees submit semi-annual activity reports to Grantee identifying agency staff and/or contractor employees benefiting from the use of DOE T&TA funds for training.

The Housing Director of each Subgrantee will notify the Grantee and the Housing Council of any and all planned training sessions so that common needs are coordinated and duplication is avoided.

The Grantee has initiated a working group comprised of the Manager of Weatherization and volunteer members from the subgrantees. The focus of this working group is to identify DOE allowable methods and uses for T&TA funds that are applicable to the Maine Weatherization network. Specifically, the focus of the working group is to develop a comprehensive training needs assessment. This tool will be utilized for administrative and technical staff at both the Grantee and Subgrantee level, as well as for the subcontractors performing services. The analysis from this tool as well as additional input from the subgrantees will provide data to drive the T&TA plan.

Grantee also relies heavily on information gathered during the monitoring process to determine and prioritize training needs. There will continue to be training such as EPA Certified Lead Renovator training which requires EPA certified trainers and other specialized training as it becomes available (i.e. Maine Indoor Air Quality,

Building Performance Association, etc.). Grantee is notified of these external training opportunities and informs Subgrantees/contractors of them.

Grantee tracks applicable Grantee and Subgrantee credentials to ensure maintenance of these credentials.

The effectiveness of T&TA activities is gauged by:

1. review of session evaluation forms;
2. feedback from Building Technical Committee and contractor meetings;
3. comparison of pre & post training on-site results; and
4. analysis of responses to annual Subgrantee training needs surveys.

Contractor Training. Grantee requires that contractors receiving DOE T&TA funds for DOE approved training events sign a retention agreement confirming that the contractor will provide weatherization services for a period of one year from the date of training. The use of T&TA funds to reimburse contractors is limited to T&TA that supports the four Home Energy Professionals occupations (Retrofit Installer Technician, Crew Leader, Energy Auditor, Quality Control Inspector).

Client Education. Per the Maine Weatherization Standards, energy auditors and inspectors are required to provide the client/owner education during all phases of the weatherization process. This includes, but is not limited to:

1. how the weatherization process will address health and safety issues;
2. explanation of energy-conserving measures that will be installed;
3. recommendations on how the client can conserve energy; and
4. explanation of required maintenance for existing equipment, including equipment calibration requirements, added equipment, or energy-saving measures.

V.9 Energy Crisis and Disaster Plan

In the event that an energy crisis or disaster plan is triggered by state or federal declarations, Grantee will ensure that use of WAP funds adhere to procedures outlined in WPN 12-7.

Memorandum

To: MaineHousing Board of Commissioners

From: Adam S. Krea, Ashley Carson, and Jodie Stevens

Date: December 9, 2024

RE: Rule Adoption - Chapter 36, Housing First Program Administrative Responsibility Rule

At your December 17, 2024 meeting, we will ask you to adopt *Chapter 36, Housing First Program Administrative Responsibility Rule*, a new joint rule with the Maine Department of Health and Human Services, Office of Behavioral Health (DHHS) to implement the Housing First Program. The Housing First Program was established by the State of Maine to provide funding for services and permanent housing for persons who are chronically homeless. The rule sets forth the individual and joint responsibilities of MaineHousing and DHHS in administering the Program as required under the authorizing legislation.

As you know, MaineHousing hosted a joint public hearing with DHHS on the proposed rule and the companion DHHS rule at the November 19, 2024 Commissioner's meeting, a first for us. No oral or written comments were presented at the public hearing. The public comment period remained open until 5:00 p.m. on December 2, 2024. Neither we nor DHHS received any comments.

State law and the Governor's Executive Order on administrative rulemaking require State agencies and boards prior to adopting a final rule to consider all relevant available information, including but not limited to, economic, environmental, fiscal and social impact analyses. In conducting the environmental and social impact analyses, priority must be given the health, safety, and welfare of Maine people, and in conducting the economic and fiscal impact analyses, consideration must be given to the extent to which existing laws and regulations address the matter and the rule's impact on the ability of Maine employers to retain and attract a skilled workforce, including reducing compliance burdens on small businesses.

After full consideration of the foregoing, we request the Board adopt the proposed rule without change. DHHS intends to adopt its companion rule on or about the same date as the Board adopts the proposed rule. If the rules are adopted, the rules must then be approved by the Attorney General's office pursuant to the Maine Administrative Procedures Act. As you may recall, the Attorney General's office pre-approved the rules prior to the public hearing so we and DHHS do not anticipate any impediments to final approval. Upon final approval, the rules will be submitted to the Secretary of State for publication. The rules will become effective five (5) days after submission to the Secretary of State.

PROPOSED MOTION:

To adopt MaineHousing Rule Chapter 36, the Housing First Program Administrative Responsibility Rule, provided to the Commissioners in the Board packet.

CHAPTER 36 HOUSING FIRST PROGRAM ADMINISTRATIVE RESPONSIBILITY RULE

Purpose of Rule. This is a joint rule by the State of Maine Department of Health and Human Services and Maine State Housing Authority setting forth the responsibilities of each agency and their joint responsibilities in administering the Housing First Program, a program to facilitate the delivery of support and stabilization services to residents of properties in the State of Maine that are established or developed to provide permanent housing for persons who are experiencing chronic homelessness.

Section 1. Definitions. The following terms have the following meanings:

1. “Affiliate” means with respect to an entity, another entity which it controls or is controlled by, or with which it is under common control, control being an ownership interest, a contractual right, or other interest with respect to an entity that confers upon its holder the authority or right, directly or indirectly, to manage or otherwise direct any material part of the business or financial affairs and policies of the entity or the operation of the entity’s business or assets.
2. “Chronic Homelessness” means a situation in which a person is living in a place not meant for human habitation, including emergency shelters, for at least twelve (12) months and for whom homelessness is correlated with a condition that makes accessing services and maintaining housing a significant challenge such as substance use disorder or a behavioral health condition, and includes a situation in which a person has been living intermittently in an institutional care facility, including but not limited to a correctional facility or health treatment facility, but is otherwise living in a place not meant for human habitation.
3. “Department” means the Department of Health and Human Services, an agency of the State.
4. “Existing Site-based Housing First Properties” mean the 30-unit residential rental property located at 52 Frederic Street in Portland, Maine now or formerly known as Logan Place, the twenty-five (25) independent apartment units in the building located at 190 Valley Street in Portland, Maine now or formerly known as Florence House, and the 30-unit residential rental property located at 72 Bishop Street in Portland, Maine now or formerly known as Huston Commons.
5. “Housing First Fund” means the fund established and administered pursuant to the Housing First Law and this rule.
6. “Housing First Law” means 22 M.R.S. § 20-A (2023).
7. “Housing First Program” means the program established pursuant to the Housing First Law to facilitate the delivery of support and stabilization services to residents of properties in the State that are established or developed to provide permanent housing for persons who are experiencing Chronic Homelessness.
8. “Housing First Team” means a team of entities described in paragraph B of subsection 2

of section 2 of this rule that together will develop, own, and operate a Site-based Housing First Property.

9. “Housing Stability Services” means services offered to residents of permanent housing for persons who are experiencing Chronic Homelessness where supportive services are not necessarily provided on site or twenty-four (24) hours per day, which services must be available to residents at least twenty (20) hours each week, must adequately meet the needs of the residents to build independent living skills, maintain housing, and access necessary community-based services, and can include outreach to persons experiencing Chronic Homelessness to establish connections and provide support that may result in securing stable permanent housing, including Site-based Housing First Properties.
10. “MaineCare” means the joint federal-state Medicaid program established at Title XIX of the Social Security Act and administered by the Department in the State pursuant to 22 M.R.S. § 3173.
11. “MaineHousing” means the Maine State Housing Authority, a public body corporate and politic and an instrumentality of the State.
12. “MaineHousing Loan Program” means a funding program established by MaineHousing pursuant to subsection 3 of section 4 of this rule.
13. “On-site Housing Support and Stabilization Services” means support and stabilization services for persons experiencing Chronic Homelessness that are available on-site at Site-based Housing First Properties twenty-four (24) hours each day, seven (7) days each week and are designed to build independent living skills and connect persons with community-based services, and can also include outreach to persons experiencing Chronic Homelessness to establish connections and provide support to facilitate occupancy at a Site-based Housing First Property.
14. “Qualified Service Provider” means a service provider that the Department has determined is qualified to provide On-site Housing Support and Stabilization Services pursuant to paragraph B of subsection 1 of section 3 of this rule.
15. “Site-based Housing First Property” means permanent residential rental housing in the State of Maine with On-site Housing Support and Stabilization Services for individuals and families who at the time of initial occupancy were experiencing Chronic Homelessness.
16. “State” means the State of Maine.

Section 2. Joint Responsibilities. The Department and MaineHousing will jointly perform the following responsibilities in administering the Housing First Program:

1. Site-based Housing First Properties. Eligibility of Site-based Housing First Properties for funding from the Housing First Fund will be determined by the Department and MaineHousing pursuant to this rule.
2. Housing First Teams.
 - A. Other than Existing Site-based Housing First Properties, all Site-based Housing

First Properties must be developed, owned and operated by a Housing First Team that is selected pursuant to this subsection.

- B. A Housing First Team must include an affordable housing developer, an owner, a property management company, and a Qualified Service Provider. One entity or an Affiliate of any entity may serve in more than one capacity, except the property manager and the Qualified Service Provider cannot be Affiliates; they must be completely separate entities.
 - C. The Department and MaineHousing will establish a competitive process for selecting Housing First Teams which may be implemented through one or more rounds or processes as determined by the Department and MaineHousing. Housing First Teams will be selected based on their knowledge, experience, capacity, and ability to collaborate in developing and operating affordable housing and supportive housing for persons who are homeless, including persons experiencing Chronic Homelessness.
 - D. MaineHousing will select Housing First Teams, including the Qualified Service Provider, pursuant to the competitive process established pursuant to this subsection. MaineHousing will consult with the Department as needed in selecting Housing First Teams.
3. Location of Site-based Housing First Properties. The Department and MaineHousing will designate areas in the State where Site-based Housing First Properties will be located to most effectively and efficiently address Chronic Homelessness in the State based on data available to the Department and MaineHousing about the current concentrations of Chronic Homelessness in the State.
 4. Operation of Site-based Housing First Properties. The Department and MaineHousing will establish tenant selection criteria and operational requirements for Site-based Housing First Properties to ensure tenant protection and safety and compliance with applicable federal, state, and local laws, including without limitation fair housing laws.
 5. Enforcement. The Department and MaineHousing will cooperate in administering and enforcing compliance with the Housing First Program, the MaineHousing Loan Program, and the policies and procedures of the Department established pursuant to this rule.
 6. Reporting. The Department and MaineHousing will prepare and submit a report annually no later than February 1, beginning February 1, 2025, to the joint standing committee or joint select committee of the State Legislature having jurisdiction over housing matters with the information required under the Housing First Law and such other information as may be required by the committee with oversight to evaluate the effectiveness of the Housing First Program.

Section 3. Department Responsibilities. The Department has the following additional responsibilities in administering the Housing First Program:

1. Supportive Services.
 - A. The Department will establish and administer policies and guidelines for On-site Housing Support and Stabilization Services and Housing Stability Services that

are eligible for funding from the Housing First Fund and the qualifications of the providers of those services. The services must be provided by or include coordination with a MaineCare provider.

- B. The Department will select qualified providers of On-site Housing Support and Stabilization Services and qualified providers of Housing Stability Services pursuant to the qualifications established by the Department pursuant to paragraph A of this subsection and the Department's procurement policies and procedures.
 - C. The Department will establish and administer payment models for On-site Housing Support and Stabilization Services and Housing Stability Services that are eligible for funding from the Housing First Fund. The payment models will maximize eligibility for reimbursement under existing and future federal programs that provide funding for On-site Housing Support and Stabilization Services and the Housing Stability Services eligible for funding under the Housing First Program, including but not limited to MaineCare and the existing housing outreach and member engagement provider program administered by the Department. Funding from the Housing First Fund is intended to supplement, not supplant, the reimbursement or funding available under these existing and future federal programs.
 - D. The Department will enter into contracts with the providers of On-site Housing Support and Stabilization Services and Housing Stability Services that the Department has determined are qualified pursuant to this subsection.
2. Technical Assistance. The Department will provide technical assistance to service providers that receive funding under the Housing First Program and will assist providers in navigating reimbursement under MaineCare and other federal programs for those services.
3. Housing First Fund.
- A. The Department will administer the Housing First Fund. An account separate from the Housing First Fund will be established to provide funding for Housing Stability Services and will be administered by the Department.
 - B. On or before July 1 of each year, the Department will determine the amount necessary to pay for On-site Housing Support and Stabilization Services provided at each Site-based Housing First Property that is eligible for funding from the Housing First Fund pursuant to the service contracts between the Department and the Qualified Service Providers for such Site-based Housing First Properties, or the anticipated cost of the On-site Housing Support and Stabilization Services based on the payment models established by the Department pursuant to this rule if a service contract has not been executed, for the current fiscal year plus the anticipated amount needed for the next fiscal year. The Department will consult with MaineHousing about the projected initial occupancy and lease-up and annual occupancy of Site-based Housing First Properties to make the determination under this paragraph.
 - C. Beginning on July 1 of each year, starting July 1, 2025, as amounts in the

Housing First Fund become available, the Department will distribute those amounts for the following purposes:

- (1) First, to deposit the total annual cost of salaries and benefits for two permanent, full-time positions in the Department required to be established pursuant to the Housing First Law to administer the Housing First Program in the appropriate account for the Department to pay such costs;
 - (2) Second, to deposit \$1,000,000 to the account established pursuant to paragraph A of this subsection, which the Department will use to pay for Housing Stability Services that the Department determines are eligible pursuant to this rule;
 - (3) Third, to pay for the On-site Housing Support and Stabilization Services that the Department has budgeted pursuant to paragraph B of this subsection plus any additional amounts needed to pay for On-site Housing Support and Stabilization Services that are agreed to in writing by the Department and MaineHousing; and
 - (4) Finally, no later than June 30 of each year, any remaining amounts in the Housing First Fund will be transferred to MaineHousing to provide technical assistance pursuant to subsection 1 of section 4 of this rule and funding for Site-based Housing First Properties pursuant to subsection 3 of section 4 of this rule.
4. Existing Site-based Housing First Properties. Services offered at an Existing Site-based Housing First Property are eligible for funding under the Housing First Program to the extent (i) the current service funding for the Existing Site-based Housing First Property is reduced by more than fifty percent (50%) or eliminated and (ii) the owner and service provider of the Existing Site-based Housing First Property after commercially reasonable efforts are unable to replace such service funding with another source, provided that the Existing Site-based Housing First Property complies with the requirements of the Housing First Program, including the Housing First Law, this rule, and the policies and procedures and payment models established by the Department for On-site Housing Support and Stabilization Services.
 5. Monitoring. The Department will monitor the service providers for compliance with the Housing First Program, including the policies and procedures and payment models established by the Department for On-site Housing Support and Stabilization Services and Housing Stability Services.
 6. Qualified Service Provider Changes. Any withdrawal, replacement, or addition of a Qualified Service Provider of a Housing First Team selected pursuant to this rule, including any such change resulting from an enforcement action or a sale or transfer of the Site-based Housing First Property, must be approved in writing by the Department prior to the change.
 7. Enforcement.
 - A. Site-based Housing First Properties.

- (1) The Department is responsible for enforcing compliance with the requirements for On-site Housing Support and Stabilization Services and the qualifications of providers of those services, pursuant to the Department's rules, guidelines, policies, procedures and contracts governing On-site Housing Support and Stabilization Services, and all other requirements of this rule that are the Department's responsibility.
 - (2) The Department will give MaineHousing a copy of each written notice of violation issued by the Department concerning On-site Housing Support and Stabilization Services at a Site-based Housing First Property.
 - (3) The Department will coordinate with MaineHousing to enforce compliance to ensure the continued operation of the Site-based Housing First Property.
 - (4) If the violation is not corrected within the period specified for correction in the notice of violation, which period will depend on the nature of the violation, the Department can exercise all rights and remedies under the Department's rules, policies, procedures, and contracts.
- B. Housing Stability Services. The Department is responsible for enforcing compliance with the requirements for Housing Stability Services and the qualifications of providers of those services pursuant to the Department's rules, guidelines, policies, procedures and contracts governing the Housing Stability Services.
8. Recordkeeping. The Department will maintain records of its selection of qualified providers of On-site Housing Support and Stabilization Services and Housing Stability Services, the specific On-site Housing Support and Stabilization Services and Housing Stability Services provided at each property and the providers of and payment for those services, and the Department's monitoring and enforcement responsibilities under this rule pursuant to the State's record retention requirements as they pertain to the Department.

Section 4. MaineHousing Responsibilities. MaineHousing has the following additional responsibilities in administering the Housing First Program:

1. Technical Assistance. MaineHousing will provide technical assistance with respect to capital and planning issues associated with developing Site-based Housing First Properties.
2. Site-based Housing First Properties.
 - A. The number of Site-based Housing First Properties developed by each Housing First Team and the number of units in each Site-based Housing First Property must be approved by MaineHousing.
 - B. The specific site for each Site-based Housing First Properties must be within the areas designated by the Department and MaineHousing pursuant to subsection 3 of section 2 of this rule and must be approved by MaineHousing.

- C. MaineHousing will establish minimum building design requirements for Site-based Housing First Properties. All Site-based Housing First Properties must comply with these requirements.
3. MaineHousing Loan Program. MaineHousing will establish and implement one or more programs to provide funding for costs associated with the development, acquisition, construction of Site-based Housing First Properties approved by MaineHousing pursuant to this rule.
- A. The program(s) will identify the available source(s) of funding, eligible uses of funding, funding caps based on cost reasonableness and efficient use of available funding, underwriting criteria, affordability and use restrictions, site eligibility, design and construction requirements, project reserve requirements, and the requirements of the funding sources and the Housing First Program. The program(s) will limit funding for each Site-based Housing First Property to the extent funding for the program(s) is available, the funding is necessary for the financial feasibility and long-term viability of the Site-based Housing First Property, and there are other available funding sources.
- B. The funding may include, but is not limited to, interest bearing debt financing, federal low-income housing tax credits, and no-interest deferred payment debt funded with the portion of the Housing First Fund transferred by the Department to MaineHousing.
- C. The program(s) will require the owner of each Site-based Housing First Property to enter into a restrictive covenant to be recorded in the appropriate registry of deeds with priority over all mortgages and other encumbrances on the Site-based Housing First Property obligating the owner, its successors and assigns, to maintain the property as a Site-based Housing First Property for at least 45 years, unless (1) MaineHousing and the Department determine there is no longer a market need for the Site-based Housing First Property, or (2) there is no service funding available for the Site-based Housing First Property under the Housing First Fund or other source after reasonable efforts made by the owner of and the service provider for the Site-based Housing First Property to secure alternative service funding.
- D. The program(s) will comply with all applicable existing rules and regulations governing MaineHousing's funding programs, including but not limited to MaineHousing's rules Chapter 29, *Multi-family Mortgage Loans*, 99-346 C.M.R. Ch. 29, and Chapter 16, *Low-Income Housing Tax Credit Rule*, 99-346 C.M.R. Ch. 16, in effect at the time the program(s) are established.
- E. Funding from MaineHousing is not required for a Site-based Housing First Property to be eligible for funding from the Department under the Housing First Program.
4. Rental Assistance. MaineHousing may provide rental assistance for Site-based Housing First Properties that are funded under a MaineHousing Loan Program, which may include but is not limited to Section 8 project-based vouchers pursuant to MaineHousing's Housing Choice Voucher Program and governing federal laws and regulations.

Any rental assistance from MaineHousing will be limited by funding availability, other sources of project-based rental assistance available to a Site-based Housing First Property, and the applicable laws, regulations, and program requirements governing the rental assistance, and will be no more than is necessary to support the operating costs of a Site-based Housing First Property as determined by MaineHousing pursuant to applicable federal subsidy layering regulations and the underwriting criteria of the applicable MaineHousing Loan Program.

5. Monitoring. MaineHousing will monitor the design, construction, management, and operation of the Site-based Housing First Properties for compliance with all requirements of the applicable MaineHousing Loan Program, any rental assistance provided by MaineHousing, the Housing First Program, including without limitation the tenant selection criteria and operational requirements of the Housing First Program established by the Department and MaineHousing, and other applicable local, state and federal laws, rules and regulations.
6. Changes to Site-based Housing First Properties. Any withdrawal, replacement, addition, or other change of affordable housing developer, owner, or property management company of a Housing First Team selected pursuant to this rule, including any change resulting from any voluntary or involuntary sale or transfer of the Site-based Housing First Property or any change in an ownership interest in the Site-based Housing First Property, must be approved in writing by MaineHousing prior to the change.
7. Enforcement.
 - A. MaineHousing is responsible for enforcing compliance with the process for selecting Housing First Teams, the requirements set forth in subsection 2 of section 4 of this rule, the requirements of the applicable MaineHousing Loan Program and the funding provided thereunder and any rental assistance provided by MaineHousing, the tenant selection criteria and operational requirements for Site-based Housing First Properties established pursuant to this rule, and all other requirements of this rule that are MaineHousing's responsibility.
 - B. MaineHousing will give the Department a copy of each written notice of violation or default issued by MaineHousing to the owner of a Site-based Housing First Property.
 - C. MaineHousing will coordinate with the Department to enforce compliance to ensure the continued operation of the Site-based Housing First Property.
 - D. If the violation or default is not corrected within the period specified for correction in the notice, which period will depend on the nature of the violation or default, MaineHousing can exercise any and all rights and remedies under the instruments and documents executed in connection with the funding and rental assistance from MaineHousing and under applicable laws, rules and regulations.
8. Recordkeeping. MaineHousing will maintain records of the selection of Housing First Teams, the development, construction, and operation of Site-based Housing First Properties, and MaineHousing's monitoring and enforcement responsibilities through the period ending six (6) years after the end of the Housing First Program.

Section 5. General.

1. **Joint Rule.** This rule is a joint rule with the Department. Reference is made to Chapter 20 of the Department's Office of Behavioral Health rules, *Housing First Program Administrative Responsibility Rule*, 14-118 C.M.R. Ch. 20.
2. **Other Laws.** If this rule conflicts with any provision of applicable federal or state law, such federal or state law will control.
3. **Waivers.**
 - A. Upon determination for good cause, the Commissioner of the Department may, subject to statutory limitations, waive any requirement of the rule within the scope of responsibility of the Department under this rule. Each waiver must be in writing and supported by documentation of the pertinent facts and grounds for the waiver. The Department may not waive any requirement of the rule within the scope of responsibility of MaineHousing under any circumstances. The Department may only waive any requirement involving a joint responsibility under the rule with the prior written approval of MaineHousing.
 - B. Upon determination for good cause, the Director of MaineHousing may, subject to statutory limitations, waive any requirement of the rule within the scope of responsibility of MaineHousing under this rule. Each waiver must be in writing and supported by documentation of the pertinent facts and grounds for the waiver. MaineHousing may not waive any requirement of the rule within the scope of responsibility of the Department under any circumstances. MaineHousing may only waive any requirement involving a joint responsibility under the rule with the prior written approval of the Department.
4. **Context.** The headings and captions in this rule are for convenience only and do not affect the meaning, construction, or effect of the provisions of this Agreement. The singular form of any word used or defined herein shall include the plural.

STATUTORY AUTHORITY: 22 M.R.S. § 20-A (2023) and 30-A M.R.S. § 4741(1)

EFFECTIVE DATE:

99-346 C.M.R. CHAPTER 36

HOUSING FIRST PROGRAM ADMINISTRATIVE RESPONSIBILITY RULE

FINAL ADOPTION ROUTINE TECHNICAL RULE

BASIS STATEMENT

The Housing First Program Administrative Responsibility Rule is a joint rule by the State of Maine Department of Health and Human Services, Office of Behavioral Health (the “Department”) and Maine State Housing Authority (“MaineHousing”) setting forth the responsibilities of each agency and their joint responsibilities in administering the State of Maine’s Housing First Program (the “Program”). The Program provides funding for support and stabilization services for residents of properties in the State of Maine that provide permanent housing for persons who are experiencing chronic homelessness.

The Department is responsible for administering the funding under the Program. The funding is primarily for 24-hour on-site supportive services, except for an annual amount that is set aside for housing stability services available for residents at least 20 hours each week but not necessarily on site or 24 hours per day. Any funding that is not used for these supportive services and the Department’s costs of administering the Program will be transferred to MaineHousing to develop affordable permanent housing with 24-hour on-site supportive services, which initially will be the majority of the funding to produce the housing where these services will be provided.

The Department is also responsible for establishing and administering the requirements for the two types of supportive services that are eligible for funding under the Program, the payment models for the services, and the qualifications of the providers of the services. The Department is obligated to maximize eligibility for reimbursement under existing and future federal programs that provide funding for the supportive services, such as MaineCare, to supplement and expand the use of the funding and to provide technical assistance to providers in navigating these federal programs.

MaineHousing will work with the Department to administer the permanent housing with 24-hour on-site services. The Department and MaineHousing will identify the areas in the State where the properties should be located to best serve persons who are chronically homeless. The funding under the Program will only be available to teams that are selected under one or more competitive processes and consist of a service provider that the Department has determined is qualified through its procurement process together with an experienced affordable housing developer and property manager that MaineHousing, in consultation with the Department as needed, determines can work together to successfully develop, own and operate permanent housing with 24-hour on-site services for persons who are chronically homeless. MaineHousing will provide technical assistance, approve specific sites, develop construction standards to ensure successful operation and delivery of services at the properties, and offer financing for the development of the properties, including Program funding transferred to MaineHousing, other capital funding, and low-income housing tax credits.

The rule delegates oversight of the service providers to the Department, but the Department and MaineHousing will work together to develop, administer, and enforce the operational guidelines for the permanent housing with 24-hour on-site supportive services to effectively address chronic homelessness and ensure long-term viability of these properties. The rule also addresses other administrative responsibilities of the Department and MaineHousing, including recordkeeping and reporting requirements.

PUBLIC NOTICE AND COMMENT

The Notice of Agency Rulemaking Proposal (MAPA-3) was published on the Maine Secretary of State website on October 30, 2024 and published in the October 30, 2024 editions of the Bangor Daily News, Portland Press Herald, Lewiston Sun Journal, and Central Maine Newspapers. MaineHousing also sent the Notice of Agency Rulemaking Proposal and the proposed rule to interested parties on October 22, 2024 and October 23, 2024 and posted the proposed rule and notice of the public hearing on the Maine State Housing Authority website on October 30, 2024.

A joint public hearing was held by the Department and MaineHousing at 10:00 a.m. on November 19, 2024 at MaineHousing's office. No oral or written comments were presented at the public hearing. The public comment period remained open until 5:00 p.m. on December 2, 2024. The Department and MaineHousing did not receive any comments.

STATUTORY AUTHORITY

22 M.R.S. § 20-A (2023); 30-A M.R.S. § 4741(1)

EFFECTIVE DATE

_____, 2024



Finance Department Memorandum

To: Board of Commissioners

From: Darren R. Brown

Date: December 10, 2024

Subject: 2025 Budgets

Preliminary budget information was presented and reviewed at the November meeting. It was noted at the meeting that a compensation market study was underway and adjustments to the budgets might be made based on the results of the study. The study has not been completed and no changes have been made to the budget information presented last month.

MaineHousing is required to have its budgets approved and submitted to the State Bureau of the Budget and the Mortgage Purchase Fund trustee by January 1st each year and we will be requesting your approval of the 2025 budgets at this month's meeting. The budgets may be amended at any time. Once the results of the compensation study are known, and if the results warrant adjustments, we will present an amendment to the budgets for your consideration.

The following presents the same information provided and reviewed at the November meeting:

The higher interest rate environment that began in 2023 has continued throughout this year and has again had a positive impact on operating results and profitability. The rate environment has helped with the growth of the loan portfolio and has provided for higher earnings from mortgage and non-mortgage investments. Net operating income this year is projected to be comparable to last year and will amount to \$24.4 million.

Net operating income for 2025 is not projected to be at the same level attained in 2023 and 2024 due largely to conservative interest rate assumptions used to budget income from non-mortgage investments. However, MaineHousing financial position and performance is projected to remain very strong in 2025. A higher level of loan production and continued growth in mortgage loan assets together with additional program funding from federal and state sources will contribute to substantial net operating income in 2025. Revenues are projected to exceed expenses by approximately \$19 million in 2025.

MaineHousing's two primary business segments consist of mortgage lending activities and the administration of various federal and state programs. The following is an overview of projected activities for each segment:

Mortgage Lending Activities

Net interest income, which is the difference between income from mortgage and non-mortgage investments and the interest paid on bonds, is generated from lending activities and is used to pay for related operating and administrative expenses. The following presents the major components and factors used in the development of the 2025 budgets for mortgage lending activities.

- Interest income from mortgages is projected to increase by \$12.1 million. The loan portfolio is expected to grow by a net amount of \$293 million in 2025. Loan production is estimated at \$425 million. This is an

increase over current year activity and is based on a significant pipeline of multifamily loans that will close next year. Loan reductions from scheduled repayments, prepayments, and foreclosures combined are estimated at \$132 million, which is consistent with current year activity. The average yield from loans will be moderately higher in 2025.

- Interest income from investments is projected to decrease by \$5.7 million. The reduction is due to the interest rate assumption used for short-term investments. An interest rate assumption that is below actual yields for this year is being used for 2025 because of rate uncertainty. This is the same approach used for the 2024 budgets.
- Interest expense is projected to increase by \$12.8 million due to higher outstanding bonds, which will increase as new bonds are issued to fund loan production. The average rate on bonds will also be higher in 2025.

Program Administration Activities

MaineHousing administers numerous federal and state funded programs and receives fee income for the administration of these programs. This fee income is used to pay for related operating and program administrative costs.

Total program revenues for this year will decrease from 2023 by \$26.4 million due to the completion of more federal COVID-related programs and reductions in certain one-time funds from the State. However, program revenues are projected to be higher in 2025 due to additional program funds from the State and several new federal programs. The following are the major program activity changes for 2025:

- Program revenues from grants are projected to increase by \$23.6 million or 11% and amount to \$242.3 million. The change is due primarily to the following:
 1. \$27 million net increase from new State funds (Rural housing developments, affordable homeownership, eviction prevention, subsidy for homeless students, and lead remediation).
 2. \$8 million increase from new federal programs (HUD's Continuum of Care Builds and Healthy Homes programs and DOE's Enhancement & Innovation grant).
 3. \$5.1 million increase from federal Infrastructure Weatherization program (Total Award \$31 million).
 4. \$17.5 million net decrease due to the completion of various federal COVID-19 programs.
- Federal rent subsidy income from six HUD Section 8 programs is projected to increase by \$1.6 million or 1% to \$128.3 million. The increase is based on HUD's annual adjustment factor for the Performance Based Contract Administration program.
- Fee income is projected to be \$21.5 million; an increase of \$2 million or 10%. The increase is due primarily to higher multifamily loan origination and low income housing tax credit fees, based on a higher production volume, and higher administrative fees from the Section 8 Voucher program. HUD's administrative fee rates are based on the location of leased vouchers and the increase is attributed to a location shift for a majority of voucher holders.

