

October 15, 2024 Board Meeting

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Board of Commissioners Meeting – October 15, 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)	All
	Remote Commissioners	Laura Buxbaum
	- Reason remote	
	- Any other persons at their location	
	Approve minutes of September 17, 2024 meeting (VOTE)	All
	Communications and Conflicts	All
	Vice-Chair of the Board Updates	Laura Buxbaum
9:15	Director Updates	Dan Brennan
9:30	Adopt PHA Plan (VOTE)	Ashley Carson/Allison Gallagher
9:45	Adopt Homeless Rule (VOTE)	Ashley Carson/Kelly Watson
10:00	Commence Rulemaking Housing First Rule (VOTE)	Ashley Carson/Adam Krea
10:15	Introduce DOE Weatherization State Plan	Amanda Roy
10:30	Resource Allocation	Adam Krea
10:45	Homeless Update	Lauren Bustard
	<u>Department Reports:</u>	All
	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	
Adjourn (VOTE)		All

The next meeting of the Board is scheduled for November 19, 2024
virtually and in person at 26 Edison Drive, Augusta, Maine



Minutes of the Board of Commissioners Meeting September 17, 2024

MEETING CONVENED

A meeting of the Board of Commissioners for MaineHousing convened on September 17, 2024, at the offices of MaineHousing, 26 Edison Drive, Augusta, Maine and virtually. Notice of the meeting was published on September 6, 2024, in Central Maine newspapers. Notice of Board of Commissioners meetings is also on MaineHousing's website at www.mainehousing.org.

In the Chair and Vice Chair absences the commissioners voted for Commissioner Nancy Harrison to run the meeting. It was motioned by Commissioner Dietz and seconded by Commissioner Shepherd. The vote carried unanimously.

Nancy Harrison called the meeting to order at 9:00 a.m. Director Dan Brennan, Commissioners, Paul Shepherd, Elizabeth Dietz, and Nancy Harrison attended in person. Commissioner Melissa Hue attended remotely due to her schedule; she was alone at her location. Commissioner Noël Bonam attended remotely due to traveling for work, he was alone at his location. State Treasurer Henry Beck attended remotely due to his schedule; he was alone at his location. Chair Frank O'Hara, Commissioner Laura Buxbaum, and Commissioner Renee Lewis were absent. There was a quorum present.

PUBLIC ATTENDANCE

Guests and staff present for all or part of the meeting included: Ashley Carson, Chief Counsel; Adam Krea, Senior Director of Operations; 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; Linda Grotton, Director of Audit; 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; Robert Conroy, Director of Asset Management; Lynn Lugdon from Penquis C.A.P.; 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; Hanna Gregory from MCEDV; and Jack Watson, Paralegal and Note taker.

ADOPT AGENDA

Commissioner Nancy Harrison made a motion seconded by Commissioner Paul Shepherd to adopt the September 17, 2024, agenda. The vote carried unanimously.

APPROVE MINUTES OF AUGUST 20, 2024, MEETING

Commissioner Elizabeth Dietz made a motion seconded by Commissioner Paul Shepherd to accept the August 20, 2024, minutes as written.

COMMUNICATIONS AND CONFLICTS

None

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VICE CHAIR OF BOARD UPDATES

None

DIRECTOR UPDATES

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

- Brennan began by introducing the new Energy and Housing Services Director, Bobbi Crooker.
- Have officially finalized Development Department survey that came out of Board discussions.
- Worked with Maine Affordable Housing Coalition to finalize set of questions and surveys to put out to membership.
- Spoke with Maine Affordable Housing Coalition representatives to address concerns about environmental review process.
- DEIB efforts underway with Tangible Development support. Tangible Development said 99 surveys were completed within 48 hours of its release.
- Other states are reaching out about MaineHousing's DEI efforts. New Hampshire Housing Finance Agency called and wanted MaineHousing's advice and guidance.
- Stated that he attended a couple ribbon cuttings, one at Millbrook Estates in Westbrook, and another at Front Street Apartments in Portland.
- Was in Boston last week to attend Federal Home Loan Bank Advisory Council meeting. Important point from there is that Federal Home Loan Banks are making lots of money, and they have a mandate to serve affordable housing. Great opportunity for investments.
- Speaking at ProsperityME Housing Forum soon.
- Have issued an RFP for a compensation study.
- Build America, Buy America will be affecting the future.
- HEAP program is back to the 40-million-dollar grant. Demand is so high it feels low, but that is the normal/typical grant size.
- Talked about how Continuum of Care is a required body that HUD requires to be set up in every state. There is requirement to be involved in coordinated entry. MaineHousing has been directed by HUD to lead effort to change governance structure. On August 29th a meeting of the entire continuum was called and during it they agreed to new framework of a governing structure, which includes hiring a new executive director in part because the continuum has never had one. It will be a contract position.

PHA PUBLIC HEARING

Chief Counsel Ashley Carson explained that we would hold a hearing on our Housing Choice Voucher 5-Year and Annual Plans. Chief Counsel Carson introduced the Commissioners and staff representing MaineHousing. Allison Gallagher explained that a draft of the Annual and 5-year Plans were published on our website, and in newspapers statewide on August 1, 2024. Ashley Carson said the comment period runs until 5:00 p.m. on September 17. No comments were provided.

HOMELESS SOLUTIONS RULE PUBLIC HEARING

Chief Counsel Ashley Carson introduced the Commissioners and staff representing MaineHousing. Chief Counsel Carson explained a notice to interested parties was sent out on August 28, 2024. It was also published on our website and in newspaper statewide on that same day, August 28, 2024.

The comment period for the Rule expires on September 27, 2024, at 5:00 p.m. No comments were provided.

HOUSING FIRST RULE DISCUSSION

Adam Krea, Senior Director of Finance and Lending talked about the Housing First Administrative Rule. He mentioned how at the next board meeting rulemaking will be commenced. This is a joint rule between the State Department of Health and Human Services and MaineHousing. This Rule was written by Jodie Stevens and DHHS. This is an administrative responsibility Rule, there is not really any policy making. The first section of the Rule is definitions, the second section is joint responsibilities (things MaineHousing and DHHS will do together). The third section DHHS is solely responsible for, it deals with the support services. MaineHousing is responsible for section four, which deals with things like the details about the properties. MaineHousing will also work with the other public housing authorities. Section five is general information.

2025 GOAL SETTING

Jonny Kurzfeld, Director of Planning and Research shared that since the last Board Meeting Planning and Research, Jamie Johnson, Director Brennan and Erik Jorgensen took the goals that were shared in that Board Meeting and narrowed them down to 3-4 to priorities that they identified.

One of those priority goals was long-term planning. As a result, the idea is to create a comprehensive strategic plan, to set a long-term framework that engages every Department. That framework would roll forward each year. They would look at measurable objectives or progress markers up to three years out, and each year the Departments and the Board can weigh in.

Other priorities were innovation, recruitment, retention, culture and program implementation. Under each of those priorities they brainstormed about ways in which those goals were associated with what they were already focused on and they also set up some measurable objectives. The intent is to still solicitate more feedback.

Jamie Johnson mentioned that the nice thing about these goals is they are all broad enough that they can include many areas of MaineHousing. Jamie then asked attending Board Members to share their thoughts on the goals in the board packet.

- Elizabeth Dietz didn't have any initial thoughts but later asked about the Mobile Home Program.
- Nancy Harrison mentioned that she liked the Student Homelessness Program.
- Paul Shepherd said he appreciated the climate and energy goals and mentioned that he knows there is a lot of demand for heat pumps and is curious about that. Dan Brennan answered that he thinks MaineHousing is meeting the heat pump demand, but he will look more into it.
- Noël Bonam shared that for the innovation aspect of the goals he doesn't see anything that would lead the dialogue. He mentioned how MaineHousing has a strong position and a lot of influence in the State and doesn't think the language demonstrates that. He also said that he liked retention goals, but he thinks it is missing engagement. As for the new program implementation part that deals with climate and energy, he doesn't see anything about inspiring the community, which is something he would like. Finally, he mentioned he really like the Student Homelessness Program and was wondering if there was some way to overlap it with the Home Share Pilot Program.

- Melissa Hue said she thinks the weatherization section is very important. She talked about energy efficiency and wanting to engage communities who are not aware of opportunities.

Jonny finished this discussion by talking about the next steps, which includes hearing from Adam Krea about resource allocation, and likely Darren Brown about the proposed budget. A discussion then ensued about how to know if MaineHousing has succeeded with its goals. Answers and suggestions included things like looking at potential measurable goals and setting a timeline for benchmarks, metrics, and results. It was also mentioned that the ability to evaluate whether things are successful will grow over time. Jamie Johnson shared that the long-term vision is to have a single document that outlines all the things happening at MaineHousing.

HOMELESS UPDATE

Director Daniel Brennan gave a brief update about how they have been talking with the Governor's Office and the head of the Statewide Homeless Council about how the statute is a little out of date and how he thinks there is a modernization opportunity.

LINNHAVEN MOBILE HOME PARK STORY

Director Daniel Brennan had Adam Krea come up to talk about an interesting story that happened recently involving Linnhaven Mobile Home Park in Brunswick, Maine. Essentially, despite facing many challenges, MaineHousing employees saved the mobile home park from being sold to an out of state investor, that if sold to, would have hiked lot rent prices up so high that many tenants would have not been able to live there anymore.

ADJOURN

Commissioner Elizabeth Dietz made a motion seconded by Commissioner Paul Shepherd to adjourn the meeting, The meeting was adjourned at 10:35 a.m. by unanimous vote of the Board.

Respectfully submitted,

Elizabeth Dietz

Memorandum

To: Daniel Brennan, Director
From: Adam S. Krea, Senior Director of Finance and Lending
Date: September 24, 2024
RE: Sole Sourcing for Comfort Inn Saco and Catholic Charities of Maine

Overview

The 131st Maine State Legislature appropriated \$16 million in the Fiscal Year ending June 30, 2025 General Fund Supplemental budget to MaineHousing to specifically assist in addressing the emergency housing needs of people experiencing, or at imminent risk of experiencing, homelessness, including asylum seekers. The legislative intent of this funding is to continue our support for the Transitional Housing at the Comfort Inn in Saco, provide funding for winter warming shelters, and continue to assist emergency situations on an as-needed basis.

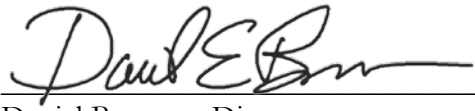
MaineHousing and the Governor's Senior Advisor on Housing Policy have jointly negotiated a 9-month extension of the contract with the Comfort Inn in Saco and Catholic Charities Maine to continue housing and providing services for approximately 300 individuals. These are the two contracts for which sole source approval is sought as these contracts are both continuing highly successful work that has been ongoing for two years.

In addition, through an RFP process we have awarded just over \$2 million for warming shelters for the 2024-2025 winter and have a second RFP in process to award approximately \$8 million for long-term solutions to help individuals and families experiencing homelessness.

Emergency Situation

There are hundreds of individuals experiencing, or at risk of imminently experiencing, homelessness in the State of Maine due to the continuing flow of new asylum seekers into the City of Portland. The sheer number of people in this situation creates an emergency. 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 it meets the necessary requirements. Section IV lists Emergency or Urgent Need as an exception to normal procurement requirements. If an emergency situation or other urgent need exists and only one known source can provide the required goods or services within the time needed, then sole source procurement is allowed. The on-going nature of Catholic Charities' work at the Comfort Inn Saco has been of great interest to the Legislature and the continuation of these contracts was one of the compelling reasons this funding was approved as part of the Supplemental Budget. The impact of delaying these transactions would result in hundreds of individuals being at risk of experiencing homelessness, which is why this constitutes an emergency.

ACKNOWLEDGED & APPROVED

A handwritten signature in black ink, appearing to read "Daniel Brennan", written over a horizontal line.

Daniel Brennan, Director

9/24/2024

Date

Memorandum

To: Daniel E. Brennan, Director
From: Jamie Johnson, Senior Director of Operations
Date: September 12, 2024
RE: Sole Source for Hancock Software Inc.

Overview

MaineHousing entered into a Master Software License and Services Agreement (“Agreement”) on October 2, 2018 with Hancock Software Inc. (“Hancock”) as a result of a Request for Proposals (“RFP”) process for vendors to provide software services for LIHEAP. The maximum term included in the RFP was five years. The Agreement expired on October 2, 2023 and MaineHousing did a sole source procurement in 2023, to extend the Agreement for an additional year.

The Agreement now is set to expire on October 2, 2024. MaineHousing has implemented a new software system for LIHEAP however, the new software system is currently unable to track, reconcile, and issue payments for the 2024 TANF and any benefit returns that are currently in the Hancock system. For that reason, MaineHousing needs to keep the Hancock system through the 2025 LIHEAP Program Year to ensure that data is not lost, as it includes monies available to program participants. The only other option would be to track, reconcile, and issue payments manually, which is just not feasible.

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 it meets the necessary requirements. For a uniqueness exception, the item must be unique to a specific vendor and the nature and necessity of the unique characteristics must be documented. If a vendor has unique expertise in providing a service, the expertise should also be documented. Given the uniqueness of the services that Hancock provides, the fact that the data is only available in Hancock’s system, and MaineHousing’s requirements and needs, the requirements of Sole Source Procurement are met.


Request

To allow MaineHousing to enter into an extension of the Agreement for the period of October 3, 2024 to June 30, 2025 for the price of \$35,000.00.

ACKNOWLEDGED & APPROVED

09/13/2024

Date



Daniel Brennan
Director, Maine State Housing Authority

To: Board of Commissioners
From: Allison Gallagher
Date: October 15, 2024
Subject: HCV 5 YR Plan and Annual Plan

PROPOSED MOTION:

To adopt the HCV 5 Year Plan (2025-2029) and FFY 2025 Annual Plan as attached to the memo.

MaineHousing did not receive comments at the September public hearing or from the resident Advisory Board specifically about the plan. We considered survey results and comments from tenants and property owners in completing the final drafts of the PHA Annual and 5 Year plans. A summary of those results is on the following page.

The HCV 5 Year plan (2025-2029) outlines our program goals and priorities for the next 5 years. Below are the changes from the current 5 Year plan:

Section B

- **We will serve Low-Income Veteran Affairs Supportive Housing (VASH) vouchers-** VASH previously fell under our HCV income targeting categories of Very-low and extremely low-income requirements. This will remove barriers for veterans who may be over the very low-income category.
- **Increased commitment to award project-based vouchers in properties that provide supportive services by 150 over 5 years-**To support Housing First initiative
- **Increased commitment to award project-based vouchers to multi-family rental properties selected through MaineHousing’s competitive process by 50 over 5 years-** To support the agencies efforts in adding new affordable units to Maine’s housing inventory
- **Added a measurable goal of 75 Participants, increasing participation in the Restart family self-sufficiency program** - Successful completion of this program provides opportunity for other recipients of voucher funding by freeing up HAP funds to support more vouchers.
- **Increased Homeownership voucher allocation to 75, an increase of 25 vouchers –** There has been an increase in Restart participates setting Homeownership as a goal when they graduate from the FSS program.
- **NSPIRE standards will be adopted early 2025 –** HUD requires all PHA’s administering HCV program to move to NSPIREV standards by October 1, 2025

The Annual plan provides a progress report on our program goals and priorities outlined in the HCV 5 Year plan (2020-2025). There were no changes to Annual Plan from the previous year.

Tenant Survey

75 questionnaires were sent to our Resident Advisory Board and our ReStart participants, and we received 15 responses.

When asked Which population to do think MaineHousing should focus funding for the next 5 years? Low Income and Youth were the priorities followed by households with disabilities and veterans.

Population listed to select from- Low Income, New Mainers, Veterans, Elderly, Disabled, Youth and Other

When asked what they would be interested in learning more about? State tenancy laws, HCV and rental subsidy programs were the top three choices.

Topics listed to select from- State Tenancy laws, Rent subsidy programs, Housing Choice Voucher Program (HCV), Unit inspections, HCV Timeframes and documentation and Other

General comments received:

- Expand Program to serve more people
- How can waitlists be expedited or evacuated?
- Incentivize landlords and investors to renovate buildings that already exist for affordable housing
- Rents would be more manageable if smaller like tiny homes
- Homeownership should be more readily pursued instead of wasting money on rents
- Housing co-ops (apartment ownership) are a much more financially viable option for long term housing.
- This program has been the key to my success.
- The only changes I can think of would be a portal or app for communication and information.
- If able to work and have childcare people should be working
- Offer 2-year vouchers for teens trying to get started on their own
- I am fortunate to have a voucher and wish there was a way to stop people from abusing the system
- Make Subsidized Housing and other low-income houses not allowed to take away your voucher just to get an affordable home outside of the slums

Owner/Landlord Survey

503 surveys were emailed to landlords who have rented to a participant in the HCV program, we received 48 responses.

Half of the respondents represented properties with 15+ units and responses represented units located in 14 counties.

When asked which population they were interested in assisting. Veterans and older adults received the most response followed by disabled households.

Responses under other include:

- I do not discriminate
- We have no preference. We primarily want nice people who will respect our property and be self-sufficient.
- through these doors
- Tenants who respect the property, their neighbors and who are easy to deal with.
- Ongoing mental health issues
- Essentially anyone with an HCV.
- Middle Class
- Families
- Anyone who qualifies

Population listed to select from- Disabled, older adults, New Mainers, Veterans, Youth and Other

When asked what they would be interested in learning more about? HCV and rental subsidy programs received the most responses followed by development and state tenancy laws.

Topics listed to select from-Development of Housing, HCV timeframes and documentation, HCV, rent subsidy programs, starting and maintain a lease agreement, State tenancy laws, unit inspections and other.

Responses under other include:

- In the past, there have never been development programs for mid-tier companies. Has anything changed?
- I am President of GBAOMA, the Bangor area landlord association. Perhaps you would like to have someone address our group
- Presently refurbishing rental unit. Would like program guidelines and current procedures.
- How I can be helpful improving the processes.
- New HOTMA regulations

5-Year PHA Plan (for All PHAs)	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires: 03/31/2024
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA’s operations, programs, and services, and informs HUD, families served by the PHA, and members of the public of the PHA’s mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. The **Form HUD-50075-5Y** is to be completed once every 5 PHA fiscal years by all PHAs.

A.	PHA Information.
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A.1	<p>PHA Name: Maine State Housing Authority PHA Code: ME901</p> <p>PHA Plan for Fiscal Year Beginning: (MM/YYYY): 01/2025 The Five-Year Period of the Plan (i.e. 2019-2023): 2025-2029</p> <p>PHA Plan Submission Type: <input checked="" type="checkbox"/> 5-Year Plan Submission <input type="checkbox"/> Revised 5-Year Plan Submission</p> <p>Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information on the PHA policies contained in the standard Annual Plan, but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at each Asset Management Project (AMP) and main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official websites. PHAs are also encouraged to provide each resident council a copy of their PHA Plans.</p>
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PHA Consortia: (Check box if submitting a Joint PHA Plan and complete table below.)

Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	
				PH	HCV
Lead PHA:					

B.	Plan Elements. Required for <u>all</u> PHAs completing this form.
B.1	<p>Mission. State the PHA’s mission for serving the needs of low-income, very low-income, and extremely low-income families in the PHA’s jurisdiction for the next five years. MaineHousing’s mission is to assist Maine people in obtaining and maintaining quality affordable housing and services suitable to their housing needs. Housing Choice Vouchers assist very low-income individuals and families to choose and lease safe and affordable privately owned rental housing and to achieve self-sufficiency and maintain housing stability. MaineHousing may serve low-income families participating in the Veteran Affairs Supportive Housing (VASH) Program.</p>
B.2	<p>Goals and Objectives. Identify the PHA’s quantifiable goals and objectives that will enable the PHA to serve the needs of low-income, very low-income, and extremely low-income families for the next five years.</p> <p>GOAL 1: EXPAND THE SUPPLY OF AFFORDABLE HOUSING - APPLY FOR NEW VOUCHERS- PROJECT-BASED VASH, MAINSTREAM, FUP YOUTH OR OTHERS THAT ARE AVAILABLE THROUGH HUD NOFA - OFFER LANDLORD INCENTIVES TO ATTRACT NEW LANDLORDS AND RETAIN EXISTING LANDLORDS - PARTNER WITH AGENCIES TO INCREASE SET-ASIDE OPPORTUNITIES FOR TARGETED POPULATIONS.</p> <p>GOAL 2: HELP MAINE PEOPLE ATTAIN HOUSING STABILITY - AWARD PROJECT-BASED VOUCHERS IN PROPERTIES THAT PROVIDE SUPPORTIVE SERVICES (APPROXIMATELY 200) - AWARD PROJECT-BASED VOUCHERS TO MULTI-FAMILY RENTAL PROPERTIES SELECTED THROUGH MAINEHOUSING’S COMPETITIVE PROCESS (APPROXIMATELY 100) - CONTINUE TO ADMINISTER THE FAMILY SELF SUFFICIENCY PROGRAM AND INCREASE TO 75 PARTICIPANTS - INCREASE THE HOMEOWNERSHIP ALLOCATION TO 75 VOUCHERS - FULLY UTILIZE SPECIALTY VOUCHERS (NED, VASH, FAMILY UNIFICATION, MAINSTREAM, 811)</p> <p>GOAL 3: IMPROVE HOUSING QUALITY - ENSURE DECENT AND SAFE HOUSING BY ENFORCING THE COMPLIANCE OF INSPECTION STANDARDS ABOVE HQS/NSPIRE REQUIREMENTS - MAINTAIN AN INSPECTIONS PROCESS THAT IS EFFICIENT AND CONSISTENT WHILE CONDUCTING TIMELY INSPECTIONS</p> <p>GOAL 4: PROVIDE LEADERSHIP IN THE HOUSING FIELD: - CONTRIBUTE TO ONGOING ANALYSIS OF HOUSING NEEDS AND MAINTAIN A PROGRAM DASHBOARD - MAINTAIN HIGH PERFORMANCE SCORE UNDER SEMAP - ENSURE EHO AND FAIR HOUSING BY OFFERING REASONABLE ACCOMMODATIONS - FOSTER COLLABORATIVE RELATIONSHIPS WITH HOUSING AND SERVICE PROVIDERS STATE WIDE</p> <p>MAINEHOUSING’S OPERATIONAL PRIORITIES:</p> <p>SERVICE: - STRIVE FOR AND MONITOR POSITIVE CUSTOMER SATISFACTION THROUGH FEEDBACK, SURVEYS AND A CALL DISTRIBUTION LINE AND AN INFORMATION BOX VIA OUR WEBSITE - WORK WITH PARTNERS IN PROVIDING SERVICES AND OUTREACH TO LOW-INCOME FAMILIES VIA –COMMUNITY ACTION AGENCIES, HOMELESS SHELTERS, LANDLORD ASSOCIATIONS, 211 SITE AND OTHER PUBLIC HOUSING AUTHORITIES AS WELL AS OFFERING OPTIONS FOR ELECTRONIC COMMUNICATIONS (CONFERENCE CALLING, ON-LINE APPLICATIONS, ETC.) - OFFER MAINEHOUSINGSEARCH.ORG TO TENANTS LOOKING FOR HOUSING IN MAINE. IT IS AN ON-LINE REGISTRY OF AVAILABLE HOUSING - EMPLOY A HOUSING NAVIGATOR TO ASSIST VOUCHER HOLDERS WITH THEIR HOUSING SEARCH AND BUILD ON OUR LANDLORD OUTREACH EFFORTS - ADMINISTER STATEWIDE HOUSING NAVIGATOR PROGRAM FOR INDIVIDUALS AND FAMILIES SEARCHING FOR HOUSING</p> <p>PEOPLE: - PROVIDE CUSTOMER SERVICE AND COMMUNICATIONS (MI) TRAINING TO STAFF - SUPPORT A SHARED WORK MODEL THAT CREATES CONSISTENCY FOR PARTICIPANTS AND PARTNERS AND FLEXIBILITY FOR STAFF - PROVIDE STAFF AND CONTRACTORS WITH EXCELLENT TOOLS TO ENABLE SERVICE (SOFTWARE, TRAINING, EDUCATION AND TECHNICAL ASSISTANCE) - UTILIZING A COACHING MODEL FOR STAFF PERFORMANCE IMPROVEMENT</p> <p>FINANCIAL CAPACITY: - SUPPORT FUNDING SHORTFALLS THROUGH ADMINISTRATIVE FEE RESERVES AS NEEDED - REQUEST SET-ASIDE FUNDING WHEN APPROPRIATE - REQUEST WHEN APPROPRIATE FOR HIGHER ADMINISTRATIVE FEES OR BLENDED RATES (STATEWIDE JURISDICTION) - UTILIZE HUDS TWO YEAR TOOL TO MONITOR VOUCHER ISSUANCE, ATTRITION AND HAP SPENDING TO STAY WITHIN CY BUDGET</p> <p>RESOURCE OPTIMIZATION: - PROVIDE INCENTIVES FOR BOTH TENANTS AND LANDLORDS TO COMPLY WITH PROGRAM REQUIREMENTS (SECURITY DEPOSIT, OWNER EXCELLENCE PROGRAMS AND LANDLORD REPAIR GRANTS) - CONTINUE TO LOOK FOR PROCESS IMPROVEMENTS THROUGH LEAN INITIATIVES</p>

<p>B.3</p>	<p>Progress Report. Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5-Year Plan.</p> <ul style="list-style-type: none"> - Provided excellent customer service by hiring staff competent in customer service delivery -33 staff members - Awarded 56 Project-based vouchers to permanent supportive housing projects for homeless and or disabled families - Awarded 32 Project-based vouchers to housing projects with supportive services - Awarded 99 Project Based vouchers to LIHTC projects for older adults - Awarded 20 project Based vouchers to housing projects for families - SEMAP score has been high performing - Ensure EHO and Fair Housing by reviewing requests for reasonable accommodations - Continue to administer and coordinate the Family Self Sufficiency Program, enrolled 70+ participants - Work with partners in providing services and outreach to low-income families via –Community Action Agencies, homeless shelters, domestic violence agencies, landlord associations, 211 site, statewide conferences, and other Public Housing Authorities - Offer MaineHousingSearch.org to tenants looking for housing in Maine. It is an on-line registry of available housing. Hired a Housing navigator. - Used administrative fee reserves and other state funding to provide security deposits and landlord repair money as needed - Provided staff and contractors with excellent tools to enable service (software, training, education and technical assistance) including updated HQS software to assist our inspectors in the field. - Utilize additional preferences to apply to applicants. The highest preferences are elderly/disabled/families and a preference for US military veterans. - 60% of available HCV vouchers are set aside for homeless applicants and those experiencing domestic violence <ul style="list-style-type: none"> -50 specifically for Housing Opportunities for People in Encampments (HOPE) -25 specifically to support the Youth Demonstration Program (19 currently leased) - Set aside 20 Non-Elderly Disabled Vouchers to assist families that participate in the Money-follows-the-person grant through the Maine DHHS Homeward Bound program. (6 currently housed) -Set aside 32 Non-Elderly Disabled Vouchers to assist families that qualify under the 811 waiver program (26 currently housed) -Set aside 25 vouchers for a program for working families who may be interested in joining the FSS program (Aroostook, Penobscot, Washington and Waterville counties)11 currently leased -Awarded 5 year mainstream vouchers (approx. 22 available) 19 currently leased - Set aside 115 Family Unification vouchers for families and youth (97 currently leased) - Administer 99 Emergency Housing Vouchers (EHV) for people experiencing homelessness, previously homeless or at risk and people experiencing domestic violence, stalking or victims of human trafficking (70 currently housed) - Set aside vouchers for disaster assistance (50 vouchers) - Regularly participate in partner meetings, presenting on the HCV program - Staff attend industry meetings, conferences, and trainings
<p>B.4</p>	<p>Violence Against Women Act (VAWA) Goals. Provide a statement of the PHA’s goals, activities, objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking.</p> <p>MaineHousing has a homeless priority of 60% of its available vouchers set aside which includes child and adult victims of domestic violence, dating violence, sexual assault, or stalking. As part of our transition plan MaineHousing offers a Security Deposit of \$1000 to allow a family to move who are victims of domestic violence, dating violence, sexual assault, or stalking. We support 15 PBV units that provide preference to victims of domestic violence, dating violence, sexual assault, or stalking.</p>
<p>C. Other Document and/or Certification Requirements.</p>	
<p>C.1</p>	<p>Significant Amendment or Modification. Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan.</p> <p>A “significant amendment” to our plan would be a policy change in our delivery of the program that would have an impact on the applicants and participants we currently serve in the areas we serve.</p> <p>A “substantial deviation/modification” to our plan would be a change in our current policy that would change the number of units that we allow for optional program opportunities or set-asides (project-base, homeownership, FSS, population specific).</p>
<p>C.2</p>	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) have comments to the 5-Year PHA Plan?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the 5-Year PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p>
<p>C.3</p>	<p>Certification by State or Local Officials.</p> <p>Form HUD-50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>

C.4	Required Submission for HUD FO Review. (a) Did the public challenge any elements of the Plan? Y N <input type="checkbox"/> <input checked="" type="checkbox"/> (b) If yes, include Challenged Elements.
D.	Affirmatively Furthering Fair Housing (AFFH).

D.1

Affirmatively Furthering Fair Housing. (Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.)

Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

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Describe fair housing strategies and actions to achieve the goal

Instructions for Preparation of Form HUD-50075-5Y - 5-Year PHA Plan for All PHAs

A. **PHA Information.** All PHAs must complete this section. (24 CFR § 903.4)

- A.1 Include the full **PHA Name**, **PHA Code**, **PHA Fiscal Year Beginning** (MM/YYYY), **Five-Year Period** that the Plan covers, i.e. 2019-2023, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table.

B. Plan Elements.

- B.1 Mission.** State the PHA's mission for serving the needs of low- income, very low- income, and extremely low- income families in the PHA's jurisdiction for the next five years. ([24 CFR § 903.6\(a\)\(1\)](#))
- B.2 Goals and Objectives.** Identify the PHA's quantifiable goals and objectives that will enable the PHA to serve the needs of low- income, very low- income, and extremely low- income families for the next five years. ([24 CFR § 903.6\(b\)\(1\)](#))
- B.3 Progress Report.** Include a report on the progress the PHA has made in meeting the goals and objectives described in the previous 5- Year Plan. ([24 CFR § 903.6\(b\)\(2\)](#))
- B.4 Violence Against Women Act (VAWA) Goals.** Provide a statement of the PHA's goals, activities objectives, policies, or programs that will enable the PHA to serve the needs of child and adult victims of domestic violence, dating violence, sexual assault, or stalking. ([24 CFR § 903.6\(a\)\(3\)](#)).

C. Other Document and/or Certification Requirements.

C.1 Significant Amendment or Modification. Provide a statement on the criteria used for determining a significant amendment or modification to the 5-Year Plan. For modifications resulting from the Rental Assistance Demonstration (RAD) program, refer to the 'Sample PHA Plan Amendment' found in Notice PIH-2012-32, REV 2.

C.2 Resident Advisory Board (RAB) comments.

- (a) Did the public or RAB have comments?
- (b) If yes, submit comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. ([24 CFR § 903.17\(b\)](#), [24 CFR § 903.19](#))

C.3 Certification by State or Local Officials.

[Form HUD-50077-SL](#), *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan.

C.4 Required Submission for HUD FO Review.

Challenged Elements.

- (a) Did the public challenge any elements of the Plan?
- (b) If yes, include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.

D. Affirmatively Furthering Fair Housing.

(Non-qualified PHAs are only required to complete this section on the Annual PHA Plan. All qualified PHAs must complete this section.)

D.1 Affirmatively Furthering Fair Housing. The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: "To implement goals and priorities in an AFH, strategies and actions shall be included in program participants' ... PHA Plans (including any plans incorporated therein) Strategies and actions must affirmatively further fair housing" Use the chart provided to specify each fair housing goal from the PHA's AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D.; nevertheless, the PHA will address its obligation to affirmatively further fair housing in part by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintain records reflecting these analyses and actions. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the 5-Year PHA Plan. The 5-Year PHA Plan provides the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families and the progress made in meeting the goals and objectives described in the previous 5-Year Plan.

Public reporting burden for this information collection is estimated to average 1.64 hours per year per response or 8.2 hours per response every five years, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality.

Streamlined Annual PHA Plan (HCV Only PHAs)	U.S. Department of Housing and Urban Development Office of Public and Indian Housing	OMB No. 2577-0226 Expires 03/31/2024
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Purpose. The 5-Year and Annual PHA Plans provide a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, including changes to these policies, and informs HUD, families served by the PHA, and members of the public of the PHA's mission, goals and objectives for serving the needs of low- income, very low- income, and extremely low- income families

Applicability. The Form HUD-50075-HCV is to be completed annually by **HCV-Only PHAs**. PHAs that meet the definition of a Standard PHA, Troubled PHA, High Performer PHA, Small PHA, or Qualified PHA do not need to submit this form. Where applicable, separate Annual PHA Plan forms are available for each of these types of PHAs.

Definitions.

- (1) **High-Performer PHA** – A PHA that owns or manages more than 550 combined public housing units and housing choice vouchers, and was designated as a high performer on both the most recent Public Housing Assessment System (PHAS) and Section Eight Management Assessment Program (SEMAP) assessments if administering both programs, or PHAS if only administering public housing.
- (2) **Small PHA** - A PHA that is not designated as PHAS or SEMAP troubled, that owns or manages less than 250 public housing units and any number of vouchers where the total combined units exceed 550.
- (3) **Housing Choice Voucher (HCV) Only PHA** - A PHA that administers more than 550 HCVs, was not designated as troubled in its most recent SEMAP assessment and does not own or manage public housing.
- (4) **Standard PHA** - A PHA that owns or manages 250 or more public housing units and any number of vouchers where the total combined units exceed 550, and that was designated as a standard performer in the most recent PHAS and SEMAP assessments.
- (5) **Troubled PHA** - A PHA that achieves an overall PHAS or SEMAP score of less than 60 percent.
- (6) **Qualified PHA** - A PHA with 550 or fewer public housing dwelling units and/or housing choice vouchers combined and is not PHAS or SEMAP troubled.

A.	PHA Information.																																			
A.1	<p>PHA Name: Maine State Housing Authority PHA Code: ME 901 PHA Plan for Fiscal Year Beginning: (MM/YYYY): 01/2025 PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Housing Choice Vouchers (HCVs) 4506 PHA Plan Submission Type: <input checked="" type="checkbox"/> Annual Submission <input type="checkbox"/> Revised Annual Submission</p> <p>Availability of Information. In addition to the items listed in this form, PHAs must have the elements listed below readily available to the public. A PHA must identify the specific location(s) where the proposed PHA Plan, PHA Plan Elements, and all information relevant to the public hearing and proposed PHA Plan are available for inspection by the public. Additionally, the PHA must provide information on how the public may reasonably obtain additional information of the PHA policies contained in the standard Annual Plan but excluded from their streamlined submissions. At a minimum, PHAs must post PHA Plans, including updates, at the main office or central office of the PHA. PHAs are strongly encouraged to post complete PHA Plans on their official website.</p> <p><input type="checkbox"/> PHA Consortia: (Check box if submitting a joint Plan and complete table below)</p> <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 25%;">Participating PHAs</th> <th style="width: 10%;">PHA Code</th> <th style="width: 25%;">Program(s) in the Consortia</th> <th style="width: 20%;">Program(s) not in the Consortia</th> <th style="width: 20%;">No. of Units in Each Program</th> </tr> </thead> <tbody> <tr> <td>Lead HA:</td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> <tr> <td> </td> <td> </td> <td> </td> <td> </td> <td> </td> </tr> </tbody> </table>	Participating PHAs	PHA Code	Program(s) in the Consortia	Program(s) not in the Consortia	No. of Units in Each Program	Lead HA:																													
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B.	Plan Elements.
B.1	<p>Revision of Existing PHA Plan Elements.</p> <p>a) Have the following PHA Plan elements been revised by the PHA since its last Annual Plan submission?</p> <p>Y N</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Statement of Housing Needs and Strategy for Addressing Housing Needs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Financial Resources.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Rent Determination.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Operation and Management.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Informal Review and Hearing Procedures.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Homeownership Programs.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Substantial Deviation.</p> <p><input type="checkbox"/> <input checked="" type="checkbox"/> Significant Amendment/Modification.</p> <p>(b) If the PHA answered yes for any element, describe the revisions for each element(s):</p>
B.2	New Activities. – Not Applicable

B.3

Progress Report.

Provide a description of the PHA's progress in meeting its Mission and Goals described in its 5-Year PHA Plan.

Program Goals:

Improve Housing Quality

- Used flexible state funding to provide Landlord repair money and damage reimbursement.
Landlord Repair and Damage Reimbursement-\$250,000
- Require gas detectors in units where gas utility or appliances are used
- Follow NFPA 101 Life Safety Code for egress window size requirements
- Implemented IOS compatibility in conducting HQS inspections

Expand the Supply of Affordable Housing

- Used flexible state funding to provide Landlord incentives and security deposits.
Landlord Incentives- \$270,000
Security Deposits- \$175,000
- Awarded 20 Project-based vouchers to housing projects for elderly and or disabled families
- Awarded 42 Project-based vouchers to permanent supportive housing projects for homeless and or disabled families
- Added 22 Tenant Protection vouchers to preserve affordable housing in Oxford County
- Added 11 Project Based voucher units to an existing HAP contract for Penobscot County

Help Maine People Attain Housing Stability

- Ensure EHO and Fair Housing by reviewing requests for reasonable accommodations
- Utilize additional preferences to apply to applicants. The highest preferences are elderly/disabled/families and a preference for US military veterans.
- Set aside 20 Non-Elderly Disabled Vouchers to assist families that participate in the Money-follows-the-person grant through the Maine DHHS Homeward Bound program. (6 currently housed)
- Administer 135 VASH vouchers for veterans (88 currently housed)
- Set aside 32 Non-Elderly Disabled Vouchers to assist families that qualify under the 811 waiver program (26 currently housed)
- Set aside 25 vouchers for a program for working families who may be interested in joining the FSS program (working with Community Action agencies to deliver program throughout the state) (11 currently leased)
- Set aside 115 Family Unification vouchers for families and youth (97 currently leased)
- 60% of available HCV vouchers are set aside for people experiencing homelessness and those fleeing domestic violence
 - 50 specifically for Housing Opportunities for People in Encampments (HOPE)
 - 25 specifically to support the Youth Demonstration Program (19 currently leased)
- Administer 5 year mainstream vouchers (approx. 22 available) 19 currently leased
- Administer 99 Emergency Housing Vouchers (EHV) for people experiencing homelessness, previously homeless or at risk and people experiencing domestic violence, stalking or victims of human trafficking (70 currently housed)
- Set aside vouchers for disaster assistance (50 vouchers)

Provide Leadership in the Housing Field

- HCV Director serves as Chair of the Maine Centralized Waiting list Advisory Group
- Coordinate Housing Navigator Program by providing funds and tracking outcomes.
Sub contract with 9 agencies providing assistance with pre-tenancy, housing search and landlord outreach to assist Maine people with affordable housing options including new Mainers and underserved populations statewide

- Administer and coordinate the Family Self Sufficiency Program, enrolled 20 participants
Participate and co-lead the statewide Program Coordinating Committee (PCC)
- Work with partners in providing services and outreach to low-income families via Community Action Agencies, homeless shelters, domestic violence agencies, landlord associations, 211 site, statewide conferences, and other Public Housing Authorities
- Coordinate pre-occupancy meetings and yearly updates with owner/managers of Project Based units to monitor vacancies and tenant selection policies
- Support statewide Landlord Incentives by providing PHA's in Maine funding, allowing them to deliver a consistent resource to landlords and tenants
- Staff attend industry meetings, conferences, and trainings and present to community partners about the HCV program
- Attend SAVE trainings to stay current with immigration regulations and documentation to determine US citizenship.

Operational Priorities:

Service

- Provided excellent customer service by hiring staff competent in customer service delivery – hired three Occupancy Specialists and one inspector
- Offer centralized customer service phone line, fax line and email address for applicants, tenants and partners
- Utilize a Maine Centralized Waitlist for applicants
- Color code recertification packets and landlord packets to ensure information provided is complete. This allows for efficient processing of tenant and landlord information.
- Exploring virtual options for conducting HCV briefings and to offer participants the option to complete their annual certification online.

People

- Provided staff and contractors with excellent tools to enable service (software, training, education and technical assistance) including updated program software to the latest version offered from our vendor.
- Process and track certifications through a shared work model

Financial Capacity

- Access state funds to offer landlord incentives statewide
- Monitor utilization using HUD's Two Year Tool
- Request Blended Administrative fee to serve tenants statewide, approved for 2023.

Resource Optimization

- Tenant files are scanned and saved electronically
- Utilize technology to track work flow
- Adding IOS functionality to optimize inspection process, this will assist the inspection team in conducting more inspections each day.

B.4 Capital Improvements. – Not Applicable

<p>B.5</p>	<p>Most Recent Fiscal Year Audit.</p> <p>(a) Were there any findings in the most recent FY Audit?</p> <p>Y N N/A <input type="checkbox"/> <input checked="" type="checkbox"/> <input type="checkbox"/></p> <p>(b) If yes, please describe:</p>			
<p>C. Other Document and/or Certification Requirements.</p>				
<p>C.1</p>	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) have comments to the PHA Plan?</p> <p>Y N <input type="checkbox"/> <input checked="" type="checkbox"/></p> <p>(b) If yes, comments must be submitted by the PHA as an attachment to the PHA Plan. PHAs must also include a narrative describing their analysis of the RAB recommendations and the decisions made on these recommendations.</p>			
<p>C.2</p>	<p>Certification by State or Local Officials.</p> <p>Form HUD 50077-SL, <i>Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>			
<p>C.3</p>	<p>Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan.</p> <p>Form HUD-50077-ST-HCV-HP, <i>PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed</i>, must be submitted by the PHA as an electronic attachment to the PHA Plan.</p>			
<p>C.4</p>	<p>Challenged Elements. If any element of the PHA Plan is challenged, a PHA must include such information as an attachment with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.</p> <p>(a) Did the public challenge any elements of the Plan?</p> <p>Y N <input type="checkbox"/> <input type="checkbox"/></p> <p>If yes, include Challenged Elements.</p>			
<p>D. Affirmatively Furthering Fair Housing (AFFH).</p>				
<p>D.1</p>	<p>Affirmatively Furthering Fair Housing (AFFH).</p> <p>Provide a statement of the PHA's strategies and actions to achieve fair housing goals outlined in an accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5). Use the chart provided below. (PHAs should add as many goals as necessary to overcome fair housing issues and contributing factors.) Until such time as the PHA is required to submit an AFH, the PHA is not obligated to complete this chart. The PHA will fulfill, nevertheless, the requirements at 24 CFR § 903.7(o) enacted prior to August 17, 2015. See Instructions for further detail on completing this item.</p> <table border="1" data-bbox="181 1430 1453 1881"> <tr> <td data-bbox="181 1430 1453 1472"> <p>Fair Housing Goal:</p> </td> </tr> <tr> <td data-bbox="181 1472 1453 1881"> <p><i>Describe fair housing strategies and actions to achieve the goal</i></p> </td> </tr> </table> <table border="1" data-bbox="181 1902 1453 1942"> <tr> <td data-bbox="181 1902 1453 1942"> <p>Fair Housing Goal:</p> </td> </tr> </table>	<p>Fair Housing Goal:</p>	<p><i>Describe fair housing strategies and actions to achieve the goal</i></p>	<p>Fair Housing Goal:</p>
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Fair Housing Goal:

Describe fair housing strategies and actions to achieve the goal

Instructions for Preparation of Form HUD-50075-HCV Annual PHA Plan for HCV-Only PHAs

A. PHA Information. All PHAs must complete this section. (24 CFR §903.4)

A.1 Include the full **PHA Name**, **PHA Code**, **PHA Type**, **PHA Fiscal Year Beginning** (MM/YYYY), **Number of Housing Choice Vouchers (HCVs)**, **PHA Plan Submission Type**, and the **Availability of Information**, specific location(s) of all information relevant to the public hearing and proposed PHA Plan.

PHA Consortia: Check box if submitting a Joint PHA Plan and complete the table. ([24 CFR §943.128\(a\)](#))

B. Plan Elements. All PHAs must complete this section. ([24 CFR §903.11\(c\)\(3\)](#))

B.1 Revision of Existing PHA Plan Elements. PHAs must:

Identify specifically which plan elements listed below that have been revised by the PHA. To specify which elements have been revised, mark the “yes” box. If an element has not been revised, mark “no.”