BUDGET ATTACHMENTS

MaineHousing's 2025 budgets consist of the following attachments:

- Consolidated Revenues and Expenses Budget (**Attachment A**)
- Operating and Direct Program Administrative Expenses Budget (**Attachment B**)
- Capital Budget (**Attachment C**)
- Itemization of Certain Revenues (**Attachment D**)
- Revenues and Expenses Budget by Fund Group (**Attachment E**)

The following presents a brief summary and the major components for each attachment.

Consolidated Revenues and Expenses Budget – Attachment A

This attachment provides a macro view of the agency's budget and it presents total consolidated revenues and expenses for all activities. Total revenues are budgeted at \$508 million, which is an increase of approximately \$33.7 million or 7%. The increase is due primarily to higher interest income from mortgages and grant income. Total expenses are budgeted at \$489 million, which is an increase of 9%. The increase is due mainly to higher interest expenses on bonds and higher grant expense.

Revenues are projected to sufficiently cover all expenses and profitability is expected to remain very strong in 2025, with revenues exceeding expenses by approximately \$19 million.

Operating Expenses Budget – Attachment B (Top Section)

The Operating Expenses Budget presents the agency's overhead and operational costs. The total 2025 budget amount is \$26 million, which is an increase of approximately \$0.3 million or 1% percent over the approved 2024 budget. Total actual expenses for this year are projected to be below budget by approximately \$1.5 million or 6% and the 2025 budget is an increase of \$1.8 million or 7% over forecasted actual expenses.

The increase is attributed primarily to higher salaries and employee benefit expenses. The increase to employee benefits is largely due to higher premiums for health insurance. There will be a substantial percentage increase to health insurance premiums in 2025. The increase is due to high utilization and some large claims. Alternative plan designs and funding methods were explored and several coverage changes have been implemented to lessen the increase for 2025. Although health insurance premium increases for two consecutive years have been at higher percentages, adjustments over the past five years have been reasonable. The five-year average annual increase, including the increase for 2025, is 7.2%.

The following provides a description of each expense and a summary of the major components and assumptions used for the 2025 budget:

1. Salaries

- Based on a staff level of 189 full-time equivalent (FTE) positions, which is a decrease of 7 FTEs compared to the approved 2024 budget. As COVID-related program are completed, some positions have been eliminated through attrition. Actual salary expenses are expected to be under budget this year by approximately 10 FTEs due to substantial staff turnover throughout the year. Many positions were vacant for an extended period due to the tight labor market.
- Includes approximately \$650,000 for merit adjustments.
- A compensation market study is currently being performed. There is nothing included for potential adjustments at this time.

2. Payroll taxes – Employer portion of Federal Insurance Contribution Act (FICA) taxes.

3. Health, dental and other insurance benefits – Costs for health, dental, life, long-term care, and disability insurance benefits and includes the following for 2025:

- A. Health insurance – a 16.7% premium increase with the current provider, Anthem BC/BS. Several coverage changes have been implemented, which include adjustments to out-of-pocket maximums and certain co-pay amounts.
- B. Dental insurance – a 5% premium increase with no coverage changes and no change with the current provider, Delta Dental.

4. Retirement – Employees have an option to participate in one of two retirement plans offered: (1) a defined contribution plan (Lincoln Financial Group) or (2) a defined benefit plan (MEPERS). There are no benefit or employer contribution rate changes for either plan.
5. Other fringe benefits – Costs associated with an Employee Wellness Program, which provides employees a maximum annual amount of \$280 for wellness activities like exercise, weight loss, and smoking cessation programs. Payments to employees under this program are a taxable fringe benefit.
6. Office supplies – Costs for standard small expendable office supplies as well as office equipment and furnishings.
7. Printing – Printing costs for various items including: informational pamphlets and brochures, legal and public notices, the annual report, envelopes, business cards, checks and other business forms.
8. Memberships, dues, and fees – Membership fees to professional associations for the agency and employees, as well as dues for professional licenses.
9. Subscriptions – Trade, legal and other technical periodicals and publications for staff to stay current on industry requirements and trends.
10. Sponsorships – Expenses associated with sponsoring housing or program-related events for the purpose of promoting MaineHousing and its programs. Includes the following for 2025:
 - \$3,000 - New England Resident Services Coordinators Conference
 - \$3,000 - Maine Resident Services Coordinators Conference
 - \$3,000 - Maine Real Estate Managers Association Conference
 - \$1,500 - Inclusion Maine Conference
 - \$500 - Maine Wisdom Summit/Council on Aging
 - \$250 - Greater Portland Board of Realtors
 - \$500 - Maine Development Foundation
11. Staff Education/Training/Conferences – All costs (e.g. registration fees and tuition) associated with necessary training for staff, except for the travel and meal costs. Related travel and meal costs are separated due to a law requirement (see next line).
12. Staff Education/Training/Conferences – Travel and Meals - Travel and meal costs associated with staff training (e.g. meals, lodging, mileage, airfare, and parking).

The combined increase for lines 11 and 12 is \$161,000. These expenses will be substantially under budget this year due in large part to staff turnovers and vacancies. The combined budget amounts for 2025 are comparable to authorized 2024 budget amounts.

13. Partner and Client Trainings/Meetings – All costs associated with business partner or client trainings and meetings (e.g. lenders/homebuyers/agents/CAA agencies), other than travel and meals. Costs include things such as facility rental and material costs. Related travel and meal costs are separated due to a law requirement (see next line).
14. Partner and Client Trainings/Meetings – Travel and Meals - Travel and meal costs associated with partner/client trainings and meetings with outside partners and clients.

The combined increase for lines 13 and 14 is \$113,000. MaineHousing will host the State Affordable Housing Conference in 2025, which represents most of the increase. The costs for the conference will be covered by sponsorships and participant fees. The related revenue is included in “Other income”.

15. Staff events –All costs, other than meals, associated with agency-sponsored employee recognition events or meetings. The cost for food associated with staff events are accounted for separately (see next line).
16. Staff events - Meals - Meals associated with an agency-sponsored employee recognition event or meeting
17. Leased vehicles- Certain employees are provided with a leased vehicle to fulfill their job requirements. All vehicles are leased through the State of Maine Central Fleet Division.
18. Computer supplies – Includes desktop computers, monitors, as well as other computer-related items.
19. Software licenses (SAAS) – Costs for software that is provided as a service on a subscription basis.
20. Computer maintenance - MaineHousing maintains a significant computer network and most of the computer systems and applications have required maintenance and support agreements. The increase is due mainly to the new JAI system for the federal LIHEAP and Wx programs, which will have a full year of maintenance fees in 2025 versus only a partial year in 2024.
21. Interest expense – Interest expense for the \$16 million loan used for the acquisition and rehabilitation of the Edison Drive office building. The loan is an amortizing 15-year note with a fixed rate of 3.2%.
22. Office building property expenses – Costs associated with owning and operating the Edison Drive office building. Includes: payments in lieu of taxes, services for cleaning and groundskeeping, utilities, and other maintenance. The increase is primarily for higher electricity and natural gas costs.
23. Depreciation – Capital expenditures are recorded as assets and then depreciated (expensed) over their useful life. The budget amount is based on actual depreciation schedules for existing assets and estimates for new capital expenditures in 2025 (see Capital Budget). The increase is due to the new JAI system for the federal LIHEAP and Wx programs, which will have a full year of depreciation in 2025 versus only a partial year in 2024.
24. Rent – Primarily rental of archive storage space and a disaster recovery backup system/storage.
25. Telecommunications - Costs for the agency’s RingCentral phone system, wireless phones, land-lines, and internet connections.
26. Employment advertisements –Advertising cost associated with filling vacant positions.
27. Postage and shipping – Costs for postage, UPS mailings, and other shipments.
28. Insurance – Premiums for workers compensation, property, liability, crime, fidelity bond and auto insurance. Also includes amounts for unemployment insurance claims, which MaineHousing must pay directly as a government agency.
29. Recording fees – Fees paid for certain UCC and deed filings and discharge recordings.
30. Payroll services – Costs associated with using Paylocity, which is an external payroll system and service provider.
31. Audit services – Costs associated with the annual audits, which includes an audit of the financial statements and compliance audit of federal programs.

32. Professional services – Includes amounts for various contract services and consultants. The increase is due primarily to new human resource strategic services and services associated with a joint initiative with the Department of Economic & Community Development for a State of Maine Housing Needs study. The following are the major items budgeted for 2025:

| | |
|---|----------|
| State of Maine Housing Needs Study | \$65,000 |
| Human Resources Strategic services | 35,000 |
| Legal services | 50,000 |
| DEI consultants | 10,000 |
| Microsoft Unified services | 78,000 |
| Information Technology security and monitoring work | 61,000 |
| Business Continuity Plan (Disaster Recovery) testing | 12,000 |
| Davis Bacon monitoring | 10,000 |
| Rent affordability data collection | 15,000 |
| Fair Hearing Officer and background check services | 40,000 |
| Defined contribution retirement plan advisors | 25,000 |
| Services for rent comparables and capital needs assessments | 20,000 |
| Temporary staff | 30,000 |
| Appraisal and valuation services | 15,000 |

Direct Program Administrative Expenses Budget – Attachment B (Bottom Section)

Direct program administrative expenses are costs that are specifically related to the administration of a particular program. Budgeted expenses for 2025 amount to \$11.1 million, which is an increase of approximately \$161,000 or 1% over projected actual expenses for this year. The relatively small increase is attributed to a reduction in administrator fee expenses for the Homeowner Assistance Fund (HAF) (included in line 13). The HAF program will be available for only several months in 2025. The following is a summary of each expense:

1. Loan foreclosure expenses – Costs associated with foreclosing on loans, which includes expenses for attorney fees, appraisals, property inspections, clean-ups, and preservation work. The 2025 amount is the same as the 2024 budget amount and is for potential increases in defaults and foreclosures.
2. REO expenses – Real estate owned expenses are incurred when the property title associated with a foreclosed or defaulted loan is transferred to MaineHousing. Consist of property maintenance, taxes, marketing, and other disposition costs. The 2025 amount is the same as the 2024 budget amount and is for potential increases in defaults and foreclosures.
3. Provision for losses on loans and REOs – Expenses associated with writing-off uncollectible loans and REO assets and is based in part on delinquency rates and the volume of loans in foreclosure. The 2025 amount is the same as the 2024 budget amount and is for potential increases in defaults and foreclosures.
4. Mortgage servicing fees – Fees paid to six servicers to perform loan servicing work associated with the single family loan portfolio. The increase is due mainly to a higher average number of loans in 2025.
5. Loan origination expenses – Origination fee of 1.5% and servicing release fee of 0.5% paid to lenders for underwriting and closing single family loans. The budget amount is based on the projected increase in loan purchases for 2025.
6. Bond issuance expenses – Expenses associated with preparing and selling bonds, which includes legal, underwriting, commission, printing, and registration fees.

7. Trustee/Bank fees – Fee payments to U.S. Bank for trustee services associated with the Mortgage Purchase Bond Fund (MPP).
8. Program advertisements– Expenses associated with promoting the First Home Loan program and various other programs. Costs may include print and online venues, broadcast time, radio time, and direct mail advertisements.
9. Bond and mortgagee insurance – Insurance costs associated with certain bonds and mortgage loan programs.
10. Variable rate bond remarketing & SBPAs – Costs associated with variable rate demand notes (VRDN's). Includes fees payments to remarketing agents for resetting interest rates and liquidity facilities expenses.
11. Cash flow/arbitrage/swap consultants/legal – Includes costs for bond cash flows and arbitrage tax services, consulting services associated with interest rate swap instruments, and legal cost associated with the remarketing of bonds and SBPAs. The increase is due to higher costs associated with cash flows and arbitrage services.
12. Homebuyer education – Education classes for the First Home Loan program. This training covers all aspects of the home buying process and provides consumers with knowledge about homeownership costs and responsibilities.
13. Program administrator fees– Payments to outside agents to perform administrative work associated with several programs. Most of these fees are for the HAF program, which will run and be available for only several months in 2025.

Capital Budget – Attachment C

The Capital Budget is for items that provide the agency with an economic benefit over a period of time. Items are recorded as assets and then depreciated and expensed over their estimated useful life. The proposed Capital Budget for 2025 is approximately \$680,000, which is comparable to the 2024 budget amount.

Most of the 2025 capital expenditures are for computer software items. A large portion of the budget is for the annual installment payment for the ProLink multifamily housing system and the Amplifund grant management software. There are also amounts for replacing the Homeless Management Information System (HMIS).

The budget also includes amounts for additional workstations, the installation of an additional electric vehicle charging station, and other potential building improvements/repairs.

Itemization of Certain Revenues – Attachment D

This attachment is for informational purposes and presents an itemized listing of the following revenues that are presented on Attachment A: Federal rent subsidy income, Grant income (grouped by federal and non-federal programs), Fee income, and Other income.

Revenues and Expenses Budget by Fund Group – Attachment E

This attachment presents projected revenues and expenses for each of MaineHousing's seven Fund Groups, which from a financial structure perspective represent separate and stand-alone entities. The purpose of this attachment is to illustrate how operating costs for 2025 will be allocated to the different internal entities and ultimately paid.

In addition, MaineHousing's Bond Resolution requires that a budget be prepared for the Mortgage Purchase Fund Group (MPP) as part of the agency's annual budget process. The MPP budget is presented in the second column from the left. The total amounts presented in the left-hand column of this attachment are the same as the 2025 budget amounts presented on Attachment A.

**MAINE STATE HOUSING AUTHORITY
CONSOLIDATED REVENUES AND EXPENSES BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025**

(IN THOUSANDS OF DOLLARS)

| | <u>2023 Actual</u> | <u>2024 Budget</u> | <u>2024 Forecast</u> | <u>2025 Budget</u> | <u>\$ Increase¹ (Decrease)</u> | <u>% Increase¹ (Decrease)</u> |
|---|------------------------|------------------------|--------------------------|------------------------|---|--|
| REVENUES: | | | | | | |
| Interest from mortgages and notes | 67,125 | 74,545 | 77,865 | 90,000 | 12,135 | |
| Income from investments | 27,660 | 25,500 | 31,225 | 25,550 | (5,675) | |
| Federal rent subsidy income ² | 116,271 | 117,994 | 126,802 | 128,349 | 1,547 | |
| Grant income ² | 255,649 | 256,334 | 218,689 | 242,337 | 23,648 | |
| Fee income ² | 16,759 | 19,266 | 19,444 | 21,450 | 2,006 | |
| Other income ² | 222 | 105 | 237 | 265 | 28 | |
| Total Revenues | <u>483,686</u> | <u>493,744</u> | <u>474,262</u> | <u>507,951</u> | <u>33,689</u> | <u>7%</u> |
| EXPENSES: | | | | | | |
| Operating expenses ³ | 23,592 | 25,670 | 24,218 | 25,988 | 1,770 | |
| Direct program administrative expenses ³ | 10,191 | 10,021 | 10,930 | 11,091 | 161 | |
| Interest expense | 54,803 | 66,565 | 67,300 | 80,100 | 12,800 | |
| Federal rent subsidy expense | 116,271 | 117,994 | 126,802 | 128,349 | 1,547 | |
| Grant expense | 254,635 | 257,599 | 220,599 | 243,462 | 22,863 | |
| Total Expenses | <u>459,492</u> | <u>477,849</u> | <u>449,849</u> | <u>488,990</u> | <u>39,141</u> | <u>9%</u> |
| Net Operating Income | <u><u>24,194</u></u> | <u><u>15,895</u></u> | <u><u>24,413</u></u> | <u><u>18,961</u></u> | <u><u>(5,452)</u></u> | <u><u>(22%)</u></u> |

¹ 2024 Forecast Vs. 2025 Budget

² Amounts are itemized on Attachment D.

³ Amounts are itemized on Attachment B.

**MAINE STATE HOUSING AUTHORITY
OPERATING AND DIRECT PROGRAM ADMINISTRATIVE EXPENSES BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025**

ATTACHMENT B

| | 2023 | 2024 | 2024 | 2025 | \$ Increase¹ | % Increase¹ |
|---|-------------------|-------------------|-------------------|-------------------|--------------------------------|-------------------------------|
| | Actual | Budget | Forecast | Budget | (Decrease) | (Decrease) |
| Operating Expenses | | | | | | |
| 1. Salaries | 13,397,849 | 13,853,898 | 13,223,820 | 13,670,075 | 446,255 | |
| 2. Payroll taxes | 998,661 | 1,013,479 | 985,377 | 1,027,514 | 42,137 | |
| 3. Health, dental and other insurance benefits | 2,915,129 | 3,663,964 | 3,268,812 | 3,855,636 | 586,824 | |
| 4. Retirement | 1,228,607 | 1,386,946 | 1,322,382 | 1,396,853 | 74,471 | |
| 5. Other fringe benefits | 9,652 | 10,000 | 9,329 | 10,000 | 671 | |
| 6. Office supplies | 51,507 | 60,525 | 51,232 | 54,025 | 2,793 | |
| 7. Printing | 65,346 | 85,450 | 77,945 | 81,550 | 3,605 | |
| 8. Membership, dues and fees | 59,685 | 66,879 | 65,785 | 69,107 | 3,322 | |
| 9. Subscriptions | 20,195 | 20,080 | 16,779 | 19,197 | 2,418 | |
| 10. Sponsorships | 12,500 | 19,600 | 20,250 | 11,750 | (8,500) | |
| 11. Staff Education/Training/Conferences | 112,378 | 213,342 | 144,047 | 236,535 | 92,488 | |
| 12. Travel/Meals - Staff Educ/Train/Conferences | 125,725 | 230,594 | 138,137 | 206,404 | 68,267 | |
| 13. Partner/Client Trainings/Meetings | 42,045 | 87,250 | 33,894 | 60,827 | 26,933 | |
| 14. Travel/Meals - Partner/Client Train/Meetings | 104,287 | 89,506 | 48,862 | 134,975 | 86,113 | |
| 15. Staff events | 21,996 | 36,680 | 25,835 | 36,935 | 11,100 | |
| 16. Meals - Staff events | 29,588 | 33,590 | 34,745 | 39,693 | 4,948 | |
| 17. Leased vehicles | 166,456 | 198,991 | 173,273 | 183,486 | 10,213 | |
| 18. Computer supplies | 35,302 | 31,000 | 31,280 | 33,000 | 1,720 | |
| 19. Software licenses (SAAS) | 260,541 | 248,564 | 254,545 | 251,358 | (3,187) | |
| 20. Computer maintenance contracts | 830,194 | 986,752 | 992,806 | 1,048,736 | 55,930 | |
| 21. Interest expense - office building | 455,808 | 448,452 | 448,452 | 419,284 | (29,168) | |
| 22. Property expenses - office building | 489,170 | 556,950 | 532,854 | 571,350 | 38,496 | |
| 23. Depreciation | 1,149,452 | 1,279,000 | 1,273,310 | 1,383,500 | 110,190 | |
| 24. Rent - storage and disaster recovery | 33,630 | 44,519 | 36,624 | 37,630 | 1,006 | |
| 25. Telecommunications | 127,741 | 131,750 | 134,448 | 136,950 | 2,502 | |
| 26. Employment advertisements | 13,730 | 18,000 | 13,915 | 15,000 | 1,085 | |
| 27. Postage and shipping | 137,921 | 152,512 | 159,230 | 167,300 | 8,070 | |
| 28. Insurance | 93,719 | 102,186 | 109,759 | 112,480 | 2,721 | |
| 29. Recording fees | 846 | 1,000 | 1,430 | 1,600 | 170 | |
| 30. Payroll services | 49,148 | 51,668 | 52,554 | 61,064 | 8,510 | |
| 31. Audit services | 164,000 | 175,350 | 168,100 | 172,000 | 3,900 | |
| 32. Professional services | 388,992 | 371,538 | 368,518 | 482,249 | 113,731 | |
| Total Operating Expenses | 23,591,800 | 25,670,015 | 24,218,329 | 25,988,063 | 1,769,734 | 7% |
| Direct Program Administrative Expenses | | | | | | |
| 1. Loan foreclosure expenses | 59,145 | 200,000 | 90,000 | 200,000 | 110,000 | |
| 2. REO expenses | 443 | 50,000 | 10,000 | 50,000 | 40,000 | |
| 3. Provision for losses on loans and REOs | 0 | 125,000 | 100,000 | 125,000 | 25,000 | |
| 4. Mortgage servicing fees | 1,890,136 | 1,975,000 | 2,035,000 | 2,195,000 | 160,000 | |
| 5. Loan origination expenses | 3,169,893 | 3,230,000 | 3,700,000 | 4,162,500 | 462,500 | |
| 6. Bond issuance expenses | 767,350 | 900,000 | 1,014,000 | 1,050,000 | 36,000 | |
| 7. Trustee/Bank fees | 146,954 | 178,000 | 177,000 | 182,000 | 5,000 | |
| 8. Program advertisements | 533,574 | 336,500 | 280,588 | 301,400 | 20,812 | |
| 9. Bond and mortgagee insurance | 21,142 | 24,313 | 24,256 | 26,682 | 2,426 | |
| 10. Variable rate bond remarket/SBPAs | 642,534 | 645,000 | 640,566 | 645,000 | 4,434 | |
| 11. Cash flow/arbitrage/swap consultants/legal | 702,069 | 738,500 | 752,994 | 795,500 | 42,506 | |
| 12. Homebuyer education | 127,950 | 150,000 | 150,000 | 160,000 | 10,000 | |
| 13. Program administrator fees | 2,129,056 | 1,469,000 | 1,955,736 | 1,198,119 | (757,617) | |
| Total Direct Program Administrative Expenses | 10,190,246 | 10,021,313 | 10,930,140 | 11,091,201 | 161,061 | 1% |

¹ 2024 Forecast vs. 2025 Budget

**MAINE STATE HOUSING AUTHORITY
CAPITAL BUDGET
FOR THE YEAR ENDING DECEMBER 31, 2025**

ATTACHMENT C

| Description | 2023 Actual | 2024 Budget | 2024 Forecast | 2025 Budget | \$ Increase ¹ (Decrease) | % Increase ¹ (Decrease) |
|---|-------------------------|-----------------------|-----------------------|-----------------------|--|---------------------------------------|
| Computer Hardware: | | | | | | |
| Computer replacements (45) | | 57,000 | 56,900 | 60,000 | | |
| DMZ servers upgrade (2) | | 0 | 0 | 25,000 | | |
| Monitoring server upgrade | | 0 | 0 | 2,500 | | |
| Total computer hardware | <u>54,154</u> | <u>57,000</u> | <u>56,900</u> | <u>87,500</u> | <u>30,600</u> | <u>54%</u> |
| Computer Software: | | | | | | |
| Enterprise multi-family housing system | | 176,958 | 176,958 | 182,267 | | |
| Amplifund grant management software | | 45,600 | 45,600 | 45,600 | | |
| ITMS & Patching replacement | | 20,000 | 0 | 0 | | |
| Internal communication enhancements | | 25,000 | 0 | 0 | | |
| Single Family loan servicing system modifications | | 10,000 | 5,220 | 26,950 | | |
| Single Family lender & loan tracking systems mods | | 10,000 | 0 | 10,000 | | |
| Multi-family loan servicing system modifications | | 0 | 0 | 31,160 | | |
| LIHEAP & Wx JAI system modifications | | 0 | 0 | 25,000 | | |
| Salesforce Project Management software - upgrades | | 220,000 | 100,605 | 0 | | |
| Homeless Mgmt Information System (HMIS) | 0 | 0 | 0 | 170,000 | | |
| Total computer software | <u>1,189,677</u> | <u>507,558</u> | <u>328,383</u> | <u>490,977</u> | <u>162,594</u> | <u>50%</u> |
| Office Building: | | | | | | |
| Additional workstations & furniture | | 40,000 | 17,500 | 18,000 | | |
| EV Charging Station | | 0 | 0 | 40,000 | | |
| Potential office building improvements/repairs | | 50,000 | 67,065 | 45,000 | | |
| Total office building | <u>137,478</u> | <u>90,000</u> | <u>84,565</u> | <u>103,000</u> | <u>18,435</u> | <u>22%</u> |
| Director's Vehicle: | | | | | | |
| | <u>0</u> | <u>30,000</u> | <u>25,189</u> | <u>0</u> | <u>(25,189)</u> | <u>0</u> |
| Total | <u><u>1,381,309</u></u> | <u><u>684,558</u></u> | <u><u>495,037</u></u> | <u><u>681,477</u></u> | <u><u>186,440</u></u> | <u><u>38%</u></u> |

¹ 2024 Forecast Vs. 2025 Budget

**MAINE STATE HOUSING AUTHORITY
ITEMIZATION OF CERTAIN REVENUES
FOR THE YEAR ENDING DECEMBER 31, 2025**

ATTACHMENT D

(IN THOUSANDS OF DOLLARS)