Statement of Housing Needs and Strategy for Addressing Housing Needs. Provide a statement addressing the housing needs of low-income, very low-income and extremely low-income families and a brief description of the PHA’s strategy for addressing the housing needs of families who reside in the jurisdiction served by the PHA and other families who are on the Section 8 tenant-based assistance waiting lists. The statement must identify the housing needs of (i) families with incomes below 30 percent of area median income (extremely low-income); (ii) elderly families (iii) households with individuals with disabilities, and households of various races and ethnic groups residing in the jurisdiction or on the public housing and Section 8 tenant-based assistance waiting lists. The statement of housing needs shall be based on information provided by the applicable Consolidated Plan, information provided by HUD, and generally available data. The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. Once the PHA has submitted an Assessment of Fair Housing (AFH), which includes an assessment of disproportionate housing needs in accordance with 24 CFR 5.154(d)(2)(iv), information on households with individuals with disabilities and households of various races and ethnic groups residing in the jurisdiction or on the waiting lists no longer needs to be included in the Statement of Housing Needs and Strategy for Addressing Housing Needs. (24 CFR § 903.7(a)).

The identification of housing needs must address issues of affordability, supply, quality, accessibility, size of units, and location. (24 CFR §903.7(a)(2)(i)) Provide a description of the ways in which the PHA intends, to the maximum extent practicable, to address those housing needs in the upcoming year and the PHA's reasons for choosing its strategy. (24 CFR §903.7(a)(2)(ii))

Deconcentration and Other Policies that Govern Eligibility, Selection, and Admissions. A statement of the PHA's policies that govern resident or tenant eligibility, selection and admission including admission preferences for HCV. (24 CFR §903.7(b))

Financial Resources. A statement of financial resources, including a listing by general categories, of the PHA's anticipated resources, such as PHA HCV funding and other anticipated Federal resources available to the PHA, as well as tenant rents and other income available to support tenant-based assistance. The statement also should include the non-Federal sources of funds supporting each Federal program, and state the planned use for the resources. (24 CFR §903.7(c))

Rent Determination. A statement of the policies of the PHA governing rental contributions of families receiving tenant-based assistance, discretionary minimum tenant rents, and payment standard policies. (24 CFR §903.7(d))

Operation and Management. A statement that includes a description of PHA management organization, and a listing of the programs administered by the PHA. (24 CFR §903.7(e))

Informal Review and Hearing Procedures. A description of the informal hearing and review procedures that the PHA makes available to its applicants. (24 CFR §903.7(f))

Homeownership Programs. A statement describing any homeownership programs (including project number and unit count) administered by the agency under section 8y of the 1937 Act, or for which the PHA has applied or will apply for approval. (24 CFR §903.7(k))

Self Sufficiency Programs and Treatment of Income Changes Resulting from Welfare Program Requirements. A description of any PHA programs relating to services and amenities coordinated, promoted, or provided by the PHA for assisted families, including those resulting from the PHA's partnership with other entities, for the enhancement of the economic and social self-sufficiency of assisted families, including programs provided or offered as a result of the PHA's partnerships with other entities, and activities subject to Section 3 of the Housing and Community Development Act of 1968 (24 CFR Part 135) and under requirements for the Family Self-Sufficiency Program and others. Include the program's size (including required and actual size of the FSS program) and means of allocating assistance to households. (24 CFR §903.7(l)(i)) Describe how the PHA will comply with the requirements of section 12(c) and (d) of the 1937 Act that relate to treatment of income changes resulting from welfare program requirements. (24 CFR §903.7(l)(iii)).

Substantial Deviation. PHA must provide its criteria for determining a "substantial deviation" to its 5-Year Plan. (24 CFR §903.7(r)(2)(i))

Significant Amendment/Modification. PHA must provide its criteria for determining a "Significant Amendment or Modification" to its 5-Year and Annual Plan.

If any boxes are marked "yes", describe the revision(s) to those element(s) in the space provided.

B.2 New Activities. This section refers to new capital activities which is not applicable for HCV-Only PHAs.

B.3 Progress Report. For all Annual Plans following submission of the first Annual Plan, a PHA must include a brief statement of the PHA's progress in meeting the mission and goals described in the 5-Year PHA Plan. (24 CFR §903.11(c)(3), 24 CFR §903.7(r)(1))

B.4 Capital Improvements. This section refers to PHAs that receive funding from the Capital Fund Program (CFP) which is not applicable for HCV-Only PHAs

B.5 Most Recent Fiscal Year Audit. If the results of the most recent fiscal year audit for the PHA included any findings, mark "yes" and describe those findings in the space provided. (24 CFR §903.7(p))

C. Other Document and/or Certification Requirements.

C.1 Resident Advisory Board (RAB) comments. If the RAB had comments on the annual plan, mark "yes," submit the comments as an attachment to the Plan and describe the analysis of the comments and the PHA's decision made on these recommendations. (24 CFR §903.13(c), 24 CFR §903.19)

C.2 Certification by State of Local Officials. Form HUD-50077-SL, *Certification by State or Local Officials of PHA Plans Consistency with the Consolidated Plan*, must be submitted by the PHA as an electronic attachment to the PHA Plan. (24 CFR §903.15). Note: A PHA may request to change its fiscal year to better coordinate its planning with planning done under the Consolidated Plan process by State or local officials as applicable.

C.3 Civil Rights Certification/ Certification Listing Policies and Programs that the PHA has Revised since Submission of its Last Annual Plan. Provide a certification that the following plan elements have been revised, provided to the RAB for comment before implementation, approved by the PHA board, and made available for review and inspection by the public. This requirement is satisfied by completing and submitting form HUD-50077 ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed*. Form HUD-50077-ST-HCV-HP, *PHA Certifications of Compliance with PHA Plan, Civil Rights, and Related Laws and Regulations Including PHA Plan Elements that Have Changed* must be submitted by the PHA as an electronic attachment to the PHA Plan. This includes all certifications relating to Civil Rights and related regulations. A PHA will be considered in compliance with the certification requirement to affirmatively further fair housing if the PHA fulfills the requirements of §§ 903.7(o)(1) and 903.15(d) and: (i) examines its programs or proposed programs; (ii) identifies any fair housing issues and contributing factors within those programs, in accordance with 24 CFR 5.154; or 24 CFR 5.160(a)(3) as applicable (iii) specifies actions and strategies designed to address contributing factors, related fair housing issues, and goals in the applicable Assessment of Fair Housing consistent with 24 CFR 5.154 in a reasonable manner in view of the resources available; (iv) works with jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; (v) operates programs in a manner consistent with any applicable consolidated plan under 24 CFR part 91, and with any order or agreement, to comply with the authorities specified in paragraph (o)(1) of this section; (vi) complies with

any contribution or consultation requirement with respect to any applicable AFH, in accordance with 24 CFR 5.150 through 5.180; (vii) maintains records reflecting these analyses, actions, and the results of these actions; and (viii) takes steps acceptable to HUD to remedy known fair housing or civil rights violations, impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with the local jurisdiction to implement any of the jurisdiction's initiatives to affirmatively further fair housing; and assures that the annual plan is consistent with any applicable Consolidated Plan for its jurisdiction. (24 CFR §903.7(o)).

C.4 Challenged Elements. If any element of the Annual PHA Plan or 5-Year PHA Plan is challenged, a PHA must include such information as an attachment to the Annual PHA Plan or 5-Year PHA Plan with a description of any challenges to Plan elements, the source of the challenge, and the PHA's response to the public.

D. Affirmatively Furthering Fair Housing (AFFH).

D.1 Affirmatively Furthering Fair Housing. The PHA will use the answer blocks in item D.1 to provide a statement of its strategies and actions to implement each fair housing goal outlined in its accepted Assessment of Fair Housing (AFH) consistent with 24 CFR § 5.154(d)(5) that states, in relevant part: "To implement goals and priorities in an AFH, strategies and actions shall be included in program participants' ... PHA Plans (including any plans incorporated therein) ... Strategies and actions must affirmatively further fair housing" Use the chart provided to specify each fair housing goal from the PHA's AFH for which the PHA is the responsible program participant – whether the AFH was prepared solely by the PHA, jointly with one or more other PHAs, or in collaboration with a state or local jurisdiction – and specify the fair housing strategies and actions to be implemented by the PHA during the period covered by this PHA Plan. If there are more than three fair housing goals, add answer blocks as necessary.

Until such time as the PHA is required to submit an AFH, the PHA will not have to complete section D., nevertheless, the PHA will address its obligation to affirmatively further fair housing in part by fulfilling the requirements at 24 CFR 903.7(o)(3) enacted prior to August 17, 2015, which means that it examines its own programs or proposed programs; identifies any impediments to fair housing choice within those programs; addresses those impediments in a reasonable fashion in view of the resources available; works with local jurisdictions to implement any of the jurisdiction's initiatives to affirmatively further fair housing that require the PHA's involvement; and maintain records reflecting these analyses and actions. Furthermore, under Section 5A(d)(15) of the U.S. Housing Act of 1937, as amended, a PHA must submit a civil rights certification with its Annual PHA Plan, which is described at 24 CFR 903.7(o)(1) except for qualified PHAs who submit the Form HUD-50077-CR as a standalone document.

This information collection is authorized by Section 511 of the Quality Housing and Work Responsibility Act, which added a new section 5A to the U.S. Housing Act of 1937, as amended, which introduced the Annual PHA Plan. The Annual PHA Plan provides a ready source for interested parties to locate basic PHA policies, rules, and requirements concerning the PHA's operations, programs, and services, and informs HUD, families served by the PHA, and members of the public for serving the needs of low- income, very low- income, and extremely low- income families.

Public reporting burden for this information collection is estimated to average 6.02 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. HUD may not collect this information, and respondents are not required to complete this form, unless it displays a currently valid OMB Control Number.

Privacy Act Notice. The United States Department of Housing and Urban Development is authorized to solicit the information requested in this form by virtue of Title 12, U.S. Code, Section 1701 et seq., and regulations promulgated thereunder at Title 12, Code of Federal Regulations. Responses to the collection of information are required to obtain a benefit or to retain a benefit. The information requested does not lend itself to confidentiality



To: MaineHousing Board of Commissioners

From: Kelly Watson, Director of Homeless Initiatives
Ashley Carson, Chief Counsel

Date: October 8, 2024

Subject: Adoption of the Maine Homeless Solutions Rule

At your meeting on October 15, 2024, we will ask you to repeal and replace the existing Homeless Solutions Rule with the attached.

As you know, the public hearing was held on September 17, 2024. The proposed rule was sent to interested parties and posted on the MaineHousing website with a thirty (30) day comment period provided starting on August 28, 2024. We continued to receive written comments through the close of business on September 27, 2024. A summary of the comments and staff's proposed responses to the comments is in the attached rule, beginning on page 9. The following revisions were made to the rule in response to the comments received:

1. The definition of Victim Service Providers was added and in places where the wording "those serving victims of domestic violence" appeared, it was replaced with Victim Service Providers.
2. The program title "Housing Subsidy for Homeless Students Program" was changed to "The Student Homelessness Prevention Pilot"
3. Language in section 7 regarding data entry requirements was amended to include the language "other statutes" that may prohibit certain types and methods of data collection.
4. Section 8(A) was updated to include a statement that general reporting requirements will be stated in grant agreements.
5. Section 9(B) was updated to specifically list VAWA as a privacy law that would prohibit MaineHousing from requesting confidential records.

State law and the Governor's Executive Order on rulemaking state that prior to adopting a final rule, MaineHousing should:

- consider all relevant information available, including, but not limited to, economic, environmental, fiscal and social impact analyses;

- prioritize the health, safety, and welfare of Maine people in conducting these environmental and social impact analyses; and
- consider the extent to which existing law addresses the matter and the rule's impact on the ability of Maine employers to retain and attract a skilled workforce, including by reducing compliance burdens on small businesses in conducting the economic and fiscal impact analysis.

PROPOSED MOTION:

To repeal the existing Homeless Solutions Rule, Chapter 19 of MaineHousing's rules, and replace it with the updated Homeless Solutions Rule as described in the memorandum to the MaineHousing Board of Commissioners from Kelly Watson and Ashley Carson dated October 8, 2024.

99-346 MAINE STATE HOUSING AUTHORITY

Chapter 19: HOMELESS SOLUTIONS RULE

Summary: The Maine State Housing Authority uses funds from certain federal and state resources to give grants to agencies for a variety of activities to assist people who are experiencing homelessness. This Rule governs MaineHousing’s allocation of resources for such programs, program design, the publication and distribution of program guides, and potential selection criteria. Some resources are distributed according to a funding formula set forth in the applicable Program Guide and Application. Other resources may be distributed according to programs designed by MaineHousing.

1. Definitions

- A. “Act” means the Maine Housing Authorities Act, 30-A M.R.S. §4701, *et seq.* as amended.
- B. “Agency Participation Agreement” is a document that sets forth the obligations of service providers participating in HMIS and governs how information regarding clients and the services they receive is treated.
- C. “Applicant” means the municipality or non-profit corporation applying for funds governed by this Rule.
- D. “Bed Capacity” means the maximum number of year round beds in an Emergency Shelter as indicated on the agency’s Emergency Shelter and Housing Assistance Program (“ESHAP”) Program Guide and Application; provided, however, for purposes of this Rule, the Bed Capacity of a Low Barrier Shelter means its maximum number of beds as indicated on the Program Guide and Application, multiplied by 125%.
- E. “Continuum of Care” or “CoC” is the group organized to carry out the responsibilities required under the CoC Program Interim Rule (24 CFR Part 578, Continuum of Care Program, [77 FR 45442, July 31, 2012, as amended at 80 FR 75940, Dec. 7, 2015]) and comprises representatives of organizations that provide a full range of emergency, transitional, and permanent housing and other service resources to address the various needs of Persons Experiencing Homelessness within the State of Maine.
- F. “Coordinated Entry Process” means a process designed to coordinate program participant intake, assessment, and provision of referrals within a geographic area. A Coordinated Entry Process covers the geographic area, is easily accessed by individuals and families seeking housing or services, is well advertised, and includes a comprehensive and standardized assessment tool.
- G. “Emergency Shelter” means any facility, the primary purpose of which is to provide a temporary shelter for Persons Experiencing Homelessness or for specific populations of Persons Experiencing Homelessness and which meets the criteria set forth in section 3 of this Rule.
- H. “Funding Formula Allocation” means an annual allocation of funds by MaineHousing for Emergency Shelters as further described in section 4 of this Rule.

- I. “General Assistance” means the programs run by cities/towns in Maine that help people in need by providing for basic necessities, such as affordable housing, utilities and food.
- J. “HEARTH Act” means the Homeless Emergency and Rapid Transition to Housing Act of 2009 (P.L. 111-22), and the regulations promulgated thereunder.
- K. “HMIS” means the Homeless Management Information System as further defined in the McKinney-Vento Act as amended by the HEARTH Act.
- L. “HMIS Data Standards” means the baseline data collection requirements developed by each of the federal partners which require participation in HMIS, or a comparable database for Victim Service Providers, as a condition of their funding.
- M. “Homeless Prevention” means activities or programs designed to prevent persons from experiencing homelessness including without limitation subsidies for rent, utilities, security deposits, and mortgage payments.
- N. “Homeless Service Hub” also referred to as “Hub” or “Service Hub” means a group of regional providers that creates local foundation for the prioritization and case conferencing of the Coordinated Entry Process, as well as working collectively toward ending homelessness. Each Hub supports regional coordination and resource alignment and provides system level data used to improve performance. Maine has nine Service Hubs.
- O. “Housing First” is an approach to quickly and successfully connect Persons Experiencing Homelessness to permanent housing without preconditions and barriers to entry, such as sobriety, treatment, or service participation requirements. The approach offers supportive services to maximize housing stability and prevent returns to homelessness.
- P. “Housing Stabilization” means assessing, arranging, coordinating, and monitoring the delivery of individualized services to facilitate housing stability for a program participant who resides in permanent housing or to assist a program participant in overcoming immediate barriers to obtaining housing.
- Q. “HUD” means the United States Department of Housing and Urban Development.
- R. “Low Barrier Shelter” means an Emergency Shelter that does not require any of the following for a client to stay at the shelter: (i) criminal background checks, (ii) credit checks or income verification, (iii) program participation, (iv) sobriety, or (v) identification; but does require the enforcement safety requirements for self, staff, place, and others in instances of an imminent threat to safety.
- S. “MaineHousing” means Maine State Housing Authority.
- T. “Mainstream Resources” means a variety of Federal and state benefit government assistance programs Persons Experiencing Homelessness may be eligible to receive. These include but are not limited to: Temporary Assistance For Needy Families (TANF), Food Supplement Program, veterans’ benefits, MaineCare, General Assistance, Supplemental Security Income Program (SSI), Social Security Disability Insurance (SSDI), and Housing Choice Voucher Program.
- U. “Maine’s Job Bank” is an on-line job posting and job search system provided by Maine CareerCenter.

- V. “McKinney-Vento Act” means the Stewart B. McKinney-Vento Homeless Assistance Act, 42 U.S.C. §11301 *et seq.*, and the regulations promulgated thereunder.
- W. “Performance” means the performance of the eligible applicants with regards to performance indicators as described in the applicable Program Guide and Application.
- X. “Persons Experiencing Homelessness” means persons meeting the definition of homeless as defined by 24 CFR 576.2, Definitions, [76 FR 75974, Dec. 5, 2011, as amended at 80 FR 75939, Dec. 7, 2015].
- Y. “Program” means an offering of grants, potentially, subject to recapture, available to prospective eligible Applicants on certain terms and for certain purposes determined by MaineHousing pursuant to this Rule.
- Z. “Program Guide and Application” means the written procedural and administrative guide for a particular Program governed by the terms and conditions of this Rule. It includes the application completed by Applicants.
- AA. “Rapid Re-housing” means housing relocation and stabilization services and short- and/or medium-term rental assistance as necessary to help Persons Experiencing Homelessness move as quickly as possible into permanent housing and achieve stability in that housing.
- BB. “Shelter Operations” are the costs of maintenance (including minor or routine repairs), rent, security, fuel, equipment, insurance, utilities, food, furnishings, and supplies necessary for the operation of an Emergency Shelter. The allocation of funding that an Emergency Shelter will receive for Shelter Operations will relate to the Emergency Shelter’s Bed Capacity as described further in the applicable Program Guide and Application.
- CC. “Victim Service Providers” means private nonprofit organizations whose primary mission is to provide direct services to victims of domestic violence.
- DD. “Violence Against Women Act “or “VAWA” is a United States federal law (Title IV, sec. 40001-40703 of the Violent Crime Control and Law Enforcement Act of 1994, H.R. 3355).

2. Eligible Applicants

To be eligible to receive funds, an Applicant must meet the eligibility criteria defined within the applicable Program Guide and Application for funding and comply with MaineHousing requirements for the applicable Program. Applicants for ESHAP will be required to participate in the Coordinated Entry Process. Applicants for other Programs may be required to participate in the Coordinated Entry Process as prescribed in the applicable Program Guide and Application.

3. Emergency Shelter Requirements

To be eligible to receive funding for operation of an Emergency Shelter, the following requirements must be met:

- A. provide access 365 days per year to assist Persons Experiencing Homelessness meet basic emergency shelter needs;
- B. provide adequate sleeping space or beds, and clean and functioning shower and toilet facilities;

- C. Provide safe and nutritious food, including breakfast or arranging access to breakfast and, if open 24 hours, also provide lunch and dinner or arrange access to lunch and dinner; if meal arrangements occur offsite, arrangement must be reasonably located, comply with accommodation requests, and be safe to consume.
- D. treat all guests with dignity and respect, regardless of religious or political beliefs, cultural background, disability, gender identity or sexual orientation;
- E. provide shelter and housing services based upon a Housing First approach;
- F. have admittance and stay policies that are appropriate for the population served and do not create unnecessary barriers to guests staying;
- G. provide linkages and access to community resources such as health care, job readiness and employment services, Mainstream Resources, and educational services to assist guests in achieving housing stability;
- H. assess guests for program eligibility and services to enable mobility to permanent housing with adequate supports;
- I. inform guests of their rights and responsibilities, including specific shelter policies and house rules;
- J. accept eligible persons regardless of their ability to pay or their eligibility for reimbursement or actual reimbursements from any third party source, including local, municipal, state, or federal funding sources;
- K. have no lease requirements for guests;
- L. if serving families with children, provide space other than open dormitory style and do not require involuntary family separation for admission;
- M. provide separate accommodations for male and female consumers consistent with their gender identity;
- N. protect the privacy and confidentiality of guests and their personal information;
- O. provide training, policies, procedures and regular maintenance to encourage, improve, and maintain the health and safety of guests, volunteers and staff;
- P. post fire, disaster, and other emergency procedures in a conspicuous place and review the procedures with each guest;
- Q. maintain a daily and confidential census of shelter clients including precise sleeping locations;
- R. operate in compliance with all applicable federal, state and local codes, laws and regulations; and
- S. have written policies and procedures for standards that address the following areas: non-discrimination, client grievance and appeal of termination, approval of financial transactions,

record retention, procurement, whistleblowers, access to shelter and services, client rights and responsibilities, program personnel and facility operations, health and safety, food preparation and distribution, electronic data and security, Fair Housing, and Drug Free Workplace. All policies must meet federal guidelines.

4. **Funding Allocation**

From time to time MaineHousing will allocate a certain amount of funds to be distributed, subject to availability. The funding formula for allocations of funding will be enumerated in the applicable Program Guide and Application. Based on availability, funds will be allocated for the following Programs:

- A. **Emergency Shelter and Housing Assistance Program** – Funding for shelter and rehousing services aimed at meeting immediate shelter needs and movement into permanent housing. Funding will be allocated according to the Funding Formula Allocation, as enumerated in the Program Guide and Application, to include a share for Shelter Operations, Housing Stabilization, and Performance.
- B. **Targeted Rapid Rehousing Program (TRRP)** – Funding for rapid rehousing activities aimed at quickly moving Persons Experiencing Homelessness to housing.
- C. **Housing Problem Solving (HPS)** – Funding for homelessness prevention and rapid exit activities aimed at diverting persons from the homeless system or making their time in the homeless services system rare, brief, and non-reoccurring.
- D. **Emergency Housing Matching Grant Program** – Funding to provide grants to qualified providers of emergency housing and shelter services for the construction, renovation or acquisition of a new or existing building to provide emergency housing and shelter services. Funds may also be used to cover the costs to lease a building to provide emergency housing and shelter services.
- E. **The Student Homelessness Prevention Pilot** – Funding to provide assistance to students and their families to prevent them from becoming homeless and/or support them in obtaining stable housing. Funding will be provided to school districts who may choose to subcontract with nonprofit organizations to administer the program.
- F. **Other Programs.** MaineHousing may allocate other funds for Programs to assist Persons Experiencing Homelessness in accordance with applicable federal and state laws.

5. **Program Design**

- A. **Programs.** MaineHousing shall design and offer Programs based upon available funds, restrictions attached to such funds, best practices, and needs. The funds may be used for shelter services and outreach activities; for Homeless Prevention and Rapid Re-housing activities such as rental assistance, housing search, mediation, outreach to property owners, legal services, security on utility deposits, and moving costs; and to support entities that offer an integrated array of services to meet the health, housing, employment, and other basic needs of Persons Experiencing Homelessness; to support the construction, renovation or acquisition of a new or existing building to provide emergency housing and shelter services and/or cover the costs to lease a building; and to provide assistance to homeless students in elementary school and secondary school.

- B. **Program Guide and Application.** MaineHousing may distribute a Program Guide and Application to: parties who may be eligible for a Program and who have expressed an interest to MaineHousing in connection with the type of activities eligible under a Program; parties MaineHousing selects for marketing a particular Program; parties that request the Program Guide and Application; and the public by posting it on MaineHousing’s website.

6. Funding

- A. **Processing of Applications.** MaineHousing may process applications on a first come first served basis or may set an application due date described in the Program Guide and Application for submission for review by a committee. The selection process will be outlined in the Program Guide and Application.
- B. **Selection for Funding.** MaineHousing shall retain final discretion as to whether or not to offer funds to a particular Applicant for a particular purpose.
- C. **Availability of Funds.** Grants are always subject to the availability of funds.
- D. **Selection Criteria.** MaineHousing will set forth requirements and selection and approval criteria germane to a particular Program in the applicable Program Guide and Application. selection criteria may include but are not limited to the following:

- i. **Mainstream Resources**

- 1. how well the Applicant collaborates with their respective Homeless Service Hub;
 - 2. how well the Applicant assists clients in the completion and submission of applications for Mainstream Resources; and
 - 3. how well the Applicant captures the results of the actual benefits received.

- ii. **Housing**

- 1. how well the Applicant assists clients in the completion and submission of applications for client appropriate housing;
 - 2. how well the Applicant assists clients with housing searches;
 - 3. how well the Applicant assists clients with landlord relationships; and
 - 4. how well the Applicant has developed and maintained effective working relationships with local General Assistance offices in assisting clients with access and applications.

- iii. **Health Care**

- 1. Applicant’s relationships and links with one or more local health care providers who provide treatment for clients; and
 - 2. Applicant’s ability to provide or refer clients for mental health or substance abuse assessments and treatment.

iv. **Employment**

1. how well the Applicant assists clients with employment searches, including registering with Maine’s Job Bank;
2. how well the Applicant has developed and maintained effective working relationships with local career centers in assisting clients; and
3. how well the Applicant has developed and maintained effective working relationships with local employers or employment agencies in assisting clients.

v. **Prevention**

1. Applicant’s knowledge of and ability to refer clients to Pine Tree Legal Assistance for eviction prevention and other legal assistance; and
2. Applicant’s knowledge of and ability to actively refer clients to other local and regional resources, as appropriate.

7. Data Collection Requirements for Applicants

In order to receive funding, eligible Applicants must do the following, unless prohibited by VAWA or other statute or not required at MaineHousing’s sole discretion:

- A. Enter into an Agency Participation Agreement to share certain Homeless Management Information System (HMIS) data with other Emergency Shelters and other providers of services for Persons Experiencing Homelessness;
- B. Enter client data as prescribed by MaineHousing and HUD in accordance with requirements set forth in the HMIS Data Standards as revised, and the HEARTH Act, and ensure data completeness and quality in regard to Program performance measures on a monthly basis and submit reports as prescribed by MaineHousing or HUD;
- C. Enter client data on outcomes and housing stability as prescribed by MaineHousing or HUD, which will be used for performance measurement, research, or evaluation;
- D. Have the capacity to enter client level data into the system of the CoC designated vendor for HMIS data entry; and
- E. Submit de-duplicated aggregate reports as required by MaineHousing.

Victim Service Providers are required to have the capacity of a comparable database that collects client level data and provides aggregate, de-duplicated data to MaineHousing in electronic form.

8. Reporting Requirements for Applicants

- A. **General Reporting Requirements.** An Applicant who receives a grant (“Grantee”) must provide client data prescribed by MaineHousing in a form or forms prescribed by MaineHousing to centralized data collection systems prescribed by MaineHousing in the grant agreement.

- B. **Missing Reports or Data.** A Grantee must provide all reports and all required client data in accordance with the reporting requirements at the time of funds disbursement in order to receive funding.
- C. **Complete Report.** A report will not be considered submitted unless MaineHousing determines that the report is sufficiently complete and all client data is valid.
- D. **Final Reports.** A Grantee may be required to submit a final report showing its use of a grant within 30 days of the end of the term of the grant.

9. Monitoring and Assessment for Applicants

- A. MaineHousing will review for Program compliance based on assessment of risk or at least every three years at reasonable times.
- B. MaineHousing may copy and examine all of a Grantee’s records other than medical or other confidential client information protected by VAWA or privacy laws.
- C. Grantees will maintain records sufficient to meet monitoring and auditing requirements of MaineHousing and HUD including without limitation daily rosters and client files.

In the case of a physical shelter program facility, MaineHousing will inspect to a minimum for compliance with HUD’s minimum emergency shelter standards pursuant to 24 CFR §576.403(b), Minimum standards for emergency shelters, [76 FR 75974, Dec. 5, 2011, as amended at 88 FR 30498, May 11, 2023].

10. Rule Limitations

- A. **Other Laws.** If this Rule conflicts with any provision of federal or state law, the federal or state law shall control.
- B. **Waivers.** Upon determination of good cause, the Director of MaineHousing or the Director’s designee may, subject to statutory limitations, waive any provision of this Rule. Each waiver shall be in writing and shall be supported by documentation of the pertinent facts and grounds.

STATUTORY AUTHORITY: 30-A M.R.S. §§4741 (1) and (18); §4766; §4994-A; 42 U.S.C. §§11301, *et seq.*

BASIS STATEMENT: This replacement rule repeals and replaces in its entirety the current Chapter 19, *Homeless Solutions Rule*, in order to: (i) revise and update language and definitions where appropriate; (ii) remove eligibility criteria from the rule and instead place it in the appropriate program guides; (iii) clarify language; (iv) encourage collaboration with Homeless Service Hubs; (v) provide discretion on HMIS data entry requirements; and (vi) update the compliance monitoring process to include risk based assessments.

PUBLIC COMMENT:

Process:

Notice of Agency Rule-making Proposal (MAPA-3) was submitted to the Secretary of State for publication in the August 28, 2024 edition of the appropriate newspapers. Additionally, MaineHousing sent the proposed rule to Interested Parties on August 28, 2024 and published the proposed rule on its website on August 28, 2024. MaineHousing held a public hearing on September 17, 2024. The comment period was held open until Friday, September 27, 2024 at 5:00 PM.

Summary of Comments and Responses to Comments:

Comment: Cullen Ryan, Executive Director of Community Housing of Maine (CHOM) commended MaineHousing for carefully crafting the revisions to the Rule. Cullen noted that the language in Section 2, Eligible Applicants, that states Applicants for other Programs may be required to participate in the Coordinated Entry Process is problematic as for some programs it will not make sense to be part of Coordinated Entry. Cullen suggested removing that language from the Rule and relying on the Summary Section at the beginning of the Rule which was sufficient to address the concern.

MaineHousing's Response:

Coordinated Entry is both a HUD mandate for CoC and ESG projects and a best practice for homeless service systems. MaineHousing has been strongly encouraged by HUD and HUD Technical Assistance to incorporate more resources into the Coordinated Entry System. Because of this, MaineHousing believes the statement that applicants for other programs may be required to participate in the Coordinated Entry Process provides transparency around the potential requirement that access to program resources may be required through the Coordinated Entry System.

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace requested that MaineHousing consider amending the proposed Rule to include the following revisions:

Section 1, Definitions

- 1) Retaining the definition for "Victim Services Provider" and defining it as "a private nonprofit organization whose primary mission is to provide direct services to victims of domestic violence." Victim Services Provider is a term that continues to be used by HUD and it is crucial to include a definition in the Rule as many agencies provide some level of service to people who are survivors of domestic abuse and violence, and including a definition will limit confusion regarding who is and who is not a Victim Services Provider.
- 2) Revising Section 1(L), "HMIS Data Standards" to remove the language that states "those serving survivors of domestic violence" and replacing it with "Victim Service Providers."
- 3)

MaineHousing's Response:

- 1) MaineHousing will add the definition of Victim Service Providers defined as "private nonprofit organizations whose primary mission is to provide direct services to victims of domestic violence."
- 2) MaineHousing will replace "those serving survivors of domestic violence" with "Victim Service Provider"

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace also commented that the changes to Section 6, Funding, move several issues from being outlined in the Rule to being outlined in the Program Guide and Application. They expressed concerns that while the Homeless Solution Rule has a formal process to review and revise the Rule, MaineHousing's Program Guide and Application does not, and that the Program Guide and Application may be updated by MaineHousing without a formal process or consultation with program partners. They suggested that if MaineHousing needs flexibility in changing the allocation that it should be

explicitly stated within the Rule and the Rule should include details on how the Program Guide and Application will be revised.

MaineHousing's Response: MaineHousing provides venues for feedback on our programs and practices and welcomes ongoing feedback through face to face and virtual meetings, email, phone calls, and other written communication which can be used to inform programmatic changes. Utilizing Program Guides and Applications to convey programmatic detail allows MaineHousing to be more nimble in its response to feedback and identified improvement areas.

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace commented that Section 6(B) should include what factors are taken into consideration to determine funding eligibility.

MaineHousing's Response:

The Rule outlines factors taken into consideration when selecting applicants for funding in Section 6(D). There may be additional criteria outlined in Program Guides and Applications that is dependent on funding source and intention of said funding source. It is not always possible to have this information with enough lead time to go through a full rule making process to amend this list, and Program Guides and Applications are intended to provide that level of detail.

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace also suggested that in Section 6(D)(i)-(iii), Mainstream Resources, should define the level of engagement needed by the Applicant, so that programs are best informed on how the selection process is conducted, and what is required of them.

MaineHousing's Response:

Because this Rule governs multiple funding sources, measurements of engagement may vary by program. It would not be feasible to list, for each program, detailed selection criteria given that these are often funding source, program intent, and climate specific. MaineHousing monitors subrecipients for compliance with many of these factors and shares results of that monitoring with providers, addressing concerns should there be any so that providers are aware of the measurement and their performance. Connection to appropriate mainstream resources for participants accessing funded programs should always be the goal to ensure those in need of services are connected to them.

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace proposed a change to Section 7, Data Collection Requirements for Applicants, to add the bolded language:

- “In order to receive funding, eligible Applicants must do the following, unless prohibited by VAWA or other statute or not required at Maine Housing’s sole discretion”

MaineHousing’s Response:

MaineHousing will add the recommended language into the Rule.

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace also commented that because MaineHousing could waive Data Collection Requirements as a component for eligibility for funding for one applicant while requiring all other applicants to comply, if MaineHousing anticipates a need to waive Data Collection Requirements, the general reason that might cause MaineHousing to consider a waiver of the Data Collection Requirements should be outlined in the Rule.

MaineHousing’s Response:

MaineHousing waives data collection requirements in certain circumstances for entire programs rather than by applicant. In general, data collection is the expectation for funded programs and waivers would be based on programmatic factors as they arise.

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace recommended changing the following language in Section 7, Data Collection Requirement for Applicants, in order to more accurately identify which agencies fall under the requirement for use of a comparable database:

- **Victim Services Providers** ~~Providers of shelter to victims of domestic violence~~ are required to have the capacity of a comparable database that collects client level data and provides aggregate, de-duplicated data to MaineHousing in electronic form

MaineHousing’s Response:

MaineHousing will amend the language as proposed.

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace also commented that reporting requirements and their frequency should be outlined within the grant agreement in order to ensure that programs have a complete and accurate understanding of reporting requirements prior to accepting the grant. They suggested changing Section 8(A), General Reporting Requirements, as follows:

- “An applicant who receives a grant (“grantee”) must provide client data prescribed by MaineHousing in a form or forms prescribed by MaineHousing to centralized data collection systems prescribed by MaineHousing as often as required by MaineHousing **in the grant agreement.**”

MaineHousing’s Response:

MaineHousing will amend the language as proposed.

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace also commended MaineHousing for changing the monitoring requirement to be based on risk assessment or conducted at least once every three years in Section 9, Monitoring and Assessment for Applications, as this will alleviate the administrative burden.

MaineHousing Response: MaineHousing appreciates the support.

Comment: Rebecca Austin, Executive Director of Safe Voices, Jenny Stasio, Co-Executive Director of Through These Doors, Pamela Morin, Executive Director of Family Violence Project, Karessa Grenier, Operations and Program Development Coordinator of Hope and Justice Project, Susan Giambalvo, Executive Director of Caring Unlimited, Hanna Gregory, Housing Services Coordinator of The Maine Coalition to End Domestic Violence, Francine Garland Stark, Executive Director of The Maine Coalition to End Domestic Violence, and the organization Partners for Peace commented that the Homeless Solutions Rule should specifically name VAWA as a privacy law that would prohibit MaineHousing from requesting confidential records, in alignment with other sections of the Rule. The suggested edit is to add the following bolded language to Section 9(B):

- “MaineHousing may copy and examine all of a Grantee’s records other than medical or other confidential client information protected by **VAWA or** privacy laws.”

MaineHousing’s Response: MaineHousing will amend the language as proposed.

EFFECTIVE DATE:

Memorandum

To: MaineHousing Commissioners

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

Date: October 9, 2024

RE: Request to Commence Rulemaking – Housing First Program

At the October 15, 2024 meeting, we will ask you to authorize MaineHousing to commence rulemaking on *Chapter 36, Housing First Program Administrative Responsibilities Rule*, a new joint rule with the Maine Department of Health and Human Services (DHHS) to implement the Housing First Program. The 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.

I provided an initial draft of the rule to the Commissioners at the September meeting. At that time the draft rule and the companion DHHS rule were being reviewed by the Maine Office of Attorney General (OAG). The OAG suggested certain changes to the rule, mostly clarifications, that have been incorporated in the final rule and the OAG review is now complete. Attached is the final proposed rule approved by the OAG and a redlined draft of the approved rule against the initial draft. The substance of the rule has not changed from the initial draft that you saw last month. We will be prepared to brief the Commissioners and answer any questions at the meeting.

With your approval, MaineHousing will host a joint public hearing with DHHS on the proposed rule and the companion DHHS rule at the November Commissioner's meeting, a first for us. We will be prepared to discuss logistics at the meeting and provide any final details before the public hearing. After the public hearing, MaineHousing and DHHS will continue to accept public comments until December 2, 2024, and we'll work together to summarize and respond to any comments we receive at the joint public hearing and through the end of the written comment period. If there are no significant changes to the proposed rule after the hearing and comment period, we will ask the Commissioner's to adopt the proposed rule at the December Commissioner's meeting.

PROPOSED MOTION:

To authorize MaineHousing to commence the rulemaking process to adopt Chapter 36 of MaineHousing's rules, the Housing First Program Administrative Responsibilities 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:

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), ~~as same may be amended from time to time.~~
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 ~~subsection~~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. ~~§§§ 10, 12, and 3173 and 10-144 C.M.R. c.101, as they may be amended from time to time.~~
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. ~~The Housing First Teams must include a Qualified Service Provider.~~ 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 ~~set forth in this subsection~~ 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.
- (23) The Department will coordinate with MaineHousing to enforce compliance to ensure the continued operation of the Site-based Housing First Property.
- (34) 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 ~~Compliance~~ with the requirements for Housing Stability Services ~~will be enforced by the Department~~ 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 ~~theits~~ selection of Qualified Service Providers, 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 3045 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 for On-site Housing Support and Stabilization Services and Housing Stability Services 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.

A.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.

B.C. MaineHousing will coordinate with the Department to enforce compliance to ensure the continued operation of the Site-based Housing First Property.

C.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.
- 1.2. Other Laws. If this rule conflicts with any provision of applicable federal or state law, such federal or state law will control.
- 2.3. 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.
- 3.4. 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.

~~BASIS STATEMENT: This is a joint rule by the State of Maine Department of Health and Human Services (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.~~

~~FISCAL IMPACT NOTE: This Rule will not impose any cost on municipalities or counties for implementation or compliance.~~

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

~~EFFECTIVE DATE:~~

Energy & Housing Services Department Memorandum

To: Maine State Housing Authority Board of Commissioners

From: Amanda Roy, Manager of Weatherization

Date: October 15, 2024

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

Intent to Administer

As part of the annual application process for administering the Department of Energy (DOE) Weatherization Assistance Program (Weatherization), MaineHousing must submit a State Plan to the DOE for Program Year 2025 which runs April 1, 2025 through March 31, 2026.

MaineHousing intends to continue to administer a quality program by partnering with Community Action Agencies (CAA or Sub-Grantee). The program is designed to provide quality weatherization services to Maine's aging housing stock. This is accomplished by making energy efficiency improvements and reducing the household's energy consumption and cost of heating their homes, as well as installing measures to eliminate health and safety hazards. Priority is given to households that are eligible for the Home Energy Assistance Program (HEAP), have a high energy burden, and include a household member who is an older adult, a person with disabilities, or a child under 6 years of age.

State Plan Submission

The PY2025 Weatherization State Plan details how the program is conducted in accordance with DOE guidance. MaineHousing anticipates the Weatherization funding for PY2025 to remain constant with the previous year at just over \$3MM.

The following highlights the major changes proposed for the PY2025 Weatherization State Plan. Additional, non-substantive changes are being proposed to provide clarification. There will be no changes to the current Rule, chapter 25. A Public Hearing will be held during the November Board meeting and we will be seeking permission to submit the State Plan at the December Board meeting.

Annual File Worksheet – Work in Progress

- Added our intent to use ECOS as our system of record beginning DOE PY2025.
- Modified all areas referring to DOE's multifamily software to reflect the energy modeling software, TREAT, or MaineHousing's internal tracking system.
- Added our intent to develop a mentorship program to expand the Quality Control Inspector capacity in accordance with WPN 22-4.

State Plan Master File – Section V.1.1 Approach to Determining Client Eligibility

- Clarification of Categorical Income Eligibility for the Weatherization program to align with changes to HEAP.

State Plan Master File – Section V.3 Priorities

- We will be reviewing and updating the prioritization method to best align it with the intent of the program.

State Plan Master File – Section V.8.1 Overview and Organization

- Removed the section pertaining to the use of DOE BIL funding to start new non-profit organizations.

State Plan Master File – Section V.8.3 Monitoring Activities

- Added onsite inspection of in-process units in addition to completed units.
- Clarified that onsite inspections will be ongoing.

State Plan Master File – Section V.8.4 Training and Technical Assistance Approach and Activities

- Added language to expand funding for onboarding and existing staff upskilling.
- Removed language pertaining to the monitoring methods and tools used to evaluate Subgrantees.
- Added language detailing the creation and implementation of a training needs assessment tool.

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		
Community Concepts, Inc.	Lewiston		
Downeast Community Partners	Ellsworth		
Kennebec Valley Community Action Program	Waterville		
Penquis Community Action Program	Bangor		
Waldo Community Action Partners	Belfast		
Western Maine Community Action	East Wilton		
York County Community Action Corporation	Sanford		
Total:			

IV.2 WAP Production Schedule

Weatherization Plans	Units
Total Units (excluding reweatherized units)	
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	
B	Total Units Weatherized	
C	Total Units Reweatherized	
D	Total Dwelling Units to be Weatherized and Reweatherized (B + C)	
E	Average Vehicles & Equipment Acquisition Cost per Unit (A divided by D)	
AVERAGE COST PER DWELLING UNIT (DOE RULES)		
F	Total Funds for Program Operations	
G	Total Dwelling Units to be Weatherized and Reweatherized (from line D)	
H	Average Program Operations Costs per Unit (F divided by G)	
I	Average Vehicles & Equipment Acquisition Cost per Unit (from line E)	
J	Total Average Cost per Dwelling (H plus I)	

IV.3 Energy Savings

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

Deleted: 2024

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

See Maine <u>2025</u> DOE State Plan Master File.

Deleted: 2024

IV.5 Policy Advisory Council Members

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

Deleted: Suzanne MacDonald

Deleted: Glenn Pole,

Deleted: Mark Isaacson

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

Deleted: 2024

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 <u>19, 2024</u>	<p><i>Notice of Public Hearing was published on November <u>5, 2024</u> 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>The public hearing transcript will be sent to the DOE Regional Office as part of Maine's <u>2025</u> DOE Application.</i></p>

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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.

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[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.

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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.

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

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

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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.

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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.

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Restrictions related to the funding: WRF funding will be restricted to eligible site-built single family and manufactured housing. CAA must certify that 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.

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

Deleted: However, MaineHousing will consider additional cost waivers on a case-by-case basis for projects that exceed the ACPU 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.

Deleted: The Efficiency Maine Trust reviewed
MaineHousing's draft plans for the 2024 2025 DOE WAP
program at its October 25, 2023 30, 2024 meeting.

**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 Income¹, 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.

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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 the 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.

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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 501 (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

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- 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.

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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 Prepared by MaineHousing Page 5 of 23 [2025 DOE State Plan Master File](#)

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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.

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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.

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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.

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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.

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Commented [DT2R1]: I searched in the I drive for this and there appears to be 5 documents called Memorandum of Understanding written on 8/6/2024. They are not executed though. There is a signature line for Jamie Johnson and the Tribal Chief. I'm not sure where the signed document might be.

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

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- 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](http://www.ncei.noaa.gov/access/search/data-search/normals-hourly-1991-2020). (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](#) 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) [JREAT](#)
 Approval Date: MaineHousing is currently applying for [JREAT](#)

Deleted: Weatherization Assistant Multifamily Tool for Energy Audits (MulTEA)

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Deleted: ORNL's MulTEA web based energy audit system....

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

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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.

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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.

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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.

Deleted: Although preference will be given to Subgrantees currently administering an effective program, Grantee recognizes that with the abundance of job vacancies and labor shortages it may be necessary to enlist less experienced Subgrantees to provide weatherization services. Grantee intends to use the DOE BIL Grant Funds to assist local advocate groups and coalitions in becoming non-profit organizations that could administer the DOE BIL WAP. Through the competitive process, Grantee will solicit applications from these groups and award grants for start-up costs, training, establishment of non-profit status, salaries for key personnel and staff for up to eighteen months, budgeted indirect costs, as well as other approved expenses.¶

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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.

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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.

Deleted: Grantee has begun ramping up staffing capacity in preparation for DOE BIL funds. Recently, a Weatherization Manager and additional Program Compliance Officer were added to the current staff. Furthermore, the budget has additional funding to add another Program Officer and Technical Specialist to ensure sufficient staff are in place. Subgrantees have also ramped up their staffing capacity and are continuing to add additional staff trained as Energy Auditors and QCIs. The Grantee is in the contract phase with two subgrantees to provide Weatherization Services to multifamily units.

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Deleted: Grantee uses monitoring methods and tools to evaluate each Subgrantee's performance and develops T&TA activities to address areas in need of improvement. Grantee is working with the approved energy audit software provider to obtain back end access of the software. This will allow Grantee to develop expanded reporting methods to track and compare production and energy savings between Subgrantees. This reporting ability will aid in identifying training needs by comparing Subgrantees' performance. This will be initiated over the coming year, to be implemented when development is completed during this grant period.¶

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.

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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 the 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,

Deleted: The Grantee will continue to conduct surveys of all Subgrantees and solicit input from Grantee staff to identify training needs. This information is utilized to determine which topics the Grantee and Subgrantees will schedule for trainings during this and future grant periods. The results of the survey will be shared with the Housing Council to assist with their employee and subcontractor trainings and meetings.¶¶

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 Commissioners

From: Adam S. Krea

Date: October 8, 2024

RE: Discretionary Resource Allocation

In October MaineHousing begins the process of allocating discretionary resources for the following year. MaineHousing’s resources to allocate for 2025 will be an estimated \$870,000 less than in 2024. The decrease in 2025 comes from the sources MaineHousing receives specifically for multifamily development. Following is a comparison of 2024 and 2025 available resources:

	2024	2025
StateHOME	\$ 26,800	\$ 27,300
FedHOME	4,200	6,000
Housing Trust Fund	2,750	2,800
State Funding	35,000	49,660
Housing First Funds	-	11,000
MEHER Bond	9,880	-
ERA 2	19,000	-
TOTAL	\$ 97,630	\$ 96,760

At the October 15, 2024 Board of Commissioner’s Meeting we will discuss the differences in the amount of each source and the program areas that each traditionally funds. The process of allocating resources will be completed during the month of October and at the November Board of Commissioner’s meeting the final allocations by program area will be shared.

Asset Management Department Memorandum

To: MaineHousing Board of Commissioners
From: Robert Conroy – Director, Asset Management
Date: October 1, 2024
Subject: October Board Report - Asset Management

2024 HUD Annual Compliance Review

On September 10, 2024 MaineHousing was notified by HUD of their plans for MaineHousing’s annual Performance-Based Contract Administration (PBCA) compliance review with Asset Management.

Following the notification the HUD Entrance Conference was held on Wednesday, September 25, 2024.

At that time we were informed that the U.S. Department of Housing and Urban Development (HUD) Compliance Review Team (CRT) will conduct a limited remote annual compliance review (ACR) of the MaineHousing Performance Based Annual Contributions Contract (PB-ACC) for the period from October 1, 2023, to December 31, 2024.

The CRT will be requesting and reviewing specific documents pertaining to the applicable Incentive-Based Performance Standards (IBPS) tasks performed for the period from October 1, 2023, to September 30, 2024.

Supportive Housing Repair Program Update

Through the first three quarters of the FY24 Program year we have processed over \$1.6 million in Supportive Housing repair loans statewide. The average loan amount was \$106,803.

In addition we have **\$679,391.82** in loans in the pipeline but not yet closed.

These funds are an important source of capital for the repair and upgrade of our Supportive Housing portfolio and Homeless Shelters serving some of Maine’s most vulnerable citizens.

A summary of the closed loan activity is shown below:

Emmaus Shelter, (SHLT 1724) HOME Inc.	53,873.00
73 Pleasant St. CROP 724 (MoCo)	89,000.38

Sr. Marie Ahern-Dorr House (SHLT 1750) Home Inc.	132,000.00
The Carriage House CoC-1254 (Milestone)	\$147,125.02
Rumford Group Homes, Norway Family Center ESHAP	\$198,500.00
NextStep Shelter SHL4-1760 (NextStep)	\$188,188.24
787 Main St., SHL1-527 (Caring Unlimited)	\$196,156.00
Annie Pearl Shelter, SHLT 523 (Safe Voices)	\$71,372.00
Westman Village CoC-1390h, (Bread of Life)	\$176,554.00
H.O.M.E., (RCAM) SHP 1483	\$19,887.00
Madawaska Transition House, SHP 1319 (Hope & Justice)	\$56,490.41
388 Sawyer St., SHP-889 (VOANNNE)	\$93,220.00
S. Aroostook Shelter, SHLT-550 (Hope & Justice)	\$10,461.64
Bolton Hill (ESM) (SHP 1132)	\$112,230.00
Somerset House (ESM) (SHP 1174)	\$57,000.00

Total Loans Closed To Date in FY 24	\$1,602,057.69
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Development Department Memorandum

To: MaineHousing Board of Commissioners

From: Mark C. Wiesendanger, Director of Development

Date: October 15, 2024

Subject: Monthly Report

2024 Recovery Housing Program

We received 2 Full Applications for the 2024 Recovery Housing Program funding by the October 3 deadline.

Project Name	Developer	Location	# of BRs	Tenants
Bridgton Recovery Home	LB Development	Bridgton	6	Parents with children
Portland Recovery Home	LB Development	Portland	8	Adults

2024 LIHTC (9%) Full Applications

We received 16 Full Applications for the 2025 round 9% Low Income Housing Tax Credits (LIHTC). Applicants are as follows.

Project Name	Developer	City	Tenants	# of Units
Anchorage South	Bath HA	Bath	Older Adults	47
Anglers Road	DC	Windham	Older Adults	48
Atlantic Street Apts	LB Development Partners	Portland	Family	30
Barra Road	Avesta	Biddeford	Older Adults	46
COMB Block I	Portland HA	Portland	Family	55
Landry Heights	South Portland HA	South Portland	Older Adults	38
Ledgewood II	DC	Damariscotta	Family	56
Martel II	Lewiston HA	Lewiston	Family	44
Pineview Apts	Realty Resources	Newport	Older Adults	24
Ramada Project	Lewiston HA	Lewiston	Older Adults	63
Soleil Apts I	Lewiston HA	Lewiston	Older Adults	44
Sun Valley Apts	Chesapeake Comm Adv	Mexico	Family	24
Thatcher Brook Apts I	Westbrook HA	Biddeford	Family	40
Time & Temp	DC	Portland	Older Adults	41
Woodfords Parish House	CHOM	Portland	Older Adults	41
Youth & Family Outreach	DC	Portland	Family	60

New Programs

The new Affordable Housing Program and Rural Affordable Rental Housing Program RFPs are currently being vetted by our Program Design team. The new programs will be published to our website and shared with Developer Interested Parties as soon as the final changes are approved and made.

Build America, Buy America (BABA)

The Development Department (along with Legal) is continuing to engage with partners to ensure that our projects are in compliance with BABA. In the last month, we attended two public meetings in cooperation with the Maine Affordable Housing Coalition. We have engaged HUD directly and have consulted with contractors who have worked on non-housing projects that required BABA compliance.

BABA requires that all materials used in new federally funded “infrastructure” projects be Made in America. This applies to projects that have funding sources such as Community Development Block Grants, Continuum of Care, Emergency Solutions Grants, FedHOME, National Housing Trust Fund, and Recovery Housing Program.

Waivers to these rules can be requested, and exceptions may be made. However, we expect this to be challenging to implement, and that it may add significant costs to our projects.

Events Attended

- 9/10 - Ribbon Cutting Front Street East – Portland Housing Authority
- 9/16 - New England Development Roundtable – Rhode Island Housing
- 9/17 - The Housing Journey & Challenges of New Mainers – ProsperityME
- 9/18 - BABA Compliance – Builders, Architects, Engineers – MAHC
- 9/19 - The Genesis Fund Open House
- 9/20 - Picker House Lofts Tour – The Szanton Company
- 9/25 - Maine Alliance for Smart Growth
- 9/26 - Housing/Energy Summit – GOPIF
- 10/2 - Maine Municipal Association Annual Conference

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					
Hartland II	KVCAP	4%	Hartland	Senior	30
Stroudwater Apartments	Westbrook HA	4%	Westbrook	Senior	55

Front Street Re-Dev't II	Portland HA	9%	Portland	Senior	45
The Uptown	Szanton	9%	Bath	Senior	60
Village Commons	Avesta	9%	Scarborough	Senior	31
Brunswick Landing	DC		Brunswick	Family	36
Clarks Bridge Crossing	Patco	AHOP	Waterboro	Family	3
Stearns Farm	S.E. MacMillan Co	AHOP	Hampden	Family	14
18 Green Street	Motivational Svs	HTF	Augusta	Family	8
99 Western Ave	Mastway Dev LLC	4%	Augusta	Family	38
Tucker's House Harrison	LB Dev Part	Recovery	Harrison	Supp.	10
55 Weston Ave	55 Weston Ave	Rural	Madison	Family	18
One Edgemont Drive	ACAP	SHP	Presque Isle	Family	13
<i>NC/AR Projects</i>	<i>13</i>			<i>New Units</i>	<i>361</i>
Millbrook Estates	Westbrook HA/EBM	4%	Westbrook	Senior	100
The Schoolhouse	CHOM	4%	Bangor	Family	45
<i>Rehab Projects</i>	<i>2</i>			<i>Rehab Units</i>	<i>145</i>
Total Projects	15			Total Units	506

Under Construction - likely completed in 2024

Stacy M. Symbol Apts.	Westbrook HA	4%	Westbrook	Senior	60
The Equinox	CHOM	4%+State	Portland	Family	43
Winter Landing	CHOM	4%+State	Portland	Senior	52
Congress Sq Commons	DC	9%	Belfast	Family	36
Highpines Village	Highpine Properties	AHOP	Wells	Family	16
Theresa Bray Knowles	Penquis Cap	HOME-ARP	Bangor	Family	36
CSC Building A	DC	Rural	Belfast	Family	12
<i>NC/AR Projects</i>	<i>7</i>			<i>New Units</i>	<i>255</i>
Oak Grove Commons	Realty Resources	9%	Bath	Family	34
<i>Rehab Projects</i>	<i>1</i>			<i>Rehab Units</i>	<i>34</i>
Total Projects	8			Total Units	289

Under Construction - likely completed in 2025

45 Dougherty	Szanton	4%	Portland	Family	63
Betsy Ross Crossing	SoPo HA	4%	So. Portland	Senior	52
Fairview Commons	Brunswick HA	4%	Topsham	Family	38
Meadowview II	Avesta	4%	Gray	Senior	27
Wedgewood	Lewiston HA/Avesta	4%	Lewiston	Family	82
Adams Point	Biddeford HA	9%	Biddeford	Family	39
Milford Place	Penquis CAP	9%	Bangor	Senior	40
Peasley Park	DC	9%	Rockland	Senior	49
Picker House Lofts	Szanton	9%	Lewiston	Family	72
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	5
Wilbur's Woods	GreenMars	AHOP	Brunswick	Family	20
Wildlands	Greater Portland H4H	AHOP	Standish	Family	12

22 Shapleigh Road	Fairtide	HOME-ARP	Kittery	Family	6
18 Central Ave	Home Start	Islands	Peaks Island	Family	3
CICA 2022 Housing	CICA	Islands	Chebeague Island	Family	4
MVS	Islesboro Affordable	Islands	Islesboro	Family	2
NHSH Affordable	NH Sust Housing	Islands	North Haven	Family	4
520 Centre Street	Bath HA	Rural	Bath	Family	18
986 Prospect Ave	Wilbur, Calhoun	Rural	Rumford	Family	18
The Elm Estates	East Town Rentals	Rural	Presque Isle	Family	18
Mechanic Street	WLR Properties	Rural	Houlton	Family	18
<i>NC/AR Projects</i>	24			<i>New Units</i>	662
Harbor Terrace	Portland HA	4%	Portland	Senior	120
North Deering Gardens	Wingate Dev.	4%	Portland	Family	164
<i>Rehab Projects</i>	2			<i>Rehab Units</i>	284
Total Projects	26			Total Units	946

Under Construction - likely completed in 2026

3i Homes at the Downs	3i Homes/POAH	4%	Scarborough	Family	51
Edgewater Village	Avesta	4%	Farmington	Senior	25
Farwell Mill	Realty Resources	4%	Lisbon Falls	Family	96
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
Place St. Marie	Brisa Dev w/Andy J	4%	Lewiston	Family	40
Sunridge Senior Housing	Bangor Housing	4% RFP	Bangor	Senior	50
DeWitt	LHA/Avesta	4% Choice	Lewiston	Family	104
89 Elm Apartments	Tom Watson & CO	4% PLA	Portland	Family	201
Avesta Seavey Street	Avesta	9%	Westbrook	Senior	61
Equality Comm Housing	Equality Comm. Center	9%	Portland	Senior	54
Landry Woods	SoPo Housing	9%	So. Portland	Senior	43
Varney Heights	FHA/Gooch	9%	Freeport	Senior	42
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
Vinalhaven	Vinalhaven Housing	Islands	Vinalhaven	Family	4
165 Main Street	Kennebec Realty Part	Rural	Waterville	Family	18
7 Madelyn Lane	Caleb Lincoln	Rural	Rockport	Family	18
Central Park Residences	Tim Reinken	Rural	Sanford	Family	18
Tree Tops Apartments	Mastway Dev	Rural	Hallowell	Family	17
<i>NC/AR Projects</i>	25			<i>New Units</i>	1111
Berry Park Apartments	Northland Enterprises	4%	Biddeford	Family	46
Summer Block	Bateman	4%	Saco	Senior	32
Oak Ridge Apartments	Realty Resources	9%	Bath	Senior	30
<i>Rehab Projects</i>	3			<i>Rehab Units</i>	108
Total Projects	28			Total Units	1219

Under Construction - likely completed in 2027

Lockwood Mill	North River Co.	4%	Waterville	Family	65
<i>NC/AR Projects</i>	<i>1</i>			<i>New Units</i>	<i>65</i>
Riverton Park	Portland HA	4%	Portland	Family	182
<i>Rehab Projects</i>	<i>1</i>			<i>Rehab Units</i>	<i>182</i>
Total Projects	2			Total Units	247

Preliminary Underwriting

Central Fire Station	DC	CC Rural	Brunswick	Family	5
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
OddFellows Apts.	Archer Properties LLC	Rural	Norway	Family	13
WaterWorks Apts	Northland Ent.	Rural	Waterville	Family	18
Charles Jordan House	ME Prisoner Adv Coal	SHP	Auburn	Supp.	11
Lupine Landing 2	Safe Voices	SHP	Farmington	Supp.	6
Seavey House	Biddeford Housing	SHP	Saco	Supp.	8
Total Projects	9			Total Units	113

**Total Projects in
Underwriting &
Construction 88**

Total Units 3320

Energy & Housing Services Department Memorandum

To: MaineHousing Board of Commissioners
From: Bobbi Crooker – Director of Energy and Housing Services
Date: October 8, 2024
Subject: Monthly Report – Energy and Housing Services Department

DEPARTMENT UPDATES

EHS currently has two open Technical Services Specialist positions on our Weatherization team, and an open Fiscal Compliance Coordinator position on our Fiscal Team. We are in the process of reviewing resumes, and conducting interviews for these positions.

MaineHousing submitted an application to HUD for a Healthy Homes Production Grant, requesting \$2,000,000. 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 October.

EHS is currently working on the Weatherization State Plan to submit to DOE for Program Year 2025.

MaineHousing has submitted the HEAP State Plan to DHS for Program Year 2025.

Partner Highlight story: Partner Agency Provides a Helping Hand for an Independent Senior

“This is the story of an 84-year-old woman who reached out for help repairing a hard-wired smoke detector in her home. She contacted Community Concepts, Inc. (CCI), which administers MaineHousing's Community Aging in Place Program, to see if they could assist. The staff quickly scheduled a time to visit.

When the CCI inspector arrived, they confirmed they could fix the smoke detector but also politely asked if they could inspect the rest of the home. Initially, the woman declined, saying, "I just need the smoke detector to work. I don't need anything else." The inspector replied, “You may not need anything now, but what about a few years from now? Would grab bars or an adjustable shower head be helpful down the line?”

This approach resonated with her, and she allowed the inspector to take a closer look around. She later shared how CCI made her feel valued and respected throughout the process. She spoke highly of the staff's kindness, emphasizing how they made her feel deserving of the assistance offered.”

At the completion of a project, clients are provided with the opportunity to share feedback through a survey card. From April 1 – June 30, we received 76 responses with an overall theme of exceeding expectations. MaineHousing uses this feedback to improve our partnership with the Community Action Agencies and the delivery of MaineHousing’s programs.



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, we have had 354 completed applications.

	Program Year 2025	Program Year 2024
Applications Taken	21,032	71,713
Eligible Applicants	5,901	52,479
Benefits Issued	0	\$23,028,737.15

Weatherization Assistance Program (Wx)

We continue to work with ICAST and CCI to develop our multifamily Wx program. We are collaborating with the Governor’s Energy Office, GOPIF, and EMT to host Energy Summit for Multifamily Owners and Developers to coordinate accessing federal programs in September 2024.

Annual Weatherization Program Year 2024 (April 1, 2024 – March 31, 2025)			
	Projected / Allocated	Completed / Expended	% Completed
Number of Completed Units	539	10	.02%
DOE Funds	\$3,507,881	\$111,579	.03%
HEAP Wx (HEAP PY24)	\$2,110,092	\$1,844,304	87%
Weatherization Readiness Funds	\$409,045	\$23,600	6%

BIL Weatherization Period of Performance (July 1, 2023 – June 30, 2025)			
	Projected / Allocated	Completed / Expended	% Completed
Number of Completed Units	1314	200	15%
DOE funds	\$12,652,263	\$3,261,777	26%

Heat Pump Installation Program

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.

Period of Performance April 1, 2023 – March 31, 2025			
	Projected / Allocated	Completed / Expended	% Completed
Number of Completed Units	1019	858	84%
DOE funds	\$4,835,000	\$4,338,120	90%

Central Heating Improvement Program (CHIP)

The Central Heating Improvement Program provides grants to households that are HEAP eligible to assist with heating system, chimney, and oil tank repairs or replacements. Funding for this program is from the LIHEAP grant as well as State HOME funds.

Reporting Period: January 1, 2024 – July 31, 2024		
	Projects	Total Costs
Heating System CTE	169	\$39,085
Heating System Repair	420	\$251,635
Heating System Replacement	246	\$1,804,584
Chimney or Oil Tank Repairs or Replacements	134	\$382,095
2024 Total	969	\$2,477,399

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.

Reporting Period: October 1, 2023 - September 30, 2024	
Oxygen/Vent Participants	2,606
LIAP Participants	46,915

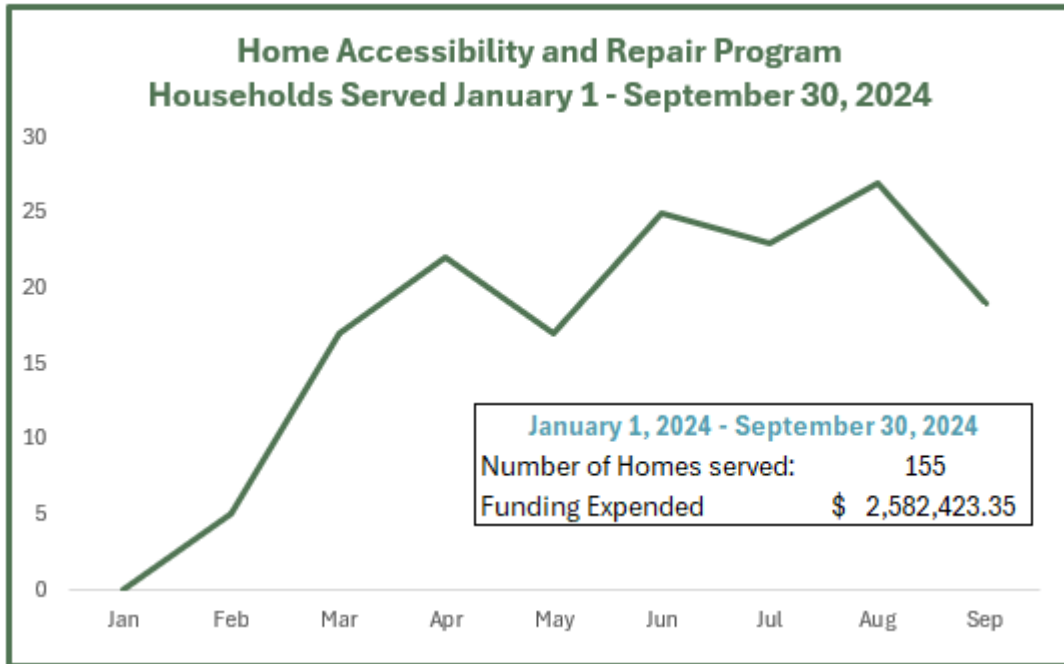
Community Aging in Place

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.

Reporting Period: January 1, 2024 – August 31, 2024	
Households Served	128
Expenditures	\$347361.79
Average Assistance Cost	\$2,713.76

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.



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.

Reporting Period: January 1, 2024 – August 31, 2024	
Units in Process	82
Units Completed	0

To: Board of Commissioners
From: Darren R. Brown
Date: October 8, 2024
Subject: Monthly Report – Finance Department

ACCOUNTING AND FINANCIAL REPORTING (AFR):

- The federal compliance single audit for the year ended December 31, 2023 was completed in September and the audit reports were filed with the Federal Audit Clearinghouse and HUD’s Real Estate Assessment Center. This compliance audit is an annual audit of federally funded programs to determine whether the programs have been administered in compliance with federal requirements.

MaineHousing administered and disbursed approximately \$274 million through thirty different federal programs in 2023. Major programs are audited on a rotating basis. There were eight major programs included as part of the 2023 audit. Five were COVID relief programs, which are as follows: Emergency Rental Assistance Program (ERA 2), Homeowner Assistance Fund, Expand Affordable Housing (State & Local Fiscal Recovery Fund), FEMA Disaster Grants Public Assistance, and Low Income Water Assistance Program. Additionally, the Section 8 Housing Choice Voucher Program, Weatherization Program, and the HOME Investment Partnership Program were major programs for the 2023 audit.

This audit reports contain an unmodified (a.k.a. “clean”) auditors’ opinion, which means that MaineHousing administered programs and complied, in all material respects, with federal guidelines and requirements. There are several audit findings noted in the report. None of the findings modified the auditors’ opinion and none were considered a material weakness in internal controls. The audit reports along with a content summary is included within this section of your packet.

- Work is continuing on MaineHousing’s budgets for 2025. In September, we assisted the departments as they prepared their budget packets and we are working to consolidate all of the information from the departments into the agency-wide budgets. Preliminary budgets will be made available and presented at the November meeting for your input and feedback. Final budgets will be presented in December for a vote.

LOAN ADMINISTRATION:

- Staff are in the process of preparing for the annual quality control review of the portfolio of loans serviced by Mortgage Servicing Solutions (MSS), which is a d/b/a of Rhode Island Housing. MSS currently services approximately 70% of MaineHousing’s single family loan portfolio, which amounts to approximately \$776 million. The purpose of this review is to ensure compliance with FHA and USDA servicing requirements, per regulatory guidelines. The review will be conducted later this month at MSS’s office.

To: Board of Commissioners

From: Darren R. Brown

Date: October 8, 2024

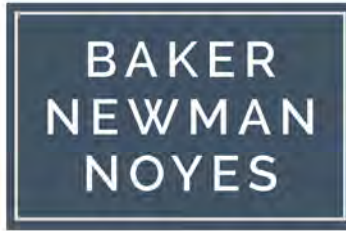
Subject: 2023 Federal Programs Compliance Audit Reports

Attached are the federal compliance audit reports for the year ended December 31, 2023. Baker Newman & Noyes completed their audit work and issued their reports on September 23rd. These reports must be filed with the federal Single Audit Clearinghouse and the HUD Real Estate Assessment Center (REAC) within nine months after the end of the fiscal year, which for MaineHousing is September 30th.

Most of the compliance audit reports consist of the financial statements and related reports for that audit, which were previously presented and reviewed at the April meeting. Jason Emery from Baker Newman & Noyes also reviewed their objectives, procedures, and preliminary work for the compliance audit at the April meeting. The following is a brief overview of the sections presented in the attached reports:

- *Basic Financial Statements* (pages 1-48) - The audit reports for these financial statements were issued on March 28, 2024. As noted above, the audit procedures and results for this audit were presented and reviewed at the April meeting and the financial results contained in this section were reviewed at the May meeting.
- *Schedule of Expenditures of Federal Awards* (page 49-51) - This schedule presents the total amount of program expenditures in 2023 for each federal program administered by MaineHousing.
- *Notes to Schedule of Expenditures of Federal Awards* (page 52) - This page presents required footnote disclosures regarding the *Schedule of Expenditures of Federal Awards*.
- *Independent Auditors' Report on Internal Control over Financial Reporting and on Compliance and Other Matters* (pages 53-54) – This report was issued in March as part of the financial statements audit and states that there were no material weakness deficiencies in internal controls.
- *Independent Auditors' Report on Compliance* (pages 55-58) – This is the auditors' opinion for the compliance audit. The report contains an unmodified (a.k.a. “clean”) opinion stating that MaineHousing has complied, in all material respects, with program compliance requirements.
- *Schedule of Findings and Questioned Costs* (pages 59-63) – This schedule presents four audit findings. The finding on page 60 (2023-001) was reported as part of the financial statements audit and was presented and reviewed at the April meeting. The three findings on pages 61-63 (2023-002, 2023-003, and 2023-004) are for the federal compliance audit. These findings contain no questioned costs and none were designated as material weakness in internal controls by the auditors.

- *Summary of Schedule of Prior Audit Finding* (page 64) – This page presents the status of audit findings from the prior year. There were no audit findings or questioned costs reported for 2022.
- *Corrective Action Plan* (page 65-66) – This page presents our responses and corrective action plans to address the audit findings presented on pages 59-63. Corrective action for each finding has been completed.
- *Management Letter* - The matters contained in this letter do not rise to the significance of reporting as audit findings in the audit report and are observations and recommendations by the auditors for internal control improvements. The letter includes three recommendations. Our responses and the action taken are included for each recommendation.



Maine State Housing Authority

Basic Financial Statements,
Management's Discussion and Analysis
and Required Supplementary Information with
Independent Auditors' Report

and

Reports Required for Audits in Accordance with
Government Auditing Standards and
Title 2 U.S. Code of Federal Regulations (CFR) Part 200,
*Uniform Administrative Requirements, Cost Principles,
and Audit Requirements for Federal Awards*

Year Ended December 31, 2023

Baker Newman & Noyes LLC
MAINE | MASSACHUSETTS | NEW HAMPSHIRE
800.244.7444 | www.bnn CPA.com



MAINE STATE HOUSING AUTHORITY

FINANCIAL STATEMENTS

For the Year Ended December 31, 2023

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INDEPENDENT AUDITORS' REPORT

To The Board of Commissioners
Maine State Housing Authority

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, and each major fund of Maine State Housing Authority (MaineHousing), a component unit of the State of Maine, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise MaineHousing's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities and each major fund of MaineHousing, as of December 31, 2023, and the respective changes in financial position, and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of MaineHousing and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about MaineHousing's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditors' Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

To The Board of Commissioners
Maine State Housing Authority

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of MaineHousing’s internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about MaineHousing’s ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the Management’s Discussion and Analysis, Schedule of MaineHousing’s Proportionate Share of the Net Pension Liability (Asset) and Schedule of MaineHousing’s Pension Contributions as listed in the table of contents be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management’s responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated March 28, 2024 on our consideration of MaineHousing’s internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of MaineHousing’s internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering MaineHousing’s internal control over financial reporting and compliance.

Baker Newman & Nayya LLC

Portland, Maine
March 28, 2024

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2023**

Management's discussion and analysis provides an overview of the Maine State Housing Authority's (MaineHousing) financial activities for the year ended December 31, 2023. It should be read in conjunction with the audited financial statements and accompanying notes.

FINANCIAL HIGHLIGHTS

- MaineHousing's net position increased by \$36.3 million to \$451.2 million as a result of program operations and financing activities. The net position of the proprietary funds, which present MaineHousing's business-type activities, increased \$25.2 million while the net position of governmental activities increased \$11.1 million.
- Net operating income of \$36.3 million for 2023 is \$27.7 million or 322.1% higher compared to net operating income of \$8.6 million in 2022. The higher interest rate environment throughout 2023 resulted in a \$21.5 million or 233.7% increase in earnings from investments. Additionally, the fair value of investments had a net effect increase of \$18.8 million due to changes in interest rates in 2023. An unrealized gain of \$3.6 million was recorded in 2023 compared to a \$15.2 million unrealized loss in 2022.
- MaineHousing's loan portfolio increased by \$172.4 million in 2023. The increase was driven by a high volume of loan production and a reduction in loan prepayments. Single-family loan purchases and multi-family loan originations totaled \$306 million, which is an increase of \$15.4 million or 5.3% over an all-time high attained in 2022. Higher market mortgage rates contributed to a lower volume of loan prepayments, which decreased by \$37.6 million or 42.6%.
- Total revenues from governmental activities decreased by \$107.5 million or 21.7% to \$388.4 million. MaineHousing administered a number of different pandemic relief programs for the State of Maine, which provided for an unprecedented amount of revenues for governmental activities in 2022. The decrease in 2023 is due largely to the completion of various relief programs. The overall reduction in revenues was mitigated by \$81.9 million in new program funds provided by the State of Maine, which were primarily to supplement the federal Low Income Home Energy Assistance Program.

OVERVIEW OF MAINEHOUSING

MaineHousing was created in 1969 by an Act of the Maine State Legislature and is a public corporation and government instrumentality of the State of Maine. MaineHousing was established to assist in the financing, development, and rehabilitation of housing in Maine for persons and families of low and moderate income. In this capacity, MaineHousing is authorized to issue bonds for the purchase or origination of notes and mortgages on single-family and multi-family residential properties.

MaineHousing also acts as an agent for the State of Maine in administering various federal housing and energy related programs. These programs are funded through grants and program agreements with the federal government's departments of Housing and Urban Development, Energy, and Health and Human Services, as well as capital and operating subsidies from MaineHousing's own funds.

MaineHousing is a component unit of the State of Maine and receives certain appropriations from the Maine State Legislature, all of which are used in connection with specified housing related programs. MaineHousing also receives federal subawards through the State of Maine and is a subrecipient for various federal programs.

OVERVIEW OF THE FINANCIAL STATEMENTS

MaineHousing's financial statements consist of three parts – this management's discussion and analysis, the basic financial statements, and required supplementary information. The basic financial statements include agency-wide financial statements, fund financial statements, and notes to the financial statements.

- Agency-wide financial statements provide information about MaineHousing's overall financial position and operations. These statements, which are presented using the accrual basis of accounting, consist of the Statement of Net Position and the Statement of Activities.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2023**

- Fund financial statements of MaineHousing include its major proprietary funds, which operate similarly to private-sector businesses, and governmental funds, which consist of activities that are funded from federal grants and state appropriations.
- The basic financial statements include notes to financial statements that provide additional information and explain some of the information in the agency-wide and fund financial statements.
- The required supplementary information presents historical pension information.

The remainder of this overview section of the management's discussion and analysis explains the structure and contents of each of these statements.

Agency-wide Statements

Agency-wide statements report information about MaineHousing as a whole using accounting methods similar to those used by private sector companies. The Statement of Net Position presents MaineHousing's assets, deferred outflows of resources, liabilities, deferred inflows of resources, and net position. The Statement of Activities presents current year revenues and expenses.

The two agency-wide statements report MaineHousing's net position and results of operations. Net position is one measure of MaineHousing's financial health and position. Agency-wide financial statements are divided into two categories:

- *Business-type activities* – MaineHousing's business-type activities consist of providing mortgage financing on single-family and multi-family residential properties. These activities are funded primarily through the issuance of bonds.
- *Governmental activities* – MaineHousing administers various state and federal housing and energy related programs. These activities are financed by grant and program agreements with the federal government and appropriations from the Maine State Legislature.

Fund Financial Statements

The fund financial statements provide more detailed information about MaineHousing's most significant funds and not MaineHousing as a whole. A fund is a grouping of related accounts used to maintain control over resources that have been segregated for specific activities or objectives. MaineHousing has two kinds of funds:

- *Proprietary funds* – MaineHousing's business-type activities are in its proprietary funds and they are accounted for in a manner similar to businesses operating in the private sector. Funding is primarily through the issuance of bonds, the proceeds of which are mainly used to make various types of loans to finance low and moderate-income housing. The net positions of these funds represent accumulated earnings since their inception and interest rate subsidy amounts contributed from governmental funds. Amounts in the funds are generally restricted for program purposes.
- *Governmental funds* – MaineHousing has five major governmental funds. MaineHousing is the administrator of these funds, the revenues of which are appropriated to MaineHousing for making housing and energy related grants and loans. These fund statements focus on how cash and other financial assets flowing into the funds have been used. A substantial portion of the fund balances for these funds consist of investments reserved for grants or making mortgage loans.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2023**

AN OVERVIEW OF MAINEHOUSING'S FINANCIAL POSITION AND OPERATIONS

MaineHousing's financial position and operations are summarized on the following pages for the years ended December 31, 2023 and 2022 based on the information included in the financial statements.

Statement of Net Position
(in millions of dollars)

	Business-type Activities		Governmental Activities		Total		Total Percentage Change
	2023	2022	2023	2022	2023	2022	
Cash and investments	\$632.8	\$530.4	\$75.0	\$74.8	\$707.8	\$605.2	17.0%
Mortgage notes receivable	1,669.3	1,519.9	74.2	51.2	1,743.5	1,571.1	11.0%
Other assets	9.4	4.1	46.3	70.2	55.7	74.3	(25.0%)
Total Assets	2,311.5	2,054.4	195.5	196.2	2,507.0	2,250.6	11.4%
Total Deferred Outflows of Resources	2.4	2.9	0.2	0.3	2.6	3.2	(18.8%)
Bonds and notes payable	1,915.6	1,688.6	51.0	54.3	1,966.6	1,742.9	12.8%
Other Liabilities	28.7	22.0	46.3	54.7	75.0	76.7	(2.2%)
Total Liabilities	1,944.3	1,710.6	97.3	109.0	2,041.6	1,819.6	12.2%
Total Deferred Inflows of Resources	16.7	19.0	0.1	0.3	16.8	19.3	(13.0%)
Investment in capital assets	3.9	2.7	0.0	0.0	3.9	2.7	44.4%
Restricted	310.6	287.8	98.3	87.2	408.9	375.0	9.0%
Unrestricted	38.4	37.2	0.0	0.0	38.4	37.2	3.2%
Total Net Position	\$352.9	\$327.7	\$98.3	\$87.2	\$451.2	\$414.9	8.7%

Total assets at December 31, 2023 were \$2.51 billion, an increase of \$256.4 million or 11.4% from December 31, 2022. The change in assets consisted primarily of a \$102.6 million increase in cash and investments and a \$172.4 million net increase to mortgage notes receivable. Other assets decreased by \$18.6 million or 25% due primarily to a reduction in program receivable balances due from federal and state governments.

Total deferred outflows of resources consist of deferred amounts associated with debt refundings and pension expenses and decreased by \$0.6 million. Deferred debt refunding and pension expense amounts decreased by \$0.3 million each in 2023 due to amortization of outstanding balances.

Total liabilities at December 31, 2023 were \$2.04 billion, an increase of \$222 million or 12.2% from December 31, 2022. The increase in liabilities is due mainly to higher outstanding bonds and notes payable, which increased by \$223.7 million to \$1.97 billion at December 31, 2023.

Total deferred inflows of resources, which consist mainly of the accumulated increase in the fair value of interest rate swap agreements and deferred pension credits, decreased \$2.5 million or 13% as a result of fewer available pension credits and an aggregate decrease in the fair value of interest rate swaps.

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Management's Discussion and Analysis
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Cash and Investments

Total cash and investments increased by \$102.6 million or 17% due primarily to higher unexpended bond proceeds and an increase in the fair value of investments at December 31, 2023. MaineHousing's investment portfolio is comprised of securities of the U.S. Government, certain Federal agencies, or repurchase agreements and money market funds that are secured by such securities. Investments are carried at fair value and unrealized gains and losses due to fluctuations in market values are recognized in revenues. In 2023, the fair value of investments increased significantly and \$3.6 million of unrealized gains were recorded compared with \$15.2 million of unrealized losses in 2022.

Mortgage Notes Receivable

Total net mortgage notes receivable increased \$172.4 million or 11% in 2023. Total mortgage purchases and originations amounted to \$306 million, which is an increase of \$15.4 million or 5.3% compared with 2022. Single-family loan purchases amounted to \$172.6 million, which is a decrease of \$4.9 million or 2.8% from 2022. Multi-family loan originations totaled \$133.4 million; an increase of \$20.3 million or 17.9% from 2022.

Scheduled loan repayments in 2023 amounted to \$81.9 million, which is an increase of \$41.2 million from the previous year's level of \$40.7 million. Scheduled repayments from multi-family loans with short-terms were substantially higher in 2023. Loan prepayments decreased in 2023 by \$37.6 million or 42.6% to a total of \$50.6 million. The decrease was due to increases in market interest rates during the year, which reduced the volume of single-family loans that were refinanced outside MaineHousing.

Loan foreclosures totaled \$1 million in 2023 and \$1.6 million in 2022. The allowance for loan losses at December 31, 2023 amounted to \$8 million, which is a decrease of \$0.1 million from December 31, 2022.

Bonds and Notes Payable

Bonds and notes payable increased \$223.7 million or 12.8% to \$1.97 billion at December 31, 2023. MaineHousing issues bonds or notes as capital is needed for program purposes and as opportunities for economic refunding occur. For additional details, see the Debt Activity section of the Management's Discussion and Analysis.

Net Position

MaineHousing's net position increased by \$36.3 million or 8.7% to \$451.2 million as a result of program operations and financing activities. For additional information on the net position changes, see the Results of Operations section of the Management's Discussion and Analysis.

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Management's Discussion and Analysis
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MaineHousing's business activities are in the proprietary funds and are dissimilar to the activities in the governmental funds. The combined results of operations for both MaineHousing's proprietary and governmental funds are presented on the following table for the years ended December 31, 2023 and 2022:

Agency-wide Changes in Net Position
(in millions of dollars)

	<u>2023</u>	<u>2022</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percentage</u>
Revenues:				
Interest from mortgages and notes	\$67.2	\$60.2	\$7.0	11.6%
Income from investments	30.7	9.2	21.5	233.7%
Net increase (decrease) in fair value of investments	3.6	(15.2)	18.8	123.7%
Fee income	16.8	13.8	3.0	21.7%
Grants and subsidies	371.9	483.8	(111.9)	(23.1%)
Other	0.5	0.7	(0.2)	(28.6%)
Total revenues	<u>490.7</u>	<u>552.5</u>	<u>(61.8)</u>	<u>(11.2%)</u>
Expenses:				
Operating and other program expenses	34.7	30.1	4.6	15.3%
Interest expense	56.0	41.8	14.2	34.0%
Grants and subsidies	363.7	472.0	(108.3)	(22.9%)
Total expenses	<u>454.4</u>	<u>543.9</u>	<u>(89.5)</u>	<u>(16.5%)</u>
Increase in net position	36.3	8.6	27.7	322.1%
Net position at beginning of year	<u>414.9</u>	<u>406.3</u>	<u>8.6</u>	<u>2.1%</u>
Net position at end of year	<u><u>\$451.2</u></u>	<u><u>\$414.9</u></u>	<u><u>\$36.3</u></u>	<u><u>8.7%</u></u>

Changes in business-type and governmental activities are explained in the following Results of Operations sections.

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RESULTS OF OPERATIONS

Proprietary Funds Results

The net position of MaineHousing's proprietary funds increased by \$25.2 million or 7.7% and totaled \$352.9 million at December 31, 2023. The following table summarizes the Statement of Revenues, Expenses and Changes in Net Position of MaineHousing's proprietary funds for the years ended December 31, 2023 and December 31, 2022:

Proprietary Funds
Statement of Revenues, Expenses and Changes in Net Position
(in millions of dollars)

	<u>2023</u>	<u>2022</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percentage</u>
Operating revenues:				
Interest from mortgages and notes	\$67.1	\$60.1	\$7.0	11.6%
Income from investments	27.4	8.1	19.3	238.3%
Net increase (decrease) in fair value of investments	3.6	(15.2)	18.8	123.7%
Fee income	3.9	2.9	1.0	34.5%
Other revenue	0.3	0.7	(0.4)	(57.1%)
Total revenues	<u>102.3</u>	<u>56.6</u>	<u>45.7</u>	<u>80.7%</u>
Operating expenses:				
Operating and other program expenses	23.9	21.6	2.3	10.6%
Interest expense	55.0	40.8	14.2	34.8%
Total expenses	<u>78.9</u>	<u>62.4</u>	<u>16.5</u>	<u>26.4%</u>
Net Operating income (loss)	23.4	(5.8)	29.2	503.4%
Transfers in	1.8	1.8	0.0	0.0%
Change in net position	25.2	(4.0)	29.2	730.0%
Net position at beginning of year	<u>327.7</u>	<u>331.7</u>	<u>(4.0)</u>	<u>(1.2%)</u>
Net position at end of year	<u>\$352.9</u>	<u>\$327.7</u>	<u>\$25.2</u>	<u>7.7%</u>

Operating revenues of MaineHousing's business-type activities are generated principally from earnings on mortgages and investments. Total revenues from business-type activities increased \$45.7 million or 80.7% in 2023 and amounted to \$102.3 million. Of this total, \$94.5 million or 92.4% was from interest earned on mortgages, notes, and non-mortgage investments. Operating expenses of MaineHousing's business-type activities consist primarily of interest expense on debt incurred to fund its various lending programs. The expenses for business-type activities totaled \$78.9 million, of which \$55 million or 69.7% was interest expense.

The 2023 operating results and net position of MaineHousing's proprietary funds were significantly affected by the following:

- Interest earned on mortgages and notes increased by \$7 million or 11.6% due to higher average outstanding mortgage receivable balances and average interest rates.
- Income from investments increased by \$19.3 million or 238.3% due to higher investment balances and an increase in short-term investment yields.

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- Interest rate changes during the year generated an unrealized gain of \$3.6 million, which is an increase of \$18.8 million compared with the unrealized loss of \$15.2 million recognized in 2022.
- Financing fees from an increase in multi-family lending activities generated a \$1 million increase in fee income.
- Interest expense increased by \$14.2 million or 34.8% as a result of higher average interest rates and outstanding bond balances in 2023.
- Operating and other program administrative expenses increased by \$2.3 million or 10.6%. The increase is due largely to the recognition of a \$0.8 million excess arbitrage expense in 2023. Additionally, in 2022, program administrative costs were reduced as a result of a \$0.5 million loan loss provision recovery.