| | 2023 | 2024 | 2024 | 2025 | \$ Increase ¹ | % Increase ¹ |
|--|----------------|----------------|----------------|----------------|--------------------------|-------------------------|
| | Actual | Budget | Forecast | Budget | (Decrease) | (Decrease) |
| Federal rent subsidy income: | | | | | | |
| HUD Section 8 Housing Choice Vouchers | 34,367 | 35,465 | 38,933 | 38,933 | 0 | |
| HUD Section 8 Emergency Housing Vouchers-ARP Act | 804 | 597 | 1,158 | 1,158 | 0 | |
| HUD Section 8 Performance Based Contract Admin | 80,387 | 81,052 | 86,087 | 87,522 | 1,435 | |
| HUD Section 811 - Project Rental Assistance | 80 | 222 | 77 | 153 | 76 | |
| HUD Section 8 Moderate Rehabilitation | 494 | 526 | 393 | 429 | 36 | |
| HUD Section 8 Mainstream Vouchers | 139 | 132 | 154 | 154 | 0 | |
| Total Federal rent subsidy income | 116,271 | 117,994 | 126,802 | 128,349 | 1,547 | 1% |
| Grant Income - Federal (Non-COVID-19): | | | | | | |
| HUD Home Investment Partnership Program (HOME) | 1,354 | 4,126 | 3,504 | 3,774 | 270 | |
| HUD National Housing Trust Fund | 0 | 2,722 | 2,830 | 2,795 | (35) | |
| HUD Homeless Management Info System | 118 | 132 | 132 | 132 | 0 | |
| HUD Lead-Based Hazard Program | (224) | 1,550 | 1,550 | 2,280 | 730 | |
| HUD Older Adult Home Modification Program | 200 | 633 | 100 | 533 | 433 | |
| HUD Emergency Solutions Grant | 1,290 | 1,289 | 1,288 | 1,288 | 0 | |
| HUD Continuum of Care Planning Grant | 60 | 105 | 105 | 350 | 245 | |
| HUD Continuum of Care Builds | 0 | 0 | 0 | 6,930 | 6,930 | |
| HUD Recovery House Program | 834 | 989 | 1,175 | 1,230 | 55 | |
| HUD Healthy Homes | 0 | 0 | 0 | 514 | 514 | |
| DHHS Low Income Home Energy Assistance (LIHEAP) | 50,535 | 37,000 | 37,000 | 38,710 | 1,710 | |
| DOE Weatherization | 3,289 | 4,436 | 4,436 | 4,303 | (133) | |
| DOE Weatherization Training Centers | 0 | 296 | 296 | 471 | 175 | |
| DOE Weatherization (Includes T&TA) - Infrastructure | 374 | 10,730 | 1,300 | 6,373 | 5,073 | |
| DOE Sustainable Energy Resources (Heat Pumps) | 1,590 | 4,765 | 3,573 | 1,192 | (2,381) | |
| DOE Inflation Reduction Act - MF Energy Rehabs | 0 | 25,000 | 0 | 0 | 0 | |
| DOE Enhancement & Innovation | 0 | 0 | 0 | 567 | 567 | |
| State - Federal TANF/LIHEAP Supplement | 1,494 | 4,050 | 4,050 | 4,050 | 0 | |
| Total Grant income - Federal (Non-COVID-19) | 60,914 | 97,823 | 61,339 | 75,492 | 14,153 | 23% |
| Grant Income - Federal (COVID19): | | | | | | |
| CARES Act Emergency Solutions Grant | 64 | 0 | 0 | 0 | 0 | |
| CARES Act - Low Income Water Assistance Program | 2,128 | 0 | 0 | 0 | 0 | |
| CARES Act - FEMA-COVID-19 Homeless Initiatives | 4,429 | 0 | 0 | 0 | 0 | |
| ARP Act - Low Income Water Assistance Program | 337 | 0 | 0 | 0 | 0 | |
| ARP Act (State Allocation) - Housing Navigators | 940 | 389 | 386 | 0 | (386) | |
| ARP Act (State Allocation) - Expand Housing Options | 12,021 | 25,000 | 20,000 | 7,979 | (12,021) | |
| ARP Act - Low Income Home Energy Assistance | 8,075 | 4,829 | 4,600 | 0 | (4,600) | |
| ARP Act - Homeowners Assistance Fund | 25,594 | 17,400 | 16,254 | 0 | (16,254) | |
| ARP Act - Home Investment Partnership Program | 0 | 6,361 | 8,193 | 7,392 | (801) | |
| ARP Act - Emergency Rental Assistance 2.0 | 13,278 | 18,988 | 0 | 18,575 | 18,575 | |
| ARP Act - Community Development Block Grant - SHP | 1,457 | 1,571 | 2,363 | 388 | (1,975) | |
| Total Grant income - Federal (COVID-19) | 68,323 | 74,538 | 51,796 | 34,334 | (17,462) | (34%) |
| Total Grant income - Federal | 129,237 | 172,361 | 113,135 | 109,826 | (3,309) | (3%) |
| Grant income - Non-Federal: | | | | | | |
| State - Real Estate Transfer Taxes | 23,224 | 24,500 | 24,300 | 24,300 | 0 | |
| State - Shelter Operating Subsidy | 7,500 | 2,500 | 2,500 | 2,500 | 0 | |
| State - Maine Energy Housing & Economic Recovery | 4,318 | 4,319 | 4,317 | 4,317 | 0 | |
| State - Emergency Housing Relief Fund #1 - #4) | 34,352 | 12,122 | 20,993 | 8,147 | (12,846) | |
| State - Low-Barrier Shelter | 0 | 0 | 2,650 | 2,834 | 184 | |
| State - Home Repair Program (Arsenic) | 47 | 0 | 0 | 0 | 0 | |
| State - Lead Abatement Program | 221 | 440 | 430 | 280 | (150) | |
| State - DHHS Lead Abatement Program | 0 | 900 | 70 | 1,300 | 1,230 | |
| State - LIHEAP Supplemental | 48,275 | 0 | 0 | 0 | 0 | |
| State - Maine Association of Recovery Residences | 398 | 0 | 0 | 0 | 0 | |
| State - Revolving loan State G.O. funds | 11 | 0 | 0 | 0 | 0 | |
| State - Rural Affordable Rental Hsg & LIHTC | 0 | 35,000 | 35,000 | 55,000 | 20,000 | |
| State - Rural Recovery Residence Fund | 0 | 1,500 | 1,500 | 0 | (1,500) | |
| State - Homeless Shelter Repair Program | 0 | 257 | 257 | 0 | (257) | |
| State - Well Water Treatment Program | 0 | 100 | 100 | 100 | 0 | |
| State - MOHO Park Preservation | 0 | 0 | 3,200 | 1,800 | (1,400) | |
| State - Affordable Homeownership Program | 0 | 0 | 0 | 10,000 | 10,000 | |
| State - Housing Subsidy for Homeless Students | 0 | 0 | 0 | 2,000 | 2,000 | |
| State - Eviction Prevention Program | 0 | 0 | 4,152 | 13,848 | 9,696 | |
| State/Utilities - Low Income Energy Assistance Plan (LIAP) | 8,066 | 2,335 | 6,085 | 6,085 | 0 | |
| Total Grant Income - Non-Federal | 126,412 | 83,973 | 105,554 | 132,511 | 26,957 | 26% |
| Total Grant income | 255,649 | 256,334 | 218,689 | 242,337 | 23,648 | 11% |
| Fee income: | | | | | | |
| HUD Section 8 Vouchers | 3,538 | 3,644 | 3,641 | 4,464 | 823 | |
| HUD Section 8 Emergency Housing Vouchers-ARP Act | 41 | 77 | 68 | 68 | 0 | |
| HUD Section 8 FSS | 86 | 90 | 90 | 90 | 0 | |
| HUD Section 8 Mod Rehab. | 82 | 73 | 83 | 90 | 7 | |
| HUD Section 811 - Project Rental Assistance | 19 | 0 | 0 | 0 | 0 | |
| HUD Section 8 PBCA | 2,848 | 3,040 | 3,052 | 3,263 | 211 | |
| HUD Section 8 Mainstream Vouchers | 20 | 19 | 25 | 25 | 0 | |
| Total HUD Section 8 Programs (all programs) | 6,634 | 6,943 | 6,959 | 8,000 | 1,041 | 15% |
| HUD Home Investment Partnership Program (HOME) | 236 | 459 | 389 | 419 | 30 | |
| HUD National Housing Trust Fund | 282 | 303 | 315 | 310 | (5) | |
| HUD Homeless Management Info System | 223 | 213 | 213 | 213 | 0 | |
| HUD Lead-Based Hazard Program | 63 | 139 | 139 | 200 | 61 | |
| HUD Older Adult Home Modification Program | 40 | 142 | 44 | 98 | 54 | |
| HUD Emergency Solutions Grant | 105 | 105 | 105 | 105 | 0 | |
| HUD Continuum of Care Planning Grant | 329 | 400 | 400 | 536 | 136 | |
| HUD Continuum of Care Builds | 0 | 0 | 0 | 70 | 70 | |
| HUD Recovery House Program | 36 | 25 | 29 | 31 | 2 | |
| HUD Healthy Homes | 0 | 0 | 0 | 57 | 57 | |
| DHHS Low Income Home Energy Assistance (LIHEAP) | 1,159 | 925 | 1,200 | 1,403 | 203 | |
| DOE Weatherization | 303 | 297 | 297 | 322 | 25 | |
| DOE Weatherization Training Centers | 87 | 423 | 43 | 347 | 304 | |
| DOE Weatherization (Includes T&TA) - Infrastructure | 351 | 1,752 | 1,752 | 1,752 | 0 | |
| DOE Sustainable Energy Resources (Heat Pumps) | 10 | 150 | 110 | 40 | (70) | |
| DOE Enhancement & Innovation | 0 | 0 | 0 | 57 | 57 | |
| State - Federal TANF/LIHEAP Supplement | 59 | 157 | 157 | 157 | 0 | |
| CARES Act - Low Income Water Assistance Program | 115 | 0 | 0 | 0 | 0 | |
| CARES Act - FEMA-COVID-19 Homeless Initiatives | 0 | 500 | 0 | 325 | 325 | |
| ARP Act - Low Income Home Energy Assistance | 32 | 24 | 10 | 0 | (10) | |
| ARP Act - Homeowners Assistance Fund | 2,167 | 1,150 | 1,864 | 762 | (1,102) | |
| ARP Act - Home Investment Partnership Program | 32 | 65 | 35 | 30 | (5) | |
| ARP Act - Emergency Rental Assistance 2.0 | 152 | 120 | 51 | 60 | 9 | |
| ARP Act - Low Income Water Assistance Program | 30 | 0 | 0 | 0 | 0 | |
| State - Home Repair Program (Arsenic) | 31 | 0 | 0 | 0 | 0 | |
| State - Lead Abatement Program | 53 | 90 | 95 | 32 | (63) | |
| State - DHHS Lead Abatement Program | 0 | 90 | 7 | 130 | 123 | |
| State - Recovery House Program | 5 | 0 | 0 | 0 | 0 | |
| State - Well Water Treatment Program | 0 | 18 | 24 | 28 | 4 | |
| Utilities - Low Income Assistance Plan (LIAP) | 348 | 290 | 290 | 290 | 0 | |
| Multi-family loan origination fees | 2,530 | 3,219 | 2,923 | 3,575 | 652 | |
| Low income housing tax credit fees | 1,229 | 1,146 | 1,868 | 1,976 | 108 | |
| Conduit bonds servicing fees - Princeton Properties | 116 | 116 | 120 | 120 | 0 | |
| Other fees | 2 | 5 | 5 | 5 | 0 | |
| Total Fee income | 16,759 | 19,266 | 19,444 | 21,450 | 2,006 | 10% |
| Other Income | | | | | | |
| Real estate owned income | 132 | 105 | 237 | 175 | (62) | |
| Affordable Housing Conference | 90 | 0 | 0 | 90 | 90 | |
| Total Other income | 222 | 105 | 237 | 265 | 28 | 12% |

¹ 2024 Forecast Vs. 2025 Budget

**MAINE STATE HOUSING AUTHORITY
REVENUES AND EXPENSES BUDGET BY FUND GROUP
FOR THE YEAR ENDING DECEMBER 31, 2025**

ATTACHMENT E

(IN THOUSANDS OF DOLLARS)

| | 2025 Budget | Mortgage Purchase Fund | Bondholder Reserve Fund | General Fund | HOME Fund | Federal Programs Fund | Other Funds | Maine Energy Housing & Economic Recovery Fund |
|-----------------------------------|------------------------|---------------------------------------|--|-------------------------|----------------------|--------------------------------------|------------------------|--|
| REVENUES: | | | | | | | | |
| Interest from mortgages and notes | 90,000 | 89,305 | 0 | 390 | 265 | 0 | 0 | 40 |
| Income from investments | 25,550 | 22,050 | 315 | 700 | 1,050 | 0 | 700 | 735 |
| Federal rent subsidy income | 128,349 | 0 | 0 | 0 | 0 | 128,349 | 0 | 0 |
| Grant income | 242,337 | 0 | 0 | 0 | 26,800 | 109,826 | 101,394 | 4,317 |
| Fee income | 21,450 | 3,575 | 0 | 2,101 | 0 | 15,294 | 480 | 0 |
| Other income | 265 | 150 | 0 | 115 | 0 | 0 | 0 | 0 |
| Total Revenues | 507,951 | 115,080 | 315 | 3,306 | 28,115 | 253,469 | 102,574 | 5,092 |
| EXPENSES | | | | | | | | |
| Operating expenses | 25,988 | 0 | 0 | 25,988 | 0 | 0 | 0 | 0 |
| Direct program expenses | 11,091 | 9,796 | 0 | 27 | 0 | 978 | 290 | 0 |
| Interest expense | 80,100 | 79,135 | 0 | 0 | 0 | 0 | 0 | 965 |
| Federal rent subsidy expense | 128,349 | 0 | 0 | 0 | 0 | 128,349 | 0 | 0 |
| Grant expense | 243,462 | 0 | 0 | 0 | 28,115 | 109,826 | 101,394 | 4,127 |
| Allocated operating costs | 0 | 12,084 | 100 | (24,187) | 0 | 11,693 | 310 | 0 |
| Total Expenses | 488,990 | 101,015 | 100 | 1,828 | 28,115 | 250,846 | 101,994 | 5,092 |
| Net Operating Income | 18,961 | 14,065 | 215 | 1,478 | 0 | 2,623 | 580 | 0 |

Operating Expenses Budget - Attachment B

Asset Management Department Memorandum

To: MaineHousing Board of Commissioners

From: Robert Conroy – Director, Asset Management

Date: December 6, 2024

Subject: December Board Report - Asset Management

End of Year Wrap-Up

Holiday best wishes to all from everyone in Asset Management!
As we come to the close of 2024 we look back on the accomplishments of the past year.
Below is a summary of Program and Portfolio activity through November, 2024.

Supportive Housing Repair Loans

To repair and upgrade Shelters and Supportive Housing Facilities

| <i># Applications</i> | <i># Loans Closed</i> | <i>Total Funds Disbursed</i> |
|-----------------------|-----------------------|------------------------------|
| 26 | 18 | \$1,895,065 |

Contract Administration and Subsequent Loans

Loans for projects in Portfolio used for capital improvements, upgrades and other uses.

| <i># Applications</i> | <i># Loans Closed</i> | <i>Total Funds Disbursed</i> | <i>Total Requests Pending</i> |
|-----------------------|-----------------------|------------------------------|-------------------------------|
| 15 | 4 | \$27,265,000 | \$17,900,310 |

Ownership Transfers

Includes the sale of properties and transfers of Project Partnership interests

| <i># Applications</i> | <i># Transfers Complete</i> | <i># Transfers In Process</i> |
|-----------------------|-----------------------------|-------------------------------|
| 13 | 5 | 8 |

Project Operating Budget And Audited Financial Statement Review

A review of project financials, operating budgets, rent increases and eligible uses of project Reserves

| <i># Reports Submitted</i> | <i># Reports Reviewed</i> | <i># Reports Pending</i> |
|----------------------------|---------------------------|--------------------------|
| 591 | 545 | 46 |

Management and Occupancy Reviews

Compliance audits performed for S8, LIHTC and other regulated properties

| <i># MORs for 2024</i> | <i>MORs Complete</i> | <i>MORs Pending</i> |
|------------------------|----------------------|---------------------|
| 149 | 139 | 10 |

Property Inspections

| <i># Inspections Completed</i> | <i># Inspections Pending</i> |
|--------------------------------|------------------------------|
| 166 | 10 |

Development Department Memorandum

To: MaineHousing Board of Commissioners
From: Mark C. Wiesendanger, Director of Development
Date: December 17, 2024
Subject: Monthly Report

2024 LIHTC (9%) Awardees

Of the 16 Full Applications we received for the 2025 round 9% Low Income Housing Tax Credits (LIHTC), we were able to award funding to 7 projects. The awardees are as follows.

| Project Name | Developer | City | Tenants | # of Units |
|-------------------------|---------------------|-----------|--------------|------------|
| Anchorage South | Bath HA | Bath | Older Adults | 47 |
| COMB Block I | Portland HA | Portland | Family | 55 |
| Sun Valley Apts* | Chesapeake Comm Adv | Mexico | Family | 24 |
| Thatcher Brook Apts I | Westbrook HA | Biddeford | Family | 40 |
| Windham Senior | DC | Windham | Older Adults | 48 |
| Woodfords Parish House | CHOM | Portland | Older Adults | 41 |
| Youth & Family Outreach | DC/Y&FO | Portland | Family | 60 |

**Denotes the Preservation Set-aside winner.*

2024 Rural Affordable Rental Housing Program (Rural)

The new Rural RFP and Program Guide has been released and published to our website.

https://www.mainehousing.org/docs/default-source/development/rural--affordable-housing-program/2024-rural-affordable-rental-housing-program-rfp.pdf?sfvrsn=ccf9d15_1

The deadline for applications is January 23, 2025.

New Programs

The 2025 LIHTC (4%) RFP is currently in development. We expect to release the new program shortly with a deadline in March/April.

Events of Note

11/20 - Development team outing at Just-in-Time Recreation

11/21 - Franklin Towers project tour
 11/21 – Shapleigh Apartments Grand Opening, Kittery
 12/6 – GrowSmart Maine Board Meeting
 12/12 – Stacy M. Symbol Apartments Grand Opening, Westbrook
 12/13 – MaineHousing Information Session – AHOP and Rural

Staff

We are currently hiring for a new Loan Officer, Construction Analyst, and Program Coordinator.

Development Pipeline

Below you will find the Development Pipeline updated as of September 10. We expect that a small number of these projects will not see completion, and that predicted construction starts and completions will change as projects move forward.

| Project Name | Developer | Program | City | Family/ Senior | Total Units |
|--------------------------|---------------------|----------|--------------|-------------------|----------------|
| Completed in 2024 | | | | | |
| 99 Western Ave | Mastway Dev LLC | 4% | Augusta | Family | 38 |
| Hartland II | KVCAP | 4% | Hartland | Senior | 30 |
| Stacy M. Symbol Apts. | Westbrook HA | 4% | Westbrook | Senior | 60 |
| Stroudwater Apartments | Westbrook HA | 4% | Westbrook | Senior | 55 |
| Wedgewood | Lewiston HA/Avesta | 4% | Lewiston | Family | 17 |
| The Equinox | CHOM | 4%+State | Portland | Family | 43 |
| Winter Landing | CHOM | 4%+State | Portland | Senior | 52 |
| Congress Sq Commons | DC | 9% | Belfast | Family | 36 |
| Front Street Re-Devt II | Portland HA | 9% | Portland | Senior | 45 |
| The Uptown | Szanton | 9% | Bath | Senior | 60 |
| Picker House Lofts | Szanton | 9% | Lewiston | Family | 36 |
| Village Commons | Avesta | 9% | Scarborough | Senior | 31 |
| Brunswick Landing | DC | | Brunswick | Family | 36 |
| Clarks Bridge Crossing | Patco | AHOP | Waterboro | Family | 3 |
| Fletcher Farms | Patco | AHOP | Sanford | Family | 4 |
| Highpines Village | Highpine Properties | AHOP | Wells | Family | 18 |
| Stearns Farm | S.E. MacMillan Co | AHOP | Hampden | Family | 14 |
| 22 Shapleigh Road | Fairtide | HOME-ARP | Kittery | Family | 6 |
| 18 Green Street | Motivational Svs | HTF | Augusta | Family | 8 |
| Tucker's House Harrison | LB Dev Part | Recovery | Harrison | Supp. | 10 |
| 55 Weston Ave | 55 Weston Ave | Rural | Madison | Family | 18 |
| CSC Building A | DC | Rural | Belfast | Family | 12 |
| One Edgemont Drive | ACAP | SHP | Presque Isle | Family | 13 |
| <i>NC/AR Projects</i> | | | | | |
| | 23 | | | <i>New Units</i> | 645 |
| Millbrook Estates | Westbrook HA/EBM | 4% | Westbrook | Senior | 100 |

| | | | | | |
|-----------------------|------------------|----|--------|--------------------|------------|
| The Schoolhouse | CHOM | 4% | Bangor | Family | 45 |
| Oak Grove Commons | Realty Resources | 9% | Bath | Family | 34 |
| <i>Rehab Projects</i> | 3 | | | <i>Rehab Units</i> | 179 |
| Total Projects | 26 | | | Total Units | 824 |

Under Construction - likely completed in 2024

| | | | | | |
|-----------------------|----------|--|--|--------------------|----------|
| <i>NC/AR Projects</i> | 0 | | | <i>New Units</i> | 0 |
| <i>Rehab Projects</i> | 0 | | | <i>Rehab Units</i> | 0 |
| Total Projects | 0 | | | Total Units | 0 |

Under Construction - likely completed in 2025

| | | | | | |
|--------------------------|-----------------------|----------|------------------|--------------------|------------|
| 45 Dougherty | Szanton | 4% | Portland | Family | 63 |
| Betsy Ross Crossing | SoPo HA | 4% | So. Portland | Senior | 52 |
| Edgewater Village | Avesta | 4% | Farmington | Senior | 25 |
| Fairview Commons | Brunswick HA | 4% | Topsham | Family | 38 |
| Meadowview II | Avesta | 4% | Gray | Senior | 27 |
| Wedgewood | Lewiston HA/Avesta | 4% | Lewiston | Family | 65 |
| Peasley Park | DC | 9% | Rockland | Senior | 49 |
| Picker House Lofts | Szanton | 9% | Lewiston | Family | 36 |
| Rumford Senior Living | DC | 9% | Rumford | Senior | 33 |
| Sturgeon Landing | Augusta Housing | 9% | Augusta | Family | 32 |
| Alexander Way | BH Land Trust | AHOP | Boothbay Harbor | Family | 7 |
| Fletcher Farms | Patco | AHOP | Sanford | Family | 1 |
| Highpines Village | Highpine Properties | AHOP | Wells | Family | 2 |
| Theresa Bray Knowles | Penquis Cap | HOME-ARP | Bangor | Family | 36 |
| 18 Central Ave | Home Start | Islands | Peaks Island | Family | 3 |
| CICA 2022 Housing | CICA | Islands | Chebeague Island | Family | 4 |
| Islesford RHP | CRIT | Islands | Islesford | Family | 4 |
| NHSH Affordable | NH Sust Housing | Islands | North Haven | Family | 4 |
| Vinalhaven | Vinalhaven Housing | Islands | Vinalhaven | Family | 4 |
| 520 Centre Street | Bath HA | Rural | Bath | Family | 18 |
| 986 Prospect Ave | Wilbur, Calhoun | Rural | Rumford | Family | 18 |
| Berry's Block Apartments | Lake City Investments | Rural | Rockland | Family | 9 |
| 16 Mills Rd | Rob Nelson/Wilbur | Rural | Newcastle | Family | 16 |
| Central Park Residences | Reincorp | Rural | Sanford | Family | 18 |
| Tree Tops Apartments | Mastway Dev | Rural | Hallowell | Family | 17 |
| The Elm Estates | East Town Rentals | Rural | Presque Isle | Family | 18 |
| Mechanic Street | WLR Properties | Rural | Houlton | Family | 18 |
| <i>NC/AR Projects</i> | 27 | | | <i>New Units</i> | 617 |
| Harbor Terrace | Portland HA | 4% | Portland | Senior | 120 |
| <i>Rehab Projects</i> | 1 | | | <i>Rehab Units</i> | 120 |
| Total Projects | 28 | | | Total Units | 737 |

Under Construction - likely completed in 2026

| | | | | | |
|-----------------------|---------------|----|-------------|--------|----|
| 3i Homes at the Downs | 3i Homes/POAH | 4% | Scarborough | Family | 51 |
| Iron Heights | Mastway Dev | 4% | Gardiner | Family | 32 |

| | | | | | |
|-------------------------|-----------------------|---------------|--------------|--------------------|-------------|
| King Street Apartments | KVCAP | 4% | Waterville | Family | 37 |
| Lambert Woods North | Maine Coop Dev Part | 4% | Portland | Family | 74 |
| Malta Street Senior | Augusta Housing | 4% | Augusta | Senior | 34 |
| Martel School Apts | Lewiston Housing | 4% | Lewiston | Senior | 44 |
| Millinocket Manor | Penquis | 4% | Millinocket | AL | 38 |
| Sunridge Senior Housing | Bangor Housing | 4% | Bangor | Senior | 50 |
| DeWitt | LHA/Avesta | 4% Choice | Lewiston | Family | 104 |
| Adams Point | Biddeford HA | 9% | Biddeford | Family | 39 |
| Equality Comm Housing | Equality Comm. Center | 9% | Portland | Senior | 54 |
| Landry Woods | SoPo Housing | 9% | So. Portland | Senior | 43 |
| Seavey Crossing | Avesta | 9% | Westbrook | Senior | 61 |
| Varney Heights | FHA/Gooch | 9% | Freeport | Senior | 42 |
| Dougherty Commons | Maine Coop Dev Part | AHOP | Portland | Family | 12 |
| Wilbur's Woods | GreenMars | AHOP | Brunswick | Family | 20 |
| Wildlands | Greater Portland H4H | AHOP | Standish | Family | 12 |
| Central Fire Station | DC | CC Rural | Brunswick | Family | 5 |
| Cliff Island | Sustainable Cliff Isl | Islands | Cliff Island | Family | 2 |
| ICDC Town Acq | ICDC | Islands | Isle au Haut | Family | 4 |
| Long Island Aff Housing | Long Island | Islands | Long island | Family | 4 |
| MVS | Islesboro Affordable | Islands | Islesboro | Family | 2 |
| 165 Main Street | Kennebec Realty Part | Rural | Waterville | Family | 18 |
| 7 Madelyn Lane | Lake City Investments | Rural | Rockport | Family | 18 |
| OddFellows Apts. | Archer Properties LLC | Rural | Norway | Family | 13 |
| Lupine Landing 2 | Safe Voices | SHP | Farmington | Supp. | 6 |
| <i>NC/AR Projects</i> | <i>26</i> | | | <i>New Units</i> | <i>819</i> |
| Berry Park Apartments | Northland Enterprises | 4% | Biddeford | Family | 46 |
| North Deering Gardens | Wingate Dev. | 4% | Portland | Family | 164 |
| Place St. Marie | Brisa Dev w/Andy J | 4% | Lewiston | Family | 40 |
| Summer Block | Bateman | 4% | Saco | Senior | 32 |
| Patriot Place | Avesta | 4% no subsidy | Sanford | Family | 40 |
| Oak Ridge Apartments | Realty Resources | 9% | Bath | Senior | 30 |
| <i>Rehab Projects</i> | <i>6</i> | | | <i>Rehab Units</i> | <i>352</i> |
| Total Projects | 32 | | | Total Units | 1171 |

Under Construction - likely completed in 2027

| | | | | | |
|-----------------------|----------------------|---------------|------------|------------------|------------|
| Lockwood Mill | North River Co. | 4% | Waterville | Family | 65 |
| 89 Elm Apartments | Tom Watson & CO | 4% PLA | Portland | Family | 201 |
| Milford Place | Penquis CAP | 9% | Bangor | Senior | 40 |
| 19 Bodwell Street | Androscoggin Homes | AHOP | Sanford | Family | 9 |
| Beals Ave WF Housing | LB Dev Partners | AHOP | Ellsworth | Family | 23 |
| Nasson 4 | GreenMars | AHOP | Springvale | Family | 20 |
| WaterWorks Apts | Northland Ent. | Rural | Waterville | Family | 18 |
| Charles Jordan House | ME Prisoner Adv Coal | SHP | Auburn | Supp. | 11 |
| Seavey House | Biddeford Housing | SHP | Saco | Supp. | 8 |
| <i>NC/AR Projects</i> | <i>9</i> | | | <i>New Units</i> | <i>395</i> |
| Franklin Towers | Portland HA | 4% no subsidy | Portland | Family | 200 |
| Riverton Park | Portland HA | 4% | Portland | Family | 182 |

Rehab Projects 2
Total Projects 11

Rehab Units 382
Total Units 777

Preliminary Underwriting

| | | | | | |
|-------------------------|-------------------|-----|--------------|--------------------|------------|
| Farwell Mill | Realty Resources | 4% | Lisbon Falls | Family | 96 |
| Sun Valley Apartments | Chesapeake Comm. | 9% | Mexico | Family | 24 |
| COMB Block Phase 1 | Portland Housing | 9% | Portland | Family | 55 |
| Thatcher Brook Apts I | Westbrook Housing | 9% | Biddeford | Family | 40 |
| Woodfords Parish House | CHOM | 9% | Portland | Seniors | 45 |
| Youth & Family Outreach | YF&O/DC | 9% | Portland | Family | 60 |
| Anchorage South | Bath Housing | 9% | Bath | Seniors | 47 |
| Windham Senior | DC | 9% | Windham | Seniors | 48 |
| Bridgton Recovery Home | LB Dev | RHP | Bridgton | Supp. | 6 |
| Portland Recovery Home | LB Dev | RHP | Portland | Supp. | 8 |
| <i>NC/AR Projects</i> | 10 | | | <i>New Units</i> | 429 |
| Riverlands | VOANNE | CoC | Augusta | Supp. | 10 |
| <i>Rehab Projects</i> | 1 | | | <i>Rehab Units</i> | 10 |
| Total Projects | 11 | | | Total Units | 439 |

**Total Projects in
 Underwriting &
 Construction** 104

Total Units 3948

Energy & Housing Services Department Memorandum

To: MaineHousing Board of Commissioners
From: Bobbi Crooker – Director of Energy and Housing Services
Date: December 10, 2024
Subject: Monthly Report – Energy and Housing Services Department

DEPARTMENT UPDATES

EHS currently has an open Fiscal Compliance Coordinator position and an open Quality Control Specialist position on our Team. We are in the process of accepting resumes and conducting interviews for these positions.

We are delighted to announce that **Josh Conkey** has joined the EHS Weatherization Team as a Technical Services Specialist effective December 9th. Josh came to MaineHousing from our partner agency, Western Maine Community Action in Wilton, where he served as a Weatherization Auditor. His expertise and experience in the weatherization field will make him a valuable addition to our team.

MaineHousing applied to HUD for a \$2,000,000 Healthy Homes Production Grant in September. If awarded, these funds will be combined with our current Lead Paint Hazard Reduction Grant to address health hazards in 169 low-income units. Our application has been accepted and is currently under review. We anticipate that HUD will announce grant awards by early December.

MaineHousing applied to DOE for a \$2,000,000 Enhancement & Innovation Grant in October. If awarded, these funds will be combined with our current DOE Weatherization grant to address weatherization readiness for 125 households. Our application has been accepted and is currently under review. We anticipate that DOE will announce grant awards by February 2025.

EHS is currently working on the Weatherization State Plan to submit to DOE for Program Year 2025. The Motion to accept this will be held on December 17th at our Board Meeting.

From the HEAP State Plan that was submitted to DHS for Program Year 2025, MaineHousing received a total of **\$37,567,435** to-date in LIHEAP funds for HEAP, ECIP, HEAP Weatherization, CHIP, and A16 programs. As of 12/10/2024, we have disbursed **\$7,531,441** in Fuel Assistance and ECIP. We will be distributing **\$1,545,600** for HEAP Wx /CHIP this week.

EHS Department Month of Gratitude:

November was National Gratitude Month, and research shows that people who practice gratitude daily tend to be happier and healthier. So, with this thought in mind the Energy and Housing Services (EHS) team thought it would be a great idea to express our gratitude to the departments that help contribute to our programs' success, including IT, Finance, Human Resources/Facilities, and MaineHousing Leadership/Legal. Each week in November, the EHS staff pulled together a treat to show our appreciation for one of these departments.

11/05/2024 – For the IT Department—those who "Keep Us Connected and Secure" EHS surprised them during their weekly staff meeting with a box full of snacks.



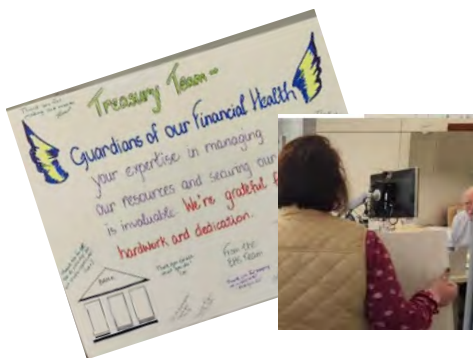
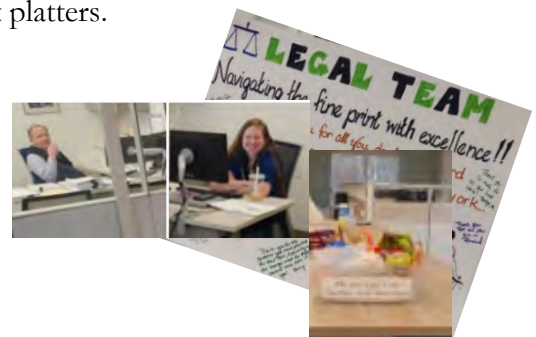
11/11/2024 – The Human Resources and Facilities staff, who "Look out for our Well-being," were Treated to cookies and Dunkin Donut gift cards.

11/19/2024 – The Finance Department, "More Than Just Numbers," was treated to an array of pies (π) in appreciation of all they do for us.



11/25/2024 – To show our appreciation for the Planning and Research, who "Analyze and Strategize" – We gifted them with fruit platters.

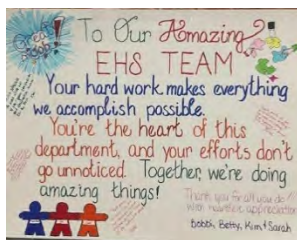
11/25/2024 – We honored our amazing Legal team – "The Best Legal Team This Side of the Mississippi" - with a delightful assortment of fruit, nuts, and chocolates.



11/25/2024 – To show our appreciation for the Treasury Department - "The Guardians of Our Financial Health"— We gifted the staff individual treat bags.

11/25/2024 – To MaineHousing's Leadership, who "Navigates our Success" we showed our appreciation by gifting individual treat bags.





11/25/2024 – EHS Management showed our gratitude for our “AMAZING” EHS staff with three days of Snacks giving!

11/25/2024 – EHS Staff showed our appreciation to Bobbi Crooker, EHS Director – “The Heart of the Department” with a bag full of treats.



PROGRAM UPDATES

Home Energy Assistance Program (HEAP)

Maine’s Low-Income Home Energy Assistance Program (LIHEAP or HEAP) is a grant funded by the US Department of Health and Human Services (HHS) and is administered by MaineHousing in collaboration with Maine’s Community Action Agencies and ProsperityME. The Online Application window has opened for the HEAP Program. To date for PY 2025 we have taken **37,189** applications and issued **\$7,531,441** in eligible benefits.

Weatherization Assistance Program (Wx)

We continue to work with ICAST and CCI to develop our multifamily Wx program. We continue to collaborate with the Governor’s Energy Office, GOPIF, and EMT following a joint Energy Summit for Multifamily Owners and Developers looking to access federal programs in September 2024.

Annual Weatherization: Program Year 2024 (April 1, 2024 – March 31, 2025)

To date, **3** units have been weatherized, and **31** are under review for payment, with a total cost of **\$454,888.50**.

BIL Weatherization: Period of Performance (July 1, 2023 – June30, 2029)

The U.S. Department of Energy has extended the performance period for this grant through 2029, extending the original end date of March 31, 2027. To date, **225** units have been weatherized at a total cost of **\$3,900,216.21**, with our partner agencies actively working toward the goal of weatherizing 1515 units by 2029. MaineHousing continues collaborating with ICAST and Community Concepts, Inc. to establish the multifamily weatherization program.