Governmental Fund Results

The net position of MaineHousing's governmental funds increased by \$11.1 million or 12.7% and totaled \$98.3 million at December 31, 2023. The following table summarizes the Statement of Revenues, Expenditures, and Changes in Fund Balances of MaineHousing's governmental funds for the years ended December 31, 2023 and December 31, 2022:

Governmental Funds
Statement of Revenues, Expenditures, and Changes in Fund Balances
(in millions of dollars)

	<u>2023</u>	<u>2022</u>	<u>Increase/(Decrease)</u>	
			<u>Amount</u>	<u>Percentage</u>
Revenues:				
Income from mortgages and notes	\$0.1	\$0.1	\$0.0	0.0%
Income from investments	3.3	1.1	2.2	200.0%
Fee income	12.9	10.9	2.0	18.3%
Grant income	255.6	373.2	(117.6)	(31.5%)
Federal rent subsidy income	116.3	110.6	5.7	5.2%
Other revenue	0.2	0.0	0.2	n/a
Total revenues	<u>388.4</u>	<u>495.9</u>	<u>(107.5)</u>	<u>(21.7%)</u>
Expenditures:				
Program administrative expenditures	10.8	8.5	2.3	27.1%
Interest expenditures	1.0	1.0	0.0	0.0%
Grant expenditures	246.7	360.6	(113.9)	(31.6%)
Federal rent subsidy expenditures	117.0	111.4	5.6	5.0%
Total expenditures	<u>375.5</u>	<u>481.5</u>	<u>(106.0)</u>	<u>(22.0%)</u>
Revenues in excess of expenditures	12.9	14.4	(1.5)	(10.4%)
Transfers out	<u>(1.8)</u>	<u>(1.8)</u>	<u>0.0</u>	<u>0.0%</u>
Change in fund balances	11.1	12.6	(1.5)	(11.9%)
Fund balances at beginning of year	<u>87.2</u>	<u>74.6</u>	<u>12.6</u>	<u>16.9%</u>
Fund balances at end of year	<u><u>\$98.3</u></u>	<u><u>\$87.2</u></u>	<u><u>\$11.1</u></u>	<u><u>12.7%</u></u>

MaineHousing's revenues from governmental activities are generated primarily from federal grants and rent subsidy income. MaineHousing also receives program revenues from the State of Maine. Revenues from governmental activities total \$388.4 million in 2023, which is a decrease of \$107.5 million or 21.7%. Expenditures associated with governmental activities consist primarily of federal grants and rent subsidies payments. Total expenditures decreased \$106 million or 22% to \$375.5 million for 2023.

**Maine State Housing Authority
Management's Discussion and Analysis
December 31, 2023**

MaineHousing earns fees for administering federal programs, which amounted to \$12.9 million in 2023. Typically, fees earned provide MaineHousing with a revenue source adequate to recover direct and indirect costs of delivering related services.

The 2023 operating results and net position of MaineHousing's governmental activities were significantly affected by the following:

- Grant income decreased by \$117.6 million or 31.5% due to the completion of various federal COVID-19 relief programs. A total of \$69.1 million was received in 2023 for COVID-19 relief programs, which is a decrease of \$192.8 million or 73.6% from 2022. The State of Maine provided new program funds totaling \$81.9 million in 2023, which were primarily to supplement the federal Low Income Home Energy Assistance Program.
- Federal rent subsidy income, which is income associated with various HUD Section 8 programs, increased \$5.7 million or 5.2% due mainly to higher available income for the Section 8 Housing Choice Voucher (HCV) and Performance Based Contract Administration (PBCA) programs. The HCV and PBCA program increased by \$3.4 million and \$2 million, respectively.
- Income from investments increased by \$2.2 million due to higher average investment yields in 2023.
- Administrative fee income increased by \$2 million or 18.3% due mainly to fees earned from the Homeowner Assistance Fund that MaineHousing began administering in 2023. Fee income from this program amounted to \$2.2 million.
- Grant expenditures decreased by \$113.9 million or 31.6% due mainly to the reduction in available federal grant receipts from the COVID-19 relief programs, while federal rent subsidy expenditures increased \$5.6 million or 5% due to higher available income for the Section 8 HCV and PBCA programs.
- Program administrative expenditures increased \$2.3 million or 27.1% due largely to costs associated with the administration of the Homeowner Assistance Fund, which commenced in 2023.

DEBT ACTIVITY

MaineHousing is authorized to issue housing revenue bonds to purchase or originate mortgages or notes on single-family and multi-family residential properties. Total bonds outstanding at December 31, 2023 amounted to \$1.95 billion; an increase of \$226.9 million or 13.2% from 2022. Bond issuances in 2023 totaled \$347.4 million, while principal payments on bonds totaled \$120.5 million. MaineHousing redeemed prior to maturity \$92.1 million of its outstanding bonds in 2023 from reserve funds, mortgage prepayments, surplus revenues, and the proceeds of bond refundings. Scheduled principal payments on bonds totaled \$28.4 million in 2023.

MaineHousing issues variable rate bonds and enters into interest rate swap agreements to provide synthetically fixed interest rates on a portion of the variable rate bonds. At December 31, 2023, the total amount of variable rate debt outstanding was \$282.9 million and represented 14.5% of the \$1.95 billion total bond portfolio. Thirteen interest rate swap agreements have been executed with four counterparties in connection with \$207.3 million of the variable rate bonds to effectively convert them to synthetic fixed rate bonds.

Bonds in MaineHousing's General Mortgage Purchase Bond Resolution were rated Aa1 and AA+ by Moody's Investor Service and Standard & Poor's, respectively, in 2023.

MaineHousing may enter into loan agreements for program and capital funding purposes. At December 31, 2023, MaineHousing had \$13.6 million of outstanding notes payable in its General Administrative Fund. Notes payable decreased by \$0.6 million from 2022 as a result of scheduled principal payments. All proceeds from the loan associated with the outstanding balance at December 31, 2023 provided capital funding for the development of an office facility for MaineHousing.

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Management's Discussion and Analysis
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For additional information about MaineHousing's mortgage bonds and notes payables, see Notes 6, 7, 9, 14, and 16 to the financial statements.

ADDITIONAL INFORMATION

MaineHousing's main sources of revenues consist of interest from mortgage loans, investment interest income, and federal and state funded grants and subsidies.

Market interest rates have an effect on both the mortgage program and investment income revenues. If interest rates increase, as occurred in 2023, mortgage and investment income should increase as new loans are originated and new investments are purchased at higher rates. If interest rates decrease, mortgage and investment income should decrease as new loans are originated and new investments are purchased at lower rates. Any decrease in interest rates could also cause an increase in prepayments on higher rate mortgages. These prepayments are used to redeem higher rate bonds to lower interest expense. In 2023, MaineHousing experienced a substantial reduction of prepayments in its single-family loan portfolio and redemption of bonds prior to maturity due to the rising interest rates throughout the year.

Federal and state funded grants and subsidies are subject to appropriations by those governments. In recent years, the federal government has provided significant program funds in response to the COVID-19 pandemic. MaineHousing has administered a number of relief programs for the State of Maine and worked with its partners to assist Maine citizens who were impacted by COVID-19 and the related economic crisis by offering financial assistance to help stabilize their housing situation. Assistance provided included rental, utility, home energy, and homeowners mortgage payments and homeless prevention initiatives.

Most of the federal COVID relief programs contain sunset provisions extending into 2025 unless funding is exhausted before then. In 2023, federal program funding for MaineHousing's governmental activities experienced a substantial reduction due to the completion of various COVID-related programs. MaineHousing program activities in 2024 and beyond will see further reductions as more of these programs are concluded.

REQUESTS FOR INFORMATION

The purpose of this financial report is to provide information needed to understand MaineHousing's financial position and results of operations for the year ended December 31, 2023. Inquiries for additional information may be directed to the Director of Finance at Maine State Housing Authority, 26 Edison Drive, Augusta, Maine 04330-6046, at (207) 626-4600 or at www.mainehousing.org.

MAINE STATE HOUSING AUTHORITY
STATEMENT OF NET POSITION
DECEMBER 31, 2023
(IN THOUSANDS OF DOLLARS)

	Business-type Activities	Governmental Activities	Total
ASSETS:			
Current Assets:			
Cash, principally time deposits (note 3)	\$95,062	\$6,256	\$101,318
Investments (notes 3, 9, and 11)	395,433	68,706	464,139
Accounts receivable - government	0	10,173	10,173
Mortgage notes receivable, net (note 4)	35,656	3	35,659
Other assets (note 5)	10,394	646	11,040
Internal balances (note 13)	(35,502)	35,502	0
Total Current Assets	<u>501,043</u>	<u>121,286</u>	<u>622,329</u>
Noncurrent Assets:			
Investments (notes 3, 9, and 11)	142,349	0	142,349
Mortgage notes receivable, net (note 4)	1,633,575	74,186	1,707,761
Capital assets, net	18,127	0	18,127
Derivative instrument - interest rate swaps (note 7)	16,385	0	16,385
Total Noncurrent Assets	<u>1,810,436</u>	<u>74,186</u>	<u>1,884,622</u>
Total Assets	<u>2,311,479</u>	<u>195,472</u>	<u>2,506,951</u>
DEFERRED OUTFLOWS OF RESOURCES:			
Deferred pension expense (note 8)	415	214	629
Deferred amount on debt refundings	2,009	0	2,009
Total Deferred Outflows of Resources	<u>2,424</u>	<u>214</u>	<u>2,638</u>
LIABILITIES:			
Current Liabilities:			
Accrued interest payable	8,509	57	8,566
Accounts payable - government	0	1,605	1,605
Accounts payable and accrued liabilities	17,793	13,121	30,914
Unearned income	0	30,800	30,800
Bonds and notes payable (notes 6, 9, 14, and 16)	59,430	3,035	62,465
Total Current Liabilities	<u>85,732</u>	<u>48,618</u>	<u>134,350</u>
Noncurrent Liabilities:			
Subscription Liability (note 5)	441	0	441
Excess arbitrage to be rebated (note 12)	650	0	650
Pension liability (note 8)	1,274	657	1,931
Bonds and notes payable (notes 6, 9, 14, and 16)	1,856,208	47,977	1,904,185
Total Noncurrent Liabilities	<u>1,858,573</u>	<u>48,634</u>	<u>1,907,207</u>
Total Liabilities	<u>1,944,305</u>	<u>97,252</u>	<u>2,041,557</u>
DEFERRED INFLOWS OF RESOURCES:			
Accumulated increase in fair value of hedging derivatives (note 7)	16,385	0	16,385
Deferred loan origination points	13	0	13
Deferred pension credit (note 8)	298	153	451
Total Deferred Inflows of Resources	<u>16,696</u>	<u>153</u>	<u>16,849</u>
NET POSITION:			
Net investment in capital assets	3,858	0	3,858
Restricted for bond resolutions	310,569	0	310,569
Restricted for grants and programs	0	98,281	98,281
Unrestricted	38,475	0	38,475
Total Net Position	<u>\$352,902</u>	<u>\$98,281</u>	<u>\$451,183</u>

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
STATEMENT OF NET POSITION
PROPRIETARY FUNDS
DECEMBER 31, 2023
(IN THOUSANDS OF DOLLARS)

	Mortgage Purchase Fund	Bondholder Reserve Fund	General Administrative Fund	Total
ASSETS:				
Current Assets:				
Cash, principally time deposits (note 3)	\$ 35,153	\$ 3	\$ 59,906	\$ 95,062
Investments (notes 3, 9, and 11)	365,550	8,372	21,511	395,433
Mortgage notes receivable, net (note 4)	35,497	0	159	35,656
Other assets (note 5)	10,136	22	236	10,394
Interfund (note 13)	0	0	4,672	4,672
Total Current Assets	<u>446,336</u>	<u>8,397</u>	<u>86,484</u>	<u>541,217</u>
Noncurrent Assets:				
Investments (notes 3, 9, and 11)	142,349	0	0	142,349
Mortgage notes receivable, net (note 4)	1,626,710	0	6,865	1,633,575
Capital assets, net	22	0	18,105	18,127
Derivative instrument - interest rate swaps (note 7)	16,385	0	0	16,385
Total Noncurrent Assets	<u>1,785,466</u>	<u>0</u>	<u>24,970</u>	<u>1,810,436</u>
Total Assets	<u>2,231,802</u>	<u>8,397</u>	<u>111,454</u>	<u>2,351,653</u>
DEFERRED OUTFLOWS OF RESOURCES:				
Deferred pension expense (note 8)	346	2	67	415
Deferred amount on debt refundings	2,009	0	0	2,009
Total Deferred Outflows of Resources	<u>2,355</u>	<u>2</u>	<u>67</u>	<u>2,424</u>
LIABILITIES:				
Current Liabilities:				
Accrued interest payable	8,509	0	0	8,509
Accounts payable and accrued liabilities	250	4	17,539	17,793
Interfund (note 13)	2,805	17	37,352	40,174
Bonds and notes payable (notes 6, 9, 14, and 16)	58,775	0	655	59,430
Total Current Liabilities	<u>70,339</u>	<u>21</u>	<u>55,546</u>	<u>125,906</u>
Noncurrent Liabilities:				
Subscription Liability (note 5)	0	0	441	441
Excess arbitrage to be rebated (note 12)	650	0	0	650
Pension liability (note 8)	1,063	6	205	1,274
Bonds and notes payable (notes 6, 9, 14, and 16)	1,843,238	0	12,970	1,856,208
Total Noncurrent Liabilities	<u>1,844,951</u>	<u>6</u>	<u>13,616</u>	<u>1,858,573</u>
Total Liabilities	<u>1,915,290</u>	<u>27</u>	<u>69,162</u>	<u>1,984,479</u>
DEFERRED INFLOWS OF RESOURCES:				
Accumulated increase in fair value of hedging derivatives (note 7)	16,385	0	0	16,385
Deferred loan origination points	13	0	0	13
Deferred pension credit (note 8)	248	2	48	298
Total Deferred Inflows of Resources	<u>16,646</u>	<u>2</u>	<u>48</u>	<u>16,696</u>
NET POSITION:				
Net investment in capital assets	22	0	3,836	3,858
Restricted for bond resolutions	302,199	8,370	0	310,569
Unrestricted	0	0	38,475	38,475
Total Net Position	<u>\$302,221</u>	<u>\$8,370</u>	<u>\$42,311</u>	<u>\$352,902</u>

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENSES AND CHANGES IN NET POSITION
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
(IN THOUSANDS OF DOLLARS)

	Mortgage Purchase Fund	Bondholder Reserve Fund	General Administrative Fund	Total
OPERATING REVENUES:				
Interest from mortgages and notes	\$66,832	\$0	\$293	\$67,125
Income from investments	25,710	413	1,238	27,361
Net increase in the fair value of investments	3,550	0	0	3,550
Fee income	2,530	0	1,347	3,877
Other revenue	132	0	90	222
Gain on bond redemption (note 14)	187	0	0	187
	<u>98,941</u>	<u>413</u>	<u>2,968</u>	<u>102,322</u>
OPERATING EXPENSES:				
Operating expenses	12,925	76	2,390	15,391
Other program administrative expenses	5,854	0	0	5,854
Mortgage servicing fees	1,880	0	10	1,890
Interest expense	54,990	0	0	54,990
Excess arbitrage (note 12)	834	0	0	834
	<u>76,483</u>	<u>76</u>	<u>2,400</u>	<u>78,959</u>
Operating Income	22,458	337	568	23,363
Transfers between funds, net (note 13)	<u>0</u>	<u>0</u>	<u>1,863</u>	<u>1,863</u>
Change in Net Position	22,458	337	2,431	25,226
Net Position at beginning of year	<u>279,763</u>	<u>8,033</u>	<u>39,880</u>	<u>327,676</u>
Net Position at end of year	<u><u>\$302,221</u></u>	<u><u>\$8,370</u></u>	<u><u>\$42,311</u></u>	<u><u>\$352,902</u></u>

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
STATEMENT OF CASH FLOWS
PROPRIETARY FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
(IN THOUSANDS OF DOLLARS)

	Mortgage Purchase Fund	Bondholder Reserve Fund	General Administrative Fund	Total
CASH FLOWS FROM OPERATING ACTIVITIES:				
Interest receipts from borrowers	\$66,255	\$0	\$299	\$66,554
Principal receipts on mortgages and notes - scheduled	81,032	0	182	81,214
Principal receipts on mortgages and notes - prepayments	50,648	0	16	50,664
Payments for operating expenses	(10,112)	(14)	(637)	(10,763)
Payments for personnel expenses	(10,547)	(62)	(1,756)	(12,365)
Investment in mortgages and other notes	(279,343)	0	(2,892)	(282,235)
Other	2,817	(3)	5,915	8,729
Net cash provided by (used for) operating activities	<u>(99,250)</u>	<u>(79)</u>	<u>1,127</u>	<u>(98,202)</u>
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES:				
Acquisition of capital assets	0	0	(1,047)	(1,047)
Principal paid on capital debt	0	0	(636)	(636)
Interest paid on capital debt	0	0	(453)	(453)
Payment on subscription liabilities	0	0	(287)	(287)
Net cash used for capital and related financing activities	<u>0</u>	<u>0</u>	<u>(2,423)</u>	<u>(2,423)</u>
CASH FLOWS FROM NON-CAPITAL FINANCING ACTIVITIES:				
Proceeds from sale of bonds	345,238	0	0	345,238
Principal payments on bonds	(117,460)	0	0	(117,460)
Interest payments on bonds	(52,226)	0	0	(52,226)
Payments (to) from other funds	(90)	7	(4,239)	(4,322)
Net cash provided by (used for) non-capital financing activities	<u>175,462</u>	<u>7</u>	<u>(4,239)</u>	<u>171,230</u>
CASH FLOWS FROM INVESTING ACTIVITIES:				
Proceeds from disposition of foreclosed real estate	1,696	0	4	1,700
Purchase of investments	(1,150,535)	(334)	(3,012)	(1,153,881)
Sales and maturity of investments	1,075,837	0	0	1,075,837
Interest received on investments	16,235	408	1,236	17,879
Net cash provided by (used for) investing activities	<u>(56,767)</u>	<u>74</u>	<u>(1,772)</u>	<u>(58,465)</u>
Net increase (decrease) in cash	19,445	2	(7,307)	12,140
Cash at beginning of year	15,708	1	67,213	82,922
Cash at end of year	<u>\$35,153</u>	<u>\$3</u>	<u>\$59,906</u>	<u>\$95,062</u>
RECONCILIATION OF OPERATING INCOME TO NET CASH PROVIDED BY (USED FOR) OPERATING ACTIVITIES:				
Operating income	\$22,458	\$337	\$568	\$23,363
Adjustments to reconcile operating income to net cash provided by (used for) operating activities:				
Depreciation and amortization	388	0	1,136	1,524
Interest on bonds and notes	54,602	0	453	55,055
Gain on bond redemption	(187)	0	0	(187)
Pension expense	382	2	74	458
Interest income on investments	(25,710)	(413)	(1,238)	(27,361)
Net increase in fair value of investments	(3,550)	0	0	(3,550)
Changes in operating assets and liabilities:				
Other assets	264	(1)	83	346
Pension contributions	(468)	0	(89)	(557)
Mortgage note interest receivable	(577)	0	6	(571)
Accounts payable and accrued liabilities	811	(4)	2,828	3,635
Investment in mortgage and other notes	(279,343)	0	(2,892)	(282,235)
Mortgage & other note principal repayments	131,680	0	198	131,878
Net cash provided by (used for) operating activities	<u>(\$99,250)</u>	<u>(\$79)</u>	<u>\$1,127</u>	<u>(\$98,202)</u>
SUPPLEMENTAL DISCLOSURE OF NON-CASH INFORMATION:				
Transfer from mortgage notes receivable to other assets and other real estate owned	\$1,035	\$0	\$0	\$1,035

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
BALANCE SHEET
GOVERNMENTAL FUNDS
DECEMBER 31, 2023
(IN THOUSANDS OF DOLLARS)

	HOME Fund	Section 8 Housing Programs	Low Income Home Energy Assistance Program	Maine Energy, Housing & Economic Recovery Fund	Other Federal and State Programs	Total
ASSETS:						
Current Assets:						
Cash, principally time deposits (note 3)	\$0	\$3,780	\$1,678	\$0	\$798	\$6,256
Investments (notes 3, 9, and 11)	29,232	0	0	27,197	12,277	68,706
Accounts receivable - government	1,877	279	2,546	0	5,471	10,173
Mortgage notes receivable, net (note 4)	3	0	0	0	0	3
Other assets	125	152	54	105	210	646
Interfund (note 13)	17,012	81	0	0	21,806	38,899
Total Current Assets	<u>48,249</u>	<u>4,292</u>	<u>4,278</u>	<u>27,302</u>	<u>40,562</u>	<u>124,683</u>
Noncurrent Assets:						
Mortgage notes receivable, net (note 4)	39,573	0	0	34,613	0	74,186
Total Noncurrent Assets	<u>39,573</u>	<u>0</u>	<u>0</u>	<u>34,613</u>	<u>0</u>	<u>74,186</u>
Total Assets	<u>\$87,822</u>	<u>\$4,292</u>	<u>\$4,278</u>	<u>\$61,915</u>	<u>\$40,562</u>	<u>\$198,869</u>
LIABILITIES:						
Current Liabilities:						
Accrued interest payable	\$0	\$0	\$0	\$57	\$0	\$57
Accounts payable - government	0	478	0	0	1,127	1,605
Accounts payable and accrued liabilities	3,414	156	1,175	0	8,376	13,121
Unearned income	0	103	1,533	0	29,164	30,800
Interfund (note 13)	81	404	1,446	0	102	2,033
Bonds payable (note 6, 9, and 14)	0	0	0	3,035	0	3,035
Total Current Liabilities	<u>3,495</u>	<u>1,141</u>	<u>4,154</u>	<u>3,092</u>	<u>38,769</u>	<u>50,651</u>
Noncurrent Liabilities:						
Bonds payable (note 6, 9, and 14)	0	0	0	47,977	0	47,977
Total Non Current Liabilities	<u>0</u>	<u>0</u>	<u>0</u>	<u>47,977</u>	<u>0</u>	<u>47,977</u>
Total Liabilities	<u>3,495</u>	<u>1,141</u>	<u>4,154</u>	<u>51,069</u>	<u>38,769</u>	<u>98,628</u>
FUND BALANCES:						
Restricted by program requirements	84,327	3,151	124	0	1,793	89,395
Nonspendable	0	0	0	10,846	0	10,846
Total Fund Balances	<u>84,327</u>	<u>3,151</u>	<u>124</u>	<u>10,846</u>	<u>1,793</u>	<u>100,241</u>
Total Liabilities and Fund Balances	<u>\$87,822</u>	<u>\$4,292</u>	<u>\$4,278</u>	<u>\$61,915</u>	<u>\$40,562</u>	<u>\$198,869</u>

RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET TO THE STATEMENT OF NET POSITION

Total fund balances in governmental funds	\$100,241
Amounts reported for governmental activities in the Statement of Net Position are different because:	
Pension expense deferrals reported as deferred outflows of resources in governmental activities are not financial resources and therefore are not reported in the governmental funds.	214
Pension liabilities reported in governmental activities are not due and payable in the current period and therefore are not reported in the governmental funds.	(657)
Pension credit deferrals reported as deferred inflows of resources in governmental activities are not available to pay for current period expenditures and therefore are not reported in the governmental funds.	(153)
Interfund balances related to the allocation of pension liabilities and deferrals of resources reported in governmental activities are not due and payable in the current period and therefore not reported in the governmental funds.	<u>(1,364)</u>
Net Position of governmental activities	<u>\$98,281</u>

See accompanying notes to the financial statements

MAINE STATE HOUSING AUTHORITY
STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES
GOVERNMENTAL FUNDS
FOR THE YEAR ENDED DECEMBER 31, 2023
(IN THOUSANDS OF DOLLARS)

	HOME Fund	Section 8 Housing Programs	Low Income Home Energy Assistance Program	Maine Energy, Housing & Economic Recovery Fund	Other Federal and State Programs	Total
REVENUES:						
Interest from mortgages and notes	\$96	\$0	\$0	\$42	\$0	\$138
Income from investments	1,412	13	15	1,617	270	3,327
Fee income	0	6,632	1,012	0	5,238	12,882
Other revenue	69	0	0	86	0	155
Grant income	30,735	0	93,447	4,318	127,149	255,649
Federal rent subsidy income	0	116,271	0	0	0	116,271
Total Revenues	<u>32,312</u>	<u>122,916</u>	<u>94,474</u>	<u>6,063</u>	<u>132,657</u>	<u>388,422</u>
EXPENDITURES:						
Operating expenditures	0	4,460	861	0	2,773	8,094
Other program administrative expenditures	0	129	37	0	2,284	2,450
Provision for losses on loans (note 4)	9	0	0	0	0	9
Grant expenditures	32,037	66	93,447	420	120,664	246,634
Federal rent subsidy	0	117,038	0	0	0	117,038
Interest	0	0	0	1,014	0	1,014
Total Expenditures	<u>32,046</u>	<u>121,693</u>	<u>94,345</u>	<u>1,434</u>	<u>125,721</u>	<u>375,239</u>
Revenues in Excess of Expenditures	266	1,223	129	4,629	6,936	13,183
Transfers between funds, net (note 13)	<u>(416)</u>	<u>(1,568)</u>	<u>(114)</u>	<u>7,814</u>	<u>(7,579)</u>	<u>(1,863)</u>
Change in Fund Balances	(150)	(345)	15	12,443	(643)	11,320
Fund Balances at beginning of year	<u>84,477</u>	<u>3,496</u>	<u>109</u>	<u>(1,597)</u>	<u>2,436</u>	<u>88,921</u>
Fund Balances at end of year	<u><u>\$84,327</u></u>	<u><u>\$3,151</u></u>	<u><u>\$124</u></u>	<u><u>\$10,846</u></u>	<u><u>\$1,793</u></u>	<u><u>\$100,241</u></u>

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN NET POSITION
OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES**

Change in Fund Balances - total governmental funds	\$11,320
Amounts reported for governmental activities in the Statement of Activities are different because:	
Expenses reported in the Statement of Activities include a pension expense, which does not effect the use of current financial resources and therefore is not reported as an expenditure in the governmental funds.	<u>(236)</u>
Change in Net Position of governmental activities	<u><u>\$11,084</u></u>

See accompanying notes to the financial statements

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

(1.) ORGANIZATION AND NATURE OF OPERATIONS

The Maine State Housing Authority (MaineHousing) is a public corporation and an instrumentality of the State of Maine established under the provisions of the *Maine Housing Authorities Act*, Title 30-A, Chapter 201, of the Maine Revised Statutes, as amended. MaineHousing is authorized to issue bonds for the purchase or origination of notes and mortgages on single-family and multi-family residential properties for the purpose of providing housing for persons and families of low income in the State of Maine. MaineHousing also administers various housing and energy related state and federal programs and collects and disburses federal rent subsidies for low-income housing.

For financial reporting purposes, MaineHousing is considered a component unit of the State of Maine and the financial condition and results of operations of MaineHousing are included in the State's financial statements.

(2.) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation

MaineHousing's financial statements are prepared in accordance with Governmental Accounting Standards Board (GASB) statements and are comprised of three components: 1) agency-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements.

The financial statements include all of the organization's activities and functions for which MaineHousing is financially accountable. Determination of financial accountability includes among other factors, appointment of a voting majority of the component's governing body and (1) ability to impose its will over the component unit or (2) the possibility that the component unit will provide a financial benefit to, or impose a financial burden on, MaineHousing. Based on the preceding criteria, the accompanying financial statements do not include the financial activities of any entity other than MaineHousing.

The agency-wide financial statements are comprised of a Statement of Net Position and Statement of Activities, which are prepared using the economic resources measurement focus and the accrual basis of accounting. These statements reflect all of the assets, liabilities, revenues, expenses, deferred inflows, deferred outflows, gains and losses of business-type and governmental activities. Interfund balances entirely within the proprietary funds and governmental funds are eliminated from the Statement of Net Position; remaining amounts are shown as Internal Balances.

The business-type activities, which include single-family and multi-family loan programs, are classified as proprietary funds. Proprietary funds are reported using the accrual basis of accounting and revenues are recorded when earned and expenses when incurred. The governmental activities reflect the administration of the various programs for the State of Maine and the federal government. Governmental funds are reported using the modified accrual basis and revenues are recorded when they become available and measurable and expenses when incurred. Revenues from grants and programs are generally considered "available" if eligibility and time restrictions have been satisfied and if received within three months of the balance sheet date. Grants received in advance of the period in which they can be used are reported as deferred inflows of resources.

Separate fund financial statements are provided for proprietary and governmental funds. The fund financial statements have been prepared in accordance with accounting principles generally accepted in the United States of America applicable to governmental entities, which provides that accounting systems be organized by funds to account for specific activities consistent with legal and operating requirements. Major individual governmental funds and all proprietary funds and fund groups are reported as separate columns in the fund financial statements. Certain insignificant indirect costs are allocated to the funds.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

Fund Structure

PROPRIETARY FUNDS

Financial activities operated similarly to private business enterprises and financed through fees and charges assessed primarily to users of loans and other lender services are presented as proprietary funds. MaineHousing's proprietary funds are as follows, all of which are considered major funds:

Mortgage Purchase Fund

This fund consists of accounts established by the General Mortgage Purchase Bond Resolution. Pursuant to the Mortgage Purchase Program, MaineHousing is authorized to purchase or originate first lien mortgages on single-family and multi-family residential properties. Proceeds from the sale of mortgage revenue bonds, the debt service requirements of the bond indebtedness, and mortgage loans made from bond proceeds are recorded in this fund.

Bondholder Reserve Fund

This fund consists of accounts established by the General Authority Bondholder Reserve Fund Resolution and is pledged to replenish any deficiency in the debt service reserve fund of the General Mortgage Purchase Bond Resolution.

General Administrative Fund

This fund consists of account balances that are not directly pledged to or restricted by a particular bond resolution or program and generates fee and interest income. Revenues not specifically pledged for the repayment of bonds or notes are recorded in this fund.

GOVERNMENTAL FUNDS

Activities financed by grant and program agreements with the federal government and appropriations and allocations from the State of Maine Legislature are presented as governmental funds. None of the governmental funds are legally required to adopt a formal budget. MaineHousing's governmental funds are as follows, all of which are considered major funds:

Home Fund

The Maine State Legislature authorized the creation of the Housing Opportunities for Maine (HOME) Program to promote and create affordable housing. The program is funded by a portion of the Real Estate Transfer Tax levied by the State of Maine and by appropriations. These funds may be used in conjunction with MaineHousing's other housing resources. Activities associated with the Shelter Operating Subsidy Program, which is funded by the State of Maine and provides funding for emergency shelters that serve Maine's homeless citizens, are also recorded in this fund.

Section 8 Housing Programs

This fund group consists of activity related to MaineHousing's administration of various Department of Housing and Urban Development (HUD) Section 8 programs. These are federal programs that provide rental subsidies to landlords to preserve low-income rental units and funding to tenants to assist with rent payments. The program funding levels are established by the federal government annually. MaineHousing receives annual fees from HUD for the administration of these programs. These programs consist of the following:

- Moderate Rehabilitation
- Section 811 Project Rental Assistance
- Housing Choice Voucher
- Performance Based Contract Administration
- Family Self-Sufficiency
- Mainstream Vouchers
- Section 8 Emergency Housing Voucher – *American Rescue Plan Act*

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

Low Income Home Energy Assistance Program

MaineHousing is the designated administrator of the Low Income Home Energy Assistance Program for the State of Maine. This program is federally funded through the Department of Health and Human Services. Under this program, funds are provided to low income homeowners and renters to assist with the payment of heating costs. The funding level is established annually by the federal government and MaineHousing receives annual fees for the administration of the program.

A supplemental award in the amount of \$55,172 was provided to the State of Maine as part of the *American Rescue Plan Act of 2021*. All funds from this supplemental award were obligated by the September 30, 2022 expiration date and program activity is ongoing.

In 2023, the State of Maine provided one-time funding in the amount of \$40 million to supplement the federal Low Income Home Energy Assistance Program. The federal eligibility requirements applies to the state funds and associated activities are recorded in this fund group.

Maine Energy, Housing and Economic Recovery Fund

The purpose of the Maine Energy, Housing and Economic Recovery Fund (MEHER) is to create capital funding sources to provide affordable housing and to improve energy efficiency of residential housing in the State of Maine. The fund consists of accounts established by the MEHER General Indenture. The revenue anticipation bonds issued under the MEHER General Indenture are liabilities of the fund and the debt service for these bonds is paid by a source of revenue from the State of Maine.

Other Federal and State Programs

MaineHousing administers various other federal and state housing and energy related programs and grants. This fund group records the activity and reflects the consolidation of these programs and grants. Program administration is governed by the appropriate federal regulations or state laws. The annual program and grant funding levels are set by the appropriate federal or state government. MaineHousing receives annual fees for the program administration for most of the federal programs and grants. Federal and state programs consist of the following:

U.S. Department of Housing and Urban Development

- Emergency Solutions Grants
- Emergency Solutions Grants – *Coronavirus Aid, Relief, and Economic Security Act*
- HOME Investment Partnerships Program
- HOME Investment Partnerships Program – *American Rescue Plan Act*
- National Housing Trust Fund
- Lead-Based Paint Hazard Control Program
- Homeless Management Information System
- Continuum of Care - Planning Grant
- Community Development Block Grant - *Coronavirus Aid, Relief, and Economic Security Act* (via State of Maine)
- Older Adult Home Modification Program
- Recovery Housing Program

U.S. Department of Energy

- Weatherization Assistance Program
- Weatherization Assistance Program - Training Centers and Programs
- Weatherization Assistance Program – *Bipartisan Infrastructure Law*
- Sustainable Energy Resources for Consumers Grant

U.S. Department of Health and Human Services

- Low Income Household Water Assistance Program – *Consolidated Appropriations Act* and *American Rescue Plan Act*
- Weatherization / Central Heating Improvement Program
- Temporary Assistance for Needy Families (via State of Maine)

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

U.S. Department of Treasury

Housing Navigators Program – *American Rescue Plan Act* (via State of Maine)
Emergency Rental Assistance Program – *American Rescue Plan Act* (via State of Maine)
Homeowner Assistance Fund – *American Rescue Plan Act* (via State of Maine)
Expand Affordable Housing Program – *American Rescue Plan Act* (via State of Maine)

U.S. Department of Homeland Security

Federal Emergency Management Agency Disaster Assistance Grants – COVID-19

State of Maine

Home Modification Program
Well Water Treatment Program
Lead Abatement Program
State General Obligation Bonds
Emergency Housing Relief Fund
Maine Association of Recovery Residences
Low Income Home Energy Assistance Program for Community Action Agencies

Private

Low Income Assistance Plan

Net Position

In the agency-wide and proprietary fund financial statements, net position is displayed in three components as follows:

Net investment in capital assets – This consists of capital assets, net of accumulated depreciation, less the outstanding balances of any notes, liabilities or other borrowings for the acquisition, construction, or improvement of those assets.

Restricted – This consists of activities that are legally restricted by outside parties or by law through constitutional provisions or enabling legislation. For business-type activities, the net position is restricted by bond resolutions for the acquisition of loans, payment of debt service and payment of operating costs. For governmental activities, the net position is restricted by state statutes or federal regulations and program agreements for specific program purposes.

Unrestricted – This consists of activities that do not meet the definition of “restricted” or “net investment in capital assets.”

Fund Balances

In the governmental funds financial statements, fund balances are reported as either restricted for housing and energy related programs or nonspendable in current form due to the long term nature of certain assets. If unrestricted fund balances are available, they are generally used after assigned or restricted amounts.

Cash and Cash Equivalents

For purposes of reporting cash flows, cash and cash equivalents include cash on hand and held by banks in demand deposits and savings accounts.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

Investments

Money market funds, repurchase agreements and certificates of deposit that have a remaining maturity at time of purchase of one year or less are reported at amortized cost. Investments not reported at amortized cost are reported at fair value. Unrealized gains and losses due to fluctuations in market values and gains and losses realized upon sale are reported as net increases or decreases in the fair value of investments. Interest received that is required by federal programs to be spent on program activities is deferred and recorded as a payable to the federal government.

Mortgage Notes Receivable

Mortgage notes receivable are carried at their uncollected principal balance less allowances for loan losses. The recording of interest income on problem loans ceases when collectability within a reasonable period of time becomes doubtful. Program income received for revolving loan programs are recorded as unearned income. MaineHousing reclassifies its liability for amounts due under revolving loan programs relating to forgivable loans and loans with no payments due until sale of the collateral or maturity of the loan (usually 30 years from origination) to reduce the associated loan balances. MaineHousing believes this presentation better reflects the underlying economics of the loan.

Allowances For Losses On Loans

MaineHousing has established allowances for losses on mortgages and other notes receivable. The allowances are established through provisions for losses on loans charged to expenses. Losses are charged against the allowances when MaineHousing believes that collection of the loan principal is unlikely.

The allowances are amounts that MaineHousing believes will be adequate to absorb losses based on evaluations of collectability and prior loss experience. The evaluation takes into consideration such factors as the nature and volume of the portfolio, extent of available mortgage insurance, collateral, delinquencies and current economic conditions that may affect the borrowers' ability to pay.

Capital Assets

Capital assets consisting of building, land, and equipment are stated at cost less accumulated depreciation and are reported in the agency-wide and proprietary funds financial statements. MaineHousing capitalizes assets with an initial cost of one thousand dollars or more. Depreciation is computed using the straight line method over the estimated useful lives of the assets, which range from three to forty years. Land and assets that are being developed are not depreciated. Intangible assets from subscription-based information technology arrangements are recorded as capital assets and amortized using the straight line method over the subscription term.

Other Real Estate Owned

Other real estate owned consists of single-family and multi-family residential properties acquired through foreclosure, or acceptance of a deed in lieu of foreclosure and are carried at the lower of cost or fair value less estimated costs to sell. Other real estate owned net of reserve is recorded in other assets. Losses arising from the acquisition of other real estate owned are charged to the allowance for loan losses. Operating expenses, subsequent provisions to reduce the carrying value, and any gain or loss on disposition of the property are reflected in the Statement of Revenues, Expenses and Changes in Net Position in the year incurred or realized.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

Bond Discount, Premium, Issuance Costs and Deferred Amounts on Refunding

Bond discounts and premiums are reflected as a component of bonds payable and are deferred and amortized over the lives of the bonds using a method that approximates the effective interest method. Gains and losses on debt refundings are amortized as a component of interest expense over the remaining life of the old debt or the life of the new debt, whichever is shorter and reflected as a deferred outflow of resources. Bond issuance costs are expensed in the year issued.

Loan Origination Fees and Costs

MaineHousing pays origination costs at the time it purchases single-family mortgage loans. These and other program costs, including closing cost assistance to borrowers, paid in connection with acquiring certain single-family loans, are expensed in the year of origination.

MaineHousing may receive points in connection with the origination of certain mortgage loans, which are essentially yield adjustments on the loans. Points received for single-family loans are reflected as a deferred inflow of resources and amortized as a component of interest income using the effective interest method over the life of the mortgages. When a loan is paid off prior to maturity, all unamortized deferred points are recognized immediately as interest income. MaineHousing may charge a fee at the time that a commitment is made to originate a mortgage on a multi-family loan. These fees are recognized as income in the year the commitment is made.

Revenues, Expenses and Expenditures

Program revenues in the agency-wide Statement of Activities are reported in three categories including (1) charges for services, (2) investment income and (3) grants and contributions. Charges for services include all revenues from mortgage loans and program administration fees. Investment income consists of earnings from non-mortgage investment assets. Grants and contributions include revenues from other governments and organizations that are restricted for use in a particular program. All revenues are recorded as income when earned and the associated expenses are recorded as incurred.

The proprietary funds' primary sources of operating revenues are income from mortgage loans and other permitted investments. Operating expenses in the proprietary funds consist of costs incurred for originating and servicing loans, interest on bonds and notes, and program administration.

Revenues in the governmental funds are derived from grant and program agreements with the federal government, appropriations from the Maine State Legislature, and other organizations. MaineHousing also receives fee income for program administration. Expenditures in the governmental funds are all current operating expenditures and consist primarily of program disbursements and administration charges.

Derivatives and Hedging Instruments

MaineHousing enters into interest rate swap agreements in order to manage risks associated with interest on its variable rate bond portfolio. MaineHousing recognizes the fair value of swap agreements as either an asset or liability on its Statement of Net Position with the offsetting gains or losses as either deferred inflows or outflows of resources, if deemed an effective hedge. If swap agreements are not effective hedges, interest expense is increased or decreased by the change in the fair value. MaineHousing measures the effectiveness of its interest rate swap agreements in total whereby all the swaps are used to hedge interest expense on a portion of the total variable rate bonds equal to the notional amount of the swaps. Hedge effectiveness is determined by using the regression analysis and synthetic instrument methods. MaineHousing's swap agreements constitute an effective hedge for the hedged portion of the variable rate bond portfolio at December 31, 2023.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

Fair Value Methodology

Generally accepted accounting principles establishes standards for determining fair value measurements for accounting and financial reporting purposes and provides guidance for applying fair value to certain investments and disclosures related to all fair value measurements and also establishes a three-tier hierarchy that prioritizes the inputs used to measure fair value as follows:

- **Level 1 inputs** are observable, quoted prices in active markets for identical assets or liabilities;
- **Level 2 inputs** are directly or indirectly observable, but not on Level 1; and
- **Level 3 inputs** are all inputs that are unobservable.

MaineHousing's assets and liabilities carried at fair value are investments and interest rate swaps.

Defined Benefit Pension Plan

MaineHousing is a participating local district (PLD) member of the Maine Public Employees Retirement System (MainePERS) PLD Consolidated Retirement Plan and employees may participate in a defined benefit plan offered by MainePERS. For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the fiduciary net position of MainePERS' PLD Consolidated Plan have been determined on the same basis as they are reported by MainePERS. For this purpose, benefit payments, including refunds of employee contributions, are recognized when due and payable in accordance with the benefit terms. Investments at MainePERS are reported at fair value.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities at the date of the statements and the reported amounts of revenues, expenses and expenditures during the reporting year. Material estimates that are particularly susceptible to significant change in the near-term relate to the determination of the allowance for losses on loans, the fair value of interest rate swaps and the net pension liability for MaineHousing's participation in the MainePERS PLD Consolidated Retirement Plan. Actual results could differ from estimates.

New Accounting Standards

The following GASB Statements that have been issued are under evaluation by MaineHousing:

- GASB Statement No. 100, *Accounting Changes and Error Corrections* and GASB Statement No. 101, *Compensated Absences* are effective for the year ending December 31, 2024.
- GASB Statement No. 102, *Certain Risk Disclosures* is effective for the year ending December 31, 2025.

MaineHousing has not adopted these standards and is evaluating the impact they may have on its financial statements.

(3.) CASH AND INVESTMENTS

At December 31, 2023, the carrying amount of MaineHousing's bank deposits was \$101,318 and the bank balance was \$102,117. The difference between the carrying amount and the bank balance is a result of transactions in transit. Of the bank balance, \$954 was covered by federal depository insurance and \$101,163 was collateralized by pledged government securities that are held in the bank's name at the Federal Reserve Bank.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

The General Mortgage Purchase Bond Resolution permits MaineHousing to invest in direct obligations of, or obligations guaranteed by, the United States of America, certain government-sponsored enterprises and the State of Maine "permitted investments." The resolution also permits MaineHousing to invest in certificates of deposit, repurchase agreements and other similar banking arrangements that are collateralized by permitted investments.

MaineHousing has a formal Investment Policy that outlines its investment practices and policies. The primary purpose of the policy is to ensure safety of principal while managing liquidity to pay MaineHousing's financial obligations. MaineHousing's deposit policy is to have its deposits covered by insurance, collateralized or deposited in well capitalized institutions.

MaineHousing's investment balances and stated maturities as of December 31, 2023 are presented in the following table. Actual maturities may differ due to investments being called by the issuer.

Investment Type	Investment Maturities in Years					Moody's Credit Rating
	Carrying Amount	Less than 1	1-5	6-10	More than 10	
PROPRIETARY FUNDS						
MORTGAGE PURCHASE FUND						
Repurchase Agreements	\$105,240	\$105,240	\$0	\$0	\$0	NR
Money Market Funds	\$207	207	0	0	0	NR
Federal Home Loan Mortgage Corporation (FHLMC)	49,978	49,978	0	0	0	P-1/Aaa
Federal Farm Credit Bank (FFCB)	76,391	0	3,717	48,505	24,169	P-1/Aaa
Federal Home Loan Bank (FHLB)	276,083	210,125	0	35,388	30,570	P-1/Aaa
Total - Mortgage Purchase Fund	507,899	365,550	3,717	83,893	54,739	
BONDHOLDER RESERVE FUND						
Repurchase Agreements	8,372	8,372	0	0	0	NR
GENERAL ADMINISTRATIVE FUND						
Repurchase Agreements	5,602	5,602	0	0	0	NR
Money Market Funds	13,350	13,350	0	0	0	NR
Certificates of Deposit	2,559	2,559	0	0	0	NR
Total - General Administrative Fund	21,511	21,511	0	0	0	
Total - Proprietary Funds	\$537,782	\$395,433	\$3,717	\$83,893	\$54,739	
GOVERNMENTAL FUNDS						
HOME FUND						
Repurchase Agreements	\$29,232	\$29,232	\$0	\$0	\$0	NR
MAINE ENERGY, HOUSING & ECONOMIC RECOVERY FUND						
Repurchase Agreements	27,197	27,197	0	0	0	NR
OTHER FEDERAL AND STATE PROGRAMS						
Repurchase Agreements	12,277	12,277	0	0	0	NR
Total - Governmental Funds	\$68,706	\$68,706	\$0	\$0	\$0	

MaineHousing generally invests in repurchase agreements and money market funds for short-term investments, which are not credit rated and are continuously and fully secured by permitted investments. It is MaineHousing's policy to require that collateral be held by MaineHousing's trustee in MaineHousing's name, wherever practicable.

A market approach is used to determine fair value using Level 2 inputs for investments carried at fair value. Prices and other relevant information are generated by market transactions involving identical or comparable investments.

At December 31, 2023, \$461,580 was invested in short-term repurchase agreements, money market funds, and other government sponsored enterprises with maturity dates of less than one year and interest rates up to 5.40%. Investments other than repurchase agreements and money market funds are registered in MaineHousing's name. Investments issued by Federal Home Loan Mortgage Corporation (FHLMC), Federal Farm Credit Bank (FFCB), and Federal Home Loan Bank (FHLB) make up 10%, 15%, and 54% of total investments, respectively, in the Mortgage Purchase Fund.

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At December 31, 2023, \$2,559 is invested in a non-negotiable certificate of deposit to fund a debt service reserve in connection with a loan agreement. The certificate has an interest rate of 5.55% and will mature in June 2024. The certificate is not credit rated and is being held by its bank trustee in MaineHousing's name.

(4.) MORTGAGE NOTES RECEIVABLE

For financial statement presentation, the allowance for losses on loans has been netted against the noncurrent portion of mortgage notes receivable. A summary of mortgage notes receivable at December 31, 2023 is as follows:

	<u>Number of Notes</u>	<u>Principal Balance</u>	<u>Percent of Portfolio</u>
PROPRIETARY FUNDS			
MORTGAGE PURCHASE FUND - SINGLE-FAMILY:			
VA guaranteed	462	\$60,570	5.8%
FHA insured	1,635	192,909	18.3%
USDA/RD guaranteed	5,060	570,621	54.3%
Privately insured	213	45,310	4.3%
Non-insured	<u>2,504</u>	<u>182,352</u>	<u>17.3%</u>
Total Mortgage Purchase Fund - single-family	<u>9,874</u>	<u>1,051,762</u>	<u>100.0%</u>
MORTGAGE PURCHASE FUND - MULTI-FAMILY:			
Section 8	185	180,065	29.2%
Conventional	342	402,040	65.1%
Supportive Housing	<u>158</u>	<u>35,451</u>	<u>5.7%</u>
Total Mortgage Purchase Fund - multi-family	685	617,556	<u>100.0%</u>
Less: Allowance for losses on loans		<u>(7,111)</u>	
Total Mortgage Purchase Fund	<u>10,559</u>	<u>1,662,207</u>	
GENERAL ADMINISTRATIVE FUND - SINGLE-FAMILY:			
Non-insured	55	1,257	<u>100.0%</u>
GENERAL ADMINISTRATIVE FUND - MULTI-FAMILY:			
Section 8	1	553	9.4%
Conventional	<u>6</u>	<u>5,316</u>	<u>90.6%</u>
Total General Administrative Fund - multi-family	7	5,869	<u>100.0%</u>
Less: Allowance for losses on loans		<u>(102)</u>	
Total General Administrative Fund	<u>62</u>	<u>7,024</u>	
Total Proprietary Funds	<u>10,621</u>	<u>\$1,669,231</u>	
GOVERNMENTAL FUNDS			
HOME FUND - SINGLE-FAMILY:			
Non-insured	255	\$2,773	<u>100.0%</u>
HOME FUND - MULTI-FAMILY:			
Non-insured	<u>123</u>	<u>37,583</u>	<u>100.0%</u>
Total HOME Fund	378	40,356	
Less: Allowance for losses on loans		<u>(780)</u>	
Total HOME Fund	<u>378</u>	<u>39,576</u>	
MAINE ENERGY, HOUSING AND ECONOMIC RECOVERY FUND - MULTI-FAMILY			
Non-insured	<u>30</u>	<u>34,613</u>	<u>100.0%</u>
Total Governmental Funds	<u>408</u>	<u>\$74,189</u>	

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A summary of the activity in the allowance for losses on loans is as follows:

	PROPRIETARY FUNDS	GOVERNMENTAL FUNDS	
	Mortgage Purchase Fund Group	General Administrative Fund	HOME Fund
Balance – December 31, 2022	\$7,112	\$98	\$905
Provision	0	0	9
Loans charged off	(15)	0	(134)
Recoveries	14	4	0
Balance – December 31, 2023	\$7,111	\$102	\$780

(5.) SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS

MaineHousing uses subscription-based information technology arrangements (SBITA) for certain information technology cloud software. One arrangement provides software for its multi-family housing programs and one arrangement is for grant management.

The term for the multi-family SBITA is for an initial three year period at an annual fee of \$167, which increases by 3% per annum. Renewal options are available for two additional years at the same terms and conditions. It is reasonably certain that these options will be exercised and they have been included in the determination of the right-to-use asset and subscription liability. This SBITA arrangement also included an implementation fee and other costs of \$186.

The term for the grant management SBITA is for an initial three year period at an annual fee of \$46 and implementation fees of \$34. Renewal options are available for two additional years at the same terms and conditions. It is reasonably certain that these options will be exercised and they have been included in the determination of the right-to-use asset and subscription liability.

At December 31, 2023, MaineHousing has a combined net right-to-use SBITA asset, an intangible asset, of \$980 and a \$644 subscription liability, the current portion of which is included in accounts payable and accrued liabilities. At December 31, 2023, \$288 of amortization expense and \$18 of interest expense on the subscription liability was recorded. The following table provides a summary of principal and interest requirements for the subscription liability through December 31, 2026:

Year	Principal	Interest	Total
2024	\$203	\$18	\$221
2025	215	12	227
2026	226	6	232
Total	\$644	\$36	\$680

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(6.) BONDS AND NOTES PAYABLE

MaineHousing issues bonds that pay interest that is subject to Alternative Minimum Tax (AMT), bonds that pay interest that is not subject to this tax (Non-AMT) and federally taxable bonds. Interest paid on AMT bonds is treated as a preference item in calculating the tax imposed on individuals and corporations under the Internal Revenue Service Code. MaineHousing's AMT, Non-AMT and federally taxable bonds are denoted for each series or sub-series in the following table.

The interest rates presented in the following table for variable rate bonds represent the rate at December 31, 2023. The Single-Family (S/F) and Multi-Family (M/F) Mortgage Bonds Payable outstanding at December 31, 2023 are as follows:

	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
PROPRIETARY FUNDS							
MORTGAGE PURCHASE FUND							
2013 SERIES B BONDS (S/F)							
2013 Series B (Non-AMT)							
Serial Bonds	\$7,540	\$1,835	2.75%	2024	1,835		
Term Bonds	3,890	2,000	3.00%	2026-2027	985	-	1,015
Term Bonds	38,690	16,275	3.45%	2031-2032	7,995	-	8,280
Term Bonds	28,880	27,600	3.60%	2033-2036	2,230	-	9,205
Term Bonds	<u>27,000</u>	<u>0</u>	4.00%				
	<u>106,000</u>	<u>47,710</u>					
2014 SERIES C BONDS (S/F)							
2014 Series C-1 (AMT)							
Serial Bonds	14,860	0	3.00%				
Term Bonds	2,000	0	3.63%				
Term Bonds	7,620	0	4.00%				
Term Bonds	<u>17,465</u>	<u>230</u>	3.50%	2034-2041	15	-	55
	<u>41,945</u>	<u>230</u>					
2015 SERIES A BONDS (M/F)							
2015 Series A-2 (Non-AMT)							
Term Bonds	6,555	1,125	3.25%	2028-2029	525	-	600
2015 Series A-3 (Non-AMT)							
Serial Bonds	8,050	0	1.20%				
Term Bonds	11,220	9,135	3.50%	2031-2034	2,160	-	2,410
Term Bonds	13,505	11,000	3.63%	2036-2039	2,590	-	2,905
Term Bonds	<u>16,225</u>	<u>16,225</u>	3.75%	2040-2044	2,995	-	3,500
	<u>55,555</u>	<u>37,485</u>					
2015 SERIES B BONDS (S/F)							
2015 Series B (Non-AMT)							
Serial Bonds	9,750	2,320	2.45% - 2.60%	2024-2025	1,145	-	1,175
Term Bonds	10,750	6,650	3.20%	2028-2030	2,150	-	2,285
Term Bonds	1,610	1,610	3.45%	2031-2034	380	-	425
Term Bonds	<u>9,890</u>	<u>0</u>	3.50%				
	<u>32,000</u>	<u>10,580</u>					
2015 SERIES C BONDS (M/F)							
2015 Series C (Federally Taxable)							
Serial Bonds	9,480	0	2.74% - 3.04%				
Term Bonds	18,000	0	3.59%				
Term Bonds	<u>12,520</u>	<u>7,800</u>	3.95%	2038-2040	2,500	-	2,700
	<u>40,000</u>	<u>7,800</u>					
2015 SERIES E BONDS (S/F)							
2015 Series E-1 (AMT)							
Serial Bonds	30,115	0	3.10%				
Term Bonds	26,690	0	4.00%				
Term Bonds	26,325	1,055	3.50%	2031-2034	130	-	365
2015 Series E-3 (AMT)							
Term Bonds	<u>30,000</u>	<u>30,000</u>	Variable - 3.89%	2035-2038	5,455	-	8,975
	<u>113,130</u>	<u>31,055</u>					

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	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2015 SERIES F BONDS (M/F)							
2015 Series F-2 (Non-AMT)							
Serial Bonds	2,450	1,500	2.50% - 2.85%	2024-2026	500		
2015 Series F-3 (Non-AMT)							
Serial Bonds	15,005	0	1.10%				
Term Bonds	6,340	5,155	3.40%	2028-2030	1,650	-	1,785
Term Bonds	9,565	0	3.85%				
Term Bonds	<u>11,840</u>	<u>0</u>	3.95%				
	<u>45,200</u>	<u>6,655</u>					
2015 SERIES G BONDS (S/F)							
2015 Series G (Non-AMT)							
Serial Bonds	8,185	6,230	2.55% - 3.00%	2024-2027	700	-	2,095
Term Bonds	1,730	1,730	3.35%	2028-2030	535	-	615
Term Bonds	2,125	0	3.65%				
Term Bonds	12,060	7,420	3.85%	2038-2040	2,410	-	2,535
Term Bonds	<u>5,900</u>	<u>155</u>	3.50%	2041-2045	25	-	35
	<u>30,000</u>	<u>15,535</u>					
2016 SERIES A BONDS (S/F)							
2016 Series A (Non-AMT)							
Serial Bonds	6,065	2,475	2.13% - 2.45%	2024-2026	795	-	855
Term Bonds	6,520	6,520	2.90%	2027-2030	1,545	-	1,720
Term Bonds	4,630	4,630	3.30%	2031-2035	865	-	990
Term Bonds	10,900	10,900	3.55%	2036-2040	1,960	-	2,355
Term Bonds	<u>6,885</u>	<u>135</u>	4.00%	2041-2045	25	-	30
	<u>35,000</u>	<u>24,660</u>					
2016 SERIES B BONDS (S/F)							
2016 Series B-1 (Non-AMT)							
Serial Bonds	19,260	9,090	2.05% - 2.55%	2024-2027	2,135	-	2,410
Term Bonds	3,885	1,205	2.70%	2028		1,205	
Term Bonds	18,855	0	3.50%				
2016 Series B-2 (AMT)							
Term Bonds	<u>28,000</u>	<u>28,000</u>	Variable - 3.89%	2029-2037	2,720	-	3,420
	<u>70,000</u>	<u>38,295</u>					
2016 SERIES C BONDS (S/F)							
2016 Series C (Non-AMT)							
Serial Bonds	13,620	7,390	1.90% - 2.50%	2024-2028	1,080	-	2,045
Term Bonds	5,670	5,670	2.75%	2029-2031	1,185	-	2,285
Term Bonds	8,975	8,975	3.00%	2032-2036	1,305	-	2,510
Term Bonds	3,355	3,355	3.15%	2037-2041	625	-	720
Term Bonds	<u>8,380</u>	<u>720</u>	3.50%	2042-2046	140	-	150
	<u>40,000</u>	<u>26,110</u>					
2016 SERIES D BONDS (M/F)							
2016 Series D (Federally Taxable)							
Serial Bonds	32,000	31,175	2.39% - 2.99%	2024-2029	3,915	-	8,185
Term Bonds	<u>8,000</u>	<u>8,000</u>	3.29%	2030-2031		4,000	
	<u>40,000</u>	<u>39,175</u>					
2016 SERIES E BONDS (S/F)							
2016 Series E (Non-AMT)							
Serial Bonds	6,250	3,025	2.70% - 3.15%	2024-2027	715	-	800
Term Bonds	3,050	0	3.63%				
Term Bonds	10,385	0	3.90%				
Term Bonds	<u>8,315</u>	<u>1,165</u>	4.00%	2037-2046	105	-	130
	<u>28,000</u>	<u>4,190</u>					
2017 SERIES A BONDS (S/F)							
2017 Series A (Non-AMT)							
Serial Bonds	5,920	3,545	2.50% - 3.15%	2024-2028	655	-	765
Term Bonds	3,360	0	3.65%				
Term Bonds	6,315	0	4.00%				
Term Bonds	7,625	0	4.05%				
Term Bonds	<u>6,780</u>	<u>1,085</u>	4.00%	2043-2047	180	-	325
	<u>30,000</u>	<u>4,630</u>					
2017 SERIES B BONDS (S/F)							
2017 Series B (Non-AMT)							
Serial Bonds	8,680	5,975	2.05% - 3.00%	2024-2030	740	-	1,010
Term Bonds	4,215	4,215	3.25%	2031-2032	2,090	-	2,125
Term Bonds	6,170	2,605	3.65%	2036-2037	1,280	-	1,325
Term Bonds	8,745	8,745	3.75%	2038-2044	1,115	-	1,355
Term Bonds	<u>7,190</u>	<u>1,365</u>	4.00%	2045-2047	450	-	465
	<u>35,000</u>	<u>22,905</u>					

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	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2017 SERIES D BONDS (M/F)							
2017 Series D-1 (Non-AMT)							
Serial Bonds	13,175	6,000	2.10% - 2.95%	2024-2029	1,000		
Term Bonds	14,320	14,320	3.50%	2033-2037	2,250	-	3,980
Term Bonds	5,870	5,870	3.65%	2038-2042	1,090	-	1,265
Term Bonds	<u>7,810</u>	<u>7,810</u>	3.75%	2043-2047	1,445	-	1,680
	<u>41,175</u>	<u>34,000</u>					
2017 SERIES E BONDS (S/F)							
2017 Series E (Federally Taxable)							
Term Bonds	<u>60,000</u>	<u>60,000</u>	Variable - 5.43%	2042-2052	5,000	-	10,000
	<u>60,000</u>	<u>60,000</u>					
2017 SERIES F BONDS (S/F)							
2017 Series F (Non-AMT)							
Serial Bonds	13,180	10,100	2.00% - 3.00%	2024-2030	970	-	1,675
Term Bonds	2,055	2,055	3.15%	2031-2032	1,005	-	1,050
Term Bonds	5,920	5,920	3.50%	2033-2037	1,090	-	1,280
Term Bonds	7,000	7,000	3.65%	2038-2042	1,320	-	1,490
Term Bonds	<u>11,845</u>	<u>2,835</u>	3.50%	2043-2047	445	-	955
	<u>40,000</u>	<u>27,910</u>					
2017 SERIES G BONDS (S/F - M/F)							
2017 Series G-1 (Federally Taxable)							
Term Bonds	<u>55,000</u>	<u>55,000</u>	Variable - 5.37%	2045-2050	8,290	-	10,090
	<u>55,000</u>	<u>55,000</u>					
2017 SERIES H BONDS (S/F)							
2017 Series H (Non-AMT)							
Serial Bonds	18,380	17,275	2.25% - 3.05%	2024-2030	1,140	-	4,510
Term Bonds	5,420	5,420	3.25%	2031-2033	1,750	-	1,865
Term Bonds	10,625	5,495	3.55%	2036-2037	2,700	-	2,795
Term Bonds	1,485	1,485	3.70%	2038-2042	275	-	320
Term Bonds	<u>2,590</u>	<u>2,590</u>	3.75%	2043-2047	480	-	555
	<u>38,500</u>	<u>32,265</u>					
2018 SERIES A BONDS (S/F)							
2018 Series A (Non-AMT)							
Serial Bonds	13,510	8,200	2.60% - 3.25%	2024-2030	1,145	-	1,200
Term Bonds	3,680	2,465	3.50%	2032-2033	1,220	-	1,245
Term Bonds	8,630	5,240	3.75%	2036-2038	1,725	-	1,765
Term Bonds	<u>9,180</u>	<u>9,180</u>	3.90%	2039-2043	1,790	-	1,885
	<u>35,000</u>	<u>25,085</u>					
2018 SERIES B BONDS (S/F)							
2018 Series B (Non-AMT)							
Serial Bonds	10,565	6,035	2.60% - 3.10%	2024-2028	1,180	-	1,230
Term Bonds	6,005	2,445	3.50%	2032-2033	1,215	-	1,230
Term Bonds	11,270	6,850	3.75%	2036-2038	2,245	-	2,320
Term Bonds	<u>12,160</u>	<u>12,160</u>	3.85%	2039-2043	2,355	-	2,515
	<u>40,000</u>	<u>27,490</u>					
2018 SERIES C BONDS (S/F)							
2018 Series C (Non-AMT)							
Serial Bonds	14,200	8,390	2.45% - 3.25%	2024-2030	485	-	1,955
Term Bonds	4,080	0	3.55%				
Term Bonds	7,195	1,485	3.85%	2038		1,485	
Term Bonds	9,595	0	3.95%				
Term Bonds	<u>9,930</u>	<u>3,550</u>	4.00%	2044-2048	125	-	1,615
	<u>45,000</u>	<u>13,425</u>					
2018 SERIES D BONDS (S/F - M/F)							
2018 Series D-1 (Federally Taxable)							
Term Bonds	40,000	40,000	Variable - 5.81%	2043-2053	2,965	-	4,395
2018 Series D-2 (Federally Taxable)							
Term Bonds	<u>3,150</u>	<u>0</u>	0.00%				
	<u>43,150</u>	<u>40,000</u>					
2018 SERIES F BONDS (S/F)							
2018 Series F (Non-AMT)							
Serial Bonds	7,710	0	2.65%				
Term Bonds	3,745	0	3.85%				
Term Bonds	6,450	0	4.13%				
Term Bonds	6,225	0	4.20%				
Term Bonds	<u>10,300</u>	<u>4,030</u>	4.25%	2044-2048	165	-	1,815
	<u>34,430</u>	<u>4,030</u>					

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	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2019 SERIES A BONDS (S/F)							
2019 Series A (Non-AMT)							
Serial Bonds	12,670	10,220	2.30% - 3.05%	2024-2030	760	-	3,330
Term Bonds	4,305	4,305	3.45%	2031-2034	1,005	-	1,150
Term Bonds	2,605	2,130	3.80%	2036-2039	495	-	570
Term Bonds	10,880	0	4.00%				
Term Bonds	<u>9,005</u>	<u>3,755</u>	4.00%	2046-2049	550	-	1,425
	<u>39,465</u>	<u>20,410</u>					
2019 SERIES B BONDS (S/F)							
2019 Series B (Non-AMT)							
Serial Bonds	18,075	13,175	1.95% - 2.80%	2024-2032	695	-	2,245
Term Bonds	1,470	1,470	2.95%	2033-2034	720	-	750
Term Bonds	10,615	10,615	3.15%	2035-2039	1,745	-	2,730
Term Bonds	<u>9,840</u>	<u>9,840</u>	3.35%	2040-2044	1,795	-	2,130
	<u>40,000</u>	<u>35,100</u>					
2019 SERIES C BONDS (S/F)							
2019 Series C (Non-AMT)							
Serial Bonds	8,415	5,605	1.65% - 2.45%	2024-2031	100	-	1,055
Term Bonds	6,350	6,350	2.75%	2032-2034	2,040	-	2,195
Term Bonds	5,250	5,250	3.00%	2035-2039	100	-	2,275
Term Bonds	10,270	10,270	3.20%	2040-2045	1,315	-	1,920
Term Bonds	<u>8,825</u>	<u>4,315</u>	4.00%	2047-2050	780	-	1,220
	<u>39,110</u>	<u>31,790</u>					
2019 SERIES D BONDS (M/F)							
2019 Series D (Federally Taxable)							
Term Bonds	<u>4,220</u>	<u>4,220</u>	0.00%	2024		4,220	
	<u>4,220</u>	<u>4,220</u>					
2019 SERIES E BONDS (S/F)							
2019 Series E (Non-AMT)							
Serial Bonds	15,540	13,210	1.63% - 2.35%	2024-2031	710	-	3,430
Term Bonds	5,895	5,895	2.70%	2032-2034	1,935	-	1,995
Term Bonds	6,610	6,610	3.10%	2040-2044	1,230	-	1,415
Term Bonds	<u>6,400</u>	<u>3,315</u>	3.75%	2047-2049	300	-	1,540
	<u>34,445</u>	<u>29,030</u>					
2020 SERIES A BONDS (S/F)							
2020 Series A (Non-AMT)							
Serial Bonds	9,800	7,505	1.40% - 2.40%	2024-2032	725	-	955
Term Bonds	1,995	1,995	2.60%	2033-2034	980	-	1,015
Term Bonds	7,195	7,195	2.85%	2035-2039	1,050	-	1,750
Term Bonds	8,645	8,645	3.00%	2040-2044	1,620	-	1,840
Term Bonds	<u>6,715</u>	<u>3,740</u>	3.75%	2047-2049	530	-	2,305
	<u>34,350</u>	<u>29,080</u>					
2020 SERIES B BONDS (M/F)							
2020 Series B (Non-AMT)							
Serial Bonds	12,000	4,000	1.10%	2024		4,000	
Term Bonds	7,000	7,000	2.10%	2033-2035	2,140	-	2,530
Term Bonds	14,275	14,275	2.35%	2036-2040	2,690	-	3,015
Term Bonds	7,755	7,755	2.50%	2041-2045	1,470	-	1,640
Term Bonds	<u>8,970</u>	<u>8,970</u>	2.60%	2046-2050	1,695	-	1,900
	<u>50,000</u>	<u>42,000</u>					
2020 SERIES C BONDS (S/F)							
2020 Series C (Non-AMT)							
Serial Bonds	12,765	10,815	1.50% - 2.50%	2024-2032	950	-	1,675
Term Bonds	5,315	5,315	2.70%	2033-2035	1,715	-	1,830
Term Bonds	9,640	9,640	3.00%	2036-2040	1,770	-	2,055
Term Bonds	<u>11,235</u>	<u>6,630</u>	4.00%	2044-2050	230	-	1,325
	<u>38,955</u>	<u>32,400</u>					
2020 SERIES D BONDS (S/F)							
2020 Series D (Non-AMT)							
Serial Bonds	10,280	10,280	0.90% - 2.20%	2024-2032	990	-	1,310
Term Bonds	4,390	4,390	2.30%	2033-2035	1,090	-	2,170
Term Bonds	7,580	7,580	2.55%	2036-2040	1,270	-	2,215
Term Bonds	<u>12,750</u>	<u>12,750</u>	2.80%	2041-2045	1,465	-	4,120
	<u>35,000</u>	<u>35,000</u>					

**Maine State Housing Authority
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	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2020 SERIES E BONDS (M/F)							
2020 Series E (Federally Taxable)							
Serial Bonds	40,000	40,000	2.02% - 2.74%	2026-2033	4,600	-	5,455
	<u>40,000</u>	<u>40,000</u>					
2020 SERIES F BONDS (S/F)							
2020 Series F (Non-AMT)							
Serial Bonds	10,465	9,200	0.65% - 1.75%	2024-2032	905	-	1,135
Term Bonds	3,415	3,415	2.00%	2033-2035	1,100	-	1,175
Term Bonds	6,535	6,535	2.15%	2036-2040	1,215	-	1,395
Term Bonds	7,710	7,710	2.25%	2041-2045	1,440	-	1,655
Term Bonds	11,875	11,875	2.40%	2046-2050	1,705	-	4,705
	<u>40,000</u>	<u>38,735</u>					
2020 SERIES G BONDS (S/F)							
2020 Series G (Non-AMT)							
Serial Bonds	25,180	25,180	0.50% - 2.20%	2024-2035	1,035	-	5,315
Term Bonds	10,465	10,465	2.38%	2036-2040	1,960	-	2,215
	<u>35,645</u>	<u>35,645</u>					
2020 SERIES H BONDS (S/F - M/F)							
2020 Series H (Federally Taxable)							
Serial Bonds	27,345	27,345	1.70% - 2.57%	2026-2032	3,800	-	4,055
Term Bonds	12,655	12,655	2.67%	2033-2035	4,130	-	4,310
	<u>40,000</u>	<u>40,000</u>					
2021 SERIES A BONDS (M/F)							
2021 Series A (Non-AMT)							
Serial Bonds	21,000	17,000	0.40% - 0.60%	2024-2026	4,000	-	8,000
Term Bonds	6,000	6,000	1.85%	2034-2036	1,955	-	2,040
Term Bonds	7,000	7,000	2.05%	2037-2041	1,345	-	1,455
Term Bonds	8,000	8,000	2.15%	2042-2046	1,540	-	1,660
Term Bonds	8,000	8,000	2.20%	2047-2051	1,530	-	1,665
	<u>50,000</u>	<u>46,000</u>					
2021 SERIES B BONDS (S/F)							
2021 Series B (Non-AMT)							
Serial Bonds	10,150	8,550	0.40% - 1.85%	2024-2032	850	-	1,050
Term Bonds	5,925	5,925	2.05%	2033-2036	1,425	-	1,550
Term Bonds	8,550	8,550	2.20%	2037-2041	1,600	-	1,800
Term Bonds	7,050	7,050	2.40%	2042-2046	1,325	-	1,500
Term Bonds	8,325	8,325	2.45%	2047-2051	1,550	-	1,800
	<u>40,000</u>	<u>38,400</u>					
2021 SERIES C BONDS (S/F)							
2021 Series C (Non-AMT)							
Serial Bonds	10,755	9,460	0.45% - 1.80%	2024-2033	825	-	1,080
Term Bonds	5,730	5,730	1.90%	2034-2036	1,850	-	1,965
Term Bonds	10,865	10,865	2.15%	2037-2041	2,035	-	2,310
Term Bonds	12,650	12,650	2.30%	2042-2046	2,375	-	2,700
	<u>40,000</u>	<u>38,705</u>					
2021 SERIES D BONDS (S/F)							
2021 Series D (Non-AMT)							
Serial Bonds	11,675	10,765	0.50% - 2.10%	2024-2033	940	-	1,225
Term Bonds	3,915	3,915	2.20%	2034-2036	1,270	-	1,340
Term Bonds	7,325	7,325	2.40%	2037-2041	1,380	-	1,550
Term Bonds	7,960	7,960	2.65%	2042-2046	1,505	-	1,670
Term Bonds	8,455	7,395	3.00%	2049-2051	1,450	-	4,165
	<u>39,330</u>	<u>37,360</u>					
2022 SERIES A BONDS (M/F)							
2022 Series A (Non-AMT)							
Serial Bonds	19,000	15,000	0.55% - 0.85%	2024-2026	3,500	-	6,500
Term Bonds	10,180	10,180	2.40%	2037-2041	1,945	-	2,120
Term Bonds	19,570	19,570	2.60%	2042-2046	3,720	-	4,125
Term Bonds	1,250	1,250	2.65%	2047-2051	235	-	265
	<u>50,000</u>	<u>46,000</u>					
2022 SERIES B BONDS (M/F)							
2022 Series B (Federally Taxable)							
Serial Bonds	40,000	40,000	1.50% - 2.58%	2025-2032	2,780	-	6,440
Term Bonds	10,000	10,000	2.98%	2033-2036	2,395	-	2,610
	<u>50,000</u>	<u>50,000</u>					

**Maine State Housing Authority
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December 31, 2023**

	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2022 SERIES C BONDS (M/F)							
2022 Series C (AMT)							
Term Bonds	69,865	69,865	Variable - 4.01%	2041-2051	1,280	-	12,230
	<u>69,865</u>	<u>69,865</u>					
2022 SERIES D BONDS (S/F)							
2022 Series D (Non-AMT)							
Serial Bonds	14,000	13,285	2.05% - 3.80%	2024-2034	730	-	2,840
Term Bonds	5,520	5,520	3.88%	2035-2037	1,750	-	1,930
Term Bonds	16,975	16,975	4.00%	2038-2042	2,070	-	6,555
Term Bonds	2,450	2,450	4.13%	2043-2047	450	-	525
Term Bonds	10,300	9,520	5.00%	2049-2052	615	-	3,695
	<u>49,245</u>	<u>47,750</u>					
2022 SERIES E BONDS (S/F)							
2022 Series E (Non-AMT)							
Serial Bonds	11,935	11,420	2.00% - 3.88%	2024-2034	795	-	1,320
Term Bonds	4,400	4,400	4.00%	2035-2037	1,395	-	1,540
Term Bonds	11,925	11,925	4.15%	2038-2042	2,145	-	2,630
Term Bonds	15,325	15,325	4.25%	2043-2047	2,775	-	3,340
Term Bonds	10,595	10,085	5.00%	2050-2052	1,690	-	5,410
	<u>54,180</u>	<u>53,155</u>					
2022 SERIES F BONDS (M/F)							
2022 Series F (Non-AMT)							
Serial Bonds	24,000	24,000	3.10% - 3.40%	2025-2027		8,000	
Term Bonds	16,000	16,000	4.85%	2038-2042	3,010	-	3,410
Term Bonds	20,000	20,000	4.95%	2043-2047	3,765	-	4,245
	<u>60,000</u>	<u>60,000</u>					
2022 SERIES G BONDS (S/F)							
2022 Series G-1 (Non-AMT)							
Serial Bonds	7,000	7,000	3.45% - 4.10%	2025-2029	1,000	-	3,000
Term Bonds	8,000	8,000	5.15%	2038-2042	1,425	-	1,785
Term Bonds	9,000	9,000	5.30%	2043-2047	1,605	-	2,005
Term Bonds	12,000	12,000	5.40%	2048-2052	2,160	-	2,590
2022 Series G-2 (Non-AMT)							
Term Bonds	24,000	24,000	4.21%	2033-2037	4,410	-	5,205
	<u>60,000</u>	<u>60,000</u>					
2023 SERIES A BONDS (S/F)							
2023 Series A (Non-AMT)							
Serial Bonds	7,670	7,670	2.70% - 3.75%	2024-2034	410	-	1,010
Term Bonds	5,135	5,135	4.15%	2035-2038	1,175	-	1,390
Term Bonds	5,085	5,085	4.40%	2039-2043	905	-	1,130
Term Bonds	12,350	12,350	4.60%	2044-2048	2,200	-	2,755
Term Bonds	9,760	9,760	4.70%	2049-2053	1,580	-	2,850
	<u>40,000</u>	<u>40,000</u>					
2023 SERIES B BONDS (S/F)							
2023 Series B (Non-AMT)							
Term Bonds	75,000	35,000	3.13%	2026-2054	680	-	2,075
	<u>75,000</u>	<u>35,000</u>					
2023 Series B-1 (Non-AMT)							
Serial Bonds	8,020	8,020	3.40% - 4.20%	2024-2033	600	-	960
Term Bonds	5,455	5,455	4.50%	2034-2038	995	-	1,190
Term Bonds	6,830	6,830	4.75%	2039-2043	1,240	-	1,495
Term Bonds	8,655	8,655	4.95%	2044-2048	1,570	-	1,900
Term Bonds	11,040	11,040	5.05%	2049-2053	1,995	-	2,435
	<u>40,000</u>	<u>40,000</u>					
2023 SERIES C BONDS (M/F)							
2023 Series C (Non-AMT)							
Serial Bonds	18,790	18,790	2.80% - 3.10%	2025-2028	1,120	-	10,145
Term Bonds	4,025	4,025	4.45%	2039-2043	740	-	875
Term Bonds	14,310	14,310	4.70%	2044-2048	2,610	-	3,125
Term Bonds	20,235	20,235	4.80%	2049-2053	3,680	-	4,430
	<u>57,360</u>	<u>57,360</u>					
2023 SERIES D BONDS (S/F)							
2023 Series D (Non-AMT)							
Serial Bonds	7,875	7,875	3.20% - 4.05%	2026-2035	605	-	1,005
Term Bonds	4,945	4,945	4.15%	2036-2038	1,560	-	1,740
Term Bonds	8,150	8,150	4.50%	2039-2043	1,450	-	1,815
Term Bonds	8,125	8,125	4.65%	2044-2048	1,445	-	1,810
Term Bonds	15,905	15,905	4.70%	2049-2053	2,800	-	3,665
	<u>45,000</u>	<u>45,000</u>					

**Maine State Housing Authority
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	Original Amount Issued	Amount Outstanding	Interest Rate(s)	Maturities/ Sinking Fund Installments on Bonds Outstanding	Range of Required Annual Principal Payments on Bonds		
2023 SERIES E BONDS (M/F)							
2023 Series E (Non-AMT)							
Serial Bonds	40,000	40,000	3.50% - 3.75%	2025-2028		10,000	
Term Bonds	5,000	5,000	4.45%	2035-2038	1,165	-	1,335
Term Bonds	15,000	15,000	4.75%	2039-2043	2,745	-	3,260
Term Bonds	15,000	15,000	4.88%	2044-2048	2,730	-	3,285
Term Bonds	<u>15,000</u>	<u>15,000</u>	4.90%	2049-2053	2,730	-	3,285
	<u>90,000</u>	<u>90,000</u>					
		1,904,225					
Less: Net Unamortized Bond Discount		<u>(2,212)</u>					
Total Mortgage Purchase Fund	<u>2,555,255</u>	<u>1,902,013</u>					
Total Proprietary Funds	<u>\$2,555,255</u>	<u>\$1,902,013</u>					
GOVERNMENTAL FUNDS							
MAINE ENERGY, HOUSING & ECONOMIC RECOVERY FUND							
2021 Series 1 (Non-AMT)							
Serial Bonds	<u>\$15,020</u>	<u>\$15,020</u>	5.00%	2034-2037	3,265	-	4,110
2021 Series 2 (Taxable)							
Serial Bonds	<u>38,930</u>	<u>32,465</u>	0.70% - 2.42%	2024-2034	295	-	3,480
		47,485					
Plus: Net Unamortized Bond Premium		<u>3,527</u>					
Total Maine Energy, Housing & Recovery Fund Group	<u>53,950</u>	<u>51,012</u>					
Total Governmental Funds	<u>\$53,950</u>	<u>\$51,012</u>					

The following table summarizes bond debt activity for the year ended December 31, 2023:

Fund	Outstanding at December 31, 2022	Issues	Retirement	Outstanding at December 31, 2023
Mortgage Purchase Fund	\$1,674,325	\$347,360	(\$117,460)	\$1,904,225
Maine Energy, Housing & Economic Recovery Fund	<u>50,505</u>	<u>0</u>	<u>(3,020)</u>	<u>47,485</u>
Total	<u>\$1,724,830</u>	<u>\$347,360</u>	<u>(\$120,480)</u>	<u>\$1,951,710</u>

Interest on bonds is payable semi-annually for the Mortgage Purchase Fund and the Maine Energy, Housing & Economic Recovery Fund. Scheduled principal payments on bonds are due November 15 for the Mortgage Purchase Fund and June 15 for the Maine Energy, Housing & Economic Recovery Fund.

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The interest calculations shown in the table below are based on the variable rate in effect at December 31, 2023 and may not be indicative of actual interest expense that will be incurred. As rates vary, variable rate bond interest payments and net swap payments will vary. The following table provides a summary of MaineHousing's bond debt service requirements and net interest rate swap payments through 2028 and in five-year increments thereafter to maturity:

Year(s)	Mortgage Purchase Fund					Maine Energy, Housing & Economic Recovery Fund	
	Fixed and Variable Unswapped		Variable Swapped		Swaps	Fixed	
	Principal	Interest	Principal	Interest	Net Interest	Principal	Interest
2024	\$58,775	\$56,063	\$0	\$9,313	(\$5,539)	\$3,035	\$1,272
2025	79,165	54,917	0	9,344	(5,522)	3,055	1,247
2026	84,115	53,198	0	9,347	(5,384)	3,085	1,214
2027	82,450	51,260	0	9,347	(4,218)	3,120	1,174
2028	81,545	49,041	0	9,350	(4,233)	3,165	1,126
2029-2033	287,500	219,096	15,115	45,600	(16,785)	16,710	4,703
2034-2038	289,870	174,967	42,885	40,650	(2,907)	15,315	1,574
2039-2043	296,783	125,105	5,437	35,240	0	0	0
2044-2048	250,325	71,244	77,985	28,967	0	0	0
2049-2053	184,297	24,414	65,903	6,069	0	0	0
2054-2058	2,075	65	0	0	0	0	0
Total	<u>\$1,696,900</u>	<u>\$879,370</u>	<u>\$207,325</u>	<u>\$203,227</u>	<u>(\$44,588)</u>	<u>\$47,485</u>	<u>\$12,310</u>

MaineHousing's bonds are a special obligation of MaineHousing and do not constitute a debt or liability of the State of Maine. The bonds are secured in accordance with bond resolutions. Security for bonds in the Mortgage Purchase Fund includes the mortgage loans made or purchased under the resolution and all monies and investments in the fund and accounts pledged under the resolution. Bonds in the Mortgage Purchase Fund may be redeemed in excess of the annual maturities in accordance with the terms of the resolution. Bonds in the Maine Energy, Housing & Economic Recovery Fund are secured by a portion of the Real Estate Transfer Tax revenues collected by the State of Maine and the bonds may be redeemed in excess of the annual maturities.

Notes Payable

At December 31, 2023, MaineHousing has a \$13,625 note payable to TD Bank, N.A. at a fixed rate of 3.20%, maturing November 1, 2033. The note, which is recorded in the General Administrative Fund, has principal and interest payments due monthly based on a 20-year amortization schedule.

The proceeds from this note were used for the acquisition and rehabilitation of an office building for MaineHousing. The note is secured by a mortgage agreement on the property and a \$2,559 non-negotiable certificate of deposit held with the lender.

The following table provides a summary of note payment requirements through 2028 and in five-year increments thereafter to maturity:

Year(s)	Principal	Interest	Total
2024	\$655	\$434	\$1,089
2025	678	411	1,089
2026	700	388	1,088
2027	723	365	1,088
2028	746	343	1,089
2029-2033	10,123	1,323	11,446
Total	<u>\$13,625</u>	<u>\$3,264</u>	<u>\$16,889</u>

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Moral Obligation Debt

The reserve funds of the Mortgage Purchase Fund are secured by a non-binding obligation (moral obligation) from the State of Maine to replenish by appropriation any deficiency in such reserve funds. MaineHousing is authorized to have an aggregate amount not to exceed \$2,150,000 of outstanding bonds secured by this obligation. Of that amount, \$1,904,225 was outstanding at December 31, 2023.

Conduit Debt Obligation

MaineHousing may use its tax-exempt debt issuing authority to provide financial assistance to private sector developers for the acquisition and rehabilitation, or the construction of multi-family housing projects serving low-to-moderate income households. The debt, which is referred to as conduit debt, is collateralized by revenues generated by the properties financed and is repayable solely from payments received on the underlying mortgage loans and any specific third-party credit enhancement associated with the individual financings. MaineHousing has a total of \$26,275 outstanding at December 31, 2023. The debt does not constitute a liability or a pledge of faith and credit of MaineHousing and is not reported in the accompanying financial statements.

(7.) INTEREST RATE SWAP AGREEMENTS

MaineHousing has thirteen interest rate swap agreements (swaps) with four counterparties as of December 31, 2023. The objective of the agreements is to attain a synthetic fixed interest rate on a portion of its variable rate bonds at a cost expected to be less than rates associated with fixed-rate debt. The swap agreement terms state MaineHousing is to make semi-annual fixed interest rate payments at a specified rate on a notional principal amount and in exchange receive semi-annual payments based upon either the thirty-day, ninety-day or one hundred eighty-day Secure Overnight Financing Rate (SOFR).

The swaps have an aggregate positive fair value of \$16,385 at December 31, 2023. During 2023, the fair value of the swaps decreased by \$2,175. The fair value was estimated using a zero-coupon method and Level 3 inputs. This method calculates the future net settlement payments required by the swaps, assuming that the current forward rates implied by the current yield curve correctly anticipate future spot interest rates. These payments are then discounted using spot rates implied by the current yield curve for hypothetical zero-coupon bonds due on the date of each future net settlement on the swap. These amounts are adjusted for estimated unwinding costs.

The swaps have been determined to constitute an effective hedge of a portion of the variable rate bond portfolio equal to the notional amount of the swaps at December 31, 2023 by using the regression analysis and synthetic instrument methods. The aggregate fair value is classified as a derivative instrument asset and a deferred inflow of resources, which represents the accumulated increase in fair value. Variable rate bonds outstanding at December 31, 2023 total \$282,865.

The following table contains the terms, fair values, and credit ratings of the swaps as of December 31, 2023. Specific swaps are assigned to certain debt issuances for arbitrage purposes. The credit ratings were issued by Moody's Investor Services and Standard & Poor's, respectively.

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Related Debt Issuance	Current Notional Amount	Effective Date of Swap	Fixed Rate		Fair Value	Swap Termination Date	Counterparty Credit Rating
			Paid	Variable Rate Received			
2015 Series E-3	\$5,000	11/15/2016	1.15%	70% of 30 day SOFR plus .08014%	\$179	11/15/2025	Aa1/AA-
2015 Series E-3	5,000	11/15/2019	1.40%	70% of 30 day SOFR plus .08014%	311	11/15/2029	Aa3/A+
2015 Series E-3	20,000	5/15/2021	1.46%	67% of 30 day SOFR plus .0767%	1,390	11/15/2032	A1/A+
2016 Series B-2	8,000	5/15/2017	1.61%	70% of 30 day SOFR plus .08014%	594	11/15/2031	Aa1/AA-
2016 Series B-2	20,000	11/15/2017	1.66%	70% of 30 day SOFR plus .08014%	1,438	11/15/2031	Aa1/AA-
2017 Series E	25,000	11/15/2021	1.69%	100% of 30 day SOFR plus .11448%	3,709	11/15/2032	Aa3/A+
2017 Series G-1	25,000	11/15/2019	1.90%	100% of 30 day SOFR plus .11448%	1,412	11/15/2026	A1/A+
2017 Series G-1	30,000	11/15/2020	0.88%	100% of 90 day SOFR plus .26161%	8,302	11/15/2035	A1/A+
2022 Series C	19,325	2/1/2006	3.59%	65% of 30 day SOFR plus .27441%	(1,878)	11/15/2037	Aa2/A+
2022 Series C	10,000	11/15/2019	1.87%	75% of 30 day SOFR plus 0.54086%	440	11/15/2026	Aa3/A+
2022 Series C	12,500	11/15/2018	2.57%	70% of 30 day SOFR plus 0.53014%	276	11/15/2028	Aa3/A+
2022 Series C	12,500	11/15/2018	2.59%	70% of 30 day SOFR plus 0.53014%	422	11/15/2033	Aa3/A+
2022 Series C	15,000	8/1/2023	2.70%	72% of 180 day SOFR	(210)	11/15/2033	Aa3/A+
Totals	<u>\$207,325</u>				<u>\$16,385</u>		

1. MaineHousing has the option of termination, with no Termination Payment on November 15, 2026 and on each May 15 and November 15 thereafter.