Heat Pump Program: Period of Performance April 1, 2023 – March 31, 2025

The Heat Pump Installation Program provides eligible households with heat pumps to help reduce their energy burden. Funding for this program is from the Department of Energy Sustainable Energy Resources for Consumers (SERC) grant. To date, **846** units have been installed at a total cost of **\$4,296,195.06**. MaineHousing anticipates that the program's funding will be fully utilized by the end of the performance period.

Low-Income Assistance Plan (LIAP)

The Low-Income Assistance Plan (LIAP) helps eligible homeowners and renters with their electric utility bills. The LIAP program is funded by contributions from electricity providers and governed by the MPUC. As of **September 30, 2024**, we have helped **2,606** Oxygen/Vent Participants and **46,915** total LIAP Participants

Community Aging in Place

The Community Aging in Place Program provides no-cost home safety checks, minor maintenance repairs, and accessibility modifications to eligible low-income older and disabled homeowners.

Currently, we have completed safety enhancements in **118** homes, with a total investment of **\$124,750.36**. Additionally, work is currently underway in **27** more homes.

Home Accessibility and Repair Program (HARP)

The Home Accessibility and Repair Program provides grants to income eligible homeowners for professional home repairs and accessibility modifications. HARP is delivered statewide through the network of Community Action Agencies. Below is a three-year comparison report.

As of December 6, 2024, the HARP Program successfully completed **247** projects in 2024, with a total expenditure of **\$3,480,206.57**. Several projects are still in progress and may require additional funding before year-end.

Lead Abatement Program

The Lead Abatement Program provides funding for single family homes and owners of rental properties in Maine to help make them lead safe. Priority for program funds is granted to abatement projects for housing in which a child resides and it has been determined that they have an elevated blood lead level. MaineHousing works with four Community Action Agencies to deliver the Lead Abatement Program across the state.

The U.S. Department of Housing and Urban Development (HUD) has added a new requirement to the federal lead grant, requiring radon remediation for units with unacceptable radon levels before any lead remediation work can begin. This added step has caused delays in starting lead projects.

Currently, **1** project has been completed, with **107** units in progress (73 undergoing environmental review and 34 under contract).

Finance Department Memorandum

To: Board of Commissioners
From: Darren R. Brown
Date: December 10, 2024
Subject: Monthly Activity Report – Finance Department

ACCOUNTING AND FINANCIAL REPORTING (AFR):

- The financial statement audit for 2024 is underway and the Accounting and Financial Reporting (AFR) staff have been performing preparation work for the audit. An audit planning meeting with Baker Newman & Noyes (BNN) was held to discuss the year-to-date financial results, new programs, results of internal and other external audits, staffing changes and new Governmental Accounting Standards Board (GASB) pronouncements.

BNN auditors started their interim field work on December 2nd. This work includes audit planning, documenting and assessing internal controls, and performing various audit procedures and confirmations on account balances. The interim phase will conclude by December 20th and year-end field work will take place over a six-week period beginning on February 3, 2025.

- AFR staff also began work on several year-end processes. These included completing abandoned property reporting for checks issued by MaineHousing that were never cashed, gathering information from the departments for preparation of the IRS 1099 tax forms, and obtaining and verifying W-9 tax forms from our vendors. The W-9 forms are needed from all parties that receive an IRS reportable payment from MaineHousing during the year and are used to prepare the 1099 forms.

LOAN ADMINISTRATION:

- Staff members attended a users conference provided by Emphasys, our accounting and loan servicing systems vendor. This conference provides training for users and information on software changes and new features they are working on that will be available to us. It also provides opportunities to meet with Emphasys software experts as well as other Emphasys users. This networking enables us to gather ideas and insights on how other similar organizations are taking advantage of the software's capabilities.
- Loan Administration has been working with Emphasys and our primary servicer, Mortgage Servicing Solutions (MSS) to automate the boarding process of new loans. The automation feature requires MaineHousing to send the new loan boarding information in a reportable format (CSV file) to MSS. MSS worked with their software provider, Black Knight, to map the fields on the report to their system. After months of testing, MSS went live with the new automated loan boarding process in November. Automating this process helps reduce manual entry errors and the time involved in setting up new loans.



Finance Department Memorandum

To: Board of Commissioners

From: Darren R. Brown

Date: December 10, 2024

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 ten-month period ended October 31, 2024.

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

Total combined assets are approximately \$2.9 billion and total combined liabilities approximate \$2.4 billion. Total net assets amount to approximately \$476 million. Total combined revenues approximate \$328 million and total expenses amount to approximately \$303.6 million, which results in net operating income of \$24.4 million. Total net operating income for this period in 2023 was \$26.3 million. The net operating income decrease of \$1.9 million is attributed primarily to the following:

The Maine Energy Housing & Economic Recovery Fund (MEHER) and Other Funds have a combined net operating income of \$0.4 million, which is \$8.1 million lower than the combined net operating income of \$8.5 million at the end of October in 2023. The reduction in net operating income is due to timing differences with the expending of program funds and recognition of grant expenses. Grant expenditures in 2024 are higher than they were in 2023 at this point in time.

The net operating income for MaineHousing's largest fund group, the Mortgage Purchase Fund (MPP), is approximately \$15.5 million. This is a \$5.7 million increase compared to net operating income of \$9.8 million in 2023. The increase is attributed to the recognition of a paper losses associated with adjusting the carrying values of non-mortgage investments. A smaller paper loss of approximately \$0.5 million was recorded in 2024 compared to a paper loss of \$6.2 million in 2023. The paper loss reduction 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 losses, MPP's has net operating income of \$16 million at the end of October 2024 and 2023.

BUDGET RESULTS

Also attached are the budget variance results for the period ended October 31, 2024. These results are summarized and presented on the attachment described below:

OPERATING REVENUES AND EXPENSES BUDGET

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

The Operating Revenues and Expenses Budget, **Attachment A**, presents the revenues available to pay operating and program administrative expenses. It also presents the aggregate operating and program administrative expenses. Total budgeted revenues for 2024 are \$117.2 million and total expenses are budgeted at \$101.3 million. Total actual revenues as of October 31, 2024 amount to \$102.9 million, while total expenses amount to \$83.7 million. For the ten-month period ended October 31, 2024, revenues exceed expenses by approximately \$19.2 million.

Revenues are running above budget due primarily to higher income from non-mortgage investments. Average yields have exceeded budget assumptions and income from investment will be substantially above budget for the year. Income from mortgages will also be above budget due to higher loan production and rates. Expenses are running slightly under budget due primarily to lower operating expenses. 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**.

Operating expenses are budgeted at approximately \$25.7 million. As of October 31, 2024, approximately \$19.9 million or 77% of the total operating budget has been used. In total, operating expenses are below budget at this point and are projected to be under budget for the year by approximately \$1.5 million or 6%. There has been a high number of position turnovers and internal position changes throughout the year and many positions were vacant for an extended period due to the tight labor market. As a result, full-time equivalents are estimated to be under budget by approximately ten positions. Additionally, costs associated with staff and partner trainings are expected to be below budget.

Total other program administrative expenses are budgeted at \$10 million and actual expenses amount to \$8.9 million as of October 31, 2024. Expenses in this areas are running over budget and will exceed the budget for the year due primarily to higher loan origination expenses and program administrator fees. Loan origination expenses will be over budget because single family loan production has exceeded projections and program administrator fees will be over budget due to the Homeowners Assistance Fund (HAF) program. The HAF program was projected to be completed by mid-year for budget purposes. However, the program will operate for the entire year. The HAF program has sufficient income to cover the additional administrator fees.

CAPITAL BUDGET

The Capital Budget, **Attachment C**, presents items that provide an economic benefit to MaineHousing over a period of time. Items are recorded as assets and depreciated over an estimated useful life. The total authorized capital budget for 2024 is \$685,000. Expenditures amount to approximately \$486,000 as of October 31, 2024 and are primarily for the annual installment payments for the ProLink multifamily housing system and the Amplifund grant management system. Capital expenditures are expected to be under budget for the year because several software items will not be acquired as planned.

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 October 31, 2024.

MAINE STATE HOUSING AUTHORITY
BALANCE SHEETS
OCTOBER 31, 2024
(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>2023</u> | <u>2024</u> | | | | | | | |
| ASSETS: | | | | | | | | | |
| Cash, principally time deposits | 81,941 | 114,515 | 14,582 | 0 | 89,279 | 1 | 8,126 | 2,527 | 0 |
| Investments | 734,280 | 763,727 | 656,512 | 6,587 | 23,687 | 25,520 | 0 | 35,560 | 15,861 |
| Accounts receivable - Government | 27,995 | 7,394 | 0 | 0 | 0 | 2,523 | 4,811 | 60 | 0 |
| Accrued interest and other assets | 17,249 | 14,824 | 13,982 | 15 | 292 | 91 | 245 | 133 | 66 |
| Mortgage notes receivable, net | 1,692,510 | 1,985,046 | 1,881,766 | 2,117 | 6,948 | 53,662 | 0 | 0 | 40,553 |
| Land, equipment and improvements, net | 18,309 | 17,427 | 22 | 0 | 17,405 | 0 | 0 | 0 | 0 |
| Derivative instrument - interest rate swaps | 26,758 | 14,479 | 14,479 | 0 | 0 | 0 | 0 | 0 | 0 |
| Deferred pension expense | 959 | 629 | 346 | 2 | 67 | 0 | 0 | 214 | 0 |
| Deferred amount on debt refundings | 2,065 | 1,782 | 1,782 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Assets | 2,602,066 | 2,919,823 | 2,583,471 | 8,721 | 137,678 | 81,797 | 13,182 | 38,494 | 56,480 |
| LIABILITIES AND NET ASSETS: | | | | | | | | | |
| Accrued interest payable | 29,830 | 34,599 | 34,123 | 0 | 0 | 0 | 0 | 0 | 476 |
| Excess arbitrage to be rebated | 0 | 1,389 | 1,389 | 0 | 0 | 0 | 0 | 0 | 0 |
| Accounts payable - Government | 517 | 383 | 0 | 0 | 0 | 0 | 383 | 0 | 0 |
| Accounts payable & accrued liabilities | 21,269 | 18,129 | 298 | 0 | 17,447 | 0 | 328 | 56 | 0 |
| Unearned income | 35,209 | 101,809 | 0 | 0 | 0 | 840 | 27,533 | 73,436 | 0 |
| Net pension liability | 1,780 | 1,931 | 1,063 | 6 | 205 | 0 | 0 | 657 | 0 |
| Deferred pension credit | 798 | 451 | 248 | 2 | 48 | 0 | 0 | 153 | 0 |
| Accumulated increase in fair value of hedging derivatives | 26,758 | 14,479 | 14,479 | 0 | 0 | 0 | 0 | 0 | 0 |
| Interfund | 0 | 0 | 4,020 | 26 | 63,626 | (6,745) | (21,057) | (35,554) | (4,316) |
| Mortgage bonds and notes payable, net | 2,044,739 | 2,270,932 | 2,210,105 | 0 | 13,081 | 0 | 0 | 0 | 47,746 |
| Deferred grant income | 0 | 103 | 0 | 0 | 0 | 0 | 103 | 0 | 0 |
| Deferred loan origination points | 11 | 13 | 13 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total Liabilities | 2,160,911 | 2,444,218 | 2,265,738 | 34 | 94,407 | (5,905) | 7,290 | 38,748 | 43,906 |
| NET ASSETS: | | | | | | | | | |
| Restricted Net Assets | 400,144 | 432,334 | 317,733 | 8,687 | 0 | 87,702 | 5,892 | (254) | 12,574 |
| Unrestricted Net Assets | 41,011 | 43,271 | 0 | 0 | 43,271 | 0 | 0 | 0 | 0 |
| Total Net Assets | 441,155 | 475,605 | 317,733 | 8,687 | 43,271 | 87,702 | 5,892 | (254) | 12,574 |
| Total Liabilities and Net Assets | 2,602,066 | 2,919,823 | 2,583,471 | 8,721 | 137,678 | 81,797 | 13,182 | 38,494 | 56,480 |

MAINE STATE HOUSING AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE PERIOD ENDED OCTOBER 31, 2024
(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>2023</u> | <u>2024</u> | | | | | | | |
| REVENUES: | | | | | | | | | |
| Interest from mortgages and notes | 55,446 | 64,231 | 63,680 | 19 | 284 | 212 | 0 | 0 | 36 |
| Income from investments | 24,955 | 27,414 | 23,395 | 362 | 438 | 1,261 | 21 | 986 | 951 |
| Net increase (decrease) in the fair value of investments | (6,214) | (553) | (553) | 0 | 0 | 0 | 0 | 0 | 0 |
| Fee income | 13,606 | 13,596 | 2,010 | 0 | 1,174 | 0 | 9,937 | 475 | 0 |
| Other revenue | 362 | 184 | 100 | 0 | 3 | 81 | 0 | 0 | 0 |
| Grant income | 180,049 | 89,228 | 0 | 0 | 0 | 1,687 | 51,492 | 36,049 | 0 |
| Income from State | 23,278 | 24,176 | 0 | 0 | 0 | 19,860 | 0 | 0 | 4,316 |
| Federal rent subsidy income | 96,215 | 109,730 | 0 | 0 | 0 | 0 | 109,730 | 0 | 0 |
| Total Revenues | 387,697 | 328,006 | 88,632 | 381 | 1,899 | 23,101 | 171,180 | 37,510 | 5,303 |
| EXPENSES: | | | | | | | | | |
| Operating expenses | 19,873 | 19,881 | 0 | 0 | 19,881 | 0 | 0 | 0 | 0 |
| Other program administrative expenses | 6,456 | 7,226 | 5,708 | 0 | 13 | 0 | 1,160 | 342 | 3 |
| Mortgage servicing fees | 1,578 | 1,688 | 1,679 | 0 | 9 | 0 | 0 | 0 | 0 |
| Provision for losses on loans | 9 | 8 | 0 | 0 | 0 | 8 | 0 | 0 | 0 |
| Interest expense | 45,842 | 54,883 | 54,053 | 0 | 0 | 0 | 0 | 0 | 830 |
| Grant expense | 190,764 | 110,342 | 0 | 0 | 0 | 19,718 | 49,489 | 36,207 | 4,928 |
| Federal rent subsidy expense | 96,893 | 108,734 | 0 | 0 | 0 | 0 | 108,734 | 0 | 0 |
| Loss on bond redemption | 0 | 83 | 83 | 0 | 0 | 0 | 0 | 0 | 0 |
| Excess arbitrage | 0 | 739 | 739 | 0 | 0 | 0 | 0 | 0 | 0 |
| Allocated operating costs | 0 | 0 | 10,858 | 64 | (17,774) | 0 | 6,752 | 100 | 0 |
| Total Expenses | 361,415 | 303,584 | 73,120 | 64 | 2,129 | 19,726 | 166,135 | 36,649 | 5,761 |
| Net Operating Income (Loss) | 26,282 | 24,422 | 15,512 | 317 | (230) | 3,375 | 5,045 | 861 | (458) |
| Transfers between funds, net | 0 | 0 | 0 | 0 | 1,190 | 0 | (3,343) | (33) | 2,186 |
| Change in net assets | 26,282 | 24,422 | 15,512 | 317 | 960 | 3,375 | 1,702 | 828 | 1,728 |
| Net assets at beginning of year | 414,873 | 451,183 | 302,221 | 8,370 | 42,311 | 84,327 | 4,190 | (1,082) | 10,846 |
| Net assets at end of period | 441,155 | 475,605 | 317,733 | 8,687 | 43,271 | 87,702 | 5,892 | (254) | 12,574 |

**MAINE STATE HOUSING AUTHORITY
OPERATING REVENUES AND EXPENSES BUDGET VARIANCE REPORT
FOR THE PERIOD ENDED OCTOBER 31, 2024**

(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 | 63,983 | 0 | 63,983 | 74,385 | 10,402 | 14% |
| Income from investments | 24,195 | 1,007 | 25,202 | 23,400 | (1,802) | (8%) |
| Fee income | 3,184 | 10,412 | 13,596 | 19,266 | 5,670 | 29% |
| Other revenue | 103 | 0 | 103 | 105 | 2 | 2% |
| Total Revenues | 91,465 | 11,419 | 102,884 | 117,156 | 14,272 | 12% |
| EXPENSES: | | | | | | |
| Operating expenses | 13,029 | 6,852 | 19,881 | 25,670 | 5,789 | 23% |
| Other program administrative expenses | 7,409 | 1,505 | 8,914 | 10,021 | 1,107 | 11% |
| Interest expense | 54,875 | 0 | 54,875 | 65,570 | 10,695 | 16% |
| Total Expenses | 75,313 | 8,357 | 83,670 | 101,261 | 17,591 | 17% |
| Excess Revenues Over Expenses | 16,152 | 3,062 | 19,214 | 15,895 | (3,319) | (21%) |

**MAINE STATE HOUSING AUTHORITY
OPERATING AND OTHER PROGRAM ADMINISTRATIVE EXPENSES
FOR THE PERIOD ENDED OCTOBER 31, 2024**

ATTACHMENT B

| | Total Annual Budget | Total Year to Date Actual | Budget Available | Percentage of Budget Available |
|--|------------------------------------|--|-----------------------------|---|
| Operating Expenses | | | | |
| Salaries | 13,853,898 | 11,095,493 | 2,758,405 | 20% |
| Payroll Taxes | 1,013,479 | 825,675 | 187,804 | 19% |
| Retirement | 1,386,948 | 1,092,725 | 294,223 | 21% |
| Medical and Life Insurance | 3,663,963 | 2,763,727 | 900,236 | 25% |
| Other Fringe Benefits | 10,000 | 5,009 | 4,991 | 50% |
| Office Supplies | 60,525 | 35,423 | 25,102 | 41% |
| Printing | 85,450 | 55,846 | 29,604 | 35% |
| Membership and Dues | 66,879 | 60,903 | 5,976 | 9% |
| Subscriptions | 20,080 | 11,982 | 8,098 | 40% |
| Sponsorships | 19,600 | 13,750 | 5,850 | 30% |
| Staff Educ/Train/Conf | 213,342 | 98,123 | 115,219 | 54% |
| Travel/Meals - Staff Educ/Train/Conf | 230,594 | 83,951 | 146,643 | 64% |
| Partner/Client Train/Meetings | 87,250 | 24,088 | 63,162 | 72% |
| Travel/Meals - Partner/Client Training | 89,506 | 31,157 | 58,349 | 65% |
| Staff Events | 36,680 | 18,814 | 17,866 | 49% |
| Meals - Staff Events | 33,590 | 24,826 | 8,764 | 26% |
| Leased Vehicles | 198,991 | 132,905 | 66,086 | 33% |
| Computer Supplies | 31,000 | 24,414 | 6,586 | 21% |
| Computer License SAAS | 248,564 | 218,040 | 30,524 | 12% |
| Rent-Other | 44,519 | 30,543 | 13,976 | 31% |
| Computer Maintenance | 986,752 | 694,549 | 292,203 | 30% |
| Depreciation | 1,279,000 | 945,664 | 333,336 | 26% |
| Telephone | 131,750 | 113,870 | 17,880 | 14% |
| Employment Advertising | 18,000 | 10,502 | 7,498 | 42% |
| Postage and Shipping | 152,512 | 94,755 | 57,757 | 38% |
| Insurance | 102,186 | 97,027 | 5,159 | 5% |
| Recording Fees | 1,000 | 1,055 | (55) | -6% |
| Payroll Services | 51,668 | 43,323 | 8,345 | 16% |
| Audit Services | 175,350 | 163,500 | 11,850 | 7% |
| Property Expenses | 556,950 | 404,571 | 152,379 | 27% |
| Professional Services | 371,538 | 300,546 | 70,992 | 19% |
| Building Interest Expense | 448,452 | 364,331 | 84,121 | 19% |
| Total Operating Expenses | 25,670,016 | 19,881,086 | 5,788,930 | 23% |
| Other Program Administrative Expenses | | | | |
| Loan foreclosure expenses | 200,000 | 43,041 | 156,959 | 78% |
| REO expenses | 50,000 | 3,926 | 46,074 | 92% |
| Provision for losses on loans & REOs | 125,000 | 0 | 125,000 | 100% |
| Mortgage Servicing fees | 1,975,000 | 1,687,733 | 287,267 | 15% |
| Loan Origination expenses | 3,230,000 | 3,021,335 | 208,665 | 6% |
| Bond issuance expenses | 900,000 | 857,366 | 42,634 | 5% |
| Trustee/Bank fees | 178,000 | 147,236 | 30,764 | 17% |
| Program advertisements | 336,500 | 250,724 | 85,776 | 25% |
| Bond and mortgagee insurance | 24,313 | 24,256 | 57 | 0% |
| Variable rate bond remarket/SBPAs | 645,000 | 618,858 | 26,142 | 4% |
| Cash flow/arbitrage/swap consultants/legal | 738,500 | 715,316 | 23,184 | 3% |
| Homebuyer education | 150,000 | 100,950 | 49,050 | 33% |
| Program administrator fees | 1,469,000 | 1,442,631 | 26,369 | 2% |
| Total Other Program Administration Expenses | 10,021,313 | 8,913,372 | 1,107,941 | 11% |

**MAINE STATE HOUSING AUTHORITY
CAPITAL BUDGET
FOR THE PERIOD ENDED OCTOBER 31, 2024**

ATTACHMENT C

| Description | 2024 Budget | 2024 Actual | Budget Available | % Expended |
|---|-----------------------|-----------------------|-----------------------|-------------------|
| Computer Hardware: | | | | |
| Laptop replacements | 57,000 | 56,900 | 100 | |
| Total computer hardware | <u>57,000</u> | <u>56,900</u> | <u>100</u> | <u>100%</u> |
| Computer Software: | | | | |
| Enterprise multi-family housing system | 176,958 | 176,958 | - | |
| Amplifund grant management software | 45,600 | 45,600 | - | |
| ITMS & Patching replacement | 20,000 | 0 | 20,000 | |
| Internal communication enhancements | 25,000 | 0 | 25,000 | |
| Single Family loan servicing system modifications | 10,000 | 0 | 10,000 | |
| Single Family lender & loan tracking systems mods | 10,000 | 0 | 10,000 | |
| Salesforce software upgrades | 220,000 | 100,605 | 119,395 | |
| Total computer software | <u>507,558</u> | <u>323,163</u> | <u>184,395</u> | <u>64%</u> |
| Office Building: | | | | |
| Additional workstations & furniture | 40,000 | 13,689 | 26,311 | |
| Office building improvements/repairs | 50,000 | 67,065 | (17,065) | |
| | <u>90,000</u> | <u>80,754</u> | <u>9,246</u> | <u>90%</u> |
| Director's Vehicle: | | | | |
| | <u>30,000</u> | <u>25,189</u> | <u>4,811</u> | <u>84%</u> |
| Total | <u><u>684,558</u></u> | <u><u>486,006</u></u> | <u><u>198,552</u></u> | <u><u>71%</u></u> |

**MAINE STATE HOUSING AUTHORITY
MEMBERSHIPS, DUES, AND SPONSORSHIPS
FOR THE PERIOD ENDED OCTOBER 31, 2024**

ATTACHMENT D

| Description | Amount |
|--|------------------|
| Memberships and Dues | |
| American Bar Association - employee dues | 415 |
| American College of Mortgage Attorneys - employee dues | 225 |
| American Payroll Association - employee annual membership | 299 |
| Association of Certified Fraud Examiners - (2) employee annual membership | 490 |
| Association of Government Accountants - (1) employee annual memberships | 110 |
| Board of Overseers of the Bar - (6) employee annual registration | 1,695 |
| Construction Specifications Institute - employee annual membership | 375 |
| Council of State Community Development Agencies - annual membership | 1,500 |
| Credit Builders Alliance, Inc - annual membership | 995 |
| Diversity Hiring Coalition - annual membership | 300 |
| Institute of Internal Auditors - employee annual membership | 190 |
| Kennebec Board of Realtors - employee dues | 199 |
| Maine Association of Mortgage Professional - employee annual membership | 395 |
| Maine Association of Public Housing Directors - annual membership | 2,100 |
| Maine Bankers Association - annual affiliate membership | 995 |
| Maine Building Officials and Inspectors Association - (9) employee membership | 325 |
| Maine Department of Environmental Protection - lead inspector license renewal | 400 |
| Maine Indoor Air Quality Council - annual membership | 650 |
| Maine Real Estate & Development Association - annual membership | 1,200 |
| Maine State Bar Association - (3) employee annual memberships | 1,025 |
| Maine State Treasurer - employee annual CPA license renewal | 35 |
| Mortgage Bankers Association - annual affiliate membership | 1,350 |
| National Affordable Housing Management Association - affiliate membership | 1,350 |
| National Association for State Community Services Programs - annual membership | 1,129 |
| National Association of Home Builders - employee membership | 95 |
| National Council of State Housing Agencies - annual membership | 33,854 |
| National Energy & Utility Affordability Coalition - annual membership | 600 |
| National Energy Assistance Directors' Association - annual membership | 7,021 |
| National Leased Housing Association - annual membership | 660 |
| NCHM Accounting Office Employee Certification dues | 125 |
| Notary Public - (1) employee renewal fees | 50 |
| PassivhausMaine - employee annual membership | 149 |
| Project Management Institute/Professional- employee annual membership | 338 |
| Society for Human Resource Management - employee annual membership | 264 |
| Total | <u>\$ 60,903</u> |

Sponsorships

| | |
|--|------------------|
| Inclusion Maine - conference sponsorship | 1,500 |
| New England Resident Service Coordinator - conference sponsor | 3,000 |
| Greater Portland Board of Realtors - conference sponsor | 250 |
| Maine Real Estate Management Association - 2024 conference sponsorship | 3,000 |
| ProsperityMe - housing conference sponsorship | 500 |
| Maine Council on Aging - conference sponsorship | 500 |
| Preble Street Fall Homelessness Conference - conference sponsor | 2,500 |
| Maine Affordable Housing Coalition - housing conference sponsor | 2,500 |
| Total | <u>\$ 13,750</u> |



Finance Department Memorandum

To: Board of Commissioners
From: Darren Brown
Date: December 2, 2024
Subject: Monthly Delinquencies Report

MULTI-FAMILY DELINQUENCIES

The Multi-Family portfolio totals \$1.1 billion with 1,374 loans as of November 30, 2024. There are two loans that are delinquent 60 days or more, as shown in *Exhibit 1*. The Multi-Family delinquency rate is benchmarked against MaineHousing's historical rates, as shown in *Exhibit 2*.

SINGLE-FAMILY DELINQUENCIES

The Single-Family portfolio totals \$1.2 billion with 10,145 loans as of October 31, 2024. The over 60-day delinquencies decreased from 2.49% to 2.38%, and the in-foreclosures increased from 0.46% to 0.53%. The over 60-day delinquencies amount to \$27 million, with approximately \$6 million representing accounts in foreclosure. The over 60-day and in-foreclosure historic rates are shown in *Exhibit 4*. MaineHousing's overall delinquency rate by loan dollars is 2.38% and the overall delinquency rate by loan count is 2.41%. As shown in *Exhibit 5*, the overall delinquency rate by loan count is below the delinquency rate for all Maine loans.

Servicer Delinquencies – As of October 2024, Bank of America (BOA) had the highest overall delinquency rate of 6.12% (6 loans), with an in-foreclosure rate of 3.14% (3 loans). Bank of America no longer originates loans for MaineHousing; and they are servicing an old portfolio of loans. The average age of the loans in their portfolio is 16 years. There have been no new loans added to this portfolio since 2011 and the high delinquency rate is mainly attributed to the decreasing portfolio balance and its small size (82 loans).

Delinquencies for our largest servicer, Mortgage Servicing Solutions, decreased from 2.82% to 2.71%, while the in-foreclosure rate increased from 0.45% to 0.57%. Salem Five Mortgage Corp had a rate of 0.00%, which was the lowest rate for the month. Delinquency rates for each servicer are shown in *Exhibit 3*.

Delinquencies by Insurance Type – In October 2024, FHA insured loans had the highest delinquency rate by total insurance type of 3.96%, with in-foreclosures at 0.60%. When compared to the total loan portfolio, RD insured loans had the highest delinquency rate of 1.17%, with in-foreclosures at 0.34%. Delinquencies by insurance type and the portfolio as a whole are shown in *Exhibit 6*.

FHA insured loans comprise 20% of the Single-Family portfolio and 34% of delinquencies, while RD insured loans comprise 50% of the portfolio and represent 49% of all delinquent loans. The current composition of the Single-Family portfolio by insurance type, along with the percentage of delinquencies by insurance type, is shown in *Exhibit 7*.

Foreclosure Prevention Activities – *Exhibit 8* summarizes our foreclosure prevention activities, as well as the number of completed foreclosures. As of the end of month October 2024, we assisted 953 borrowers with various foreclosure prevention options.