Credit Risk – The swaps contain varying collateral agreements with the counterparties in order to mitigate the potential for credit risk. The requirements of the collateral agreements were met as of December 31, 2023. MaineHousing is not exposed to credit risk for the swaps that have negative fair values. At December 31, 2023, there are eleven swaps that have positive fair values totaling \$18,473. This amount represents MaineHousing's credit exposure to the related counterparties and the maximum loss that would be recognized at the reporting date if the counterparty failed to perform as contracted. Fair value is only a factor upon termination.

Basis Risk – MaineHousing is exposed to basis risk to the extent that the interest payments on its variable rate bonds do not match the variable rate payments received on the related swap agreements. The variable rate payments provided by the counterparties are based on SOFR and MaineHousing's variable rate bonds are expected to track with the Securities Industry and Financial Markets Association Municipal Swap Index (SIFMA). MaineHousing's variable rate bonds are adjusted weekly. The SOFR rates are adjusted on a monthly basis, except for 2017 Series G-1, which is adjusted on a quarterly basis and 2022-C, which is adjusted on a semi-annual basis. If the variable rate bonds trade at a value significantly different than their historical relationship to SOFR, the net cost to MaineHousing could increase or decrease. As of December 31, 2023, the thirty-day, ninety-day and one hundred eighty-day SOFR rates were 5.34%, 5.36% and 5.35%, respectively, and the SIFMA rate was 3.87%.

Termination Risk – In addition to the optional terminations embedded in some of MaineHousing's swap agreements, agreements may be terminated in whole or in part prior to the respective maturities of the bonds under certain circumstances (including certain events of default with respect to MaineHousing or the swap providers). Following certain terminations of the swap agreements, either MaineHousing or the swap providers, as applicable, may owe a termination payment equal to the fair value of the swap to the other, depending upon market conditions and the events that caused such swap agreements to terminate. Under certain circumstances, this termination payment could be substantial. Such termination payment by MaineHousing would be payable on a basis subordinate to the payments on the bonds.

Rollover Risk – MaineHousing is exposed to rollover risk on swaps that mature or may be terminated prior to the maturity of the associated debt.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

(8.) RETIREMENT BENEFITS

MaineHousing has defined contribution and defined benefit pension plans that cover substantially all employees. Employees have the option to participate in either plan.

Defined Contribution Plan

The defined contribution plan consists of a deferred compensation plan created in accordance with Internal Revenue Code Section 457 and a separate plan created under the provisions of the Internal Revenue Code Section 401(a).

Benefit terms, including contribution requirements, for the defined contribution plan are established by management. For each participant in the plan, MaineHousing contributes 3.1% of annual salary to the 401(a) plan. Additionally, if a participant makes voluntary contributions to the 457 plan, MaineHousing matches the contributions up to 7.4% of annual salary. The employer match contribution is made to the 401(a) plan.

For the year ended December 31, 2023, employee contributions totaled \$787 and MaineHousing contributed and recognized expense of \$651. Employees are immediately vested in their own contributions, MaineHousing contributions, and the earnings on those contributions.

Defined Benefit Plan

Plan Description: MaineHousing is a participating local district (PLD) member of the Maine Public Employees Retirement System's (MainePERS) PLD Consolidated Retirement Plan and employees may elect to participate in this multiple-employer cost sharing defined benefit plan. An advisory group established by Maine statute reviews the terms of the plan and periodically makes recommendations to the Legislature to amend them.

Benefits Provided: Retirement benefits are based on participants' average final compensation and service credit earned as of retirement. Vesting occurs upon the earning of five years of service credit. The normal retirement age is 60 or 65. The monthly benefit of members who retire before normal retirement age by virtue of having at least 25 years (20 years for participants in the plan prior to July 1, 2014) of service credit is reduced by a statutorily prescribed factor for each year of age that a participant is below her/his normal retirement age at retirement.

Post-retirement cost-of-living adjustments (COLA) become available to participants after 24 months of retirement. The post-retirement COLA is capped at 2.5% annually. The plan also provides disability and death benefits, which are established by contract under applicable statutory provisions.

Upon termination, accumulated employee contributions are refundable with interest, credited in accordance with statute. Withdrawal of accumulated contributions results in forfeiture of all benefits and rights. The annual rate of interest credited to participants' accounts is set by MainePERS Board of Trustees and is currently 3.88%.

Contributions: Retirement benefits are funded by contributions from participants and employers and by earnings from MainePERS investments. Disability and death benefits are funded by employer normal cost contributions and by investment earnings. Participant and employer normal cost contributions are each a percentage of applicable participant compensation. Participant contribution rates are defined by law or by the MainePERS Board of Trustees. Employers' contributions are determined by actuarial valuations. As of December 31, 2023, the established MainePERS employer contribution rate is 10.2% and employee contribution rates are 7.70% for participants with a normal retirement age of 60 and 6.95% for participants with a normal retirement age of 65. MaineHousing pays on behalf of its employees 0.30% of the MainePERS employee contribution rate. If a participant retires and is subsequently re-employed in a position covered by the plan, the employer contribution rate is 5%. Total employer contributions were \$577 for the year ended December 31, 2023.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

Actuarial Methods and Assumptions

The collective total pension liability was determined by an actuarial valuation as of June 30, 2023, using the following methods and assumptions, applied to all periods included in the measurement:

Actuarial Cost Method – The Entry Age Normal cost method is used to determine costs. Under this cost method, the total employer contribution rate consists of two elements, the normal cost rate and the unfunded actuarial liability rate.

The individual entry age normal method is used to determine liabilities. Under the individual entry age normal method, a normal cost rate is calculated for each member. This rate is determined by taking the value, as of age at entry into the plan, of the member's projected future benefits, and dividing it by the value, also as of the member's entry age, of his/her expected future salary. The normal cost for each member is the product of the member's pay and normal cost rate. The normal cost for the group is the sum of the normal costs for all members. Experience gains and losses, i.e., decreases or increases in liabilities and/or in assets when actual experience differs from the actuarial assumptions, affect the unfunded actuarial accrued liability.

Asset Valuation Method – The actuarial valuation employs a technique for determining the actuarial value of assets which reduces the impact of short-term volatility in the market value. The specific technique adopted in this valuation recognizes in a given year one-third of the investment return that is different from the actuarial assumption for investment return.

Amortization – The net pension liability is amortized on a level percentage of payroll using a method where a separate twenty-year closed period is established annually for the gain or loss for that year.

Actuarial Assumptions: The actuarial valuation as of June 30, 2023 and June 30, 2022 used the following actuarial assumptions:

Investment Rate of Return – 6.50% per annum, compounded annually.

Inflation Rate – 2.75%.

Annual Salary Increases, Including Inflation – 2.75% to 11.48%.

Cost of Living Benefit Increases – 1.91%

Mortality Rates – 2010 Public Plan General Benefits-Weighted Healthy Retiree Mortality Table for males and females, projected generationally using RPEC_2020 model.

The actuarial and demographic assumptions used in the June 30, 2023 and June 30, 2022 valuations were based on the results of an actuarial experience study covering the period July 1, 2015 through June 30, 2020. The economic assumptions are based on this experience study along with advice of the MainePERS investment consultants for June 30, 2023 and June 30, 2022.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

The long-term expected rate of return on pension plan investments was determined using a building-block method in which best-estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major class of assets. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. Best estimates of geometric real rates of return for each major asset class included in the pension plan's target asset allocation as of June 30, 2023 are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return
Public Equities	30.0%	6.0%
US Government	10.0%	2.6%
Private Equity	12.5%	7.6%
Real Estate	10.0%	5.2%
Infrastructure	10.0%	5.3%
Natural Resources	5.0%	5.0%
Traditional Credit	5.0%	3.2%
Alternative Credit	10.0%	7.4%
Risk Diversifiers	7.5%	5.0%

Discount Rate: The discount rate used to measure the collective total pension liability was 6.50%. The projection of cash flows used to determine the discount rate assumed that participant contributions will be made at the current contribution rate and that employer and non-employer entity contributions will be made at contractually required rates, actuarially determined. Based on these assumptions, the pension plan's fiduciary net position was projected to be available to make all projected future benefit payments to current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the total pension liability.

Sensitivity of MaineHousing's proportionate share of the net pension liability to changes in the discount rate: The following represents MaineHousing's proportionate share of the net pension liability calculated using the discount rate of 6.50%, as well as what MaineHousing's proportionate share of the net pension liability (asset) would be if it were calculated using a discount rate that is 1% lower or 1% higher than the current rate.

1% Decrease <u>@ 5.50%</u> \$5,289	Current Discount Rate <u>@ 6.50%</u> \$1,931	1% Increase <u>@ 7.50%</u> (\$840)
------------------------------------------	----------------------------------------------------	------------------------------------------

Net Pension Liability: At December 31, 2023, MaineHousing has a liability of \$1,931 for its proportionate share of the total collective net pension liability. The net pension liability was measured as of June 30, 2023 and the total collective pension liability used to calculate the proportionate share of the net pension liability was determined by an actuarial valuation as of that date. MaineHousing's proportion of the net pension liability was based on MaineHousing's employer contributions received by MainePERS during the measurement period July 1, 2022 through June 30, 2023, relative to the total employer contributions received from all participating entities. MaineHousing's proportion was 0.604935% at December 31, 2023. The proportion was 0.669532% at December 31, 2022.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

Changes in net pension liability are recognized in pension expense for the year ended December 31, 2023 with the following exceptions:

Differences Between Expected and Actual Experience – The difference between expected and actual experience with regard to economic or demographic factors was recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources. For 2023 and 2022 valuation, this was three years.

Differences Between Projected and Actual Investment Earnings – Differences between projected and actual investment earnings were recognized in pension expense using a straight-line amortization method over a closed five-year period. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Changes in Assumptions – Differences due to changes in assumptions about future economic or demographic factors or other inputs were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members. The actuarial assumptions for the June 30, 2023 valuation were based on the results of an actuarial experience study for the period of July 1, 2015 through June 30, 2020. The first year is recognized as pension expense and the remaining years are shown as either deferred outflows of resources or deferred inflows of resources.

Changes in Proportion and Differences Between Employer Contributions and Proportionate Share of Contributions – Differences resulting from a change in proportionate share of contributions and differences between total employer contributions and the employer’s proportionate share of contributions were recognized in pension expense using a straight-line amortization method over a closed period equal to the average expected remaining service lives of active and inactive members. The first year is recognized as pension expense and the remaining years are shown either as deferred outflows of resources or deferred inflows of resources. Differences between total employer contributions and the employer’s proportionate share of contributions may arise when an employer has a contribution requirement for an employer specific liability.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources Related to Pensions: For the year ended December 31, 2023, MaineHousing recognized pension expense of \$694 and reported deferred outflows of resources and deferred inflows of resources related to pensions from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	\$358	\$0
Employer contributions subsequent to the measurement date	271	0
Net difference between projected and actual earnings on pension plan investments	0	328
Changes in proportion and differences between employer contributions and proportionate share of contributions	0	123
Total	\$629	\$451

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

Amounts reported as deferred outflows of resources related to pensions for MaineHousing's contributions subsequent to the measurement date will be recognized as an addition to the Net Pension Liability for the year ended December 31, 2024. Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pensions will be recognized as pension expense (benefit) through December 31, 2027 as follows:

Year ended December 31:	Pension Expense (Benefit) Amount
2024	(\$88)
2025	(\$352)
2026	\$332
2027	\$15

Payables to the Pension Plan: At December 31, 2023, MaineHousing's total payable to MainePERS for unremitted contributions is \$40.

Pension plan fiduciary net position: Detailed information about the plan's fiduciary net position is available in the separately issued MainePERS' Comprehensive Annual Financial Report at www.maineperc.org

(9.) AVAILABLE BONDS PROCEEDS

MORTGAGE PURCHASE FUND

The following bond proceed amounts are invested in the various bond proceed sub-accounts of the Bond Proceeds Fund of the Mortgage Purchase Fund and are available for the purchase of mortgages:

2021 Series D (S/F)	\$7,433
2022 Series B (M/F)	13,429
2022 Series E (S/F)	4,019
2022 Series F (M/F)	14,681
2022 Series G (S/F)	39,300
2023 Series B (S/F)	36,005
2023 Series C (M/F)	41,643
2023 Series D (S/F)	2,546
2023 Series E (M/F)	75,151
	\$234,207

MAINE ENERGY, HOUSING AND ECONOMIC RECOVERY FUND

Bond proceeds in the amount of \$23,149 from the 2021 Series 2 are invested in accordance with the Maine Energy, Housing and Recovery General Indenture and are available for programs.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

(10.) COMMITMENTS

MORTGAGE COMMITMENTS

Mortgage commitments are agreements to loan money provided there is no violation of any term or condition established in the agreement. Generally, once exercised, loans made under the terms of such commitments are secured by a lien on the related property and other collateral as MaineHousing deems necessary. At December 31, 2023, MaineHousing had outstanding commitments to originate multi-family mortgage loans of approximately \$501,606. MaineHousing, under its single-family program, enters into purchase agreements with lenders to purchase mortgage loans. At December 31, 2023, single-family loans being processed by lenders for MaineHousing totaled approximately \$64,320.

(11.) RESERVE FUNDS

MORTGAGE PURCHASE FUND – HOUSING RESERVE FUND

On or before December 1 of each year, MaineHousing is required to value the Housing Reserve Fund and verify to the Governor of the State of Maine that the sum of money in the fund equals or exceeds the Housing Reserve Fund Minimum Requirement. The Housing Reserve Fund Minimum Requirement equals the amount of principal and interest maturing and coming due in the next succeeding calendar year on bonds outstanding. The Housing Reserve Fund Minimum Requirement as of December 31, 2023 was \$124,150. When issuing bonds, MaineHousing must also meet the Housing Reserve Fund Maximum Requirement. The Housing Reserve Fund Maximum Requirement equals the maximum debt service required in any subsequent calendar year. The Housing Reserve Fund Maximum Requirement as of December 31, 2023 was \$146,660.

In calculating the Housing Reserve Minimum and the Housing Reserve Maximum requirements, MaineHousing assumes a 12% rate for variable rate bonds, which is the maximum interest rate under the terms of the bonds. Swap payments and receipts are not included in the calculation. At December 31, 2023, valuation of the investments in the Housing Reserve Fund, computed at the lower of par or cost in accordance with the General Mortgage Purchase Program Bond Resolution, was \$178,664.

MAINE ENERGY, HOUSING & ECONOMIC RECOVERY FUND – RESERVE FUND

MaineHousing is not required to maintain a Reserve Fund for outstanding bonds.

Between July 1 and July 15 of each year, MaineHousing must certify to the Treasurer of the State the amount necessary and sufficient to meet MaineHousing's debt service obligation. As of December 31, 2023, the maximum debt service amount was \$4,319.

(12.) EXCESS ARBITRAGE TO BE REBATED

Tax-exempt bonds issued by MaineHousing are subject to Internal Revenue Service regulations that limit the amount of income that can be earned with non-mortgage investments to an amount not greater than the amount that would have been earned had the funds been invested at the yield on the bonds. Excess earnings must be rebated every five years. At December 31, 2023, the estimated value of future arbitrage liabilities in the Mortgage Purchase Fund Group was \$650.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

(13.) FUND TRANSFERS AND INTERFUND BALANCES

MaineHousing records transfers between funds for various purposes including program subsidies, fees and capital asset transfers. Transfers for the year ended December 31, 2023 consisted of the following:

	General Administrative Fund	HOME Fund	Section 8 Housing Programs	Low Income Home Energy Assistance Program	Other Federal and State Programs	Maine Energy, Housing & Economic Recovery Program
Capital Assets	\$295	\$0	\$0	(\$114)	(\$181)	\$0
Program Subsidies	0	(416)	0	0	(7,398)	7,814
Program Administrative Fees	1,568	0	(1,568)	0	0	0
	<u>\$1,863</u>	<u>(\$416)</u>	<u>(\$1,568)</u>	<u>(\$114)</u>	<u>(\$7,579)</u>	<u>\$7,814</u>

MaineHousing reports interfund balances among its funds. These balances generally consist of amounts for various revenues or expenses due to a fund, but received or paid to another and funds for loan closings. These amounts are generally paid or received within the subsequent year.

Interfund accounts receivable (payable) balances at December 31, 2023 consisted of the following:

	Mortgage Purchase Fund	Bondholder Reserve Fund	General Administrative Fund	HOME Fund	Section 8 Housing Programs	Low Income Home Energy Assistance Program	Other Federal and State Programs
Receivable due from:							
Mortgage Purchase Fund	\$0	\$0	\$2,805	\$0	\$0	\$0	\$0
General Administrative Fund	0	0	0	16,910	0	0	20,442
Section 8 Housing Programs	0	0	404	0	0	0	0
Low Income Home Energy Assistance Program	0	0	1,446	0	0	0	0
Collectively, all other funds	0	0	17	102	81	0	0
	0	0	4,672	17,012	81	0	20,442
Payables	(2,805)	(17)	(37,352)	(81)	(404)	(1,446)	(102)
	<u>(\$2,805)</u>	<u>(\$17)</u>	<u>(\$32,680)</u>	<u>\$16,931</u>	<u>(\$323)</u>	<u>(\$1,446)</u>	<u>\$20,340</u>

The receivable amounts of the General Administrative Fund consist primarily of operating expenses owed from the Mortgage Purchase Fund, Section 8 Housing Programs, and Low Income Home Energy Assistance Program. The General Administrative Fund payable amounts consist primarily of program funds received and due to the HOME Fund and Other Federal and State Programs. The receivable amount of the HOME fund includes advancements for program expenditures owed from Other Federal and State Programs.

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

(14.) REDEMPTION OF BONDS

For the year ended December 31, 2023, MaineHousing redeemed prior to maturity \$92,100 of its Mortgage Purchase Fund bonds from recoveries of principal and surplus and the proceeds of refunded bonds. Gains of \$187 were attributed to the recognition of related bond premium. The following is a summary of bonds redeemed:

	<u>Interest Rate</u>	<u>Original Maturity</u>	<u>Amount</u>	<u>Redemption Price</u>
2013 Series B Serial Bonds	2.70%	11/15/2023	\$1,775	100%
2014 Series C-1 Serial Bonds	3.00%	11/15/2023	3,105	100%
2014 Series C-1 Term Bonds	3.50%	11/15/2044	1,395	100%
2015 Series B Serial Bonds	2.30%	11/15/2023	1,115	100%
2015 Series B Term Bonds	3.50%	11/15/2040	490	100%
2015 Series D Term Bonds	4.00%	11/15/2045	725	100%
2015 Series E-1 Serial Bonds	3.10%	11/15/2023	2,580	100%
2015 Series E-1 Term Bonds	3.50%	11/15/2035	2,315	100%
2015 Series F-2 Serial Bonds	2.35%	11/15/2023	500	100%
2015 Series G Serial Bonds	2.35%	11/15/2023	675	100%
2015 Series G Term Bonds	3.50%	11/15/2045	690	100%
2016 Series A Serial Bonds	1.95%	11/15/2023	770	100%
2016 Series A Term Bonds	4.00%	11/15/2045	875	100%
2016 Series B-1 Serial Bonds	1.90%	11/15/2023	2,045	100%
2016 Series B-1 Term Bonds	3.50%	11/15/2046	1,805	100%
2016 Series C Serial Bonds	1.75%	11/15/2023	3,475	100%
2016 Series C Term Bonds	3.50%	11/15/2046	1,060	100%
2016 Series D Serial Bonds	2.24%	11/15/2023	825	100%
2016 Series E Serial Bonds	2.45%	11/15/2023	690	100%
2016 Series E Term Bonds	4.00%	11/15/2046	1,005	100%
2017 Series A Term Bonds	4.00%	11/15/2047	880	100%
2017 Series B Serial Bonds	1.90%	11/15/2023	710	100%
2017 Series B Term Bonds	4.00%	11/15/2047	975	100%
2017 Series D-1 Serial Bonds	1.90%	11/15/2023	1,000	100%
2017 Series F Serial Bonds	1.75%	11/15/2023	1,330	100%
2017 Series F Term Bonds	3.50%	11/15/2047	1,510	100%
2018 Series A Serial Bonds	2.40%	11/15/2023	1,135	100%
2018 Series B Serial Bonds	2.40%	11/15/2023	1,170	100%
2018 Series C Serial Bonds	2.25%	11/15/2023	1,920	100%
2018 Series C Term Bonds	4.00%	11/15/2048	1,485	100%
2018 Series F Serial Bonds	2.65%	11/15/2023	405	100%
2018 Series F Term Bonds	4.25%	11/15/2048	1,460	100%
2019 Series A Term Bonds	4.00%	11/15/2049	1,345	100%
2019 Series B Serial Bonds	1.85%	11/15/2023	1,475	100%
2019 Series C Term Bonds	4.00%	11/15/2050	1,405	100%
2019 Series E Term Bonds	3.75%	11/15/2049	1,055	100%
2020 Series A Term Bonds	3.75%	11/15/2049	1,085	100%
2020 Series C Term Bonds	4.00%	11/15/2050	1,795	100%
2021 Series D Term Bonds	3.00%	11/15/2051	840	100%
2022 Series D Term Bonds	5.00%	11/15/2052	695	100%
2022 Series E Term Bonds	5.00%	11/15/2052	510	100%
2023 Series B Term Bonds	3.13%	11/15/2054	40,000	100%
			<u>\$92,100</u>	

**Maine State Housing Authority
Notes to Financial Statements
December 31, 2023**

(15.) CONTINGENCIES

MaineHousing is subject to various legal proceedings and claims that arise in the normal course of its business. MaineHousing also receives funding from federal government agencies. These funds are to be used for designated purposes only and are subject to financial and compliance audits and the resolution of identified questioned costs. The amount, if any, of expenditures which may be disallowed by the granting agency cannot be determined at this time. In the opinion of management, the ultimate resolution of these actions will not materially affect the accompanying financial statements.

(16.) SUBSEQUENT EVENTS

Subsequent to December 31, 2023, MaineHousing issued bonds. The following is a summary of subsequent event transactions.

On February 28, 2024, MaineHousing issued, at par, \$40,000 of bonds in the General Mortgage Purchase Bond Resolution as follows:

	<u>Interest Rate</u>	<u>Maturity</u>	<u>Amount</u>	<u>Issued Price</u>
2024 Series A Serial Bonds	3.40%-3.80%	2029-2035	\$9,380	100%
2024 Series A Term Bonds	4.00%	2039	5,135	100%
2024 Series A Term Bonds	4.45%	2044	5,630	100%
2024 Series A Term Bonds	4.65%	2049	8,095	100%
2024 Series A Term Bonds	4.75%	2054	11,760	100%
			<u>\$40,000</u>	

**MAINE STATE HOUSING AUTHORITY
REQUIRED SUPPLEMENTARY INFORMATION
SCHEDULES OF SELECTED PENSION INFORMATION - UNAUDITED
FOR THE YEAR ENDED DECEMBER 31, 2023**

(IN THOUSANDS OF DOLLARS)

**Schedule of MaineHousing's Proportionate Share of Net Pension Liability (Asset)
Last Ten Fiscal Years
As of Measurement Date of June 30:**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Employer's Proportion of the Net Pension Liability (Asset)	0.604935%	0.669532%	0.674986%	0.709590%	0.746717%	0.834117%	0.906494%	0.922203%	1.181151%	1.420739%
Employer's Proportionate Share of the Net Pension Liability (Asset)	\$1,931	\$1,780	(\$217)	\$2,819	\$2,282	\$2,823	\$3,712	\$4,899	\$3,768	\$2,186
Employer's Covered-Employee Payroll	\$5,649	\$5,516	\$4,972	\$4,567	\$4,544	\$4,658	\$4,892	\$4,810	\$4,598	\$4,691
Employer's Proportionate Share of the Net Pension Liability (Asset) as a Percentage of its Covered-Employee Payroll	34.2%	32.3%	(4.4%)	61.7%	50.2%	60.6%	75.9%	101.9%	81.9%	46.6%
Plan Fiduciary Net Position as a Percentage of the total Pension Liability	92.3%	93.3%	100.9%	88.3%	90.6%	91.1%	86.4%	81.6%	88.3%	94.1%

**Schedule of MaineHousing's Pension Contributions
Last Ten Fiscal Years
As of Measurement Date of June 30:**

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
Contractually Required Contribution	\$577	\$552	\$504	\$480	\$477	\$490	\$513	\$505	\$483	\$492
Contributions in Relation to Contractually Required Contribution	\$577	\$552	\$504	\$480	\$477	\$490	\$513	\$505	\$483	\$492
Contribution Deficiency (Excess)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Employer's Covered Employee Payroll	\$5,649	\$5,516	\$4,972	\$4,567	\$4,544	\$4,658	\$4,892	\$4,810	\$4,598	\$4,691
Contributions as a Percentage of Covered Employee Payroll	10.2%	10.0%	10.1%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%	10.5%

Notes to Required Supplementary Information

Changes of Benefit Terms:

There were no changes of benefit terms for the measurement period ended June 30, 2023.

Changes of Assumptions:

There were no changes of assumptions for the measurement period ended June 30, 2023.

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2023

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Grant/ Contract/ Pass-Through Identifying Number</u>	<u>Amounts Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
U.S. Department of Housing and Urban Development:				
Section 8 Project-Based Cluster:				
Lower Income Housing Assistance Program – Section 8 Moderate Rehabilitation	14.856	ME901MR	\$ <u>–</u>	\$ <u>598,475</u>
Total Section 8 Project-Based Cluster			–	598,475
Housing Voucher Cluster:				
Section 8 Housing Choice Voucher Program	14.871	ME901	–	38,110,315
COVID-19 – Section 8 Emergency Housing Voucher Program	14.871	COVID-19/ME901	–	972,061
Section 8 Mainstream Voucher Program	14.879	ME901MS5	<u>–</u>	<u>163,086</u>
Total Housing Voucher Cluster			–	39,245,462
Section 8 Performance Based Contract Administrator Program	14.327	ME800CC001	–	81,666,275
Continuum of Care Program – Planning Program	14.267	ME0138L1T002100	–	389,266
Family Self-Sufficiency Program	14.896	FSS23ME4882	–	85,830
Emergency Solutions Grants Program	14.231	E-23-DC-23-0001	–	1,394,301
COVID-19 – Emergency Solutions Grants Program	14.231	COVID-19/E-21-DW-23-0001	–	63,963
Homeless Management Information Systems Technical Assistance	14.261	ME0017L1T002114	–	341,588
HOME Investment Partnerships Program	14.239	M-18/M-19/M-20/M-21/ M22-SG-23-0100	–	4,980,345
COVID-19 – HOME Investment Partnerships Program – <i>American Rescue Plan Act</i>	14.239	COVID-19/M21-SP230100	–	32,432
Housing Trust Fund	14.275	F-18/19/20/F-21-SG-23-0100	–	2,417,630
Lead-Based Paint Hazard Control in Privately-Owned Housing	14.900	MELHB074119	84,163	255,173
COVID-19 – Community Development Block Grants	14.228	COVID-19/ CT19A20201211000000001856	–	1,457,049
Recovery Housing Program	14.U01	B-20-RH-23-0001/B-21-RH-23-0001	–	869,573
Older Adults Home Modification Grant Program	14.921	MEHMR001321	–	240,368

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Year Ended December 31, 2023

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract/Pass-Through Identifying Number</u>	<u>Amounts Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
Section 811 Project Rental Assistance Program	14.326	ME36DRD1301	\$ —	\$ 98,903
Subtotal – U.S. Department of Housing and Urban Development			84,163	134,136,633
U.S. Department of Energy:				
Weatherization Assistance for Low-Income Persons	81.042	EE0009906/EE0009991	5,631,374	6,004,146
U.S. Department of Health and Human Services:				
Low Income Home Energy Assistance	93.568	19B1MELIEA/2001MELIEA/ 2101MELIEA/2201MELIEA/ 2301MELIEA/2401MELIEA/ 2301MELIEI/2401MELIEI/ 2301MELIEE/MELIE422	15,428,737	51,693,022
COVID-19 – Low Income Home Energy Assistance – <i>American Rescue Plan Act</i>	93.568	COVID-19/2101MEE5C6	6,183,479	8,106,696
COVID-19 – Low Income Water Assistance Program	93.499	COVID-19/2101MELWC5	—	2,242,894
COVID-19 – Low Income Water Assistance Program – <i>American Rescue Plan Act</i>	93.499	COVID-19/2101MELWC6	—	367,075
Pass-through from the State of Maine Department of Health and Human Services:				
TANF Cluster:				
Temporary Assistance for Needy Families (TANF) State Programs	93.558	OFIMOU 11/8/17	—	1,552,593
Subtotal – U.S. Department of Health and Human Services			21,612,216	63,962,280
U.S. Department of the Treasury:				
Pass-through from the State of Maine Department of Administrative and Financial Services:				
COVID-19 – Emergency Rental Assistance Program – ERA 2	21.023	COVID-19/OMB 1505-0270	13,284,276	13,436,644
COVID-19 – Homeowner Assistance Fund – <i>American Rescue Plan Act</i>	21.026	COVID-19/FAIN: HAF0103/ OMB: 1505-0269	—	27,761,463

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS (CONTINUED)

Year Ended December 31, 2023

<u>Federal Grantor/Pass-Through Grantor/Program or Cluster Title</u>	<u>Assistance Listing Number</u>	<u>Grant/Contract/Pass-Through Identifying Number</u>	<u>Amounts Passed Through to Subrecipients</u>	<u>Total Federal Expenditures</u>
COVID-19 (Coronavirus State and Local Fiscal Recovery Funds) Housing Navigation Pilot Program – <i>American Rescue Plan Act</i>	21.027	COVID-19/SLFRP0144	\$ –	\$ 940,035
COVID-19 (Coronavirus State and Local Fiscal Recovery Funds) Expand Affordable Housing – Single Family – <i>American Rescue Plan Act</i>	21.027	COVID-19/SLFRP0144	–	4,206,776
COVID-19 (Coronavirus State and Local Fiscal Recovery Funds) Expand Affordable Housing – Multi Family – <i>American Rescue Plan Act</i>	21.027	COVID-19/SLFRP0144	<u>–</u>	<u>9,868,589</u>
Subtotal – U.S. Department of the Treasury			13,284,276	56,213,507
U.S. Department of Homeland Security: Pass-through from the State of Maine Department of Defense, Veterans and Emergency Management: COVID-19 – Disaster Grants – Public Assistance (Presidentially Declared Disasters)	97.036	COVID-19/FEMA-4522-DR-ME	<u>5,893,577</u>	<u>13,569,882</u>
Total Expenditures of Federal Awards			<u>\$ 46,505,606</u>	<u>\$ 273,886,448</u>

See accompanying notes to Schedule of Expenditures of Federal Awards.

MAINE STATE HOUSING AUTHORITY

NOTES TO SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS

Year Ended December 31, 2023

1. **Basis of Presentation**

The accompanying Schedule of Expenditures of Federal Awards (the Schedule) includes the federal award activity of the Maine State Housing Authority (MaineHousing) under programs of the federal government for the year ended December 31, 2023. The information in this Schedule is presented in accordance with the requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Because the Schedule presents only a selected portion of the operations of MaineHousing, it is not intended to and does not present the financial position, changes in net position, or cash flows of MaineHousing.

2. **Summary of Significant Accounting Policies**

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement. Expenditures under the COVID-19 Disaster Grants – Public Assistance (Presidentially Declared Disasters) Program are required to be reported when eligible expenditures are incurred by MaineHousing and approved by the Federal Emergency Management Agency. Amounts to subrecipients are determined to be expended when payment is made to the subrecipient after eligible expenditures have been incurred.

3. **Indirect Cost Rate**

MaineHousing has not elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.



**INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

Board of Commissioners
Maine State Housing Authority

We have audited, in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, and each major fund of Maine State Housing Authority (MaineHousing), as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise MaineHousing's basic financial statements, as listed in the table of contents, and have issued our report thereon dated March 28, 2024.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered MaineHousing's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of MaineHousing's internal control. Accordingly, we do not express an opinion on the effectiveness of MaineHousing's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. *A material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of MaineHousing's financial statements will not be prevented, or detected and corrected on a timely basis. *A significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. We identified a certain deficiency in internal control, described in the accompanying Schedule of Findings and Questioned Costs as item 2023-001 that we consider to be a significant deficiency.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether MaineHousing’s financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

MaineHousing’s Response to Findings

MaineHousing’s response to the findings identified in our audit is described in the accompanying Schedule of Findings and Questioned Costs. MaineHousing’s response was not subjected to the auditing procedures applied in the audit of the financial statements and, accordingly, we express no opinion on it.

Purpose of This Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of MaineHousing’s internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity’s internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Baker Newman & Noyes LLC

Portland, Maine
March 28, 2024



INDEPENDENT AUDITORS’ REPORT ON COMPLIANCE FOR EACH MAJOR FEDERAL PROGRAM; REPORT ON INTERNAL CONTROL OVER COMPLIANCE; AND REPORT ON THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS REQUIRED BY THE UNIFORM GUIDANCE

The Board of Commissioners
Maine State Housing Authority

Report on Compliance for Each Major Federal Program

Opinion on Each Major Federal Program

We have audited Maine State Housing Authority’s (MaineHousing’s) compliance with the types of compliance requirements identified as subject to audit in the U.S. Office of Management and Budget (OMB) Compliance Supplement that could have a direct and material effect on each of MaineHousing’s major federal programs for the year ended December 31, 2023. MaineHousing’s major federal programs are identified in the summary of Auditors’ Results section of the accompanying schedule of findings and questioned costs.

In our opinion, MaineHousing complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended December 31, 2023.

Basis for Opinion on Each Major Federal Program

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America (GAAS); the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States (*Government Auditing Standards*); and the audit requirements of Title 2 U.S. Code of Federal Regulations Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Our responsibilities under those standards and the Uniform Guidance are further described in the Auditors’ Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of MaineHousing and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance for each major federal program. Our audit does not provide a legal determination of MaineHousing’s compliance with the compliance requirements referred to above.

Responsibilities of Management for Compliance

Management is responsible for compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules and provisions of contracts or grant agreements applicable to MaineHousing’s federal programs.

Auditors' Responsibilities for the Audit of Compliance

Our objectives are to obtain reasonable assurance about whether material noncompliance with the compliance requirements referred to above occurred, whether due to fraud or error, and express an opinion on MaineHousing's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the compliance requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about MaineHousing's compliance with the requirements of each major federal program as a whole.

In performing an audit in accordance with GAAS, *Government Auditing Standards*, and the Uniform Guidance, we:

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material noncompliance, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding MaineHousing's compliance with the compliance requirements referred to above and performing such other procedures as we considered necessary in the circumstances.
- Obtain an understanding of MaineHousing's internal control over compliance relevant to the audit in order to design audit procedures that are appropriate in the circumstances and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of MaineHousing's internal control over compliance. Accordingly, no such opinion is expressed.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and any significant deficiencies and material weaknesses in internal control over compliance that we identified during the audit.

Other Matters

The results of our auditing procedures disclosed instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying schedule of findings and questioned costs as items 2023-002, 2023-003 and 2023-004. Our opinion on each major federal program is not modified with respect to these matters.

Government Auditing Standards requires the auditor to perform limited procedures on MaineHousing's response to the noncompliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. MaineHousing's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

Report on Internal Control Over Compliance

Our consideration of internal control over compliance was for the limited purpose described in the Auditors' Responsibilities for the Audit of Compliance section above and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies in internal control over compliance and therefore, material weaknesses or significant deficiencies may exist that were not identified. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, as discussed below, we did identify certain deficiencies in internal control over compliance that we consider to be significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2023-002, 2023-003 and 2023-004 to be significant deficiencies.

Our audit was not designed for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, no such opinion is expressed.

Government Auditing Standards requires the auditor to perform limited procedures on MaineHousing's response to the internal control over compliance findings identified in our audit described in the accompanying schedule of findings and questioned costs. MaineHousing's response was not subjected to the other auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the response.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on the Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have audited the financial statements of the governmental activities, the business-type activities and each major fund of MaineHousing, a component unit of the State of Maine, as of and for the year ended December 31, 2023, and the related notes to the financial statements, which collectively comprise MaineHousing's basic financial statements as listed in the table of contents. We issued our report thereon dated March 28, 2024, which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the basic financial statements. We have not performed any procedures with respect to those audited financial statements subsequent to March 28, 2024.

The Board of Commissioners
Maine State Housing Authority

The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the financial statements as a whole.

Baker Newman & Nayea LLC

Portland, Maine
September 23, 2024

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS

Year Ended December 31, 2023

Section I – Summary of Auditors’ Results

Financial Statements

Type of report the auditor issued on whether the financial statements audited were prepared in accordance with U.S. GAAP: Unmodified

Internal control over financial reporting:

Material weakness(es) identified? _____ yes X no
 Significant deficiency(ies) identified? X yes _____ none reported
 Noncompliance material to financial statements noted? _____ yes X no

Federal Awards

Internal control over major federal programs:

Material weakness(es) identified? _____ yes X no
 Significant deficiency(ies) identified? X yes _____ none reported

Type of auditors’ report issued on compliance for major programs: Unmodified

Any audit findings disclosed that are required to be reported in accordance with 2 CFR 200.516(a)? X yes _____ no

Identification of major programs:

<u>Assistance Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
14.871/14.879	Housing Voucher Cluster
21.023	COVID-19 – Emergency Rental Assistance Program – ERA 2
21.027	COVID-19 – (Coronavirus State and Local Fiscal Recovery Funds) Housing Navigation Pilot Program – <i>American Rescue Plan Act</i> COVID-19 – (Coronavirus State and Local Fiscal Recovery Funds) Expand Affordable Housing – Single Family – <i>American Rescue Plan Act</i> COVID-19 – (Coronavirus State and Local Fiscal Recovery Funds) Expand Affordable Housing – Multi Family – <i>American Rescue Plan Act</i>
97.036	COVID-19 – Disaster Grants – Public Assistance (Presidentially Declared Disasters)
21.026	COVID-19 – Homeowner Assistance Fund – <i>American Rescue Plan Act</i>

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended December 31, 2023

<u>Assistance</u> <u>Listing Numbers</u>	<u>Name of Federal Program or Cluster</u>
93.499	COVID-19 – Low Income Water Assistance Program/COVID-19 – Low Income Water Assistance Program – <i>American Rescue Plan Act</i>
81.042	Weatherization Assistance for Low-Income Persons
14.239	HOME Investment Partnerships Program/COVID-19 HOME Investment Partnerships Program – <i>American Rescue Plan Act</i>
Dollar threshold used to distinguish between Type A and Type B programs: \$3,000,000	
Auditee qualified as low-risk auditee? <u> X </u> yes <u> </u> no	

Section II – Financial Statement Findings

Findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*:

2023-001: Expenditure Cutoff of Low Income Assistance Plan (LIAP)

- Criteria –* MaineHousing administers the LIAP program for the State of Maine, which provides utility benefits for low to moderate income persons in the State. MaineHousing records grant income and expenditures when eligible expenditures under the program occur.
- Condition –* During 2023, MaineHousing received one-time additional program funding of \$7,500,000 from the State. Our audit procedures identified funds of \$6,163,408 were disbursed for this program in February 2024, but related to expenditures incurred in 2023. These expenditures were not recorded as grant expenditures or income when incurred in 2023; accordingly, an audit adjustment for this amount was recorded in 2023 to account for these grant expenditures.
- Cause –* Funds expended subsequent to year end were not identified and recorded in the appropriate period.
- Effect or potential effect –* Management recorded an audit adjustment of \$6,163,408 to record the grant revenue and expenditure in the appropriate period.
- Recommendation –* We recommend management monitors the period of performance for expenditures within this program to ensure grant revenues and expenditures are recorded in the prior period.
- Views of responsible officials –* Management’s response is included in “Management’s Views and Corrective Action Plan” included at the end of this report after the Summary Schedule of Prior Audit Findings.

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended December 31, 2023

Section III – Federal Award Findings and Questioned Costs

2023-002: Fiscal Monitoring of Subrecipients – Weatherization for Low-Income Persons

Federal Program: Weatherization for Low-Income Persons
Assistance Listing No.: 81.042
Federal Agency: U.S. Department of Energy
Pass-Through Entity: None
Federal Award Identification Number: EE0009906/EE0009991
Repeat Finding: This is not a repeat finding

- Criteria –* CFR 200.332 states that pass-through entities must evaluate each subrecipient’s risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring. Pass-through entities must also monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward and that subaward performance goals are achieved.
- Condition –* As part of their subrecipient monitoring procedures for the Weatherization program, MaineHousing states in their approved State Weatherization plan that they perform annual fiscal monitoring of all Community Action Agencies (CAA) involved in the Weatherization program.
- Questioned costs –* None.
- Cause –* MaineHousing did not complete a full fiscal monitoring review for seven out of ten CAAs involved in the Weatherization program.
- Effect or potential effect –* There is an increased risk of unallowable expenditures at CAAs that have not undergone a complete fiscal monitoring review.
- Context –* For seven out of ten CAAs involved in the Weatherization program, MaineHousing did not complete a full fiscal monitoring review. The sample was a statistically valid sample.
- Recommendation –* MaineHousing should develop a comprehensive monitoring tracker to ensure that all CAAs involved in the Weatherization program undergo an annual fiscal monitoring review, along with other monitoring milestones laid out in their approved State plan.
- Views of responsible officials –* Management’s response is included in “Management’s Views and Corrective Action Plan” included at the end of this report after the Summary Schedule of Prior Audit Findings.

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended December 31, 2023

2023-003: Housing Voucher Cluster – Eligibility – Document Retention

Federal Program: Housing Voucher Cluster
Assistance Listing No.: 14.871/14.879
Federal Agency: U.S. Department of Housing and Urban Development
Pass-Through Entity: None
Federal Award Identification Number: ME901/COVID-19 ME901/ME901MS5
Repeat Finding: This is not a repeat finding

- Criteria –* As a condition of admission or continued occupancy, HUD requires the tenant and other family members to provide necessary information, documentation, and releases for the PHA to verify income eligibility (24 CFR sections 5.230, 5.609, and 982.516). Housing Assistance Payment (HAP) contracts are maintained between MaineHousing and property owners to define the number of units eligible for subsidy. Lease agreements are maintained between property owners and tenants.
- Condition –* MaineHousing maintains both HAP contracts and lease agreements for property owners and beneficiaries under the Housing Choice Voucher program. For 2 of 25 tenants selected for eligibility testing, MaineHousing could not provide the original HAP and lease contracts.
- Questioned costs –* None.
- Cause –* During 2023, MaineHousing removed certain records from its system for contracts and agreements that were no longer in effect. Certain records that were still currently in effect were removed inadvertently.
- Effect or potential effect –* There is a risk that HAP contracts and lease agreements that are maintained by MaineHousing may not be current, resulting in errors in subsidy payments.
- Context –* For 2 of 25 tenants selected for eligibility testing, MaineHousing could not provide the original HAP and lease contracts. The sample was a statistically valid sample.
- Recommendation –* MaineHousing should review any documentation that was inadvertently disposed and work with property owners to restore and retain the most recent HAP contracts and lease agreements with tenants.
- Views of responsible officials –* Management’s response is included in “Management’s Views and Corrective Action Plan” included at the end of this report after the Summary Schedule of Prior Audit Findings.

MAINE STATE HOUSING AUTHORITY

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)

Year Ended December 31, 2023

2023-004: Reporting – Expand Affordable Housing – Multi Family

Federal Program: COVID-19 (Coronavirus State and Local Fiscal Recovery Funds) Expand Affordable Housing – Multi Family – *American Rescue Plan Act*

Assistance Listing No.: 21.027

Federal Agency: U.S. Department of the Treasury

Pass-Through Entity: State of Maine Department of Administrative and Financial Services

Federal Award Identification Number: COVID-19/SLFRP0144

Repeat Finding: This is not a repeat finding

Criteria – Uniform Guidance requires recipients of federal funds to report expenditures of the federal funds annually on the Schedule of Expenditures for Federal Awards (SEFA).

Condition – MaineHousing omitted certain loans from its SEFA that were required to be reported as expenditures.

Questioned costs – None.