Multi-Family Delinquent Loans

MAINE STATE HOUSING AUTHORITY
 MULTI-FAMILY DELINQUENCIES
 11/30/2024

| Section 8 | | | | | ORIGINATION | DELINQUENT | | |
|---------------------------------------|--------------|----------|----------|--------------------------------------|-------------|------------|----------|--------------|
| BORROWER | LEVEL PMT | PTD | LOCATION | PROJECT OWNER | DATE | 1 MONTH | 2 MONTHS | 3+ MONTHS |
| | | | | | | 0.00 | 0.00 | 0.00 |
| Rental Housing | | | | | ORIGINATION | DELINQUENT | | |
| BORROWER | LEVEL PMT | PTD | LOCATION | PROJECT OWNER | DATE | 1 MONTH | 2 MONTHS | 3+ MONTHS |
| COURT ST APARTMENTS* | 0.00 | 10/01/23 | AUBURN | COURT STREET SENIOR HOUSING ASSOC LP | 10/01/07 | 0.00 | 0.00 | 959,263.00 |
| COURT ST APARTMENTS* | 0.00 | 10/01/23 | AUBURN | COURT STREET SENIOR HOUSING ASSOC LP | 10/01/07 | 0.00 | 0.00 | 297,278.00 |
| | | | | | | 0.00 | 0.00 | 1,256,541.00 |
| Supportive Housing & Other | | | | | ORIGINATION | DELINQUENT | | |
| BORROWER | LEVEL PMT | PTD | LOCATION | PROJECT OWNER | DATE | 1 MONTH | 2 MONTHS | 3+ MONTHS |
| BANGOR LANE, 8 | 275.10 | 10/01/24 | AUGUSTA | CRISIS & COUNSELING CENTERS IN | 04/12/99 | 13,309.00 | 0.00 | 0.00 |
| HALIFAX ST, 113 | 378.00 | 10/01/24 | WINSLOW | CRISIS & COUNSELING CENTERS IN | 02/05/99 | 17,391.00 | 0.00 | 0.00 |
| | | | | | | 30,700.00 | 0.00 | 0.00 |
| Grand Total | | | | | | 30,700.00 | 0.00 | 1,256,541.00 |
| % of Portfolio Delq 60+ days | 0.12% | | | | | | | |
| Total Number of Loans | 1,374 | | | | | | | |

* Loans past maturity date



Multi-Family Delinquency & Foreclosure Trends

MULTI-FAMILY DELINQUENCY AND FORECLOSURE RATES



| | OUTSTANDING | | 1 MONTH | | 2+ MONTHS | | FORECLOSURES | |
|--------|-----------------|--------------|--------------|-------|--------------|-------|--------------|-------|
| | PRINCIPAL | DOLLARS | DOLLARS | RATE | DOLLARS | RATE | DOLLARS | RATE |
| Nov-24 | \$1,083,155,963 | \$ 30,700 | \$ 30,700 | 0.00% | \$ 1,256,541 | 0.12% | \$ - | 0.00% |
| Dec-23 | \$ 898,515,001 | \$ 518,845 | \$ 518,845 | 0.06% | \$ 45,709 | 0.01% | \$ - | 0.00% |
| Dec-22 | \$ 796,448,381 | \$ - | \$ - | 0.00% | \$ 4,553 | 0.00% | \$ - | 0.00% |
| Dec-21 | \$ 696,004,882 | \$ - | \$ - | 0.00% | \$ - | 0.00% | \$ - | 0.00% |
| Dec-20 | \$ 666,678,177 | \$ 2,791,073 | \$ 2,791,073 | 0.42% | \$ - | 0.00% | \$ - | 0.00% |
| Dec-19 | \$ 635,961,774 | \$ 4,379,009 | \$ 4,379,009 | 0.69% | \$ 1,620,600 | 0.25% | \$ - | 0.00% |
| Dec-18 | \$ 630,936,475 | \$ 1,473,376 | \$ 1,473,376 | 0.23% | \$ 20,600 | 0.00% | \$ - | 0.00% |
| Dec-17 | \$ 608,939,257 | \$ 319,836 | \$ 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% |

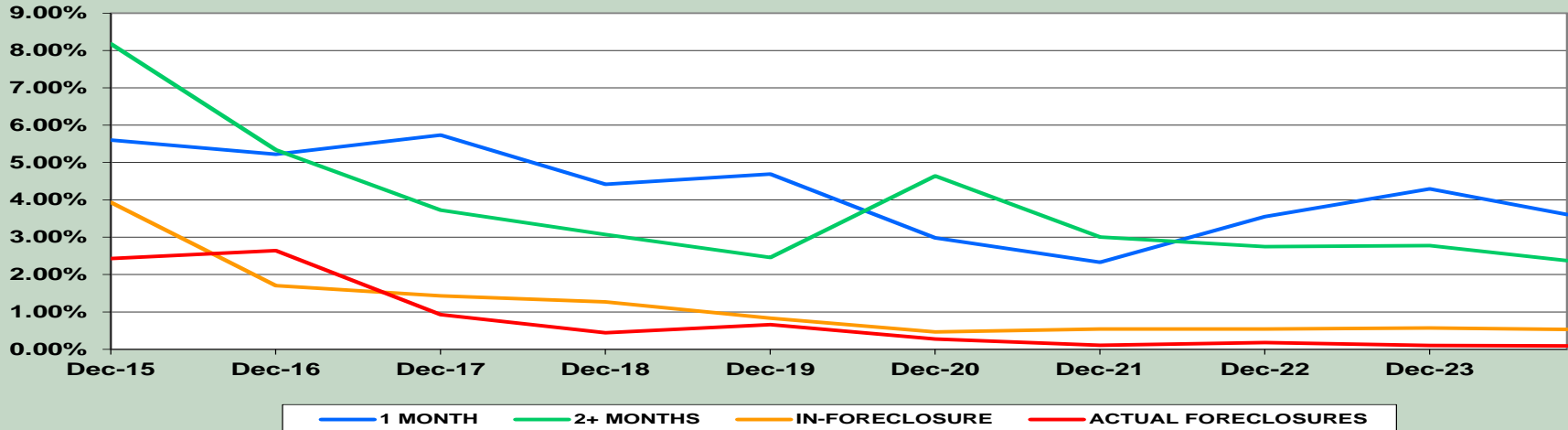
Single-Family Delinquent Loans

**Maine State Housing Authority
Single-Family Delinquencies by Servicer
10/31/2024**

| SERVICER | % OF PORTFOLIO | % of Portfolio Delq 60 + days | OUTSTANDING PRINCIPAL | ----- 1 MONTH | DELINQUENT 2 MONTHS | ----- 3+ MONTHS | IN- FORECLOSURE |
|------------------------------|----------------|-------------------------------|-------------------------|----------------------|------------------------|----------------------|---------------------|
| MORTGAGE SERVICING SOLUTIONS | 69.05% | 2.71% | 795,263,378.35 | 33,489,581.59 | 5,718,954.84 | 11,298,374.97 | 4,512,776.08 |
| BANGOR SAVINGS BANK | 8.86% | 1.30% | 102,062,686.75 | 2,072,032.89 | 314,225.96 | 516,952.41 | 493,907.97 |
| BANGOR SAVINGS BANK QS | 8.16% | 1.03% | 93,939,795.94 | 644,505.45 | 176,986.76 | 786,428.96 | 0.00 |
| CAMDEN NATIONAL BANK UK | 7.31% | 1.49% | 84,235,750.59 | 2,240,765.50 | 413,740.19 | 481,863.25 | 355,456.68 |
| MACHIAS SAVINGS BANK | 6.18% | 2.81% | 71,218,708.51 | 2,781,743.31 | 811,671.50 | 566,511.33 | 620,779.09 |
| BANK OF AMERICA NA | 0.42% | 6.12% | 4,786,045.85 | 273,558.01 | 0.00 | 142,574.78 | 150,454.05 |
| SALEM FIVE MORTGAGE CORP | 0.02% | 0.00% | 218,497.88 | 28,670.41 | 0.00 | 0.00 | 0.00 |
| TOTAL | 100.00% | 2.38% | 1,151,724,863.87 | 41,530,857.16 | 7,435,579.25 | 13,792,705.70 | 6,133,373.87 |

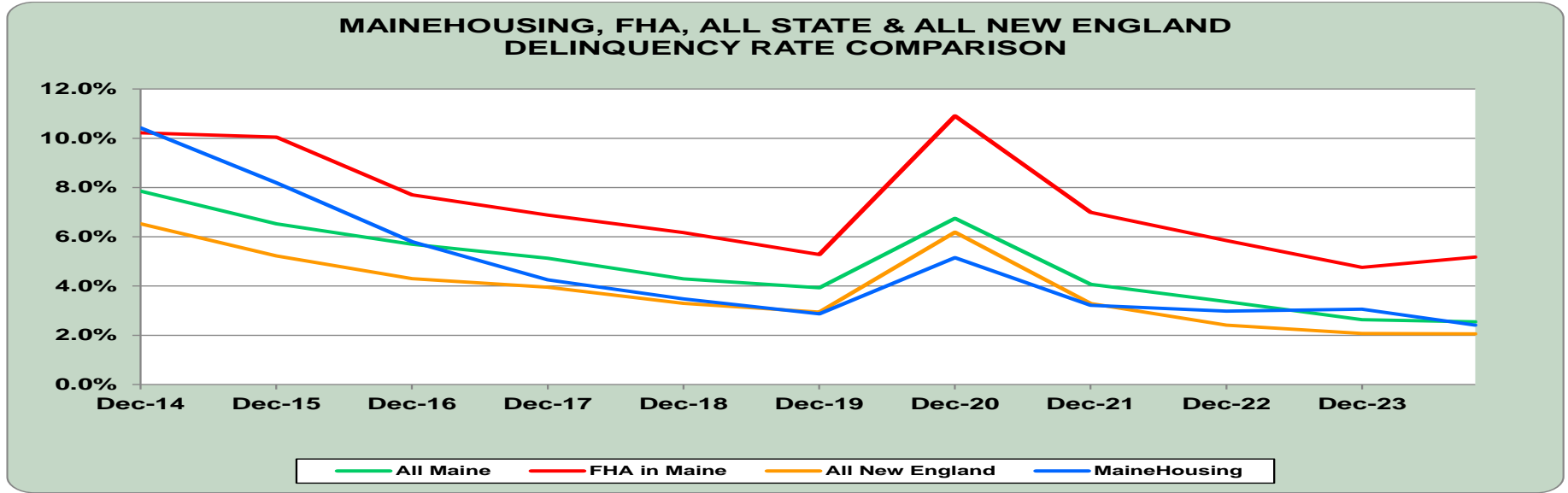
Single-Family Delinquency & Foreclosure Trends

SINGLE-FAMILY DELINQUENCY AND FORECLOSURE RATES



| | OUTSTANDING PRINCIPAL | 1 MONTH | | 2+ MONTHS | | IN-FORECLOSURE | | ACTUAL FORECLOSURES | |
|--------|-----------------------|---------------|-------|---------------|-------|----------------|-------|---------------------|-------|
| | | DOLLARS | RATE | DOLLARS | RATE | DOLLARS | RATE | DOLLARS | RATE |
| Oct-24 | \$ 1,151,724,864 | \$ 41,530,857 | 3.61% | \$ 27,361,659 | 2.38% | \$ 6,133,374 | 0.53% | \$ 1,045,136 | 0.09% |
| Dec-23 | \$ 1,053,014,623 | \$ 45,215,476 | 4.29% | \$ 29,205,657 | 2.77% | \$ 5,986,311 | 0.57% | \$ 1,043,395 | 0.10% |
| Dec-22 | \$ 958,984,521 | \$ 33,996,366 | 3.55% | \$ 26,378,301 | 2.75% | \$ 5,183,906 | 0.54% | \$ 1,733,447 | 0.18% |
| Dec-21 | \$ 887,303,920 | \$ 20,685,547 | 2.33% | \$ 26,645,647 | 3.00% | \$ 4,806,968 | 0.54% | \$ 941,490 | 0.11% |
| Dec-20 | \$ 960,761,414 | \$ 28,645,024 | 2.98% | \$ 44,603,599 | 4.64% | \$ 4,471,656 | 0.47% | \$ 2,617,001 | 0.27% |
| Dec-19 | \$ 967,171,381 | \$ 45,399,415 | 4.69% | \$ 23,774,547 | 2.46% | \$ 8,037,512 | 0.83% | \$ 6,357,994 | 0.66% |
| Dec-18 | \$ 916,608,577 | \$ 40,526,473 | 4.42% | \$ 28,155,105 | 3.07% | \$ 11,647,401 | 1.27% | \$ 4,056,247 | 0.44% |
| Dec-17 | \$ 844,497,676 | \$ 48,457,930 | 5.74% | \$ 31,454,643 | 3.72% | \$ 12,099,518 | 1.43% | \$ 7,847,858 | 0.93% |
| Dec-16 | \$ 799,557,471 | \$ 41,780,468 | 5.23% | \$ 42,682,410 | 5.34% | \$ 13,625,991 | 1.70% | \$ 21,142,137 | 2.64% |
| Dec-15 | \$ 790,409,905 | \$ 44,303,365 | 5.61% | \$ 64,656,769 | 8.18% | \$ 31,066,182 | 3.93% | \$ 20,797,314 | 2.43% |

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* | 126,870 | 0.61% | 1.03% | 0.91% | 2.55% |
| FHA for State* | 17,447 | 1.74% | 2.07% | 1.37% | 5.18% |
| All New England* | 1,765,054 | 0.66% | 0.94% | 0.46% | 2.06% |
| MaineHousing** | 10,145 | 0.72% | 1.08% | 0.61% | 2.41% |

*This information is obtained from MBA's National Delinquency Survey for the third quarter of 2024.

**MaineHousing's overall delinquency rate based on loan dollars is 2.38%, whereas rates in this exhibit are based on loan count.



Single-Family Delinquencies by Mortgage Insurer

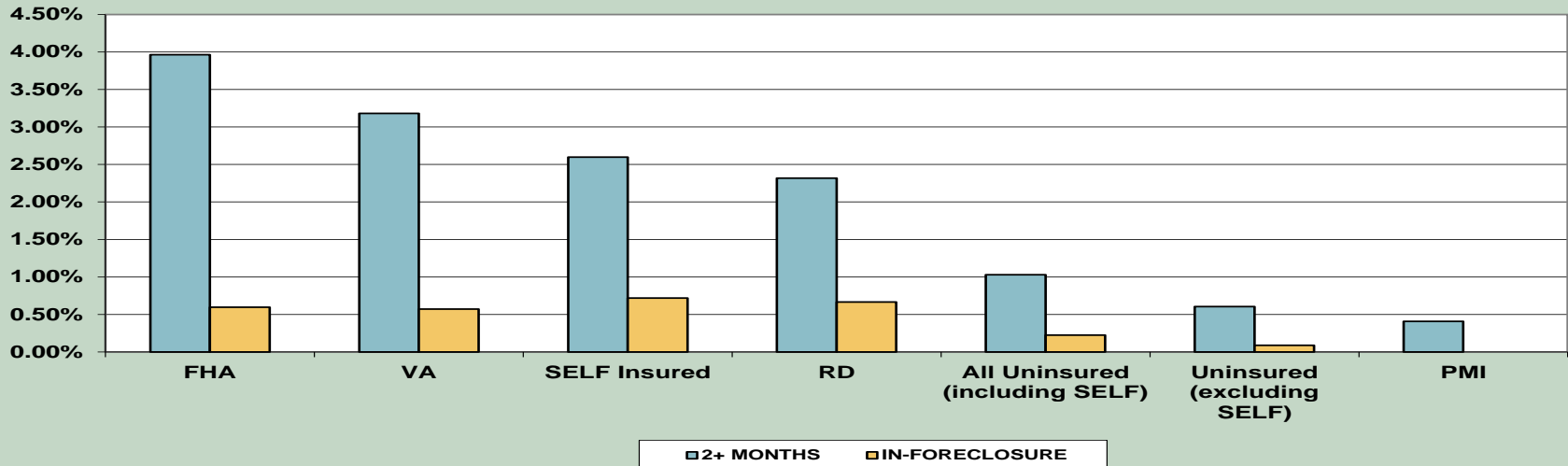
As A Percent of Total Insurance Type
10/31/2024

| TYPE | 2+ MONTHS | IN-FORECLOSURE |
|--------------------------------|-----------|----------------|
| FHA | 3.96% | 0.60% |
| VA | 3.18% | 0.57% |
| SELF Insured | 2.60% | 0.72% |
| RD | 2.32% | 0.67% |
| All Uninsured (including SELF) | 1.03% | 0.22% |
| Uninsured (excluding SELF) | 0.61% | 0.09% |
| PMI | 0.41% | 0.00% |

As A Percent of Total Loan Portfolio
10/31/2024

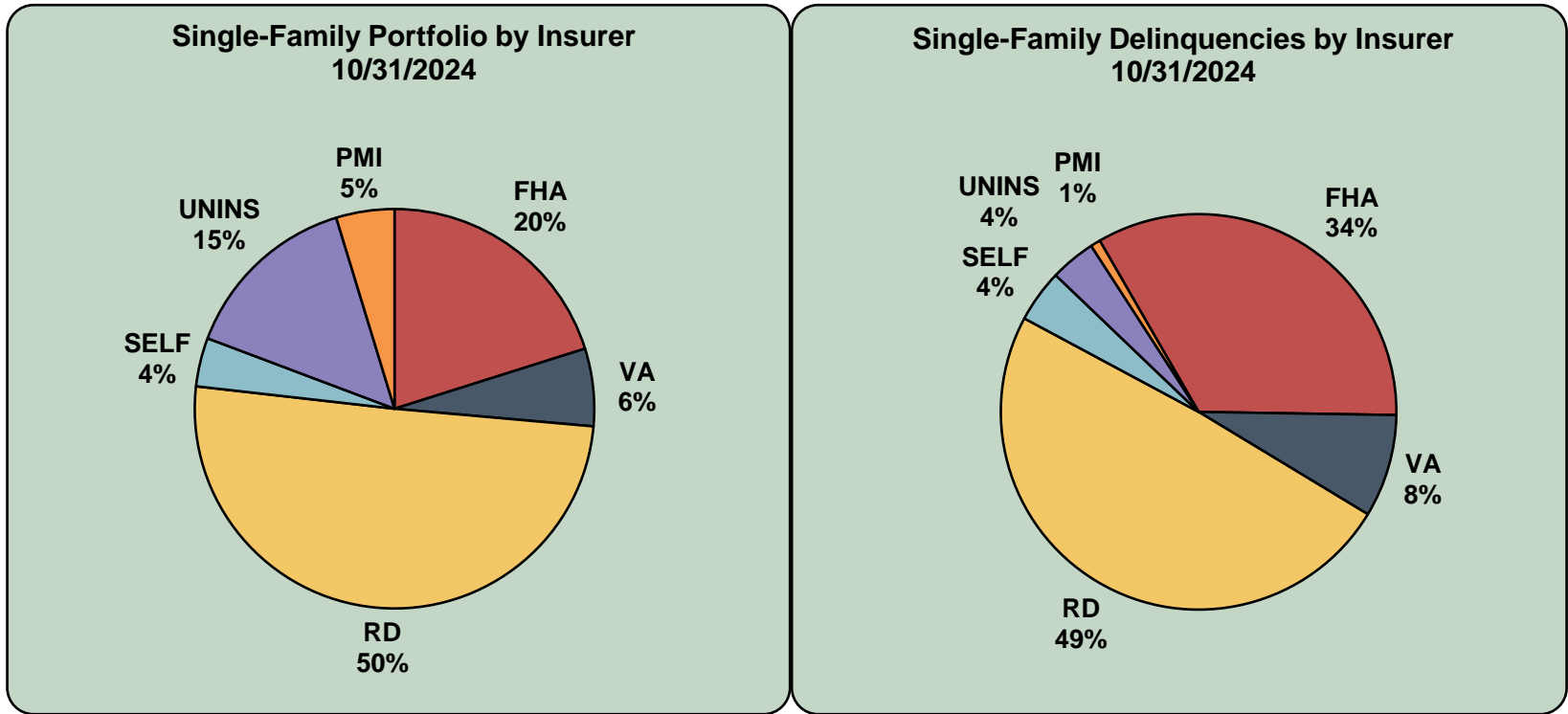
| TYPE | 2+ MONTHS | IN-FORECLOSURE |
|--------------------------------|-----------|----------------|
| RD | 1.17% | 0.34% |
| FHA | 0.80% | 0.12% |
| VA | 0.20% | 0.04% |
| All Uninsured (including SELF) | 0.19% | 0.04% |
| SELF Insured | 0.10% | 0.03% |
| Uninsured (excluding SELF) | 0.09% | 0.01% |
| PMI | 0.02% | 0.00% |

SINGLE-FAMILY DELINQUENCY RATES BY INSURER TYPE



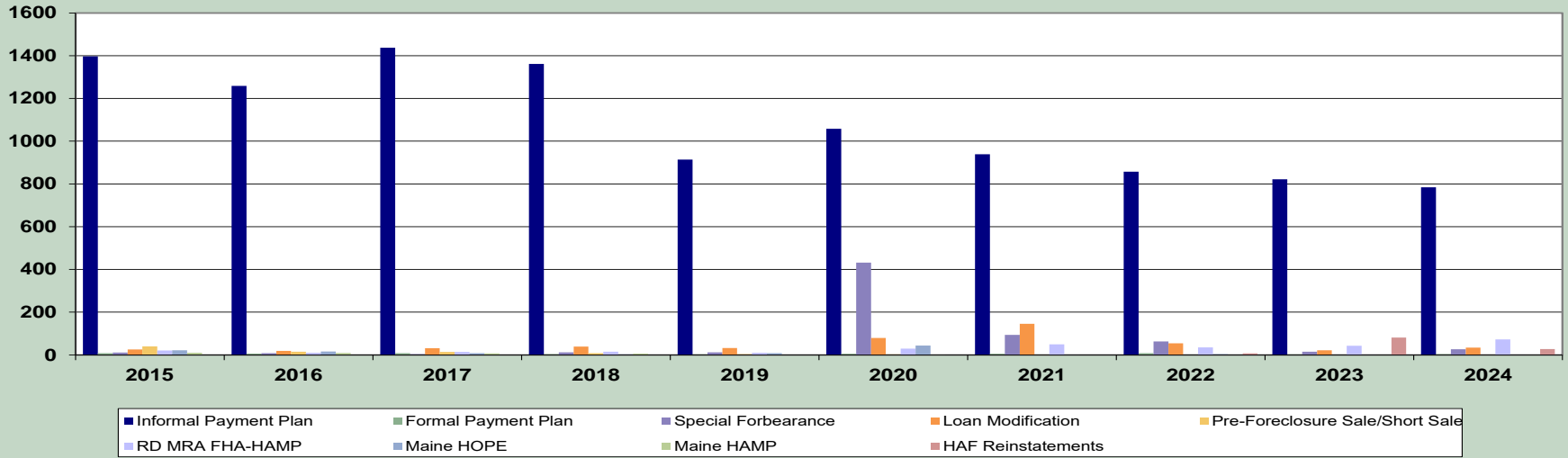
Single-Family Delinquencies by Mortgage Insurer

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

BORROWERS ASSISTED 2013-2024



Number of Borrowers Approved for Assistance

| | Informal Payment Plan | Formal Payment Plan | Special Forbearance | Loan Modification | Pre-Foreclosure Sale/Short Sale | RD MRA FHA-HAMP | Maine HOPE | Maine HAMP | HAF Reinstatements | Total Workouts |
|--------|-----------------------|---------------------|---------------------|-------------------|---------------------------------|-----------------|------------|------------|--------------------|----------------|
| Oct-24 | 784 | 4 | 27 | 34 | 1 | 73 | 1 | 1 | 28 | 953 |
| Dec-23 | 822 | 3 | 15 | 22 | 0 | 43 | 2 | 1 | 81 | 989 |
| Dec-22 | 857 | 8 | 63 | 54 | 0 | 35 | 4 | 0 | 7 | 1028 |
| Dec-21 | 939 | 5 | 94 | 146 | 2 | 50 | 2 | 0 | 0 | 1238 |
| Dec-20 | 1058 | 5 | 432 | 79 | 3 | 29 | 44 | 2 | 0 | 1652 |
| Dec-19 | 914 | 3 | 12 | 32 | 4 | 10 | 8 | 0 | 0 | 983 |
| Dec-18 | 1361 | 4 | 12 | 39 | 8 | 15 | 3 | 6 | 0 | 1448 |
| Dec-17 | 1437 | 8 | 4 | 31 | 14 | 14 | 8 | 7 | 0 | 1523 |
| Dec-16 | 1259 | 6 | 8 | 19 | 15 | 10 | 16 | 9 | 0 | 1342 |
| Dec-15 | 1397 | 8 | 11 | 26 | 40 | 21 | 22 | 10 | 0 | 1535 |

Actual Foreclosures

| | Number of Foreclosures | Number of Loans in Portfolio | Percentage of Portfolio |
|--------|------------------------|------------------------------|-------------------------|
| Oct-24 | 12 | 10,145 | 0.12% |
| Dec-23 | 16 | 9,927 | 0.16% |
| Dec-22 | 21 | 9,739 | 0.22% |
| Dec-21 | 14 | 9,750 | 0.14% |
| Dec-20 | 38 | 10,668 | 0.36% |
| Dec-19 | 86 | 10,904 | 0.79% |
| Dec-18 | 57 | 10,673 | 0.53% |
| Dec-17 | 97 | 10,332 | 0.94% |
| Dec-16 | 258 | 10,097 | 2.56% |
| Dec-15 | 233 | 10,258 | 2.27% |

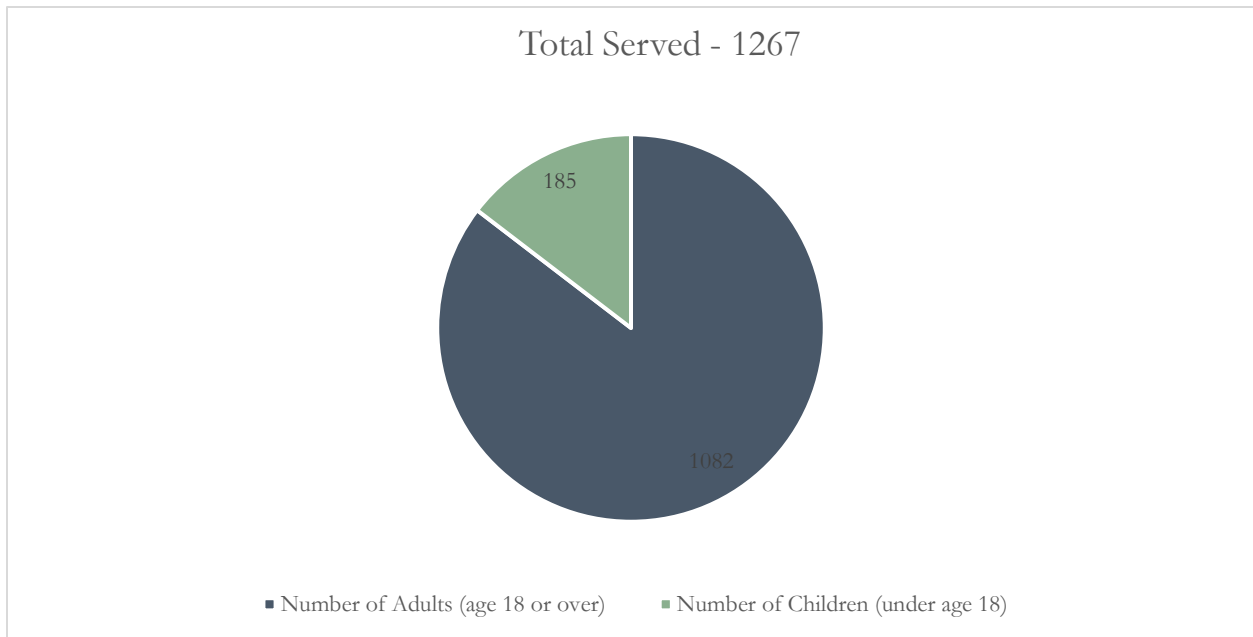
Homeless Initiatives Department Memorandum

To: Board of Commissioners
From: Kelly Watson, Director of Homeless Initiatives
Date: December 10, 2024
Subject: Homeless Initiatives Report

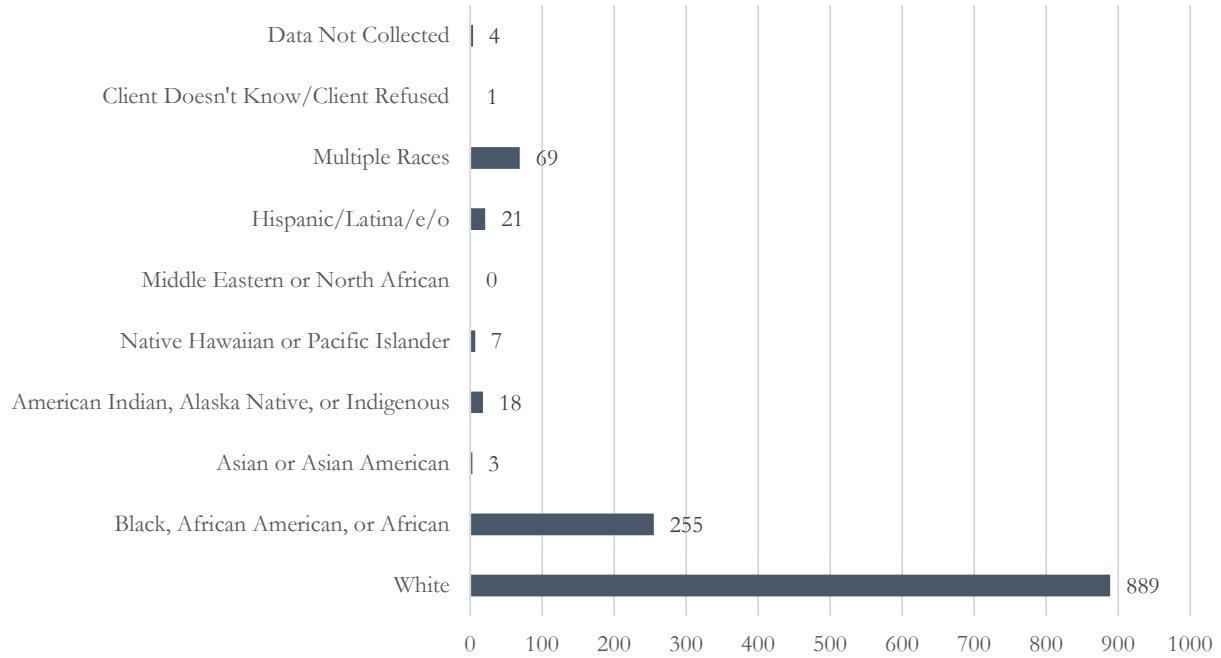
Homeless Data – November 2024

The following are the monthly statistics for November:

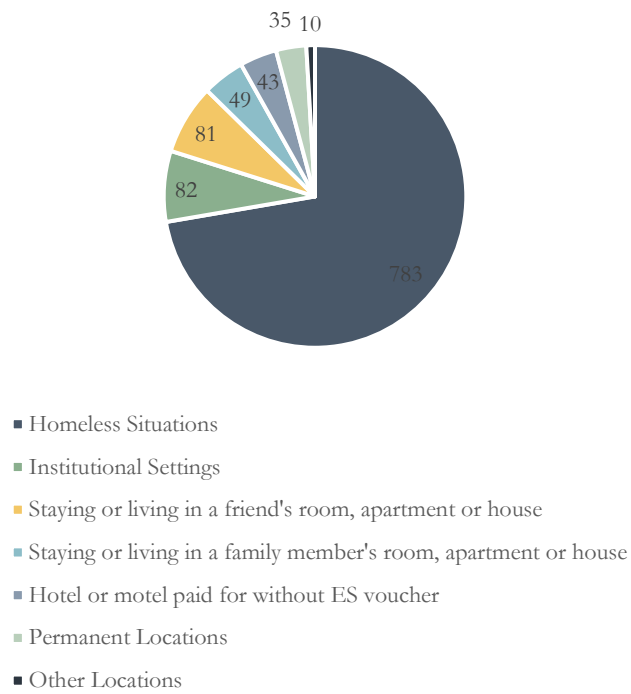
1. Total number of people served in ESHAP funded shelters (1267) decreased by 4 individuals from October to November. This number does not include many of the Asylum Seekers in Portland as well as those served in hotels through GA, or those seeking emergency shelter with a Victim Service Provider.
2. Racial equity – the percentage of people of color served decreased from 31 in to October to 29 in November. The number of those who identify as Hispanic/Latina/e/o decreased from 27 in October to 21 in November.
3. The number of Exits to Permanent Housing decreased from 113 in October to 88 in November. The total exits from shelter to any location was down by 37 in November from the previous month.