Cause – MaineHousing did not properly review the trial balance for the program to determine all eligible expenditure amounts.

Effect or potential effect – There is a risk that SEFA expenditure amounts would be reported inaccurately.

Context – An adjustment was posted to record an additional \$2,054,189 in expenditures for the program on the SEFA.

Recommendation – MaineHousing should review any loans from this program in the future to determine appropriate SEFA reporting.

Views of responsible officials – Management’s response is included in “Management’s Views and Corrective Action Plan” included at the end of this report after the Summary Schedule of Prior Audit Findings.

SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS

Year Ended December 31, 2023

II. Financial Statement Findings

Findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*:

No matters were reported.

III. Findings and Questioned Costs for Federal Awards

Findings required to be reported in accordance with 2 CFR 200.516(a):

No matters were reported.

**Corrective Action Plan for Maine State Housing Authority
For the Year Ended December 31, 2023**

Section II - Financial Statement Findings

Findings related to the financial statements which are required to be reported in accordance with *Government Auditing Standards*:

2023-001: Expenditure Cutoff of Low Income Assistance Plan (LIAP)

Name of Contact Person: Darren Brown, Director of Finance

Management's Views and Corrective Action Plan: The disbursements made in February 2024 were presented as the first benefit payments for the new 2024 program year and were not initially recorded as expenditures in 2023 because they were thought to be 2024 benefits. After following up with program staff and ascertaining that the expenditures related to 2023 benefits, adjustments were made to properly reflect the offsetting grant income and expense in the financial statements. The adjustments had no impact on fund balance.

Cut-off procedures are performed and there are controls in place to ensure that grant revenues and expenditures for all programs are recorded in the proper period. We will continue with the established procedures and will proactively work with program staff to verify the benefit period when needed.

Proposed Completion Date: Completed

Section III – Federal Award Findings and Questioned Costs

2023-002: Fiscal Monitoring of Subrecipients – Weatherization for Low-Income Persons

Name of Contact Person: Jamie Johnson, Senior Director of Operations

Management's Views and Corrective Action Plan: MaineHousing has developed and implemented a tracking tool to ensure each of the components of monitoring (fiscal, programmatic, technical) are conducted at the appropriate time and reports are issued within the required 30 days.

Proposed Completion Date: Completed

2023-003: Housing Voucher Cluster – Eligibility – Document Retention

Name of Contact Person(s): Allison Gallagher, Director of Housing Choice Vouchers

Management’s Views and Corrective Action Plan: Signed HAP contracts and lease agreements are required for every new lease up and MaineHousing will not release payment to the owner until those signed documents are received. These agreements state the contract rent and subsidy amounts at the time of the initial lease. Annually, each tenant is recertified and a contract amendment is generated with the current contract rent and subsidy amounts listed. These amendments are filed with the original documents. Management is certain that proper rent and subsidy payments were made based on annual and interim recertification documents on file.

A new electronic file retention process was implemented in 2022, which involved organizing and converting volumes of physical files to electronic files. Since implementation of the new process, we have determined that some unit information for certain tenants was inadvertently discarded during conversion. Program staff are identifying missing unit information as they process annual recertification or when an outside party requests it and reaching out to the owner to obtain a copy of the signed original documents. The two HAP and lease contracts identified in this finding have been obtained.

Management believes that the electronic file retention process currently in place is working well and this was isolated to the period of time when files were being organized and scanned from physical files to electronic files.

Proposed Completion Date: Completed

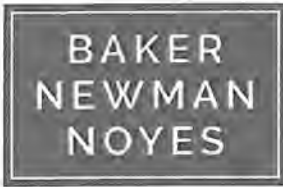
2023-004: Reporting – Expand Affordable Housing – Multi Family

Name of Contact Person(s): Darren Brown, Director of Finance

Management’s Views and Corrective Action Plan: Only program expenditures reported in accordance with Generally Accepted Accounting Principles (GAAP) standards were included on the initial SEFA and disbursements for loans were inadvertently omitted. Although loans are not expenditures for GAAP purposes, they need to be included as expenditures on the SEFA.

A secondary review performed by the Governmental Accounting Manager has been implemented. This review will ensure that all program disbursements are captured and included on the SEFA and that all amounts reconcile to the trial balance.

Proposed Completion Date: Completed



The Board of Commissioners
Maine State Housing Authority

In planning and performing our audit of the compliance with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Compliance Supplement* that could have a direct and material effect on each of Maine State Housing’s (MaineHousing) major federal programs for the year ended December 31, 2023, we considered MaineHousing’s compliance with the applicable types of compliance requirements as described in the OMB *Compliance Supplement* for the year ended December 31, 2023. We also considered MaineHousing’s internal control over compliance with the requirements previously described that could have a direct and material effect on its major federal programs in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of MaineHousing’s internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis.

A material weakness in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis.

A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Following are descriptions of identified deficiencies in internal control that we determined did not constitute significant deficiencies or material weaknesses:

Weatherization Assistance for Low-Income Persons – Reporting

The Weatherization Assistance for Low-Income Persons (WAP) program requires State Emergency Response Commission (SERC) reporting, including an annual performance report and annual financial report, both due January 31, 2024. MaineHousing submitted their annual financial report on February 7, 2024 and annual performance report on March 29, 2024. Although both reports were accepted by the U.S Department of Energy, we recommend that, going forward, MaineHousing staff and management track the due dates of these reports to ensure they are submitted timely.

Management's Response

The Energy and Housing Department of MaineHousing manages the Weatherization Assistance for Low Income Persons program, along with a number of other federal programs. Staffing for the department was restructured in 2024, which included a new department director and the addition of a new Fiscal Grant Manager and Quality Control Specialist positions. The new structure will enhance the department's capacity to monitor and meet all program requirements. Additionally, a tracking tool has been developed and implemented to ensure that all reports are completed and submitted on time.

Schedule of Federal Expenditures – Accuracy

Management prepares the Schedule of Federal Expenditures (SEFA) annually. In 2023, transfers in the Section 8 Performance Based Contract Administrator Program that represent excess administrative funds transferred to the General Fund were reported as federal expenditures when they should not have been. An adjustment was required to reduce expenditures in the program. This did not have a material impact on the SEFA or any impact on major program determination.

In addition, the Low Income Water Assistance Program was initially reported using an incorrect assistance listing number.

We recommend that management review the SEFA to ensure expenditures are accurately reported, transfers are treated appropriately and assistance listing numbers for programs are correct.

Management's Response

A secondary review performed by the Governmental Accounting Manager has been implemented. This review will help to ensure that expenditures, assistance listing numbers and transfers are properly handled and correctly reported on the SEFA.

Housing Navigation Pilot Program – Procurement, Suspension and Debarment

In subcontracts with subrecipients, MaineHousing includes a signed certification from the entity (typically appendix A) regarding debarment, suspension, ineligibility and voluntary exclusions for the subrecipient's operations in relation to the grant. For one out of four subrecipient agreements tested in the Housing Navigation Pilot Program, Exhibit A was not provided to or signed by the subrecipient. MaineHousing had separate agreements that included the applicable debarment, suspension, ineligibility and voluntary exclusion language with the subrecipients.

We recommend that MaineHousing provide the applicable appendix on each grant for each subrecipient in the future.

Management's Response

A Contracts/Agreements checklist has been implemented. This checklist will ensure that all applicable appendices, including a Suspension, Debarment and Eligibility Certification, are provided and obtained for each subrecipient contract.

* * * * *

Page 3
The Board of Commissioners
Maine State Housing Authority

This communication is intended solely for the information and use of the Board of Commissioners, management and others within the organization, and is not intended to be, and should not be, used by anyone other than these specified parties.

Baker Newman & Noyes LLC

Portland, Maine
September 23, 2024

To: Board of Commissioners

From: Darren R. Brown

Date: October 8, 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 eight-month period ended August 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 \$2.89 billion and total combined liabilities approximate \$2.4 billion. Total net assets amount to approximately \$475 million. Total combined revenues approximate \$259.4 million and total expenses amount to approximately \$235.4 million, which results in net operating income of \$24 million. Total combined net operating income for this period in 2023 was \$25.2 million. The net operating income decrease of \$1.2 million is attributed primarily to the following:

The net operating income for MaineHousing's largest Fund Group, the Mortgage Purchase Fund (MPP), is approximately \$17 million. This is a \$3.7 million increase compared to net operating income of \$13.3 million in 2023. The increase is attributed to the recognition of a paper gain associated with adjusting the carrying values of non-mortgage investments. A paper gain of \$4.1 million has been recorded in 2024 and only a de minimis gain was recorded in 2023. The paper gain increase 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 gain, the MPP's net operating income is \$12.9 million at the end of August 2024. This is a decrease of \$0.4 million compared to \$13.3 million in 2023. Interest income from mortgages and investments is substantially higher in 2024 by \$8.2 million due to a higher interest rate environment. However, this increase in revenue is offset by higher interest expense on bonds and program administrative expenses. Interest expense is higher by \$6.8 million due to higher interest rates and outstanding bonds. Program administrative expenses have increased by \$1.8 million in 2024 due to the recognition of a \$0.7 million arbitrage expense and higher loan origination fees. Origination fees have increased due to an increase in single family loan production.

The Maine Energy Housing & Economic Recovery Fund (MEHER) has a small net operating loss of \$16,000, which is a decrease of \$4.4 million compared to net operating income of \$4.4 million at the end of August 2023. The decrease is due to timing differences with the expending of program funds and recognition of grant expenses. Grant expenditures for 2024 are \$4.4 million higher than expenditures in 2023 at this point.

BUDGET RESULTS

Also attached are the budget variance results for the period ended August 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 August 31, 2024 amount to \$81.1 million, while total expenses amount to \$65.5 million. For the eight-month period ended August 31, 2024, revenues exceed expenses by approximately \$15.6 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 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 August 31, 2024, approximately \$15.9 million or 62% 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 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 \$6.8 million as of August 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 production has exceeded projections and program administrator fees will be over budget due to the HAF program. The HAF program was expected

to be completed by mid-year for budget purposes. However, that 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 amounted to approximately \$456,000 as of August 31, 2024 and were primarily for the third installments for the ProLink multifamily housing system and the Amplifund grant management system. Capital expenditures are expected to be under budget for the year because most of the unacquired computer software items at August 31, 2024 will not be needed.

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 August 31, 2024.

MAINE STATE HOUSING AUTHORITY
BALANCE SHEETS
AUGUST 31, 2024

(IN THOUSANDS OF DOLLARS)

	Memorandum Only Combined Totals		Mortgage Purchase Fund Group	Bondholder Reserve Fund	General Fund	HOME Fund	Federal Programs Fund	Other Funds	Maine Energy Housing & Economic Recovery Funds
	2023	2024							
ASSETS:									
Cash, principally time deposits	81,328	105,418	42,013	0	52,934	0	8,808	1,663	0
Investments	668,399	818,748	697,856	8,622	26,235	26,510	0	42,543	16,982
Accounts receivable - Government	18,508	8,614	0	0	0	2,483	3,839	98	2,194
Accrued interest and other assets	12,520	13,564	12,675	22	324	94	227	155	67
Mortgage notes receivable, net	1,663,532	1,902,169	1,802,639	2,099	6,985	49,894	0	0	40,552
Land, equipment and improvements, net	17,611	17,647	22	0	17,625	0	0	0	0
Other real estate owned	29	92	69	0	23	0	0	0	0
Derivative instrument - interest rate swaps	18,471	19,926	19,926	0	0	0	0	0	0
Deferred pension expense	959	629	346	2	67	0	0	214	0
Deferred amount on debt refundings	2,116	1,827	1,827	0	0	0	0	0	0
Total Assets	2,483,473	2,888,634	2,577,373	10,745	104,193	78,981	12,874	44,673	59,795
LIABILITIES AND NET ASSETS:									
Accrued interest payable	18,950	21,540	21,274	0	0	0	0	0	266
Excess arbitrage to be rebated	0	1,389	1,389	0	0	0	0	0	0
Accounts payable - Government	493	444	0	0	0	0	444	0	0
Accounts payable & accrued liabilities	11,486	20,539	303	0	19,930	0	303	3	0
Unearned income	35,920	76,013	0	0	0	215	27,153	48,645	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	18,471	19,926	19,926	0	0	0	0	0	0
Interfund	0	0	3,874	2,112	27,267	(6,828)	(20,954)	(4,191)	(1,280)
Mortgage bonds and notes payable, net	1,955,452	2,271,036	2,210,052	0	13,191	0	0	0	47,793
Deferred grant income	0	103	0	0	0	0	103	0	0
Deferred loan origination points	12	13	13	0	0	0	0	0	0
Total Liabilities	2,043,362	2,413,385	2,258,142	2,120	60,641	(6,613)	7,049	45,267	46,779
NET ASSETS:									
Restricted Net Assets	399,364	431,697	319,231	8,625	0	85,594	5,825	(594)	13,016
Unrestricted Net Assets	40,747	43,552	0	0	43,552	0	0	0	0
Total Net Assets	440,111	475,249	319,231	8,625	43,552	85,594	5,825	(594)	13,016
Total Liabilities and Net Assets	2,483,473	2,888,634	2,577,373	10,745	104,193	78,981	12,874	44,673	59,795

MAINE STATE HOUSING AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE PERIOD ENDED AUGUST 31, 2024

(IN THOUSANDS OF DOLLARS)

	Memorandum Only Combined Totals		Mortgage Purchase Fund Group	Bondholder Reserve Fund	General Fund	HOME Fund	Federal Programs Fund	Other Funds	Maine Energy Housing & Economic Recovery Funds
	2023	2024							
REVENUES:									
Interest from mortgages and notes	44,021	50,588	50,168	1	226	164	0	0	29
Income from investments	19,073	21,278	17,976	306	472	1,045	17	647	815
Net increase (decrease) in the fair value of investments	5	4,166	4,166	0	0	0	0	0	0
Fee income	10,979	11,267	1,791	0	1,194	0	7,932	350	0
Other revenue	284	119	100	0	3	16	0	0	0
Grant income	163,548	66,041	0	0	0	1,687	45,154	19,200	0
Income from State	18,412	19,035	0	0	0	14,718	0	0	4,317
Federal rent subsidy income	76,575	86,925	0	0	0	0	86,925	0	0
Total Revenues	332,897	259,419	74,201	307	1,895	17,630	140,028	20,197	5,161
EXPENSES:									
Operating expenses	16,132	15,923	0	0	15,923	0	0	0	0
Other program administrative expenses	4,597	5,493	4,263	0	8	0	990	229	3
Mortgage servicing fees	1,249	1,355	1,347	0	8	0	0	0	0
Provision for losses on loans	9	0	0	0	0	0	0	0	0
Interest expense	35,845	42,617	41,951	0	0	0	0	0	666
Grant expense	172,816	83,212	0	0	0	16,363	42,983	19,358	4,508
Federal rent subsidy expense	77,011	85,931	0	0	0	0	85,931	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	8,808	52	(14,262)	0	5,313	89	0
Total Expenses	307,659	235,353	57,191	52	1,677	16,363	135,217	19,676	5,177
Net Operating Income (Loss)	25,238	24,066	17,010	255	218	1,267	4,811	521	(16)
Transfers between funds, net	0	0	0	0	1,023	0	(3,176)	(33)	2,186
Change in net assets	25,238	24,066	17,010	255	1,241	1,267	1,635	488	2,170
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	440,111	475,249	319,231	8,625	43,552	85,594	5,825	(594)	13,016

**MAINE STATE HOUSING AUTHORITY
OPERATING REVENUES AND EXPENSES BUDGET VARIANCE REPORT
FOR THE PERIOD ENDED AUGUST 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	50,395	0	50,395	74,385	23,990	32%
Income from investments	18,754	664	19,418	23,400	3,982	17%
Fee income	2,985	8,282	11,267	19,266	7,999	42%
Other revenue	103	0	103	105	2	2%
Total Revenues	72,237	8,946	81,183	117,156	35,973	31%
EXPENSES:						
Operating expenses	10,521	5,402	15,923	25,670	9,747	38%
Other program administrative expenses	5,626	1,219	6,845	10,021	3,176	32%
Interest expense	42,773	0	42,773	65,570	22,797	35%
Total Expenses	58,920	6,621	65,541	101,261	35,720	35%
Excess Revenues Over Expenses	13,317	2,325	15,642	15,895	253	2%

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

	Total Annual Budget	Total Year to Date Actual	Budget Available	Percentage of Budget Available
Operating Expenses				
Salaries	13,853,898	8,951,897	4,902,001	35%
Payroll Taxes	1,013,479	667,053	346,426	34%
Retirement	1,386,948	901,446	485,502	35%
Medical and Life Insurance	3,663,963	2,215,591	1,448,372	40%
Other Fringe Benefits	10,000	3,829	6,171	62%
Office Supplies	60,525	27,308	33,217	55%
Printing	85,450	48,210	37,240	44%
Membership and Dues	66,879	56,609	10,270	15%
Subscriptions	20,080	10,110	9,970	50%
Sponsorships	19,600	13,750	5,850	30%
Staff Educ/Train/Conf	213,342	59,229	154,113	72%
Travel/Meals - Staff Educ/Train/Conf	230,594	58,658	171,936	75%
Partner/Client Train/Meetings	87,250	7,144	80,106	92%
Travel/Meals - Partner/Client Training	89,506	22,638	66,868	75%
Staff Events	36,680	11,752	24,928	68%
Meals - Staff Events	33,590	22,660	10,930	33%
Leased Vehicles	198,991	106,561	92,430	46%
Computer Supplies	31,000	18,180	12,820	41%
Computer License SAAS	248,564	203,211	45,353	18%
Rent-Other	44,519	25,598	18,921	43%
Computer Maintenance	986,752	499,137	487,615	49%
Depreciation	1,279,000	722,712	556,288	43%
Telephone	131,750	91,394	40,356	31%
Employment Advertising	18,000	7,515	10,485	58%
Postage and Shipping	152,512	89,949	62,563	41%
Insurance	102,186	84,891	17,295	17%
Recording Fees	1,000	953	47	5%
Payroll Services	51,668	34,482	17,186	33%
Audit Services	175,350	123,000	52,350	30%
Property Expenses	556,950	333,120	223,830	40%
Professional Services	371,538	211,439	160,099	43%
Building Interest Expense	448,452	292,809	155,643	35%
Total Operating Expenses	25,670,016	15,922,835	9,747,181	38%
Other Program Administrative Expenses				
Loan foreclosure expenses	200,000	32,296	167,704	84%
REO expenses	50,000	1,422	48,578	97%
Provision for losses on loans & REOs	125,000	0	125,000	100%
Mortgage Servicing fees	1,975,000	1,355,019	619,981	31%
Loan Origination expenses	3,230,000	2,313,553	916,447	28%
Bond issuance expenses	900,000	578,710	321,290	36%
Trustee/Bank fees	178,000	117,954	60,046	34%
Program advertisements	336,500	212,550	123,950	37%
Bond and mortgagee insurance	24,313	24,256	57	0%
Variable rate bond remarket/SBPAs	645,000	457,227	187,773	29%
Cash flow/arbitrage/swap consultants/legal	738,500	515,612	222,888	30%
Homebuyer education	150,000	79,200	70,800	47%
Program administrator fees	1,469,000	1,159,832	309,168	21%
Total Other Program Administration Expenses	10,021,313	6,847,631	3,173,682	32%

**MAINE STATE HOUSING AUTHORITY
CAPITAL BUDGET
FOR THE PERIOD ENDED AUGUST 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	0	40,000	
Potential office building improvements/repairs	50,000	52,595	(2,595)	
	<u>90,000</u>	<u>52,595</u>	<u>37,405</u>	<u>58%</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>457,847</u></u>	<u><u>226,711</u></u>	<u><u>67%</u></u>

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

Description	Amount
Memberships and Dues	
Maine Bankers Association - annual affiliate membership	995
National Leased Housing Association - annual membership	660
National Energy Assistance Directors' Association - annual membership	7,021
National Association for State Community Services Programs - annual membership	1,129
Maine Association of Public Housing Directors - annual membership	2,100
Maine Real Estate & Development Association - annual membership	1,200
Maine Indoor Air Quality Council - annual membership	650
National Affordable Housing Management Association - affiliate membership	1,350
National Energy & Utility Affordability Coalition - annual membership	600
National Association of Home Builders - employee membership	95
Maine Department of Environmental Protection - lead inspector license renewal	400
NCHM Accounting Office Employee Certification dues	125
Kennebec Board of Realtors - employee dues	199
Institute of Internal Auditors - employee annual membership	190
Association of Certified Fraud Examiners - (2) employee annual membership	490
Council of State Community Development Agencies - annual membership	1,500
Board of Overseers of the Bar - (6) employee annual registration	1,695
Society for Human Resource Management - employee annual membership	264
Diversity Hiring Coalition - annual membership	300
National Council of State Housing Agencies - annual membership	33,854
Notary Public - (1) employee renewal fees	50
Project Management Institute/Professional- employee annual membership	338
Association of Government Accountants - (1) employee annual memberships	110
American Payroll Association - employee annual membership	299
Construction Specifications Institute - employee annual membership	375
Maine Association of Mortgage Professional - employee annual membership	395
American College of Mortgage Attorneys - employee dues	225
Total	<u>\$ 56,609</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>

To: Board of Commissioners
From: Darren Brown
Date: October 3, 2024
Subject: Monthly Delinquencies Report

MULTI-FAMILY DELINQUENCIES

The Multi-Family portfolio totals \$1 billion with 1,354 loans as of September 30, 2024. There are four delinquent loans, 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 \$1.1 billion with 10,103 loans as of August 31, 2024. The over 60-day delinquencies decreased from 2.59% to 2.46%, and the in-foreclosures decreased from 0.55% to 0.48%. The over 60-day delinquencies amount to \$28 million, with approximately \$5 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 2.46%; and the overall delinquency rate by loan count is 2.52%. 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 August 2024, Bank of America (BOA) had the highest overall delinquency rate of 11.02% (10 loans), with an in-foreclosure rate of 2.53% (2 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 (85 loans).

Delinquencies for our largest servicer, Mortgage Servicing Solutions, decreased from 3.03% to 2.88%, while the in-foreclosure rate decreased from 0.59% to 0.53%. Bangor Savings Bank QS had a rate of 1.03%, which was the lowest rate for the month. Delinquency rates for each servicer are shown in *Exhibit 3*.

Delinquencies by Insurance Type – In August 2024, FHA insured loans had the highest delinquency rate by total insurance type of 4.05%, with in-foreclosures at 0.31%. When compared to the total loan portfolio, RD insured loans had the highest delinquency rate of 1.19%, 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 33% of delinquencies, while RD insured loans comprise 51% of the portfolio and represent 48% 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 August 2024, we assisted 790 borrowers with various foreclosure prevention options.

Multi-Family Delinquent Loans

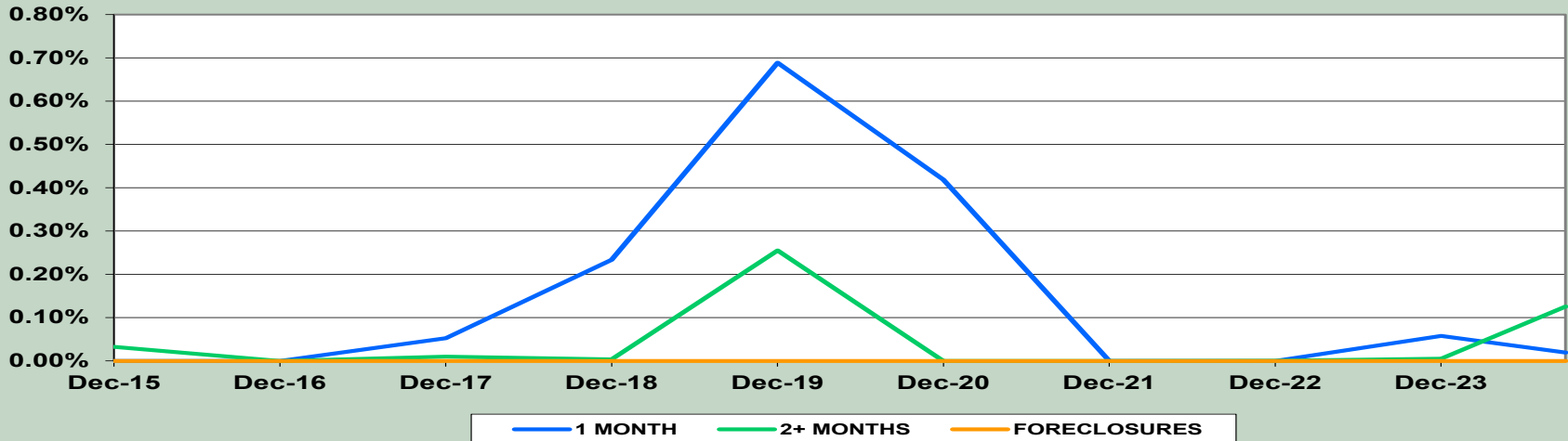
MAINE STATE HOUSING AUTHORITY
MULTI-FAMILY DELINQUENCIES
9/30/2024

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	10/01/07	0.00	0.00	959,263.93	
COURT ST APARTMENTS*	0.00	10/01/23	AUBURN	COURT STREET SENIOR HOUSING	10/01/07	0.00	0.00	297,278.29	
						0.00	0.00	1,256,542.22	
Supportive Housing & Other						ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS	
W VALENTINE ST, 216	568.74	07/01/24	WESTBROOK	MORRISON CENTER	4/18/97	0.00	0.00	0.00	
FOREST AVE, 575	2,661.21	08/01/24	PORTLAND	CROSSROADS	03/12/02	195,193.00	17,006.00	0.00	
						195,193.00	17,006.00	0.00	
Grand Total						195,193.00	17,006.00	1,256,542.22	
% of Portfolio Delq 60+ days	0.13%								
Total Number of Loans	1,354								

* Loans past maturity date

Multi-Family Delinquency & Foreclosure Trends

MULTI-FAMILY DELINQUENCY AND FORECLOSURE RATES



	OUTSTANDING PRINCIPAL	1 MONTH		2+ MONTHS		FORECLOSURES	
		DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE
Sep-24	\$ 1,016,083,169	\$ 195,193	0.02%	\$ 1,273,548	0.13%	\$ -	0.00%
Dec-23	\$ 898,515,001	\$ 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	0.42%	\$ -	0.00%	\$ -	0.00%
Dec-19	\$ 635,961,774	\$ 4,379,009	0.69%	\$ 1,620,600	0.25%	\$ -	0.00%
Dec-18	\$ 630,936,475	\$ 1,473,376	0.23%	\$ 20,600	0.00%	\$ -	0.00%
Dec-17	\$ 608,939,257	\$ 319,836	0.05%	\$ 60,624	0.01%	\$ -	0.00%
Dec-16	\$ 579,916,852	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Dec-15	\$ 573,932,384	\$ -	0.00%	\$ 185,320	0.03%	\$ -	0.00%

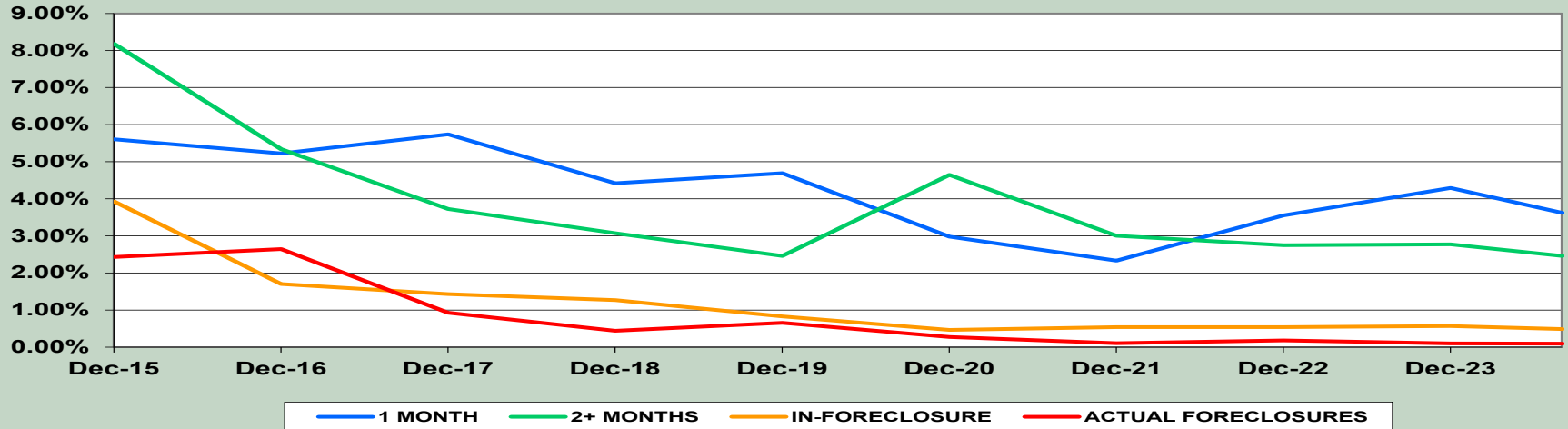
Single-Family Delinquent Loans

Maine State Housing Authority Single-Family Delinquencies by Servicer 8/31/2024

SERVICER	% OF PORTFOLIO	% of Portfolio Delq 60 + days	OUTSTANDING PRINCIPAL	----- 1 MONTH	DELINQUENT 2 MONTHS	----- 3+ MONTHS	IN- FORECLOSURE
MORTGAGE SERVICING SOLUTIONS	68.86%	2.88%	776,761,825.41	31,943,772.34	7,000,104.12	11,261,904.07	4,091,317.89
BANGOR SAVINGS BANK	9.17%	1.18%	103,424,196.09	2,734,197.96	4,182.40	811,319.90	406,665.93
BANGOR SAVINGS BANK QS	7.72%	1.03%	87,030,881.88	1,439,591.47	401,817.71	495,412.57	0.00
CAMDEN NATIONAL BANK UK	7.49%	1.48%	84,452,374.47	2,178,981.38	582,616.88	422,166.87	241,106.54
MACHIAS SAVINGS BANK	6.31%	2.06%	71,222,559.72	2,294,756.41	415,808.84	446,805.73	608,127.68
BANK OF AMERICA NA	0.43%	11.02%	4,843,088.37	229,763.76	214,791.77	196,186.75	122,683.39
SALEM FIVE MORTGAGE CORP	0.02%	3.91%	232,446.47	0.00	0.00	9,088.93	0.00
TOTAL	100.00%	2.46%	1,127,967,372.41	40,821,063.32	8,619,321.72	13,642,884.82	5,469,901.43

Single-Family Delinquency & Foreclosure Trends

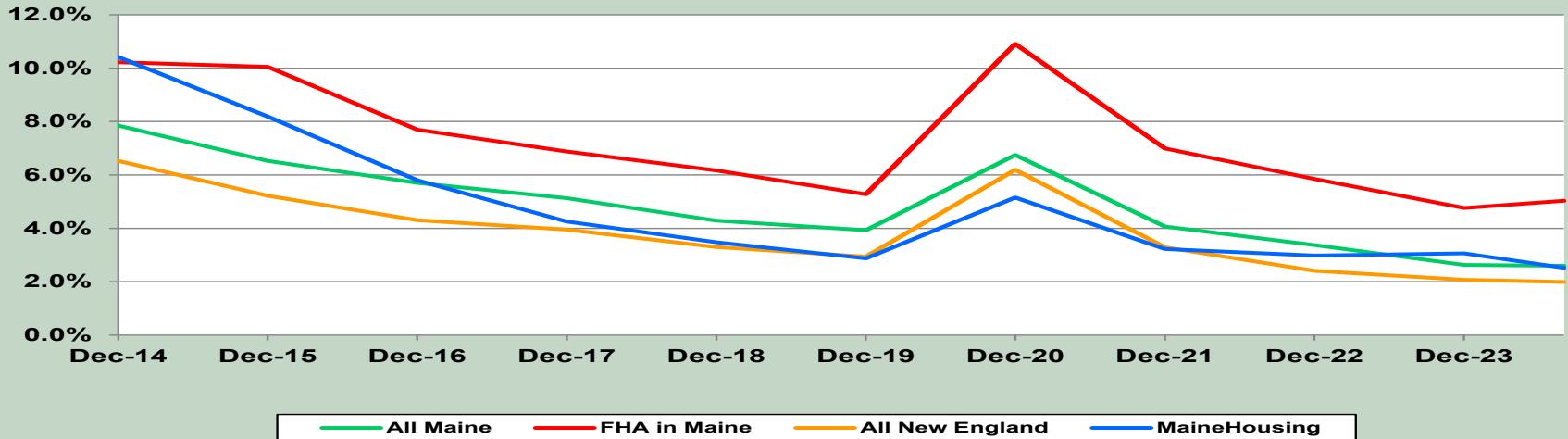
SINGLE-FAMILY DELINQUENCY AND FORECLOSURE RATES



	OUTSTANDING PRINCIPAL	1 MONTH		2+ MONTHS		IN-FORECLOSURE		ACTUAL FORECLOSURES	
		DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE
Aug-24	\$ 1,127,967,372	\$ 40,821,063	3.62%	\$ 27,732,108	2.46%	\$ 5,469,901	0.48%	\$ 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, FHA, ALL STATE & ALL NEW ENGLAND DELINQUENCY RATE COMPARISON



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*	124,983	0.66%	1.05%	0.88%	2.59%
FHA for State*	17,271	1.74%	2.12%	1.17%	5.03%
All New England*	1,746,324	0.64%	0.90%	0.45%	1.99%
MaineHousing**	10,103	0.82%	1.12%	0.58%	2.52%

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

**MaineHousing's overall delinquency rate based on loan dollars is 2.46%, whereas rates in this exhibit are based on loan count.

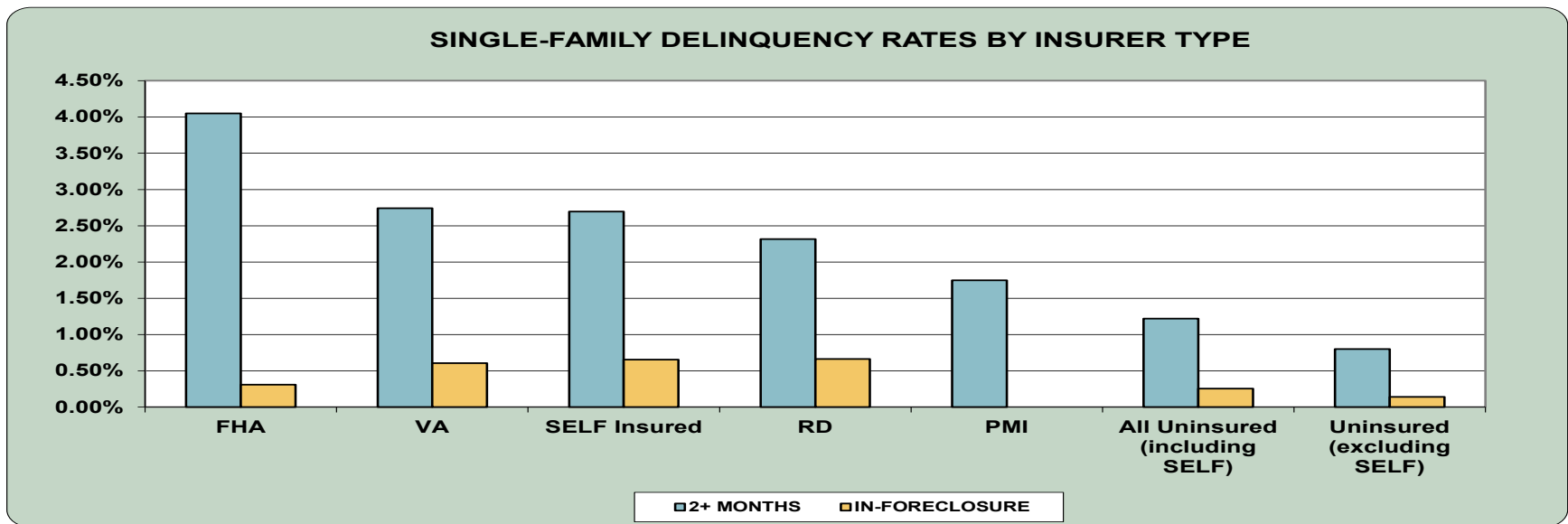
Single-Family Delinquencies by Mortgage Insurer

As A Percent of Total Insurance Type
8/31/2024

TYPE	2+ MONTHS	IN-FORECLOSURE
FHA	4.05%	0.31%
VA	2.74%	0.61%
SELF Insured	2.70%	0.66%
RD	2.32%	0.66%
PMI	1.75%	0.00%
All Uninsured (including SELF)	1.22%	0.25%
Uninsured (excluding SELF)	0.80%	0.14%

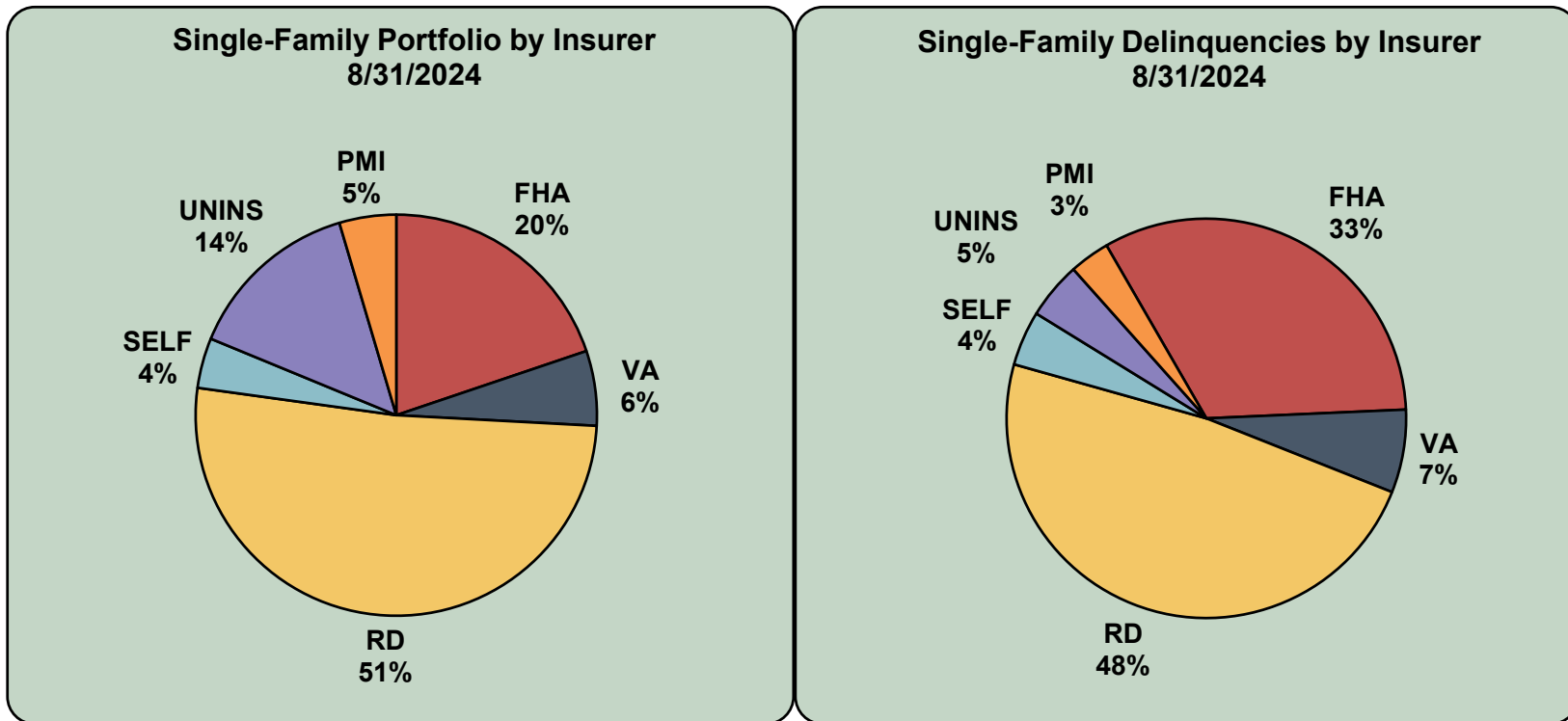
As A Percent of Total Loan Portfolio
8/31/2024

TYPE	2+ MONTHS	IN-FORECLOSURE
RD	1.19%	0.34%
FHA	0.80%	0.06%
All Uninsured (including SELF)	0.22%	0.05%
VA	0.17%	0.04%
Uninsured (excluding SELF)	0.11%	0.02%
SELF Insured	0.11%	0.03%
PMI	0.08%	0.00%

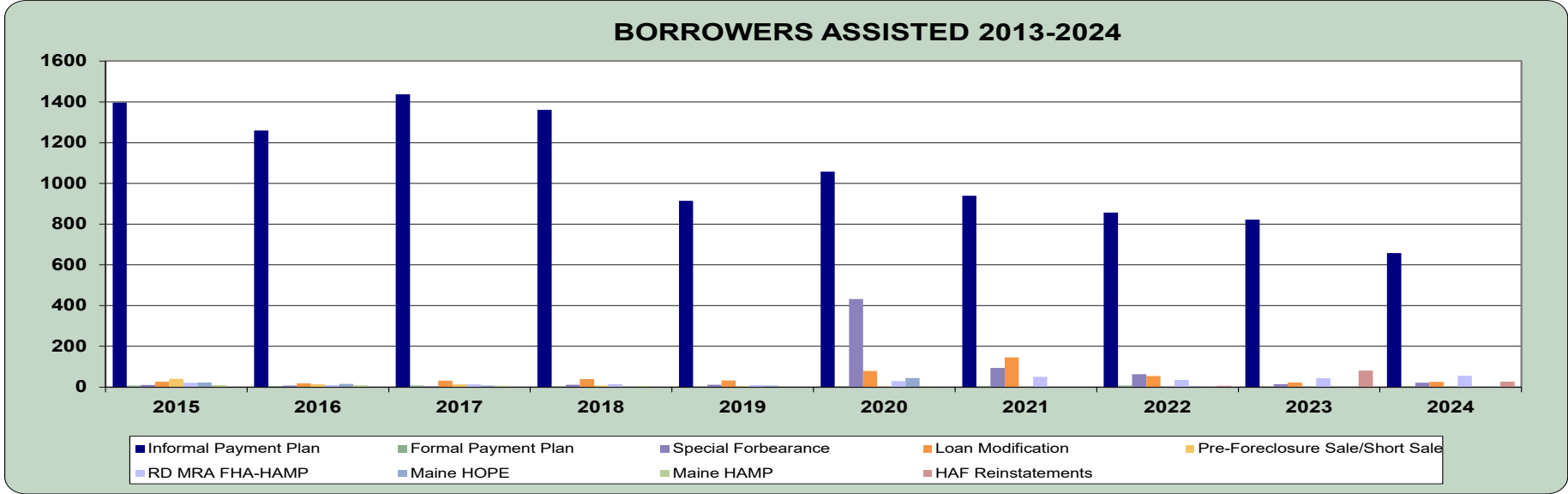


Single-Family Delinquencies by Mortgage Insurer

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



Single-Family Foreclosure Prevention Activities



Number of Borrowers Approved for Assistance

	Informal Payment Plan	Formal Payment Plan	Special Forbearance	Loan Modification	Pre-Foreclosure Sale/Short Sale	RD MRA FHA-HAMP	Maine HOPE	Maine HAMP	HAF Reinstatements	Total Workouts
Aug-24	658	4	21	25	1	55	0	0	26	790
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
Aug-24	12	10,103	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%

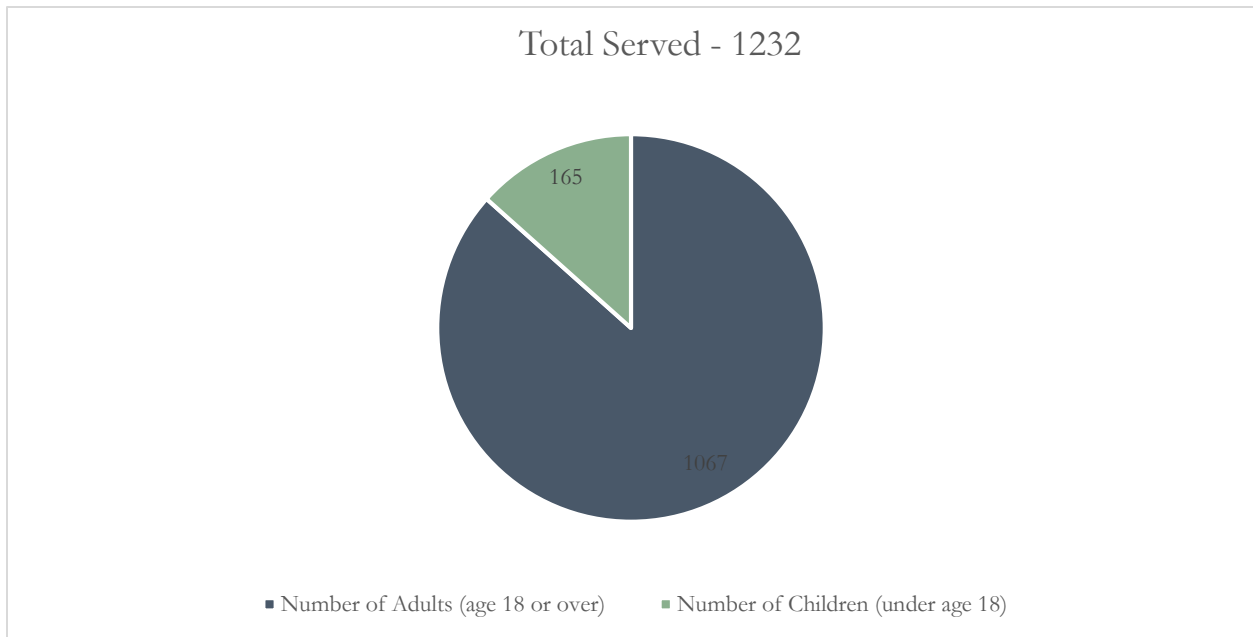
Homeless Initiatives Department Memorandum

To: Board of Commissioners
From: Kelly Watson, Director of Homeless Initiatives
Date: October 8, 2024
Subject: Homeless Initiatives Report

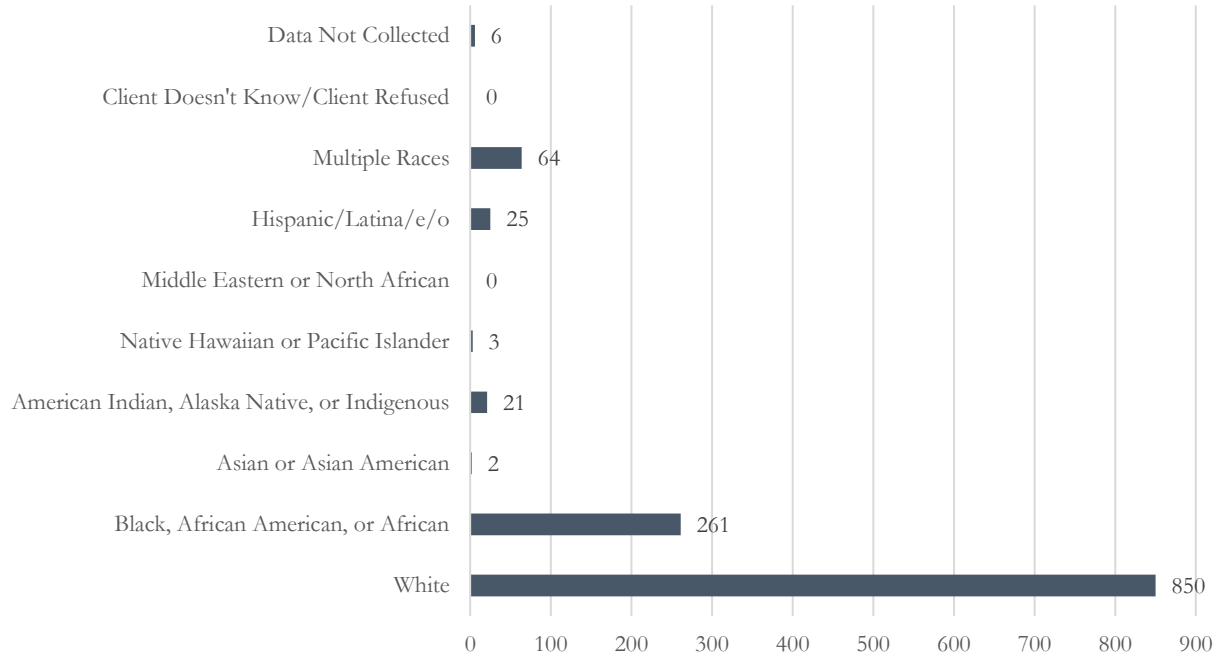
Homeless Data – September 2024

The following are the monthly statistics for September:

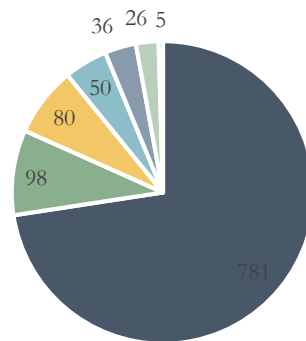
1. Total number of people served in ESHAP funded shelters (1232) decreased by 83 individuals from August to September. This number does not include many of the Asylum Seekers in Portland as well as those served in hotels through GA, or those seeking emergency shelter with a Victim Service Provider.
2. Racial equity – the percentage of people of color served stayed consistent at 31 from August to September. The number of those who identify as Hispanic/Latina/e/o increased from 20 in August to 25 in September.
3. The number of Exits to Permanent Housing decreased from 104 in August to 58 in September. The total exits from shelter to any location was down by 56 in September from the previous month.