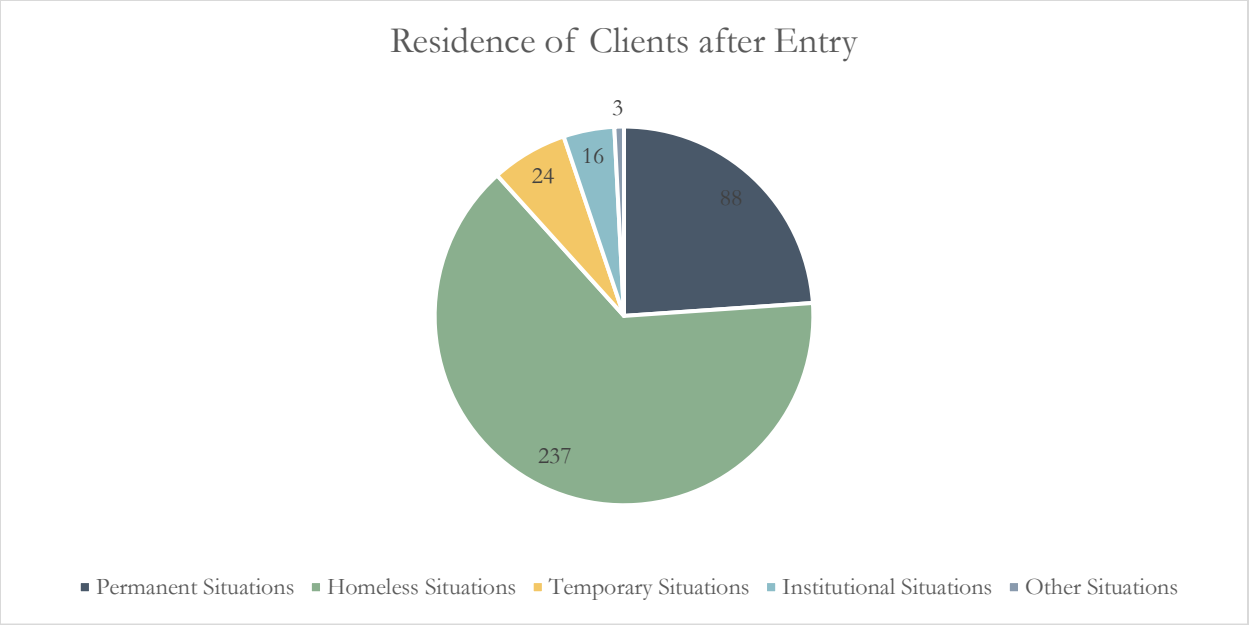


Number of People Served by Race



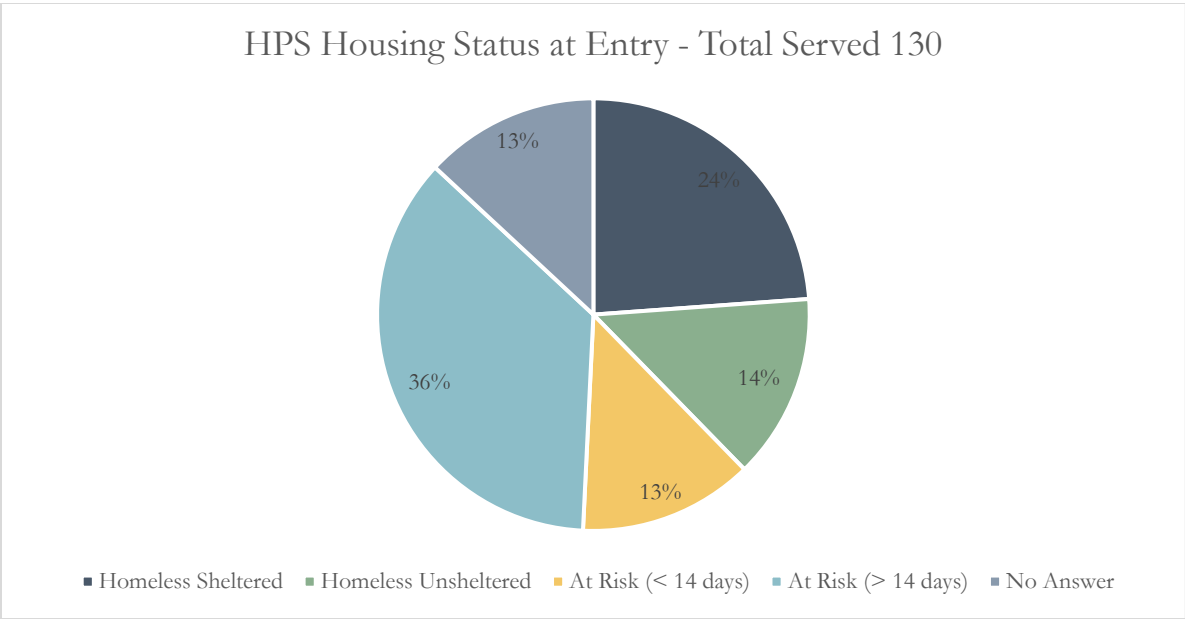
Residence of Clients Prior to Entry

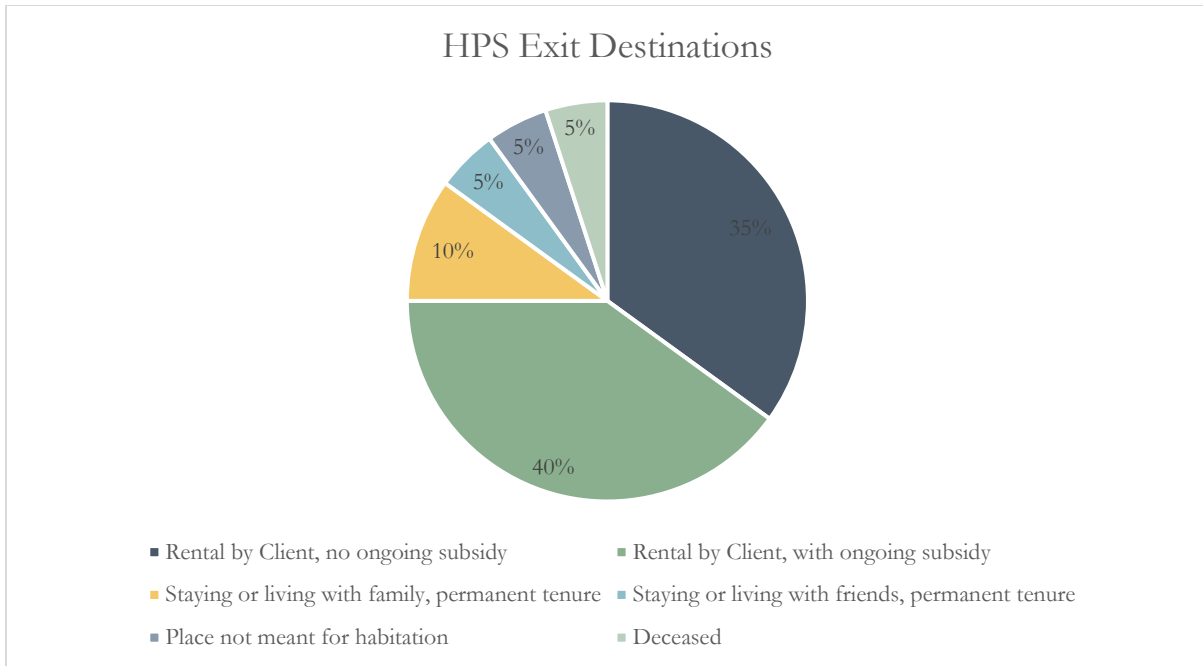




Housing Problem Solving (HPS) Data

In the month of November, 130 households were served in the Housing Problem Solving Program. This number does not include those served at Victim Service Provider organizations. Of the 20 households exited from the program in November, 17 were reported to have a resolved housing crisis. Fifty percent of the households served reported having a disabling condition. The charts below break down household housing status at entry for all households and destinations for those who exited the program in November.





CoC Update

After the hiring of the Maine CoC’s first executive director, work has quickly begun on an updated CoC structure and governance document. A small workgroup of CoC members was convened to put together recommendations on these items. A document addressing governance and structure was presented to the current CoC Board and is open for feedback from that body until mid-December. Next steps include a review and incorporation of feedback, additional presentation to the CoC Board, and final presentation and hopeful approval from the full CoC membership. The new executive director has also been very busy connecting with CoC members, current committees, and other interested parties.

CoC Builds Application Update

MaineHousing submitted an application for HUD’s CoC Builds Program competition in mid-November. The program aims to fund new permanent supportive housing units and is a national competition for funds. The Maine CoC submitted a proposal for two projects totaling almost \$10 million. HUD has not announced when decisions will be made but has made it clear that this funding is to be deployed quickly, and we are hopeful to hear about grant awards in early 2025.

Long Term Solutions RFP Awards

On November 21st, MaineHousing announced the award of 22 grants for Long Term Solutions to Homelessness totaling \$7.7 million in funding. Responses to the RFP included requests for over 34 million dollars. Awards include funding for rapid rehousing, shelter, permanent housing, rental assistance, legal services, and other housing focused services and span the state geographically. The funded programs are innovative and collaborative and will also leverage local funding.

HOPE Update

The Housing Opportunities for People in Encampments (HOPE) program has enrolled 68 persons since it started earlier in the year. The program is a collaboration between four service providers in Portland and aims to connect persons experiencing unsheltered homelessness with supports and

housing. Currently, there have been 21 housing placements, 11 persons brought into shelter, and 14 pending placements. The providers have done a lot of work to be innovative in their housing solutions, as resources are scarce, and they continue to build momentum.

PIT Count Preparation

The Maine CoC, Hub Coordinators, and MaineHousing are gearing up for the 2025 Point In Time count. The count will take place on January 22, 2025 with a week of service based days to follow. Service based count days allow providers to survey and count persons experiencing homelessness on the night of the 22nd during follow up service interactions to ensure the most accurate count is achieved. Preparation for the count includes recruiting volunteers, coordinating donations, training, creating documentation and resources, and communication. The Hub Coordinators have lead the unsheltered portion of the count for a couple of years now and have been able to add value by enhancing community collaboration and making the event a more person centered endeavor by connecting persons counted on the night with services and needed items.

Service Hub Implementation – Built for Zero Initiative

In November, all 9 Hub Coordinators and 20 providers represented Maine at the 2024 Built for Zero Learning Session in Minneapolis. We joined 37 other states and 4 countries to share ideas with peer leaders and learn about emergent solutions to solving homelessness, while also celebrating milestones and achievements in the Built for Zero movement to end homelessness.

2024 marks the third year that Maine has been invited to the annual Built for Zero Learning Session, but the first time that all 9 Hub Coordinators have been on board and able to attend with some of the providers from those hubs. In addition to the Hub Coordinators, 20 staff from 13 organizations went to Minneapolis, along with Amy Holland from MaineHousing, who coordinates the Hub Coordinator initiative.

This event is called a "Learning Session" and not a "conference" for good reason. Aside from plenaries and breakout sessions, there is also dedicated facilitated team planning time for each community or hub to receive coaching from the Built for Zero team. Coaching is provided to improve community-wide system coordination; develop, revisit and revise strategic-plans for ending homelessness; and review data to evaluate ongoing success towards goals.

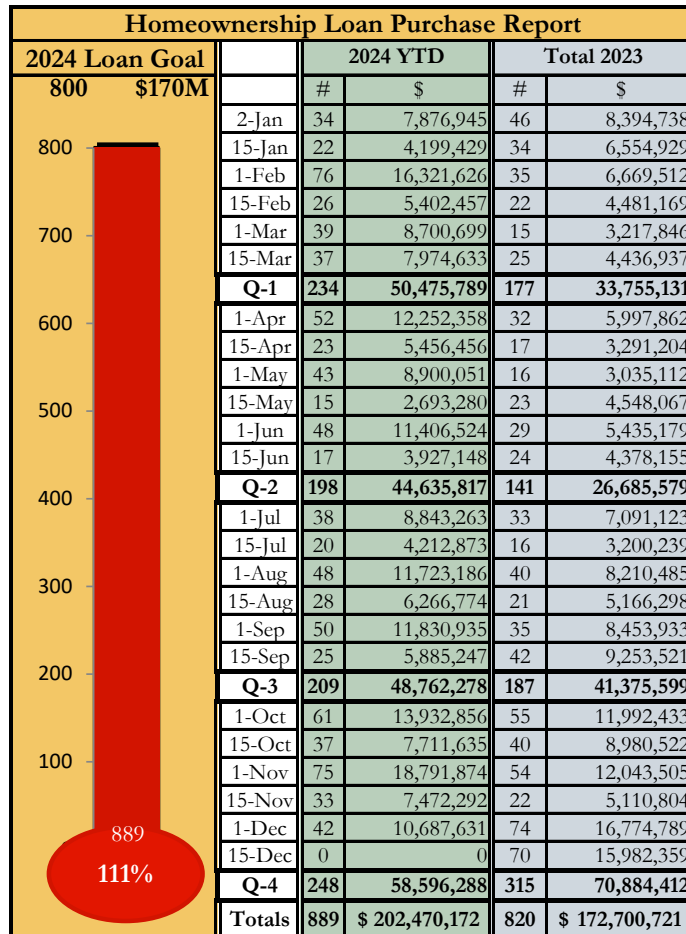
Several communities were celebrated at the Learning Session for reaching huge milestones, such as achieving Quality Data or reaching Functional Zero (effectively ending homelessness for a specific population). Although Maine has not reached either of those milestones yet, we were celebrated for other reasons. Maine is one of five states implementing a state-wide Built for Zero initiative, also called large-scale change. Maine is pioneering the Hub model and has both statewide and Hub-level goals towards ending homelessness. Amy Holland (Homeless Response System Coordinator) was also recognized at the learning session for being one of a handful of people in the country who is a Place-Based Coach for Built for Zero, which is a pilot program to lead systems improvement and collaborative problem-solving at the state level.

Homeownership Department Memorandum

To: MaineHousing Board of Commissioners
From: Patricia Harriman, Director of Homeownership
Date: December 9, 2024
Subject: Monthly Report – Homeownership Department

PRODUCTION UPDATE

Following is a snapshot of loans purchased and reserved to date in 2024 as compared to 2023.



| Monthly Loan Reservations: 12/01/24 | |
|-------------------------------------|---------------|
| # | \$ Volume |
| 96 | \$ 22,980,061 |

| Loan Pipeline as of: 12/01/24 | |
|-------------------------------|---------------|
| # | \$ Volume |
| 248 | \$ 57,221,839 |

| Loan Reservation Comparison | | | | | |
|-----------------------------|--------------|---------------|---------------|--------------|-----------|
| November 2023 | | November 2024 | | 2023 vs 2024 | |
| # | \$ Volume | # | \$ Volume | # | \$ Volume |
| 345 | \$74,121,271 | 248 | \$ 57,221,839 | -28% | -23% |

PROGRAM HIGHLIGHTS

2024 is quickly coming to an end and what a year it has been. With one transfer to go Homeownership employees have been busy finalizing the last funding of a record breaking year. More than 900 first time homebuyers achieved their dream of homeownership with the help of our programs.

The year started with so much uncertainty in the market: inventory was still low, rates on the secondary market were still high, and home prices continued to rise. In the midst of rising home prices was the volatile market and the continuation of homes selling for more than asking price with multiple bidders. The year started off with the average home price in Maine at \$353,000 and by November that had risen to \$401,297. Volatile rates continued throughout the year and despite the Fed lowering the overnight rates, mortgage rates did not drop below an average of 6.5%.

Forecasting the future of a first time home buyer looked like a challenge. How could a first time homebuyer afford these prices? The down payment? How can they compete against multiple offers and how can they be as competitive?

Homebuyers across the state continued to pursue the dream of homeownership even in an inventory challenged market. While sales increased year over year the reality remains Maine needs additional housing supply. Paul McKee, President of the Maine Association of Realtors stated “As markets gradually move toward a better balance with increasing supply, aspiring buyers have more choice and a better negotiation position for affordability.”

Maine Housing’s First Home Loan, as well as its other First Time Homebuyer programs, has allowed buyers to compete in the market and truly realize the dream of homeownership.

As we close out 2024 we begin to look forward to 2025. Many believe the market will still have its challenges as we enter the New Year. Rates remain higher than expected and inventory remains low. We are poised and ready to share our programs and continue to share the success stories. Homeownership remains the dream for many, and together we will help make it a reality.

Our team wishes you all a Happy Holiday Season!

Housing Choice Vouchers Department Memorandum

To: MaineHousing Board of Commissioners

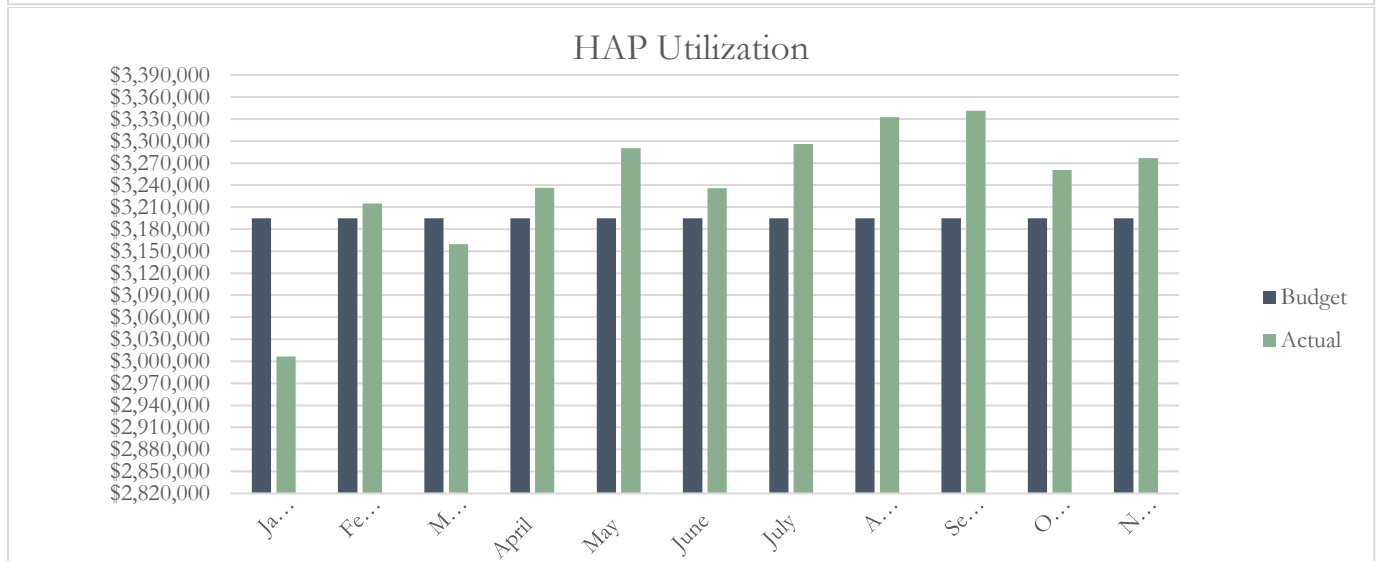
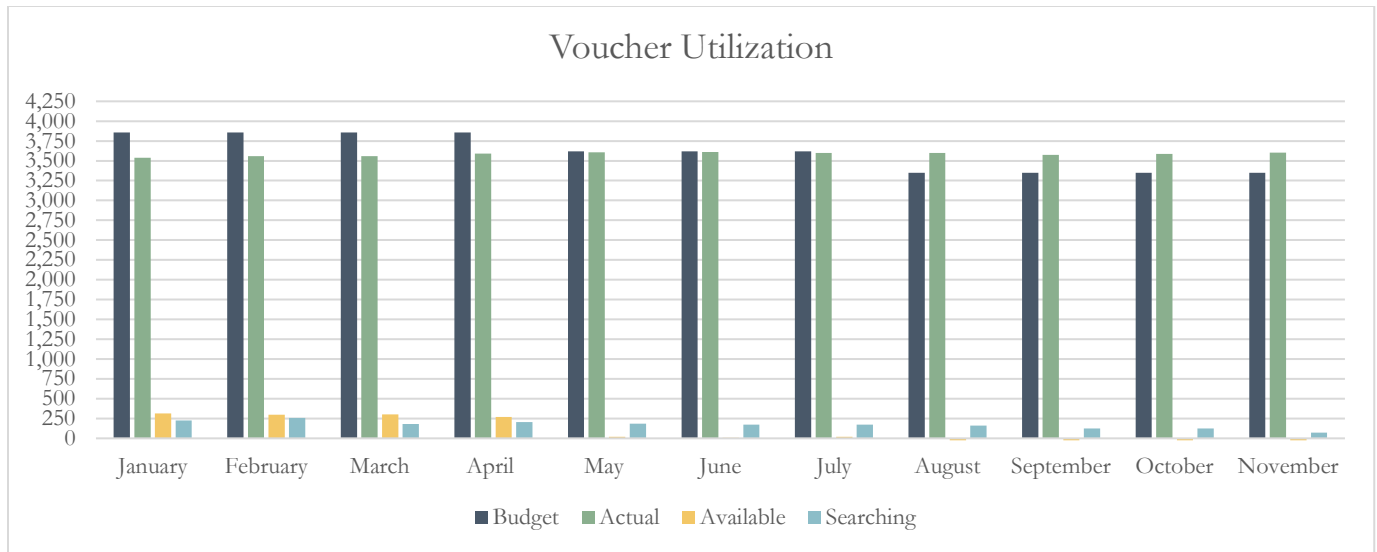
From: Allison Gallagher - Director of HCV Programs

Date: December 17, 2024

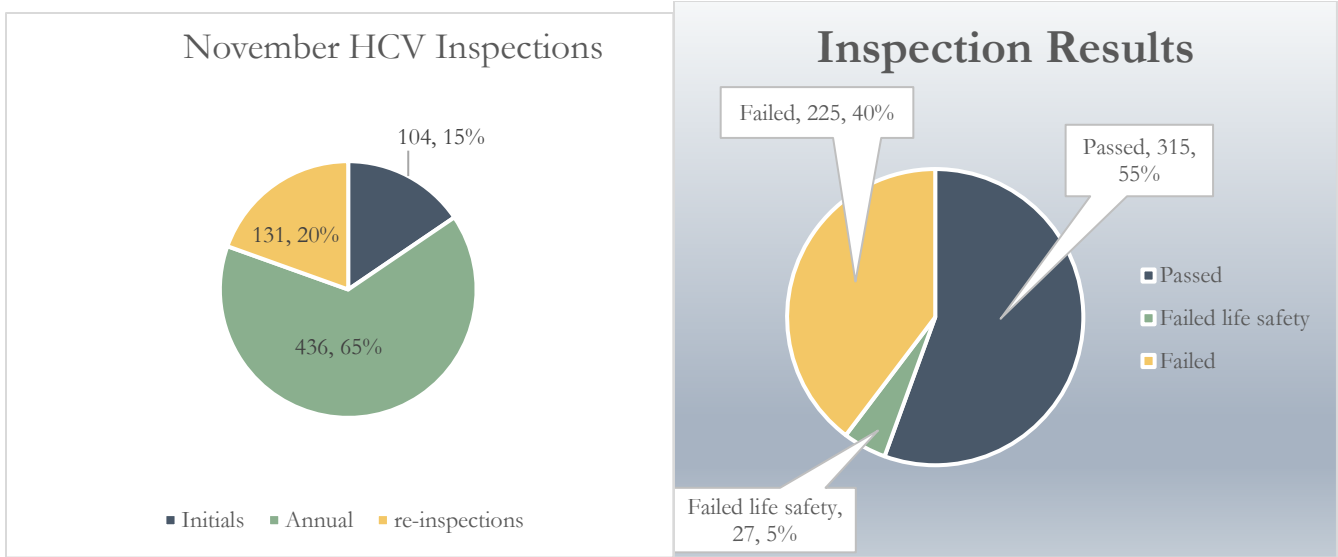
Subject: Monthly Report – Housing Choice Voucher Program

Program Updates:

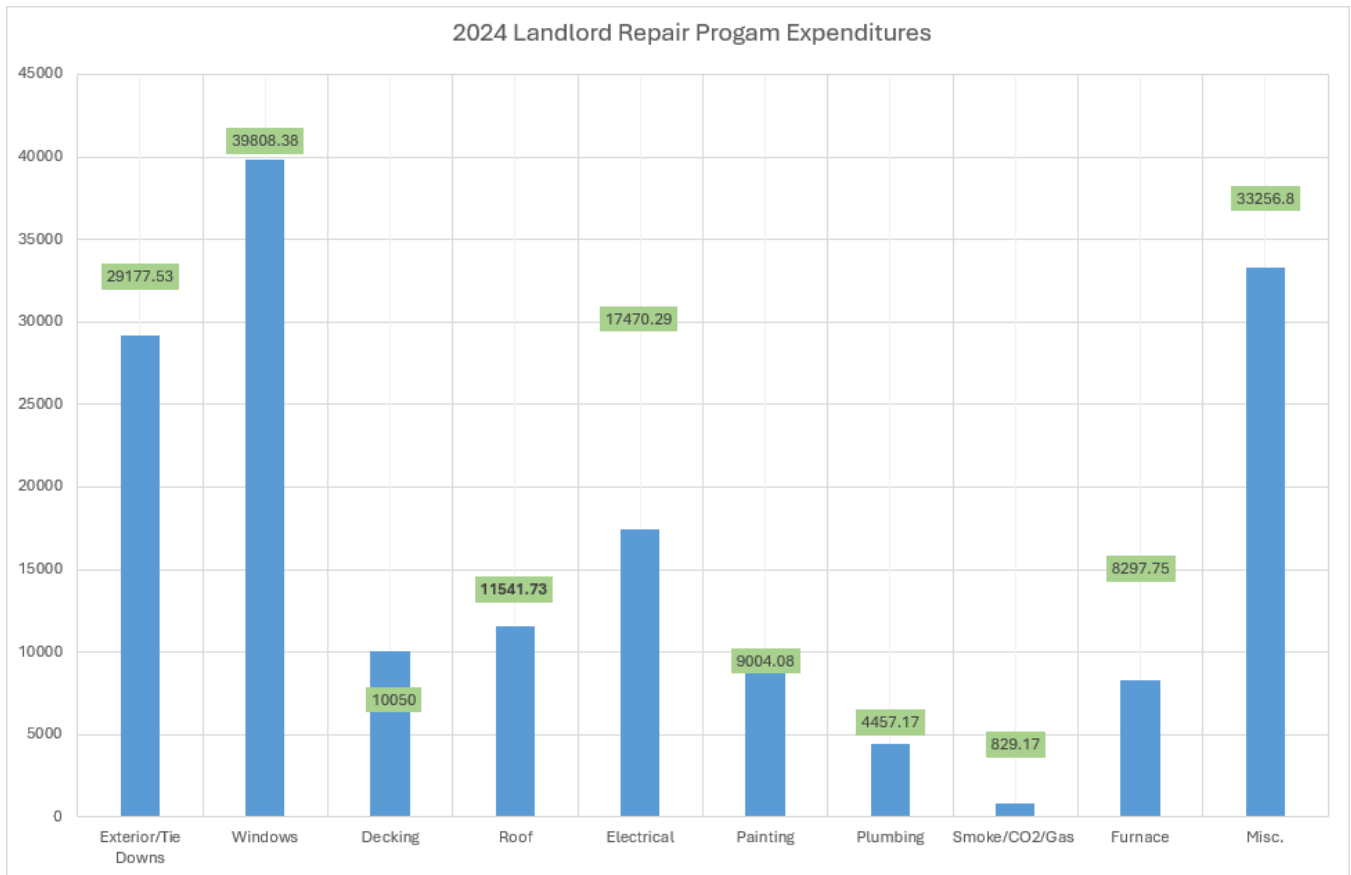
The Housing Choice Voucher Administrative plan has been updated effective January 1, 2025. 2025 Voucher Payment Standards and Utility Allowances have also been updated. The full version of the administrative plan and the updated VPS and Utility charts can be found on our website at [Housing Choice Vouchers](#). I have attached a summary of changes in the HCV Administrative Plan at the end of this report.



Inspection Updates:

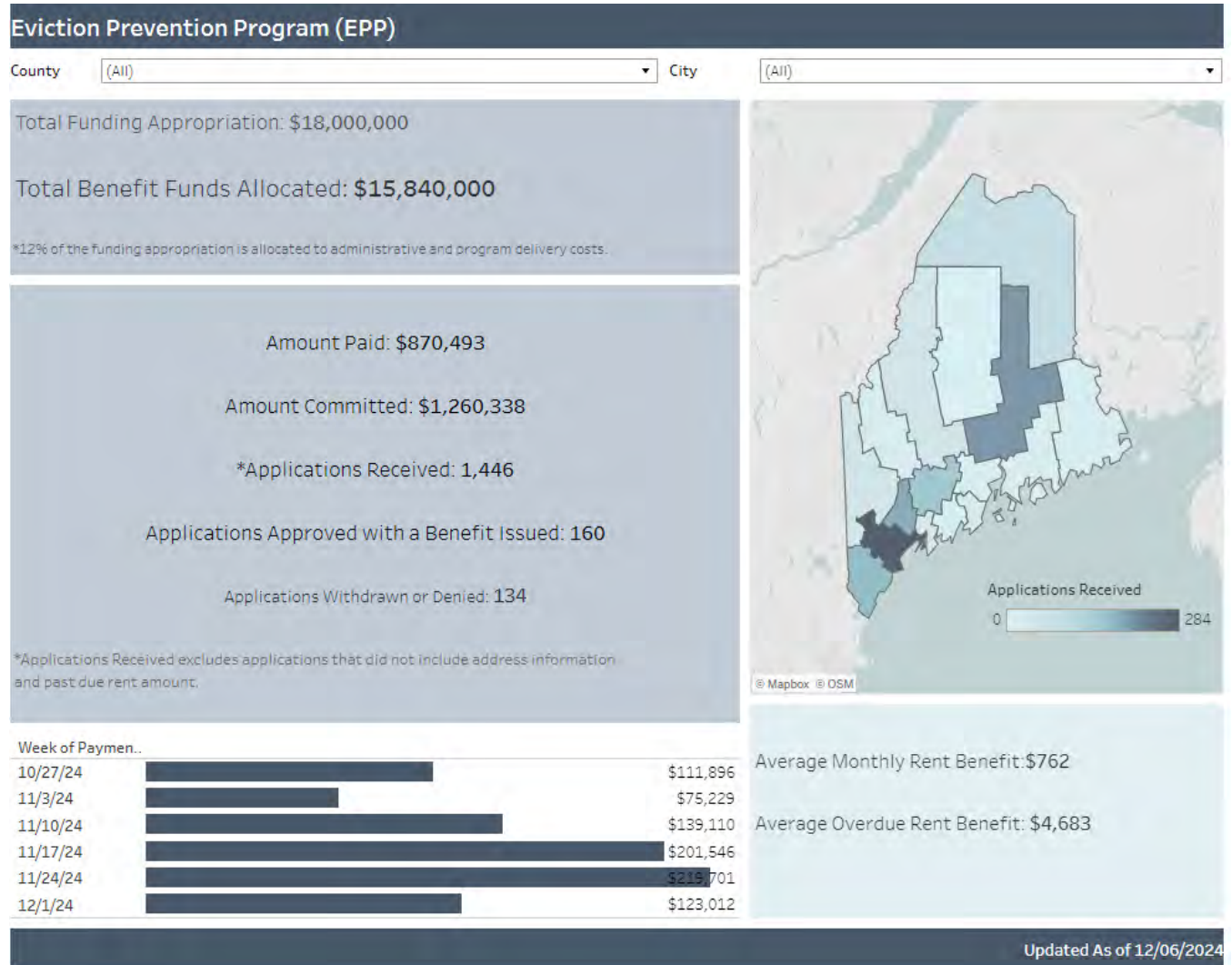


- **Total to date LL Repair Program – \$163,892**
- **Total to date Damage Reimbursement Program – \$49,929**



Eviction Prevention Program (EPP):

The below dashboard can be found on the MaineHousing website for current program information. It allows a user to drill down by county and city as well.



Changes for January 1, 2025 HCV Administrative Plan

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|--------------|-----------|--|---|
| All | Varies | Nan McKay | Added human trafficking as a VAWA consideration factor | |
| 1/19 | Introduction | Nan McKay | Added Introductory Chapter which outlines References & Resources sited in the Plan | |
| 9/27 | 1-II.A. | Nan McKay | <p>Added HOTMA implementation language:</p> <p>On September 18, 2024, HUD announced that PHAs will not be required to be compliant with HOTMA Section 102 and 104 income and assets provisions by January 1, 2025, except for the Earned Income Disregard (EID) provisions. Although the implementation of the HOTMA Section 102 and 104 Final Rule remains in effect, these income and asset provisions of the final rule require access to new HOTMA-compliant HUD-50058 forms in the Housing Information Portal (HIP), the not-yet-released replacement for IMS/PIC. However, HIP will not be ready by January 1, 2025.</p> | <p>Due to portions of final HOTMA rule requiring access to new Housing Information Portal (HIP) which will not be ready for 1/1/25.</p> <p>MaineHousing has adopted some of the allowed policies and attached a HOTMA Policy Supplement to the Plan</p> |
| 15/33 | 1-III.B. | Nan McKay | <p>Added PBV and Special Purpose Vouchers to Contents of Plan listing</p> <ul style="list-style-type: none"> • Policies governing the project-basing of vouchers in both the standard Project-Based Voucher (PBV) program (Chapter 17) and the RAD Project-Based Voucher program (MaineHousing does not have a RAD PBV program at this time, so this information has been omitted); and • Special policies governing any special purpose vouchers issued by the PHA (Chapter 19). | These sections existed as part of the 2023 Plan but were not listed here |
| 20/38 | 2-I.C. | Nan McKay | Discrimination Complaints revised to include Complaints under Equal Access Final Rule and VAWA Complaint Processing | Reviewed against Agency Policy and removed 10 Business Day deadline to maintain consistency. |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|---------|-----------|--|---|
| 37/55 | 3-I.B. | Nan McKay | <p>Added Eligible Youth to definition of Family (per Notice PIH 2014-20)</p> <p><u>New Language:</u> an otherwise eligible youth who has attained at least 18 years of age and not more than 24 years of age and who has left foster care, or will leave foster care within 90 days, in accordance with a transition plan described in section 475(5)(H) of the Social Security Act (42 U.S.C. 675(5)(H)), and is homeless or is at risk of becoming homeless at age 16 or older;</p> | <p>To be eligible for assistance, an applicant must qualify as a family. <i>Family</i> as defined by HUD includes, but is not limited to the following, regardless actual or perceived sexual orientation, gender identity, or marital status, a single person, who may be an elderly person, disabled person, near-elderly person, or any other single person;</p> |
| 39/57 | 3-I.F. | Nan McKay | <p>Changed Section title from Dependents to Dependents and Minors and added definition of Minor</p> <p>A <i>minor</i> is a member of the family, other than the head of family or spouse, who is under 18 years of age.</p> | |
| 41/60 | 3-I.K. | Nan McKay | <p><u>New Definition</u> of Foster Adult and Foster Child:</p> <p>A <i>foster adult</i> is a member of the household who is 18 years of age or older and meets the definition of a <i>foster adult</i> under state law. In general, a foster adult is a person who is 18 years of age or older, is unable to live independently due to a debilitating physical or mental condition and is placed with the family by an authorized placement agency or by judgment, decree, or other order of any court of competent jurisdiction.</p> <p>A <i>foster child</i> is a member of the household who meets the definition of a <i>foster child</i> under state law. In general, a foster child is placed with the family by an authorized placement agency (e.g., public child welfare agency) or by judgment, decree, or other order of any court of competent jurisdiction.</p> | <p><i>Foster adults</i> are usually persons with disabilities, unrelated to the tenant family, who are unable to live alone.</p> <p>The term <i>foster child</i> is not specifically defined by the regulations.</p> |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|--------------|----------|--|---|--|
| 46/64 | 3-II.A. | HUD | Added Low Income Family (80% AMI) participating in VASH to Income Eligibility Limits | Previous limit for Family participating in VASH was Very Low Income (50% AMI) |
| 49/67 | 3-II.D. | Early HOTMA (Included in HOTMA Policy Supplement) | Added policy regarding denial of admission if HUD 9886-A (previously HUD 9886) is not signed or if consent is revoked prior to Admission. This new version of the form is signed at Admission and remains in effect until participation in the program is ended or consent is revoked. <u>MaineHousing Policy</u> MaineHousing has established a policy that the family's failure to sign HUD Form 9886 or revocation of consent to allow MaineHousing to access records from financial institutions will result in denial of admission. | Previously HUD Form 9886 Consent to Release Information was required to be signed annually so revocation of consent was not addressed <u>Old Language:</u> The PHA must deny admission to the program if any member of the applicant family fails to sign and submit the consent forms for obtaining information. |
| 56/74 | 3-III.A. | Nan McKay | Added Denial Language and Language about effects of final rule dated 3/31/23 to Overview section <u>New Denial Language:</u> A PHA may deny assistance for an applicant because of the family's action or failure to act as described in 24 CFR 982.552 or 982.553. <u>New Final Rule Language:</u> HUD codified its stance on disparate impact and discriminatory effects in a final rule dated March 31, 2023. In doing so, HUD also standardized its long-practiced three-step approach to assessing burdens of proof. | A family that does not meet the eligibility criteria discussed in Parts I and II, must be denied assistance. INSERT NEW DENIAL LANGUAGE HERE In this section we will discuss other situations and circumstances in which denial of assistance is mandatory for the PHA, and those in which denial of assistance is optional for the PHA. |
| 58/76 | 3-III.B. | Nan McKay | Added to Mandatory Denial of Assistance reasons based on change to section 3-II.D. Any member of the family fails to sign and submit consent forms for obtaining information. | |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|----------|-----------|---|---|
| 59/77 | 3-III.C. | Nan McKay | <p>Updated MaineHousing Policy to update definition of Immediate Vicinity and add definition of Criminal Sexual Conduct to list of criminal activity.</p> <p>Immediate Vicinity means within a three-block radius of the premises.</p> <p>Criminal Sexual Conduct, including but not limited to sexual assault, incest, open and gross lewdness, or child abuse</p> | Previously Immediate Vicinity was defined as within a half mile radius and Criminal Sexual Conduct was not specified as criminal activity. |
| 118/136 | 6-I.E. | Nan McKay | <p>Earned Income Disallowance (EID) eligibility information removed and <u>HOTMA language added</u>:</p> <p>No new families may be added on or after January 1, 2024.</p> <p>EID will be sunset on January 1, 2026.</p> <p>If a family is receiving the EID prior to or on the effective date of December 31, 2023, they are entitled to the full amount of the benefit for a full 24-month period.</p> | Earned income disallowance (EID) encouraged people with disabilities to enter the work force by not including the full value of increases in earned income for a period of time. |
| 150/168 | 6-III.D. | Nan McKay | <p>Added policy on granting requests for individual relief from charges in excess of UA outside of standard Reasonable Accommodation process</p> <p><u>MaineHousing Policy</u> MaineHousing may also grant requests for relief from charges in excess of the utility allowance on reasonable grounds, such as special needs of the elderly/ill, or special factors not within control of the resident, as MaineHousing deems appropriate.</p> <p>The family must request the higher allowance and provide MaineHousing with an explanation of the need for the individual relief and information about the amount of additional allowance required.</p> | <p><u>Standard Reasonable Accommodation (RA) process</u>: HCV program regulations require a PHA to approve a utility allowance amount higher than shown on the PHA’s schedule if a higher allowance is needed as a reasonable accommodation for a family member with a disability</p> |
| 159/177 | Exhibits | Nan McKay | Removed Exhibit 6-4 Earned Income Disallowance (EID) | Previous Exhibit 6-5 is now 6-4 |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|---------|---|--|---|
| 162/180 | 7-I.A. | Early HOTMA (Included in HOTMA Policy Supplement) | <p>Updated Family Consent to Release Information Section Participants, prior to January 1, 2024, signed and submitted Form HUD-9886 at each annual reexamination. HOTMA eliminated this requirement and instead required that the Form HUD-9886 be signed only once.</p> <p>On or after January 1, 2024 (regardless of the PHA's HOTMA compliance date), current program participants must sign and submit a new Form HUD-9886 at their next interim or annual reexamination. This form will only be signed once.</p> <p>Another Form HUD-9886 will not be submitted to the PHA except under the following circumstances:</p> <ul style="list-style-type: none"> • When any person 18 years or older becomes a member of the family. • When a current member of the family turns 18; or • As required by HUD or the PHA in administrative instructions. | <p><u>Previous Language:</u> It is required that all adult applicants and participants sign form HUD-9886, Authorization for Release of Information.</p> <p>The purpose of form HUD-9886 is to facilitate automated data collection and computer matching from specific sources and provides the family's consent only for the specific purposes listed on the form. HUD and the PHA may collect information from State Wage Information Collection Agencies (SWICAs) and current and former employers of adult family members.</p> |
| 162/180 | 7-I.A. | Early HOTMA (Included in HOTMA Policy Supplement) | <p>Added policy - if family to revokes consent to verify it will result in denial or termination.</p> <p><u>MaineHousing Policy</u> MaineHousing has established a policy that revocation of consent to access financial records will result in denial of admission or termination of assistance in accordance with MaineHousing policy.</p> <p>In order for a family to revoke their consent, the family must provide written notice to MaineHousing.</p> <p>Within 10 business days of the date the family provides written notice, MaineHousing will send the family a notice acknowledging receipt of the request and explaining that revocation of consent will result in denial or termination of assistance, as applicable.</p> | |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|---------|--|---|--|
| 163/181 | 7-I.B. | Early HOTMA (Included in HOTMA Policy Supplement) | <p>Updated 60-day Verification Requirements to 120 days & added statement regarding fixed income sources.</p> <p><u>MaineHousing Policy</u> Any documents used for verification generally must be dated within 120 days of the date they are provided to MaineHousing</p> <p>For fixed income sources a statement dated within the appropriate benefit year is acceptable documentation.</p> | <p><u>Previous MaineHousing Policy</u> Any documents used for verification generally must be dated within 60 days of the date they are provided to MaineHousing.</p> |
| 166/184 | 7-I.D. | Early HOTMA (Included in HOTMA Policy Supplement) | <p>Changed 60-day Third Party Verification requirement to 120 days & added statement regarding fixed income sources</p> <p><u>MaineHousing Policy</u> Third-party documents provided by the family must be dated within 120 days of the MaineHousing request date.</p> <p>For fixed income sources a statement dated within the appropriate benefit year is acceptable documentation.</p> | <p><u>Previous MaineHousing Policy</u> Third-party documents provided by the family must be dated within 60 days of the MaineHousing request date.</p> |
| 171/189 | 7-II.B. | Early HOTMA (Included in HOTMA Policy Supplement) | <p>Added option to self-certify SSN: While PHAs must attempt to gather third-party verification of SSNs prior to admission as listed above, PHAs also have the option of accepting a self-certification and a third-party document (such as a bank statement, utility or cell phone bill, or benefit letter) with the applicant's name printed on it to satisfy the SSN disclosure requirement if the PHA has exhausted all other attempts to obtain the required documentation. If verifying an individual's SSN using this method, the PHA must document why the other SSN documentation was not available.</p> <p><u>MaineHousing Policy</u> MaineHousing will verify an individual's SSN in the situations described above using the method described above as a last resort when no other forms of verification of the individual's SSN are available.</p> | |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|----------|-----------|---|---|
| 195/213 | 8-I.B. | MSHA | <p>Added new requirement for smoke detector locations and sealed Tamper proof batteries.</p> <p><u>MaineHousing Policy</u> In addition to HQS, MaineHousing has adopted the following required inspection and performance standards:</p> <ol style="list-style-type: none"> 1. Smoke detectors are required inside each sleeping room, outside each sleeping room, within 21 feet of all bedroom doors and on every level of dwelling unit. All smoke detectors which are solely battery-operated must have sealed, tamper-proof batteries. 2. Hard-wired with battery backup smoke detectors must be installed on all floors including the basement and enclosed interior common hallways in units in apartment buildings with 3 or more units. As a substitute, in the common hallways a 10-year sealed tamper-resistant battery powered smoke detector may be installed. | <p><u>MaineHousing Policy</u> In addition to HQS, MaineHousing has adopted the following required inspection and performance standards:</p> <ol style="list-style-type: none"> 1. Hard-wired with battery backup smoke detectors must be installed on all floors including the basement and enclosed interior common hallways in units in apartment buildings with 3 or more units. As a substitute, in the common hallways a 10-year sealed tamper-resistant battery powered smoke detector may be installed. |
| 210/228 | 8-II.F | MSHA | <p>Removed requirement to send notice of 24 Hour Fails via certified mail from Policy</p> <p><u>MaineHousing Policy</u> When life-threatening conditions are identified, MaineHousing will immediately notify both parties by telephone or email. The verbal notification must be followed up in writing, facsimile, or email. The notice will specify who is responsible for correcting the violation. The corrective actions must be taken within 24 hours of MaineHousing's notice.</p> | <p><u>Removed:</u> If MaineHousing is unable to contact the owner or its agent by phone or in person, the written notice must be sent by certified mail.</p> |
| 258/276 | 11-II.B. | Nan McKay | <p>Updated Reporting requirements for reporting changes in Household Composition to 10 Business days from 14 Calendar Days.</p> <p><u>MaineHousing Policy</u> All families must report all changes in family and household composition that occur between annual reexaminations within 10 business days of the change.</p> | <p><u>MaineHousing Policy</u> The family must inform MaineHousing of the birth, adoption, or court-awarded custody of a child within 14 days</p> |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|-----------|-----------|--|---|
| 260/278 | 11-II.B. | MSHA | <p>Added Language & Policy clarifying Changes in Family Unit Size (per HUD Notice PIH 2024-34)</p> <p><u>MaineHousing Policy</u> If the family unit size (voucher size) increases during the term of a HAP contract, the new family unit size will be used to determine the payment standard immediately. If the family unit size (voucher size) decreases during the term of a HAP contract the new family unit size will be used at the family's first regular reexamination following the change in family unit size (voucher size).</p> | No change in policy. Previously this information was only addressed in Part III of Chapter 11 Recalculating Family Share and Subsidy Amount |
| 260/278 | 11-II.C. | Nan McKay | <p>Updated Reporting requirements for reporting changes in Household Composition to 10 Business days from 14 Calendar Days.</p> <p>Changes in income must be reported within 10 business days of the change.</p> | Changes in income must be reported within 14 days of the change. |
| 263/281 | 11-III.B. | MSHA | <p>Added policy regarding changes in Payment Standards (per HUD Notice PIH 2024-34)</p> <p><u>MaineHousing Policy</u> If MaineHousing changes its payment standard schedule resulting in a higher payment standard during the term of the HAP contract the increased payment standard will be applied at the Family's first regular or interim reexamination.</p> <p><u>MaineHousing Policy</u> If MaineHousing changes its payment standard schedule resulting in a lower payment standard amount, during the term of a HAP contract, MaineHousing will not reduce the payment standard used to calculate subsidy for families under HAP contract as long as the HAP contract remains in effect. MaineHousing will not establish different policies for decreases in the payment standard for designated areas within their jurisdiction.</p> | No change in policy. These policies were previously required by HUD, Notice PIH 2024-34 adds option to establish policies updating VPS at time of change regardless of increase or decrease in VPS. |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|--------------|-----------|-----------|--|--|
| 277/295 | 12-II.E. | Nan McKay | <p>Added VAWA language regarding Human trafficking</p> <p>Although the VAWA 2022 statute does not specifically include human trafficking in the list of victims protected under VAWA, in 2022 HUD began including human trafficking as part of the list of victims protected under VAWA (as seen in Notices PIH 2022-06, PIH 2022-22, and PIH 2022-24). In the absence of a final rule implementing VAWA 2022 and to mirror HUD's recent usage, this policy includes human trafficking in addition to domestic violence, dating violence, sexual assault, and stalking anywhere such a list appears.</p> | |
| 278/296 | 12-II.E. | Nan McKay | <p>Added VAWA language regarding retaliation</p> <p>PHAs and owners may not coerce, intimidate, threaten, interfere with, or retaliate against any person who exercises or assists or encourages a person to exercise any rights or protections under VAWA [FR Notice 1/4/23].</p> | |
| 302/320 | 13-II.E. | Nan McKay | <p>Revised wording in MH policy on termination of HAP contract</p> <p><u>MaineHousing Policy</u> Generally, the HAP contract terminates at the end of the calendar month that follows the calendar month in which the PHA gives written notice to the owner.</p> <p>The PHA cannot make any HAP payment for any month after the month the family vacates the unit. The PHA cannot make any HAP payment for any month after the month the family vacates the unit.</p> | <p><u>MaineHousing Policy</u> In all cases, the HAP contract terminates at the end of the calendar month that follows the calendar month in which MaineHousing gives written notice to the owner. The owner is not entitled to any housing assistance payment after this period and must return to MaineHousing any housing assistance payment received after this period.</p> |
| 332/350 | 15-VII.A. | Nan McKay | <p>Added policy about Homeowner option</p> <p><u>MaineHousing Policy</u> MaineHousing will offer the monthly homeownership assistance payments to qualified families.</p> | |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|-----------|-----------|--|--|
| 333/351 | 15-VII.B. | Nan McKay | <p>Added policy defining continuously employed</p> <p><u>MaineHousing Policy</u> Families will be considered “continuously employed” if the break in employment does not exceed four months.</p> | |
| 334/352 | 15-VII.C. | MSHA | Increased HO participation to 75 | Previously capped at 50 |
| 336/354 | 15-VII.G. | Nan McKay | <p>Added policies elaborating on Home Inspections</p> <p><u>MaineHousing Policy</u> When the family locates a home, they wish to purchase and submits a copy of their purchase offer/contract, MaineHousing will conduct a housing quality standards (HQS) inspection. Any items found not to meet HQS must be repaired before the unit can be determined eligible for the homeownership program.</p> | |
| 342/361 | 15-VII.K. | Nan McKay | <p>Added policy on Cooperative Maintenance Fees and Land Lease Payments</p> <p><u>MaineHousing Policy</u> MaineHousing will use the following amounts for homeownership expenses:</p> <p>Monthly homeownership payment. This includes principal and interest on initial mortgage debt, taxes and insurance, public assessments, and any mortgage insurance premium, if applicable.</p> <p>Utility allowance. MaineHousing’s utility allowance for the unit, based on the current HCV utility allowance schedule.</p> <p>Monthly maintenance/major repair/replacement allowance. A single monthly maintenance/repair/replacement allowance will be provided at \$120 per month.</p> <p>Monthly co-op/condominium assessments. If applicable, the monthly amount of co-op or condominium association operation and maintenance assessments.</p> <p>Monthly principal and interest on debt for improvements. Principal and interest for major home repair, replacements, or improvements, if applicable.</p> <p>Land lease payments. Land lease payments where a family does not own fee title to the real property on which the home is located.</p> | <p>Previously only general statement provided and no clarification of what made up charges/fees:</p> <p>Cooperative operating charges or maintenance fees assessed by the cooperative homeowner association.</p> |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|-----------|-----------|---|--|
| 343/361 | 15-VII.K. | Nan McKay | <p>Added policy on paying HO assistance to Lender <u>MaineHousing Policy</u></p> <p>MaineHousing’s housing assistance payment will be paid directly to the family. It will be the family’s responsibility to make the entire payment to the lender. MaineHousing may make an exception if the family requests the payment to go directly to the lender, and this arrangement is acceptable to the mortgage company. If the assistance payment exceeds the amount due to the lender, MaineHousing must pay the excess directly to the family.</p> | |
| 344/363 | 15-VII.M. | Nan McKay | <p>Added policy on moving with continued assistance <u>MaineHousing Policy</u></p> <p>For families participating in the homeownership option, requests to move will be approved and/or denied in accordance with MaineHousing policies in Chapter 10.</p> <p>MaineHousing will not require additional counseling of any families who move with continued assistance.</p> | |
| 344/363 | 15-VII.N. | Nan McKay | <p>Added policy on granting relief for Zero HAP Homeownership families and termination of Homeownership Assistance <u>MaineHousing Policy</u></p> <p>In order for MaineHousing to consider granting relief from the requirement to automatically terminate homeownership assistance 180 days following MaineHousing’s last housing assistance payment on behalf of the family, the family must submit a written request to MaineHousing at least 30 days prior to the date of automatic termination.</p> | Previously relief for Zero HAP was not offered |
| 384/403 | 16-VI.B. | Nan McKay | <p>Added policy on record retention for complaints <u>MaineHousing Policy</u></p> <p>MaineHousing will keep for at least three years records of all complaints, investigations, notices, and corrective actions related to violations of the Fair Housing Act, the equal access final rule, or VAWA.</p> <p>MaineHousing must keep confidential records of all emergency transfer requested by victims of domestic violence, dating violence, sexual assault, and stalking, and human trafficking under the MaineHousing’s Emergency Transfer Plan, as well as the outcomes of such requests, and retain the records for a period of three years</p> | |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|----------|-----------|---|------------------|
| 389/407 | 16-IX.B. | Nan McKay | <p>Added definition of affiliated individual, Economic Abuse and Technological Abuse</p> <p>The term affiliated individual means, with respect to a person:</p> <ul style="list-style-type: none"> - A spouse, parent, brother or sister, or child of that individual, or an individual to whom that individual stands in the position or place of a parent; or - Any other individual, tenant, or lawful occupant living in the household of the victim of domestic violence, dating violence, sexual assault, or stalking. <p>The term economic abuse means behavior that is coercive, deceptive, or unreasonably controls or restrains a person’s ability to acquire, use, or maintain economic resources to which they are entitle, including using coercion, fraud, and manipulation to:</p> <ul style="list-style-type: none"> - Restrict a person’s access to money, assets, credit, or financial information. - Unfairly use a person’s personal economic resources, including money, assets, and credit, for one’s own advantage. - Exert undue influence over a person’s financial and economic behavior or decisions, including forcing default on joint or other financial obligations, exploiting powers of attorney, guardianship, or conservatorship, or to whom one has a fiduciary duty. <p>The term technological abuse means an act or pattern of behavior that occurs within domestic violence, dating violence, sexual assault, or stalking and is intended to harm, threaten, intimidate, control, stalk, harass, impersonate, exploit, extort, or monitor another person, except as otherwise permitted by law, that occurs using any form of technology, including but not limited to:</p> <ul style="list-style-type: none"> - Internet enabled devices - Online spaces and platforms - Computers - Mobile devices - Cameras and imaging programs - Apps - Location tracking devices - Communication technologies - Any other emergency technologies | |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|-----------------|-----------|-----------|--|------------------|
| 449/467 | 17-VII.C. | Nan McKay | <p>New section on Emergency Transfers under VAWA w/PBVs</p> <p>Emergency Transfers under VAWA [Notice PIH 2017-08] Except where special consideration is needed for the project-based voucher program, the PHA will follow VAWA policies as outlined in Chapter 16 Part IX of this administrative plan, including using the Emergency Transfer Plan as the basis for PBV transfers under VAWA (Exhibit 16-4). HUD requires that the PHA include policies that address when a victim has been living in a unit for less than a year or when a victim seeks to move sooner than a tenant-based voucher is available. MaineHousing Policy When the victim of domestic violence, dating violence, sexual assault, stalking, or human trafficking has lived in the unit for less than one year, MaineHousing will provide several options for continued assistance. MaineHousing will first try to transfer the participant to another PBV unit in the same development or transfer to a different development where MaineHousing has PBV units. MaineHousing will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible. If no units are available for an internal transfer, or if there is reasonable cause to believe that such a transfer would put the victim in jeopardy, the participant may receive continued assistance through an external transfer to either tenant-based rental assistance (HCV). Such a decision will be made by MaineHousing based on the availability of tenant-based vouchers and/or vacancies in public housing units. Such families must be selected from the waiting list for the applicable program. In order to expedite this process victims of domestic violence, dating violence, sexual assault, stalking, and human trafficking will be given priority in accordance with the Homeless Priority. See Section 4-III.C. of this administrative plan. If a victim wishes to move after a year of occupancy in the unit, but no tenant-based vouchers are available, MaineHousing will offer the participant an internal transfer to another PBV unit in the same development or a transfer to a different development where the PHA has PBV units. MaineHousing will expedite the administrative processes in this case in an effort to conduct the transfer as quickly as possible.</p> | |

| Page Doc/PDF | Section | Source | Changes Made | Previous Version |
|--------------|----------|-----------|---|--|
| 501/ | 18-IV.E. | MSHA | Added Mainstream specific Voucher Extension Policy <u>MaineHousing Policy</u> MaineHousing will automatically approve one 90-day extension upon verbal or written request from the family. MaineHousing will approve additional extensions in accordance with the policies in Part II.E. of Chapter 5 | Flexible extension policy to assist with challenges Mainstream Voucher Applicants may face in securing a unit |
| 535/ | TPS-V.F. | MSHA | Updated policy indicate that we will not be establishing a higher VPS for Emergency Housing Vouchers <u>MaineHousing Policy</u> MaineHousing will not establish a higher payment standard amount for EHV's. | Initial funding for EHV expired on December 31, 2022 which reduces the need for higher VPS to reduce barriers to obtaining housing. |
| i/ | Glossary | Nan McKay | Removed Acronyms: Earned Income Disallowance - EID Multi-family Tenant Characteristics System - MTCS (now the Form HUD-50058 sub module of the PIC system) | |
| ii/ | Glossary | Nan McKay | Added Acronyms Housing Opportunity through Modernization Act of 2016 - HOTMA, Rental Assistance Demonstration Program - RAD Voluntary Compliance Agreement – VCA Voucher Management System - VMS | |
| viii/ | Glossary | Nan McKay | Updated Definition of DV Felony or misdemeanor crimes committed by a current or former spouse or intimate partner of the victim, under the family or domestic violence laws of the jurisdiction receiving grant funding, and in the case of victim services, includes the user or attempted use of physical abuse or sexual abuse, or a pattern of any other coercive behavior committed, enabled, or solicited to gain or maintain power and control over a victim, including verbal, psychological, economic, or technological abuse that may or may not constitute criminal behavior, by a person who is: The current or former spouse or intimate partner of the victim, or person similarly situated to a spouse or intimate partner of the victim. - A person who is cohabitating or has cohabitated with the victim as a spouse or intimate partner. - A person with whom the victim shares a child in common. - A person who commits acts against a youth or adult victim who is protected from those acts under the domestic or family violence laws of the jurisdiction. | Felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom the victim shares a child in common, by a person who is cohabitating with or has cohabitated with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction. |

Human Resources and Facilities Department Memorandum

To: Board of Commissioners
From: Jane Whitley, Director of Human Resources & Facilities
Date: December 2024
Subject: Board Report

Human Resources – as of December 10, 2024



A Request for Proposal (RFP) was issued for HR Consulting Services

MaineHousing was seeking proposals from qualified firms to analyze MaineHousing’s current human resources practices to ensure they align with current market trends, scan the competitive landscape to identify emerging trends, advise us on leading human resources best practices, and develop strategic priorities and scenario plans to remain a highly competitive employer of choice. We received five responses and RFP scoring will take place the week of December 16, 2024.

Fair Housing Training for Partners

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

Facilities Updates

➤ No new news.

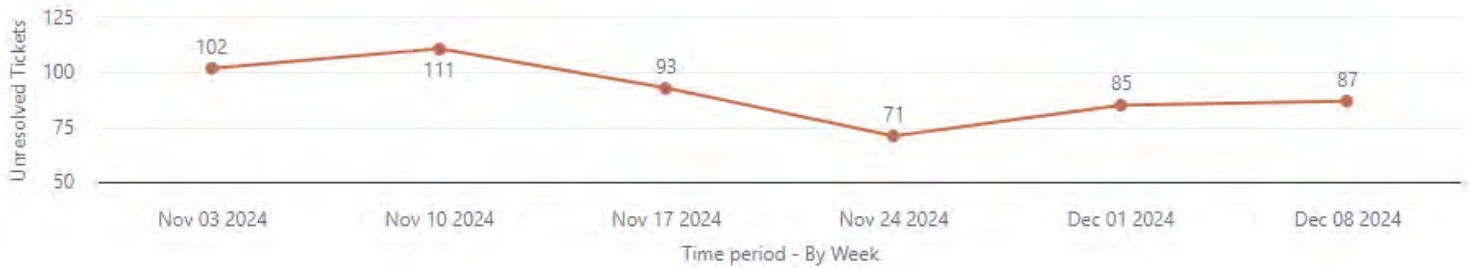


Information Technology Department Memorandum

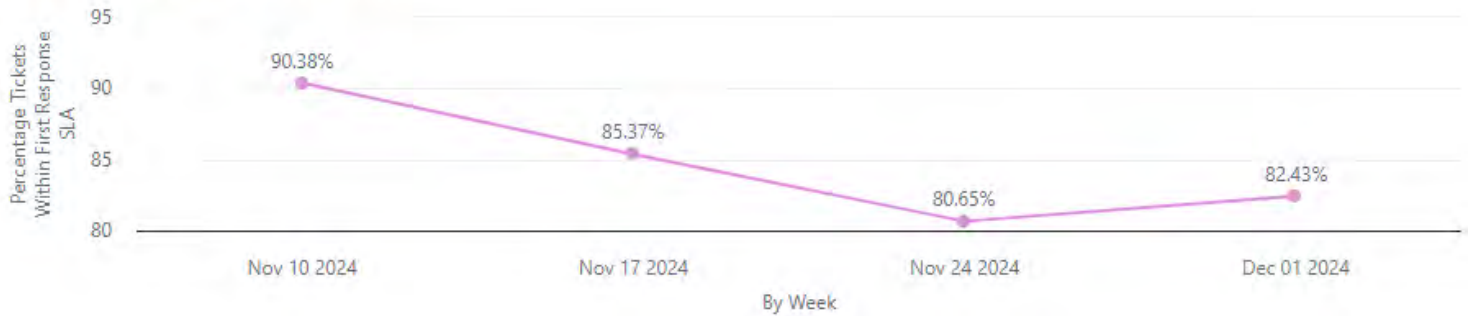
To: Board of Commissioners
From: Craig Given, Director of IT
Date: December 10, 2024
Subject: Monthly Report

Unresolved Tickets - Trend

Group By : **By Week** ▾



First Response SLA Compliance - Trend



Resolution SLA Compliance - Trend

Group By : **By Week** ▾



Information Technology Updates:

- Continued quality improvement process for ITSM (Information Technology Service Management) software, Onboarding and Offboarding modules revised based on team feedback.
- Continued support for launch of Business Workspace in Service Management software for Homeless Initiatives department.
- Draft of revised Business Continuity Plan reviewed by BCP working group. Additional edits based on feedback required. Additional documents required to supplement core plan.
- Drafted update of Information Security Program (ISP) reviewed by ISC. Update of Generative AI policy being tested by AI Ad Hoc subcommittee to focus on practical implementation of policies with staff needs.
- Supported payment process for LiHEAP program as part of new software solution, resolved critical issues and provided supporting report resources.
- Ongoing implementation of Weatherization software systems.
- Continued installation of Microsoft 365 applications on user desktops, replacing no longer supported versions of the software.
- Initiated implementation of Microsoft Purview focused on hardening security of network resources and data.
- Microsoft Fast Track implementation of Microsoft Intune enrolled internal devices for comprehensive application and patch management. Expanded patch management systems for server hardware.
- Posted job opening for Application Specialist to replace internal promotion.
- Quarterly security training was launched for all staff in November and completed by 99% of employees. Incomplete trainings are referred to supervisors and staff with reminders until completed.
- Applied security patches to critical systems to address identified vulnerabilities.

Planning and Research Department Memorandum

To: Board of Commissioners

From: Jonathan Kurzfeld, Ph.D., Director of Planning & Research

Date: December 09, 2024

Subject: December 2024 Board Report

Planning and Research Department

The Planning and Research Department is gearing up for our busy season of year-end data gathering and reports. This period integrates work from the whole department, with UI/UX Designer Ouellette project managing the 2024 Annual Report; Communications Director Thistle producing much of the content of that report; PnR Coordinator Anderson creating additional content for and organizing the production of the 2024 MaineHousing Accomplishments Report, the Maine HOME Fund Report, and the Federal Funds Report; and our Data Analysts collecting, cleaning, and creating visualizations of the data for all of the reports.

As the end of year approaches, two current projects are already absorbing much of PnR’s discretionary bandwidth. The first is the development of the 2025 Economic Outlook Report, which will review a bevy of market indicators and MaineHousing production metrics to offer perspective on the state of housing in Maine. We hope to make this report available prior to Christmas. The second project is a Shelter Cost Study, for which we have been collecting and synthesizing shelter budgets from around the state. With budget data from a total of 27 Maine homeless shelters, we will produce a number of estimates to help our shelter partners engage in evidence-based conversations and advocacy regarding the provision of shelter services. We will share the findings from this work in the packet for the Board’s January meeting.

External Communications

| Press Interaction | ME-based outlets Press contacts* | Out-of-state outlets Press contacts* | Director-level Press interviews |
|--------------------------|-------------------------------------|---|------------------------------------|
| November 2024 | 17 | 1 | 16 |
| Previous 3mo Average | 22.3 | 1.3 | 16.7 |
| Previous 9mo Average | 20.8 | 1.0 | 15.0 |
| November 2023 | - | - | - |

**Repeated outreach from the same outlet regarding a single topic is considered a single press contact.*

In the 19 working days since the last report, MaineHousing fielded and responded to 22 different media requests from television, newspaper, online, and radio outlets in Maine. The agency was also featured in an online national business news outlet, Morningstar, highlighting the \$95 million bond

sale that the Board approved: [Maine Selling \\$95 Million in Social Bonds to Finance Low-Income Housing | Morningstar](#)

The end of the month was dominated by a flurry of press releases regarding four different programs or developments, which included:

- [Maine Eviction Prevention Pilot Program Moves to Waiting List.](#)
- [Maine's Rural Affordable Rental Housing Program Opens for Proposals.](#)
- [MaineHousing Announces Grants for Long-term Solutions to Homelessness.](#)
- [\\$12.8 Million In State and Federal Affordable Housing Tax Credits Spurs \\$116 Million In Economic Activity for Maine.](#)

MaineHousing Communications Director Scott Thistle and MaineHousing Senior Director of Communications and Government Relations Erik Jorgensen participated in a celebration of the opening of a new warming center in Lewiston on November 21st. The event was coordinated with the City of Lewiston, and Erik took the opportunity to make a surprise announcement of the Long-Term Solutions to Homelessness (LTS) grant awards. The largest share of the grant will help bring Lewiston its first permanent low-barrier shelter. The news of that grant and the event drew the attention of five different media outlets (three television reports, one online segment, and one newspaper article that was redistributed in four of Maine's five daily newspapers).

Aside from the LTS grants, the Eviction Prevention Pilot Program moving to a waitlist and the news of the latest round of tax credit awards probably drew the most attention from the Maine media.

[MaineHousing awards \\$13 million for affordable developments](#) – Portland Press Herald

[Maine State Housing Authority Awards Millions in Affordable Housing Tax Credits](#) – The Maine Wire

As part of its ongoing series on housing issues, the November 25th broadcast of Maine Calling addressed homelessness in Maine, featuring the new executive director of Maine's Continuum of Care, Dean Klein. MaineHousing Communications Director Scott Thistle helped the producers of the show assemble a balanced panel of experts and perspectives. [Homelessness & Housing | Maine Public.](#)

Internal Communications

| Intranet Activity | Content Created (Articles, blogs, polls, etc) | Total Content Interactions | Total Page Views |
|-----------------------|--|----------------------------|------------------|
| November 2024 | 28 | 171 | 2,353 |
| Previous 3mo Average | 31.7 | 209.0 | 2,410 |
| Previous 12mo Average | 27.6 | 191.8 | 2,311 |
| November 2023 | 19 | 137 | 2,004 |

Although lower than the highs we saw over the summer, intranet activity in November was close to our 12-month average in all three metrics, with content interactions a bit lower than the average but still significantly higher than in November of 2023. The MaineHousing Org Chart continues to be the single most-viewed piece of content on the intranet but only by a thin margin as our new transparency initiative posting updates from each leadership meeting garnered 64 unique views to the Org Chart's 65. There was a three-way tie for the most "liked" piece of content, with one ActWell awards post facing off against an HR post about new DEIB books in our library and a PnR post celebrating Fair Tide's grand opening in Kittery.

Interdepartmental Support

| Lytho Activity | New Requests | Requests Completed | Median hours to completion* | Top 2 Departments |
|-----------------------|--------------|--------------------|-----------------------------|--|
| November 2024 | 29 | 28 | 0.3 | HCV Energy & Housing |
| Previous 3mo Average | 30.3 | 31.3 | 0.3 | Energy & Housing Homeless Initiatives |
| Previous 12mo Average | 27.3 | 27.4 | 3.2 | Energy & Housing Homeless Initiatives |
| November 2023 | 34 | 37 | 0.4 | Energy & Housing Homeless Initiatives |

*These hours are the project duration, which begins once the job has been accepted and ends when it is marked completed. This excludes any lag time between submission and staff acknowledgement, such as when a request is submitted on a Friday afternoon and not seen by PnR staff until the following week.

The HCV Department maintained its ranking at the top of our interdepartmental requests for the second month running. Request counts are slightly down from the preceding three months, and down even more significantly when compared to the preceding November. Since the time-to-completion metric has remained stable, the observed decrease can most likely be attributed to remaining on top of a stable flow of requests.

Website

| Web Traffic | Visitors | Total Hits | Engagement | Top 2 Program Areas |
|-----------------------|----------|------------|------------|---------------------------------------|
| November 2024 | 64,680 | 230,776 | 86.9% | Energy Programs Rental Programs |
| Previous 3mo Average | 66,956 | 247,290 | 88.6% | Homebuyer Programs Energy Programs |
| Previous 12mo Average | 60,009 | 220,665 | 86.9% | Homebuyer Programs Rental Programs |
| November 2023 | 70,550 | 256,939 | 81.2% | Homebuyer Programs |

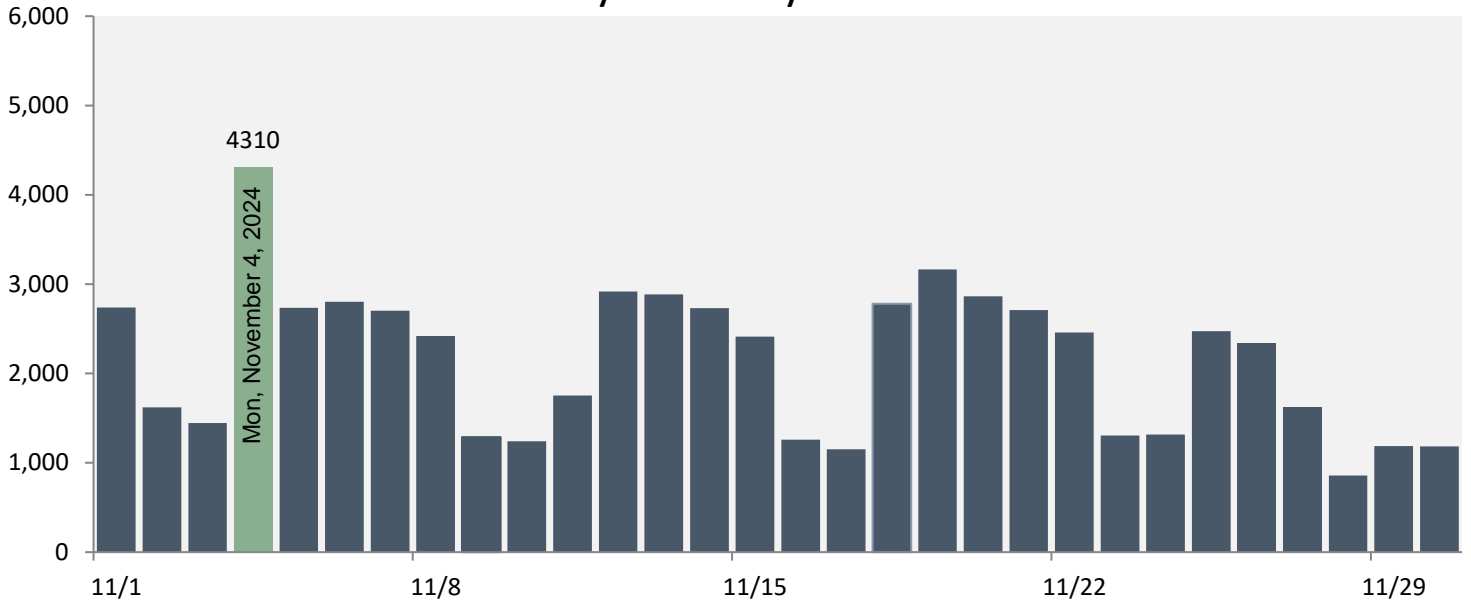
MaineHousing website traffic has returned to relatively standard levels of activity and engagement, after peaking in October due to the launch of the Eviction Prevention Pilot Program (EPP). Ongoing interest in EPP and seasonal interest in HEAP have kept Homebuyer programs out of the top two ranking for the second month in a row.

One interesting data point is the significant peak in activity on November 4th. UI/UX Designer Ouellette did a bit of investigation and attributes this to the release of our Autumn newsletter from Communications Director Thistle. This is encouraging evidence that folks are not only reading our content, but clicking through to learn more about our programs and accomplishments.

November 2024 - MaineHousing Website Statistics

Hit Summary

Daily Hit Analysis

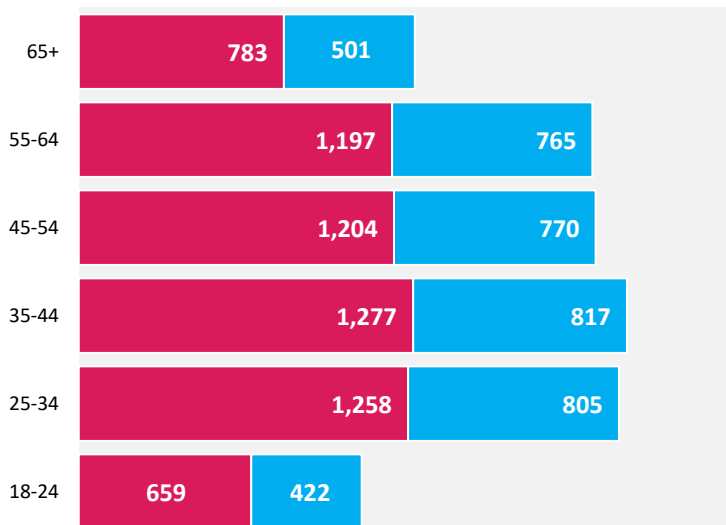


| Visitors | Unique Visitors | Page Loads (Hits) | Avg Page Views | Avg Duration | Avg Engagement Rate |
|----------|-----------------|-------------------|----------------|--------------|---------------------|
| 64,680 | 37,014 | 230,776 | 3.54 | 0:03:00 | 86.9% |

Demographics Summary

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

AGE & GENDER



61%



39%

TOP CITIES

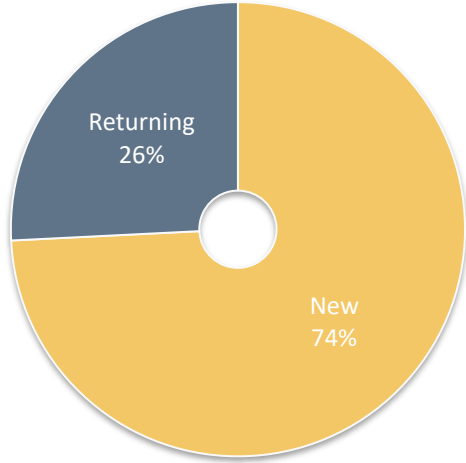
| | |
|----------------------------|-------|
| Boston, Massachusetts | 8,909 |
| New York, New York | 5,502 |
| Portland, Maine | 4,730 |
| Bangor, Maine | 1,998 |
| Augusta, Maine | 1,721 |
| Greenville, North Carolina | 1,562 |
| Lewiston, Maine | 1,296 |
| Moses Lake, Washington | 1,003 |
| Ashburn, Virginia | 965 |
| Cheyenne, Wyoming | 840 |

Top Cities account for 44.10% of all website traffic.

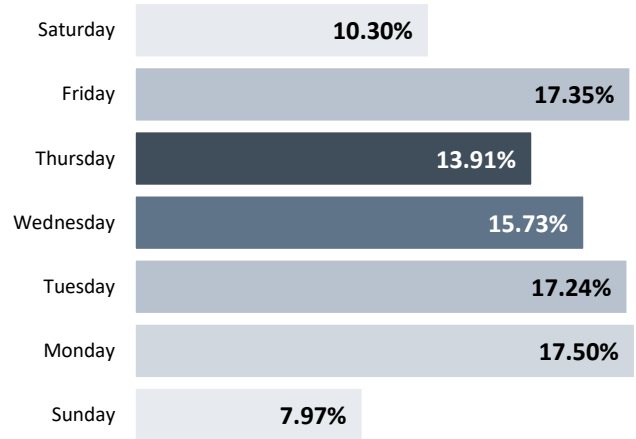
Visitor Engagement

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

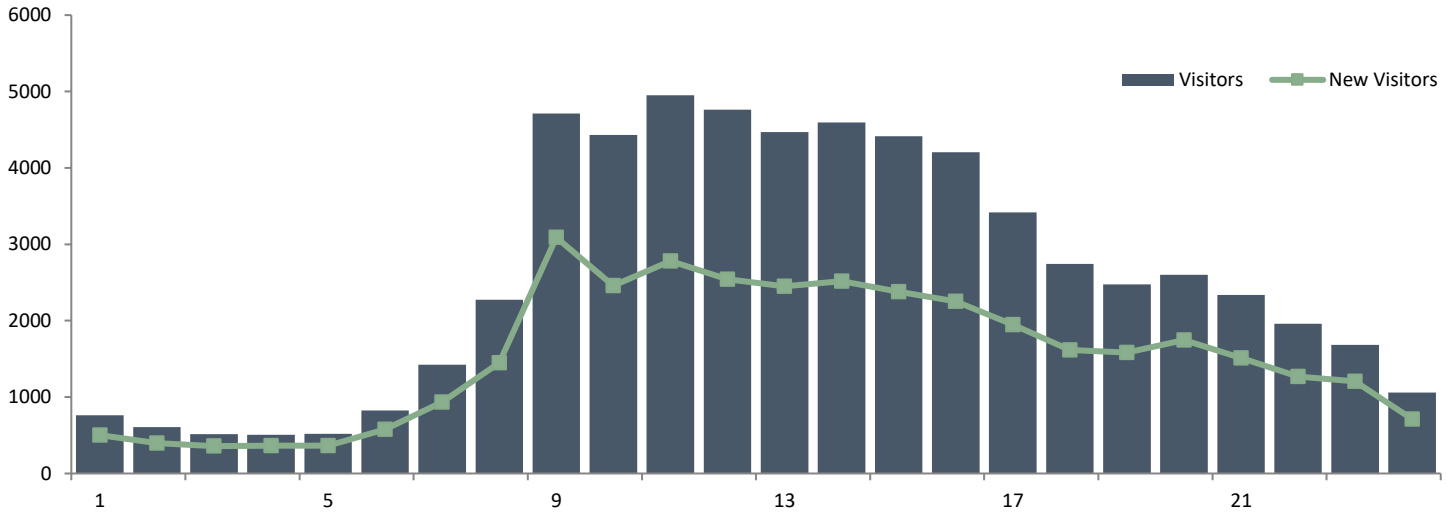
NEW & RETURNING VISITORS



DAYS OF THE WEEK

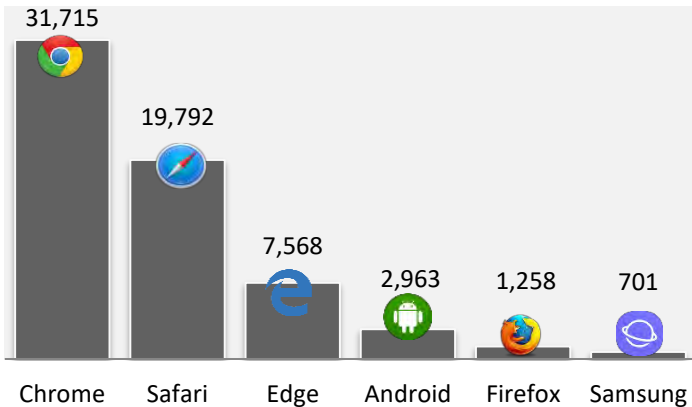


HOUR OF THE DAY



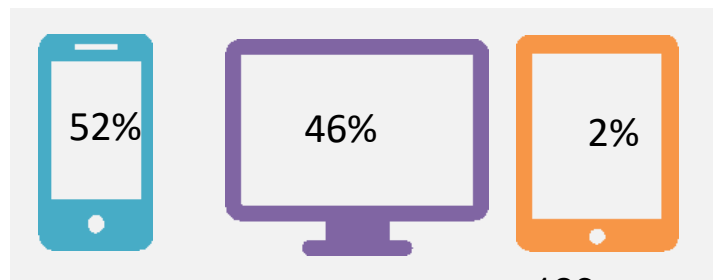
Visitor Technology Summary

Web Browser Analysis



DEVICE ANALYSIS

Cell Phone Deskto Tablet

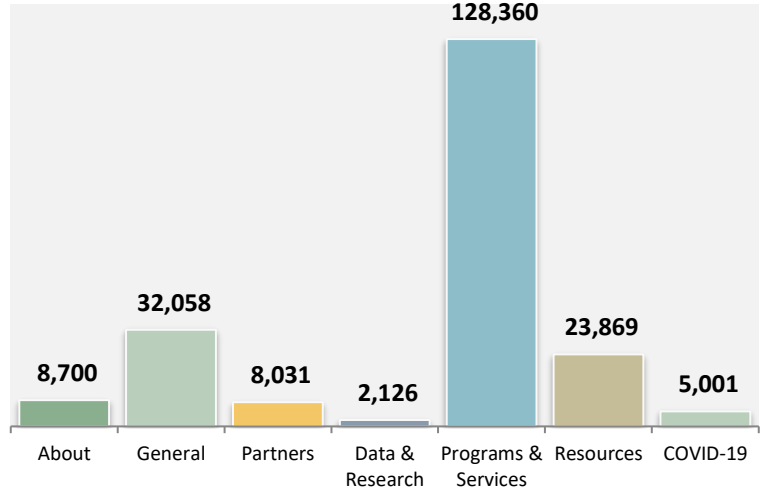


Popular Content

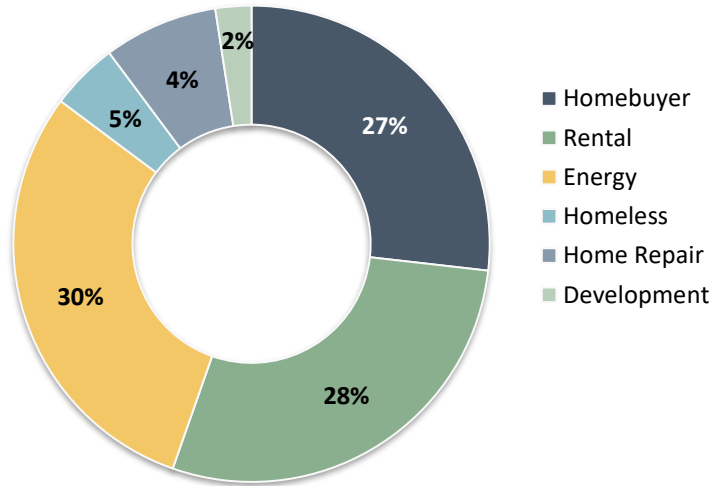
Popular content on our site is defined by pages and or sections of our site that have the highest visits. Below content has been categorized by page, program area and content sections. COVID-19 was added in March of 2020.

| Page Title | Hits |
|------------------------------------|--------|
| Home Energy Assistance Program | 29,678 |
| Home | 28,122 |
| Eviction Prevention Program | 14,026 |
| First Home Loan Program | 12,368 |
| HEAP Income Eligibility | 12,054 |
| Rental Assistance | 6,982 |
| Housing Choice Vouchers | 6,188 |
| Subsidized Housing | 5,514 |
| Homebuyer Income & Purchase Limits | 5,438 |
| Home Repair | 4,194 |
| MaineHousing Lenders | 3,511 |
| Programs - Services | 3,163 |
| Emergency Shelters | 3,126 |
| Current Interest Rates | 2,761 |
| Weatherization Program | 2,675 |
| Mortgage Calculator | 2,571 |
| HEAP Agency Contacts | 2,363 |
| Energy Assistance | 2,276 |
| Home | 2,250 |
| Careers at MaineHousing | 2,230 |
| Steps to Homeownership | 2,207 |
| Homeless Initiatives | 2,020 |
| Rent - Income Charts | 1,966 |
| Contact MaineHousing | 1,953 |
| First Generation Program | 1,901 |

Popular Content By Program

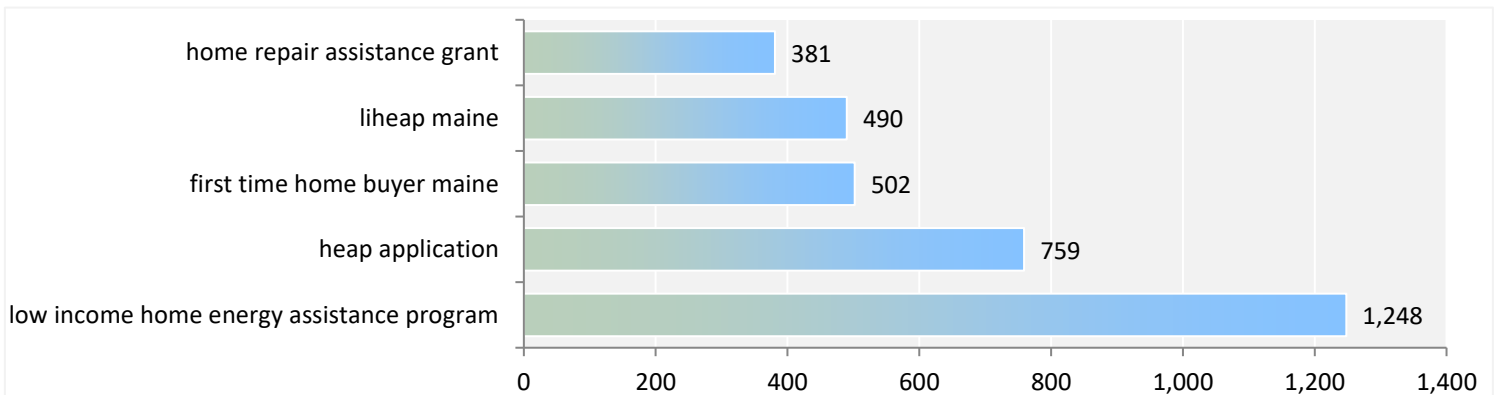


Popular Content By Section



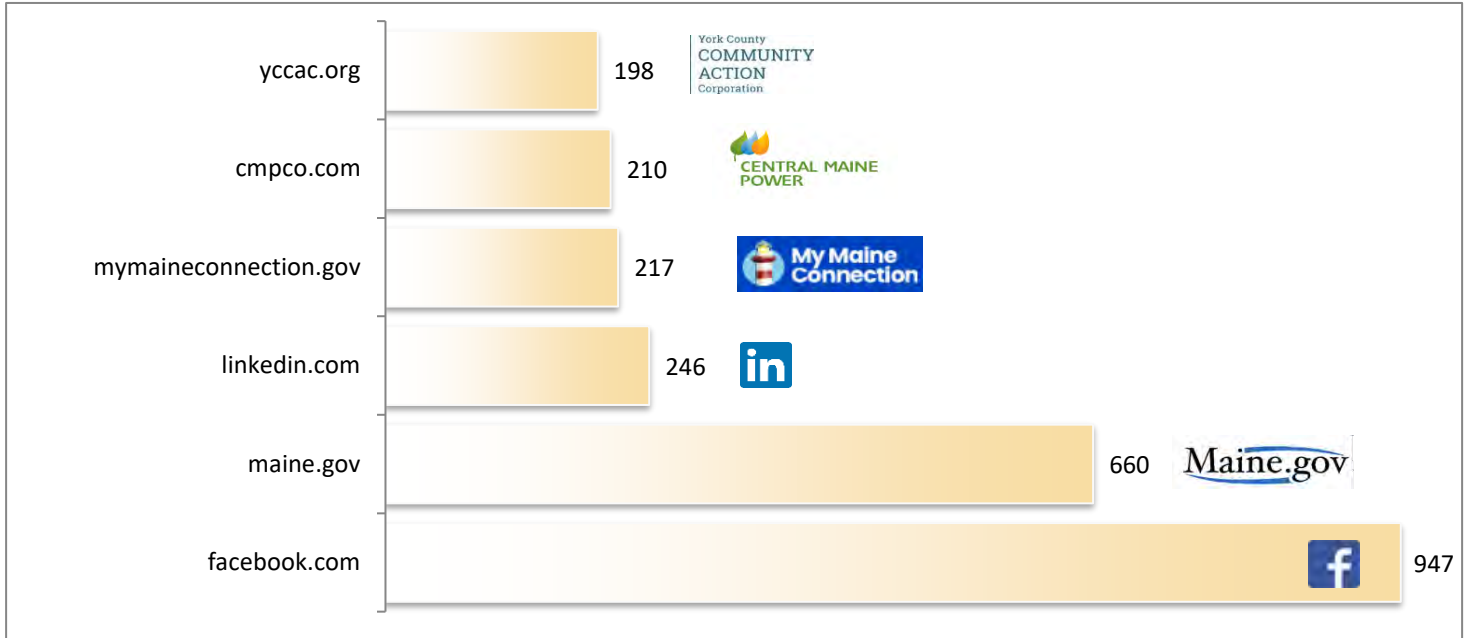
Search Keywords

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



Referring Websites

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



Board Calendar 2024-2025

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|---|---|
| <p>DECEMBER 17, 2024 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Adopt DOE Weatherization State Plan (VOTE) • Approve 2025 Budget (VOTE) • Elect Officers (VOTE) • Adopt Housing First Rule (VOTE) <p><u>Program Presentations:</u> NCSHA Special Board of Directors Meeting and Executive Directors Forum Washington, D.C. (Dec. 8 – Dec. 10)</p> | <p>JANUARY 21, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Legislative Preview • Dean Klein – Maine CoC Executive Director - intro <p><u>Program Presentations:</u> Multi-family Development – 2024 Review, 2025 Preview</p> |
| <p>FEBRUARY 18, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Legislative Update • Governor’s Office Update <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • Homeownership – 2024 Review, 2025 Preview | <p>MARCH 18, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Legislative update • HEAP Rule/State Plan introduction <p><u>Program Presentations:</u> Asset Management department update</p> |
| <p>APRIL 15, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Commence Rulemaking HEAP Rule (VOTE) • 2025 Goals 1Q report • Legislative Update <p><u>Program Presentations:</u> 2024 Budget and Audit results</p> | <p>MAY 20, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • HEAP Rule/State Plan Public Hearing <p><u>Program Presentations:</u> 2024 Mortgage Purchase Program (MPP) Overview</p> |
| <p>JUNE 17, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Adopt HEAP Rule/State Plan (VOTE) • HEAP State Plan Public Hearing • Legislative Update (final) • Update from the Governor’s Office (Greg Payne) <p><u>Program Presentations:</u> Planning and Research department update</p> | <p>JULY 15, 2025</p> <p style="text-align: center;">Meeting to be held if necessary</p> |
| <p>AUGUST 19, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • 2026 Goal Setting – initial discussion • Introduce PHA Plan <p><u>Program Presentations:</u></p> | <p>SEPTEMBER 16, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • PHA Plan Public Hearing • 2025 Goal Setting – continued discussion <p><u>Program Presentations:</u></p> |
| <p>October 21, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Adopt PHA Plan (VOTE) • Introduce DOE Weatherization State Plan • 2025 Goal Setting – final <p><u>Program Presentations:</u></p> | <p>NOVEMBER 18, 2025 <u>Board Business:</u></p> <ul style="list-style-type: none"> • DOE Weatherization State Plan Public Hearing • Review Preliminary 2026 Budget • Resource Allocation • Updates from the Governor’s office (Greg Payne) • Housing First Rule Public Hearing |