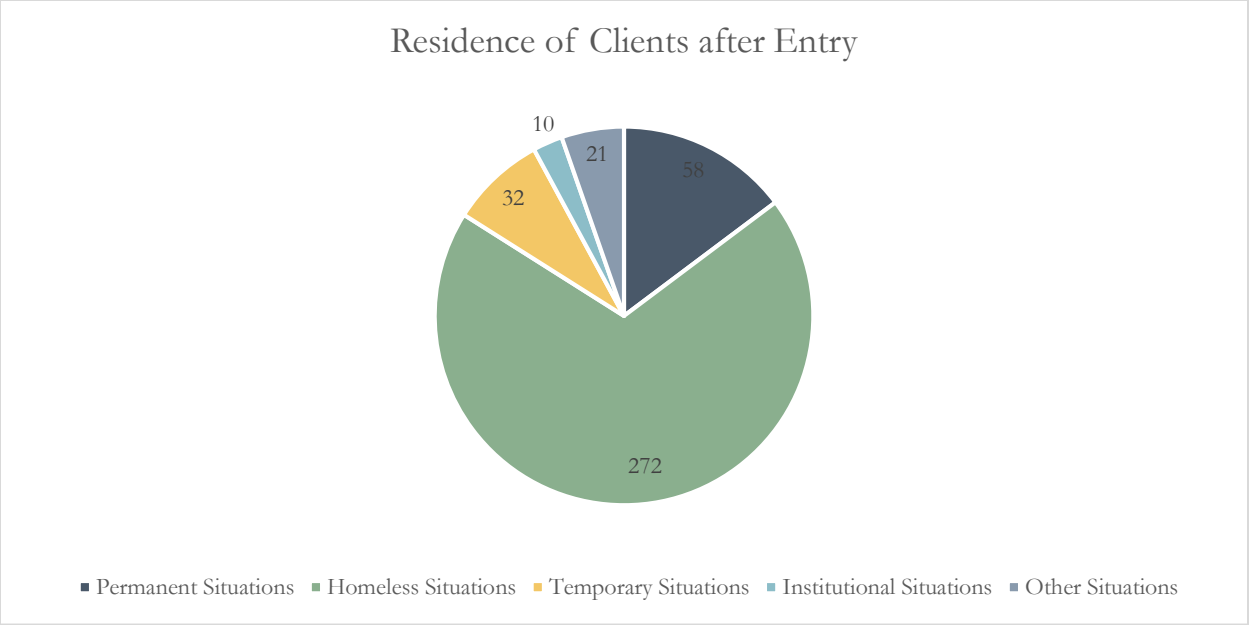
Number of People Served by Race



Residence of Clients Prior to Entry

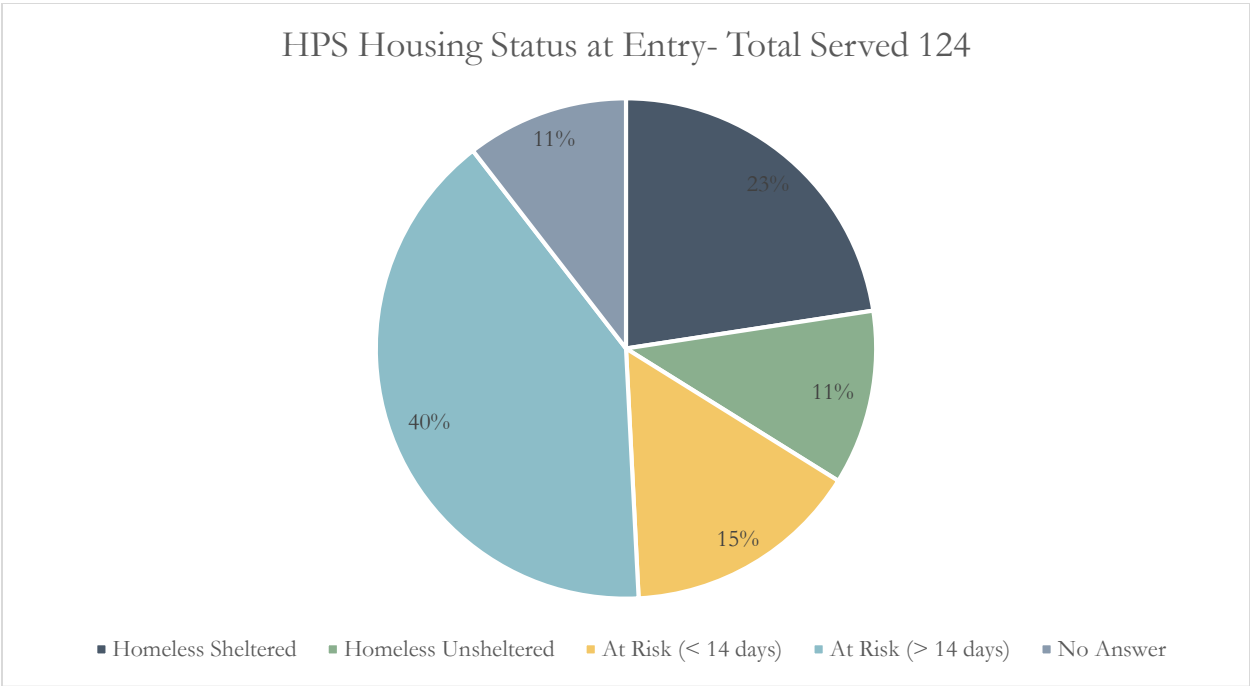


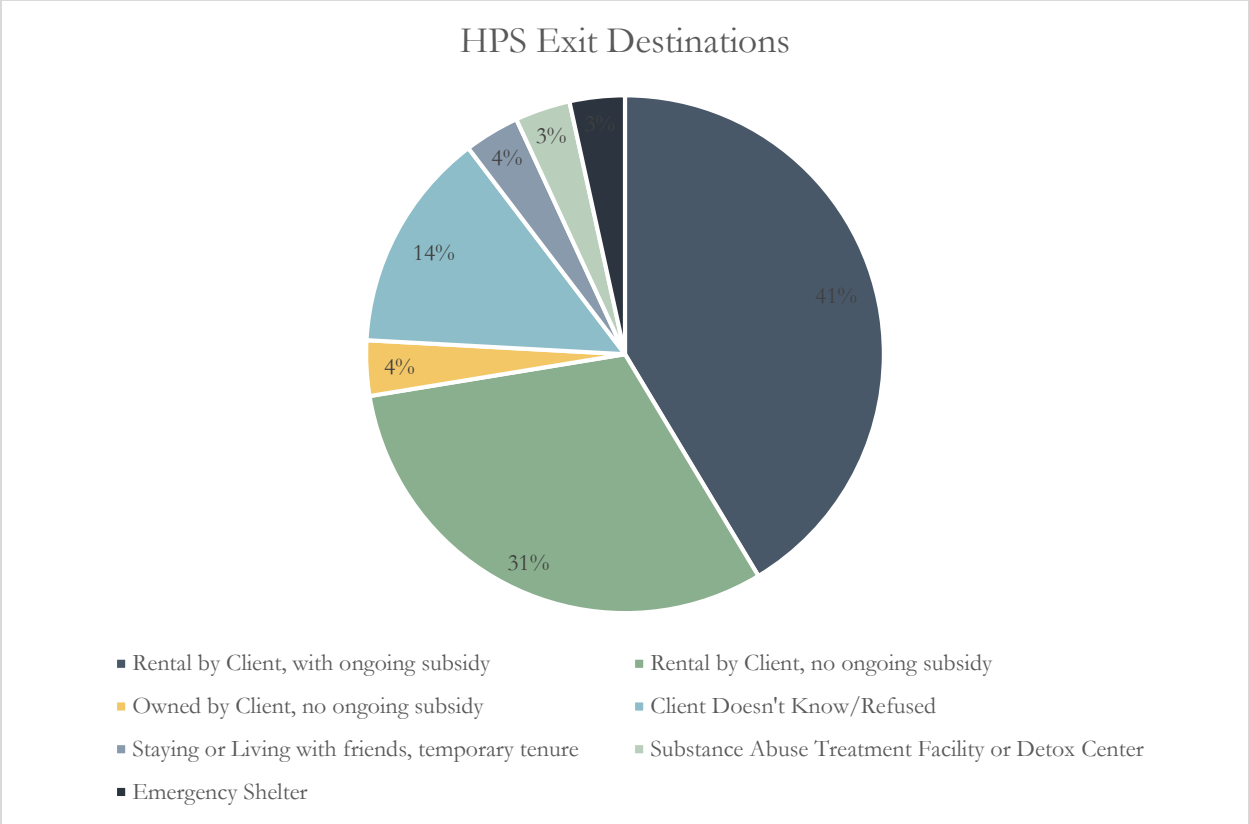
- Homeless Situations
- Institutional Settings
- Staying or living in a friend's room, apartment or house
- Staying or living in a family member's room, apartment or house
- Hotel or motel paid for without ES voucher
- Permanent Locations
- Other Locations



Housing Problem Solving (HPS) Metrics

In the month of September, 124 households were served in the Housing Problem Solving Program. This number does not include those served at Victim Service Provider organizations. Of the 29 households exited from the program in September, 19 were reported to have a resolved housing crisis. 51% of the households served reported having a disabling condition. The charts below break down household housing status at entry and destination for those who exited the program in September.





Student Homelessness Prevention Pilot NOFA

A NOFA for the Student Homelessness Prevention Pilot has been posted with responses due on October 31st. The Pilot was established and funded through state statute. The NOFA is open to Maine School Administrative Units (SAU) and Education in Unorganized Territory (EUT). Funding will be used to hire Homelessness Prevention and Housing Navigation Specialists and offer direct financial assistance to help homeless students and their families maintain or obtain housing.

Maine Continuum of Care Update

Dean Klein has been contracted as the Executive Director of the Maine CoC after a search and recommendation process from a committee of CoC members. This is an exciting step for the CoC, and the new position will be integral in leading the Continuum in a direction of positive change. Dean has over 30 years of experience leading various homeless organizations, initiatives, and systems and is guided by a strong conviction that homelessness can be eradicated.

HOPE Pilot Program

The Housing Opportunities for People in Encampments Pilot program, which is a collaborative effort between four homeless service agencies in Portland, has enrolled 58 people since its start earlier this year. Of those, there have been 9 housing placements, 5 people brought into shelter, and 9 pending housing placements. The providers report seeing a lot of intersections of need in addition to housing and are working to provide and connect participants with services. The program has seen challenges due to limited voucher and housing resources but has taken innovative approaches to engage and connect people with housing.

Annual ESHAP Navigator Training

The Homeless Initiatives department will host its annual training for ESHAP navigators at the end of the month. The training is an opportunity to provide information and resources to our partners as well as a chance for connections and, of course, a little fun.

Service Hub Implementation – Built for Zero Initiative

The Hub 5 Coordinator (Western Maine) has been working closely with the Homeless Veterans Action Committee over the past year to align the hubs with the veteran organizations in the Built for Zero initiative. Maine's Built for Zero data coach was recently brought into an HVAC meeting to discuss next steps for the veteran population in getting to statewide quality data as a first step in getting to Functional Zero for veterans. This led to more actionable steps being made to align the veteran population with the Built for Zero Initiative. As part of this, the MaineHousing HMIS team, Homeless Initiatives department, and hub coordinators will be meeting regularly with the veteran organizations to support them in achieving quality data benchmarks.

Homeownership Department Memorandum

To: MaineHousing Board of Commissioners

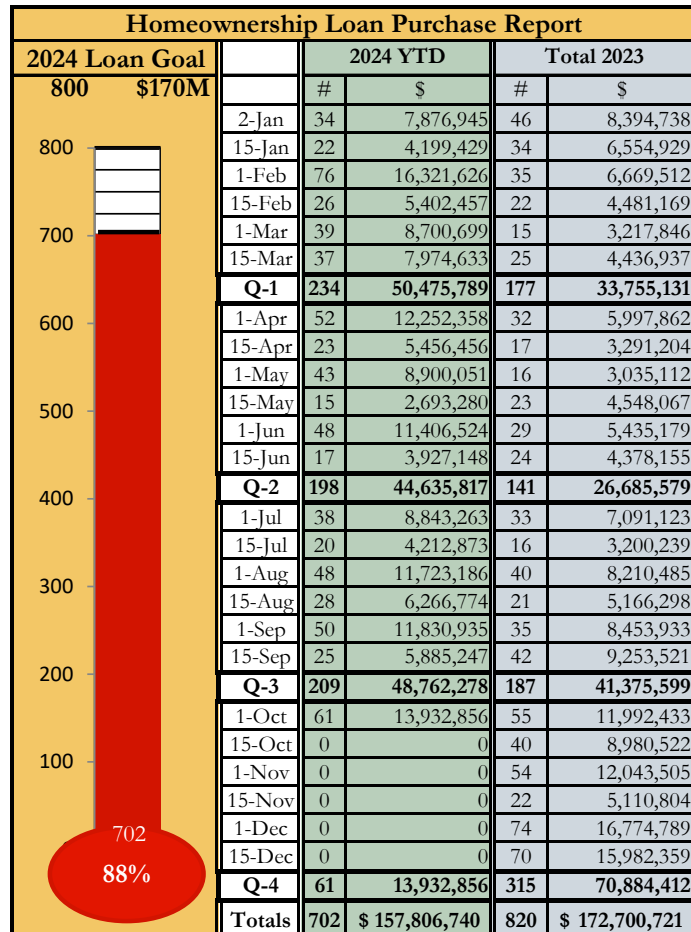
From: Patricia Harriman, Director of Homeownership

Date: October 7, 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: 10/01/24	
#	\$ Volume
68	\$ 15,626,490

Loan Pipeline as of: 10/01/24	
#	\$ Volume
246	\$ 55,192,390

Loan Reservation Comparison					
September 2023		September 2024		2023 vs 2024	
#	\$ Volume	#	\$ Volume	#	\$ Volume
352	\$74,572,500	246	\$ 55,192,390	-30%	-26%

PROGRAM HIGHLIGHTS

“Young adults whose parents did not have access to homeownership are less likely to become homeowners themselves. A third of first-time homebuyers receive assistance from family or friends for a down payment, but this assistance is less likely when a borrower’s parents don’t own. The median renting family has only \$10,400 in wealth, while the median home owning family has 38 times that (\$396,200).” Urban Wire, November 17, 2023.

Homeownership has long been accepted as a core component of the American Dream, as it confers several economic benefits on homeowners, including the ability to accumulate wealth by accessing credit, building equity and reducing housing costs. The challenges of obtaining homeownership can be greater for those who have never known it and the obstacles of today’s market add a new layer of complexity. Yet through it all our program continues to be strong. While the pipeline of reservations appears to have decreased by about 106, the purchase report shows a year over year increase of 146 loans, an indication that the pipeline continues to move forward more efficiently.

Home sales in Maine remain strong, but buyers are still faced with fewer properties and an average median home price of \$400,000. While inventory is starting to increase, the supply and demand remain imbalanced with the supply still below the needed levels.

As the inventory begins to increase, the recent interest rate cut announced by the Federal Government sparked hope for many. In addition to the Federal announcement, MaineHousing also announced a rate decrease. Effective October 1st our Advantage program rate dropped from 5.95% to 5.375% and our First Gen from 4.95% to 4.375%. Each of our program rates changed accordingly as well. Our goal is to meet the needs of first time homebuyers and continue to assist them on their journey to homeownership.

Outreach and Events

Homeownership was just one of the topics discussed at the NCSHA Annual Conference in Phoenix last week. Throughout the United States, Housing Finance Authorities are working to enhance their programs, offer down payment assistance, and grow and develop their First Generation Programs. Tricia Harriman, Director of Homeownership, was a speaker on a panel discussing “New Hopes and Homes for New Generations” and specifically talking about our First Gen program. While Maine is a smaller state, and resources vary greatly, the \$10,000 grant offered combined with our low rate fascinated many as they begin to navigate their own programs. Many states offer down payment assistance in larger numbers, but those amounts are part of secondary loans to the borrower, many requiring payback at time of sale or refinance. MaineHousing takes pride in our grant program and the fact we are not adding any additional debt to our borrowers and providing the much needed assistance.

As a result of the amazing work of Tracey Anderson and Scott Thistle in our PNR department, MaineHousing’s submission and program was selected as the winner of one of two awards granted for program excellence and empowering new buyers. The panel of judges was impressed with our program and how dedicated we are to our borrowers, not only in providing the grant, but the resources, education and guidance from start to finish: traits that stood out to them. The Homeownership team at MaineHousing continues to deliver the guidance and education to make the program a success and help new borrowers realize the dream of homeownership. Congratulations to this team!



Awarded to MaineHousing for program excellence – “New Hopes and Homes for New Generations”

On September 17th Lisa McKenna, Compliance Specialist, and Angela Desrochers, Compliance Officer, led a Real Estate continuing education class at Jeff’s catering in Bangor. Twenty-nine realtors were in attendance, many of whom were not familiar with our programs.

The Kennebec Valley Board of Realtors held their annual meeting on September 18th. Homeownership Director Tricia Harriman and Compliance officer Maggie Nason interacted with a well-attended group of realtors. Many stopped by our table for more information on our programs while others stopped by to simply thank us for the work that we do each and every day. The work we do does not go unnoticed or unappreciated as was evident at this event.



Compliance officer Maggie Nason interacts with a Realtor at the Kennebec Valley Board of Realtors Annual Meeting



To: MaineHousing Board of Commissioners

From: Allison Gallagher - Director of HCV Programs

Date: October 15, 2024

Subject: Monthly Report – Housing Choice Voucher Program

Program Updates:

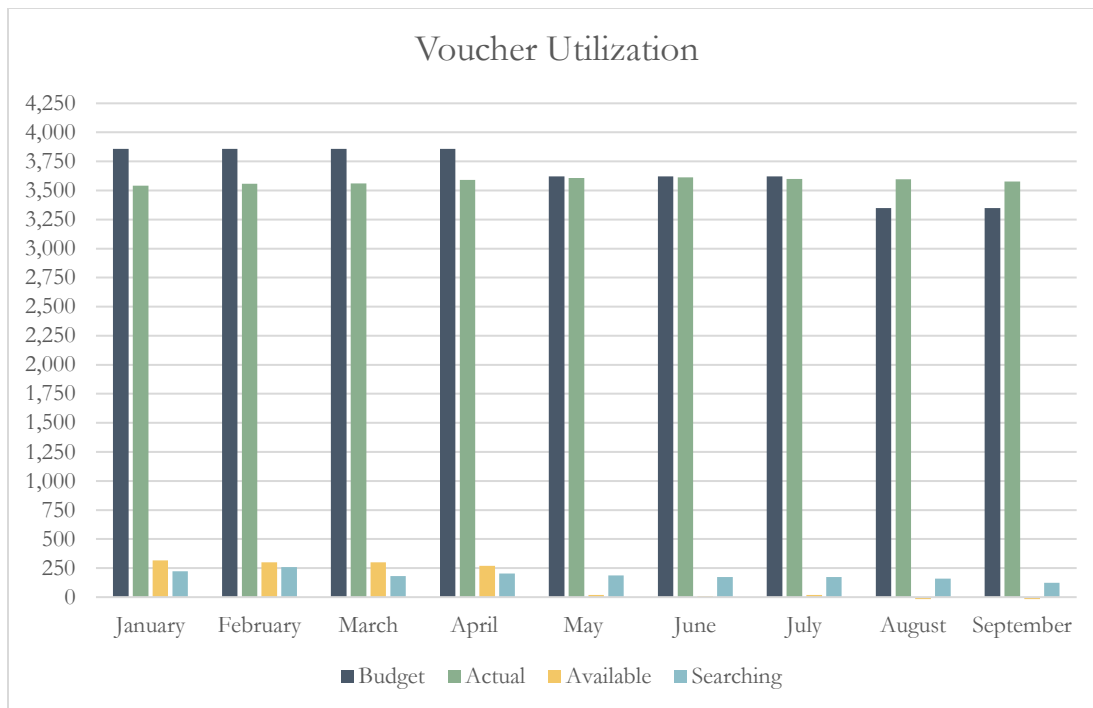
HCV PHA Plan

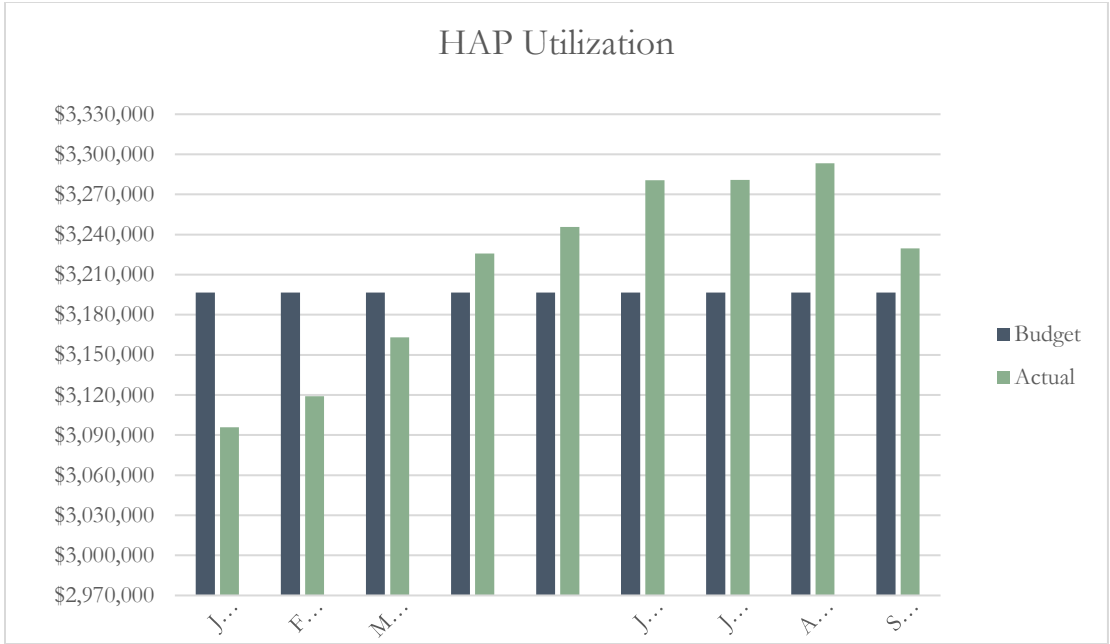
Final drafts of the plans are attached and will be presented for approval at the board meeting. A memo of changes from the previous 5 YR plan and comments from tenants and owner/landlords can be found at the end of HCV's board report.

HCV Funding

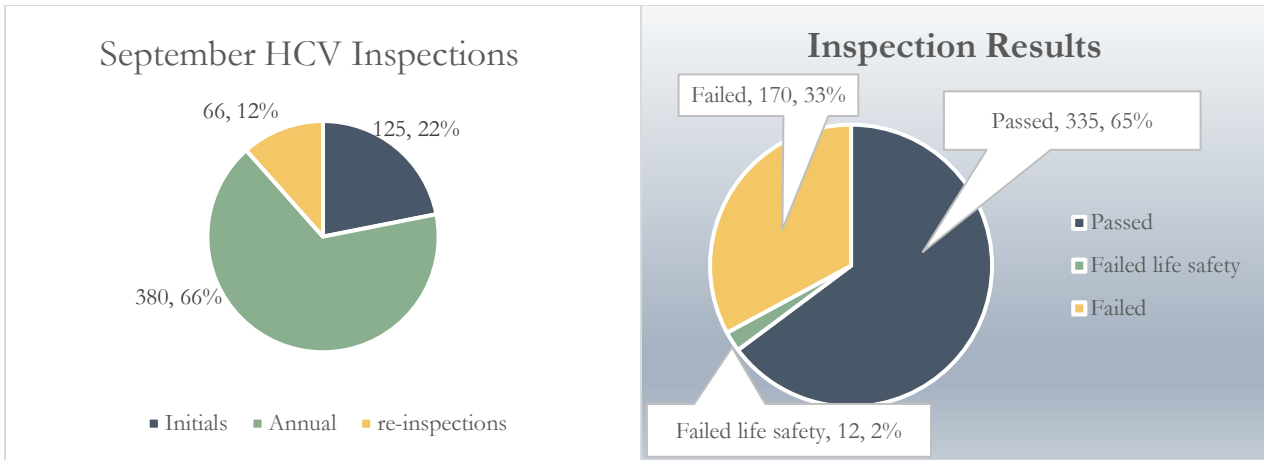
On July 19, 2024 we received an official notification that the Shortfall Prevention Team (SPT) from HUD has confirmed a projected shortfall in Maine Housing's, Housing Choice Voucher (HCV) program for CY 2024.

We have submitted a request for shortfall funds and are working with HUD to determine the amount required to fully support vouchers through CY2024



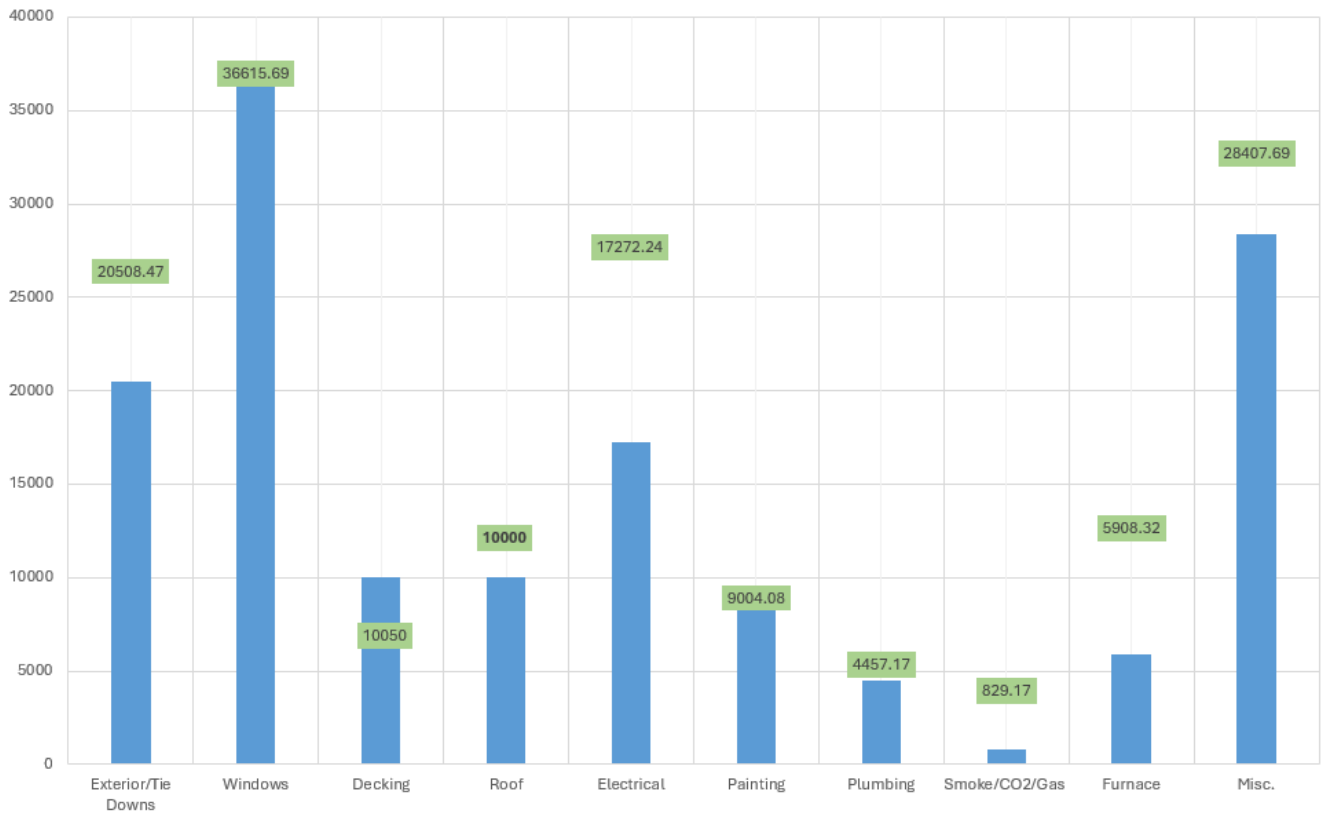


Inspection Updates:



- Total to date LL Repair Program – \$143,052.83
- Total to date Damage Reimbursement Program – \$38,029.00

2024 Landlord Repair Program Expenditures



Human Resources and Facilities Department Memorandum

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

Human Resources – as of October 8, 2024



A Request for Proposal (RFP) has been issued for a Compensation Study

MaineHousing is seeking proposals from qualified firms to conduct a compensation study and make recommendations to update our compensation structure in accordance with the study results. The study shall cover all twenty (20) job classifications and ensure that all positions within MaineHousing are internally equitable and externally competitive using wage comparisons from public and private sector entities. Responses are due no later than Monday, October 21 at 5:00pm EST.

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

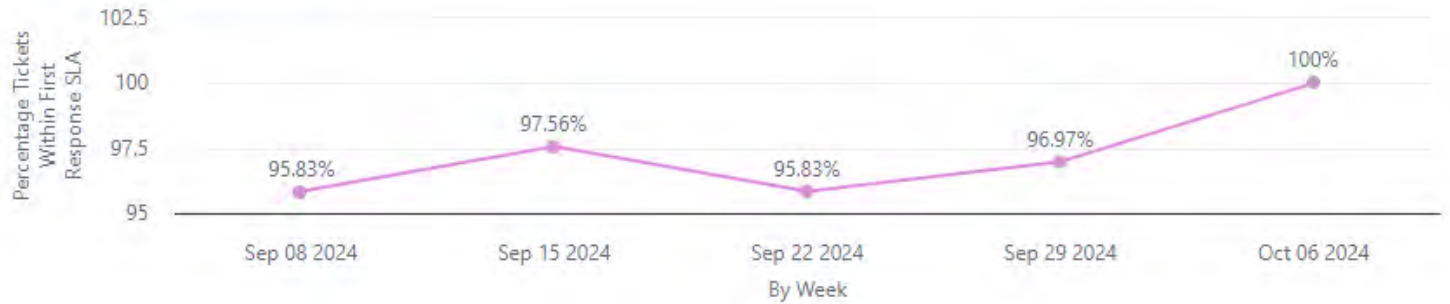
To: Board of Commissioners
From: Craig Given, Director of IT
Date: October 8, 2024
Subject: Monthly Report

Unresolved Tickets - Trend

Group By : **By Week** ▾

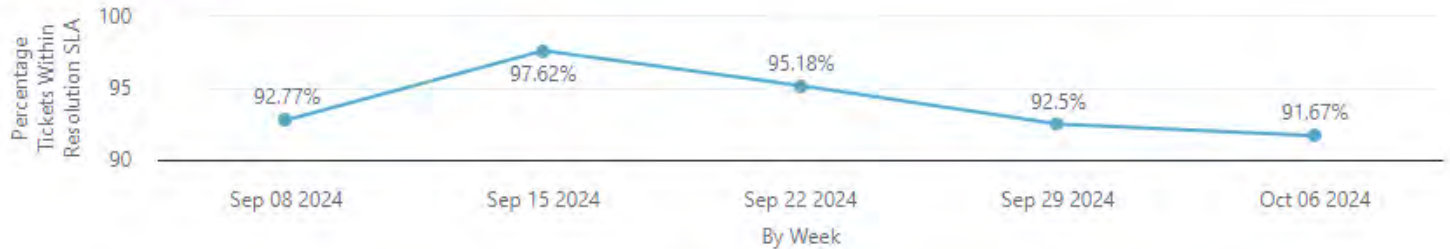


First Response SLA Compliance - Trend



Resolution SLA Compliance - Trend

Group By : **By Week** ▾



Information Technology Updates:

- Launched new ITSM (Information Technology Service Management) software, providing for a wider range of tool to track service requests and provide data on outcomes. Additional phases will add new functionality including Change Management and ITOM (IT Operations Management).
- Revised offboarding procedures for technology and account management using ITSM software.
- Prepared for October launch of Business Workspace in Service Management software for Homeless Initiatives department.
- Completed Major Incident Review Process with business partners to ensure business continuity during a critical incident.
- Continued development of payment process for LiHEAP program to compliment recently launched software solution.
- Continued installation of Microsoft 365 applications on user desktops, replacing no longer supported versions of the software.
- Continued Microsoft Fast Track implementation of Microsoft Intune for comprehensive application and patch management. Expanded patch management systems for server hardware.
- Continued implementation of Eviction Prevention program software with vendor and internal teams.
- Business Systems Manager attended the NCSHA conference in Phoenix.
- Initiate internal anti-phishing campaign to test and educate staff.
- 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: October 07, 2024

Subject: October 2024 Board Report

Planning and Research Department

The Planning and Research department has had an exciting month! In addition to wrapping up another stage of our work on the 5 Year Consolidated Plan and maintaining our standard workflow, three members of the team attended the NCSHA 2024 Annual Conference in Phoenix (September 28th to October 1st) just days after UI/UX Designer Amanda Ouellette attended the 2024 HOW Design Live Conference in Denver, CO (September 23rd to 25th).

The NCSHA conference brought all the usual value of sharing new ideas and best practices among our peers from all around the nation, with the added excitement and gratification of MaineHousing bringing home TWO national awards, one for our First Generation Homebuyer program and another for our Rural Affordable Rental Housing program. Planning and Research staff who wrote the award submissions were excited to be present and accept the rewards alongside the respective department representatives. MaineHousing directors also participated as panelists in four different panel sessions: Director of Homeownership Patricia Harriman sat on the Expanding Pathways to Homeownership for Persons of Color and Other Borrowers panel; Communications Director Scott Thistle participated in the Marketing Homeownership to Lenders and Buyers session; Senior Director of Government Relations and Communications Erik Jorgensen was a panelist for Housing Refugees, Asylum Seekers, and Vulnerable Migrant Populations; and, finally, I moderated the Dashboards, Dashboards, Dashboards panel.

In Colorado, UI/UX Designer Ouellette brushed up on the latest developments in the graphic design field and discussed emerging issues for those in the field. She even had the opportunity to meet one of her design heroes, Aaron Draplin from DDC Design (depicted below).

Our final bit of excitement, upon settling back into our respective office spaces post-conference, is that we learned my request for a new Data Analyst position in Planning and Research had been approved! We are very excited to share that we've listed the new position and are looking forward to a fruitful search for another well-qualified analyst.



Conference Snapshots: *Top Left* – Dashboards, Dashboards, Dashboards panel at NCSHA '24, with (from left to right) Michael McQuillen, Director of Industry and Governmental Affairs – Indiana Housing & Community Development Authority, Megan Bolton, Assistant Director of Research and Analysis – Oregon Housing & Community Services, Jonny Kurzfeld, Ph.D., Director of Planning & Research – MaineHousing, and Kathleen Annarelli, Ph.D., Policy Research Coordinator – New Jersey Housing and Mortgage Finance Agency. *Top Right* – Marketing Homeownership panel at NCSHA '24, with Brandon Dettlaff, Homeownership Director – North Dakota Housing Finance Agency, Madison Fislser Lewis, Manager of Public Relations, Marketing & Internal Communications – North Carolina Housing Finance Agency, and Scott Thistle, Communications Director – MaineHousing. *Bottom Left* – Plenary Awards Breakfast at NCSHA '24, MaineHousing staff at table in the foreground. *Bottom Right* – HOW Design Live conference in Denver, CO, depicting Amanda Ouellette, MaineHousing UI/UX Designer, with Aaron Draplin, DDC Design (Portland, OR).

External Communications

Press Interaction	ME-based outlets Press contacts*	Out-of-state outlets Press contacts*	Director-level Press interviews
September 2024	20	1	17
Previous 3mo Average	17.7	1	11.7
Previous 6mo Average	18.8	1.2	13.0
September 2023	-	-	-

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

September was a busy media month for MaineHousing. We had numerous staff make appearances as guests or as subject-matter experts with a range of Maine news outlets, including print, television, and radio. We also hit our benchmark once-a-month national outlet media request, this one from the Boston Globe about homelessness in Lewiston. MaineHousing staff appeared or were quoted in the Bangor Daily News, the Portland Press Herald, the Ellsworth American, on WGME, WCSH, WABI, WMTW, and MaineBiz.

MaineHousing Director Daniel Brennan was also involved in several public panels and roundtable events. These included one on migrant housing needs, hosted by Prosperity Maine, and another on how new federal funding for energy efficiency will be used in affordable housing development. The latter event was arranged by the Governor’s Energy Office and the U.S. Department of Energy in tandem with a visit to Maine by DOE Secretary Elizabeth Granholm. The event, featuring both Governor Mills and Secretary Granholm, garnered significant media coverage and included a visit to a MaineHousing-financed development for older Mainers in Westbrook.

A few other highlights for the period include:

- On September 24, Senior Director of Communications & Government Relations Erik Jorgensen was once again a guest on the Maine Calling radio show, this time regarding mobile home parks in Maine and MaineHousing’s involvement in helping finance a newly formed mobile home cooperative in Brunswick.
- Dan was later interviewed on the matter by WGME television.
- Sarah Johnson, Manager of Home Energy Programs, appeared as a guest on Maine Calling as well, this time on September 10 with a panel that discussed how Mainers could get ready for winter.
- On September 11, Kim Ferenc, Manager of Housing Services, was interviewed by Noel Bonam for his radio show that focuses on older Mainers. Kim explained the range of programs available from MaineHousing that help people age comfortably and safely in their homes.

Internal Communications

Intranet Activity	Content Created (Articles, blogs, polls, etc)	Total Content Interactions	Total Page Views
September 2024	33	157	2,403
Previous 3mo Average	29.7	203.3	2,292
Previous 12mo Average	26.8	186.6	2,263
September 2023	35	196	2343

After an all-time high number of content interactions in August, coming in at 282, we saw a significant dip in September that fell below each of the relevant comparison metrics. However, content creation and page views both remained elevated, so this may have been more due to variation in the nature of the posts themselves than any diminishing engagement. Also, most of the Planning and Research team was away for conferencing plus earned time toward the end of the month, so the intranet content was more organically driven for the latter part of the month.

With the NCSHA Annual Conference and a cluster of other conferences in September, the Internal Communications team decided to allow another month of hiatus on Facts & Snacks events, which will be returning this month with a session lead by Senior Director Erik Jorgenson to address pre-election questions about ballot measures and policy issues.

Interdepartmental Support

Lytho Activity	New Requests	Requests Completed	Median hours to completion*	Top 2 Departments
September 2024	23	18	0.23	Energy & Housing Homeless Initiatives
Previous 3mo Average	32.7	32.3	2.3	Energy & Housing Homeless Initiatives
Previous 12mo Average	28.0	28.3	3.2	Energy & Housing Homeless Initiatives
September 2023	33	28	0.13	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.

A new and fun element of interdepartmental support that Planning and Research took on this year is the coordination of our NCSHA delegation. We made sure everyone on the trip had contact information for our fellow MaineHousing attendees and knew when others were arriving as well. We also collected agenda plans so that everyone knew if others would be attending sessions with them and whether there were sessions at which we had no representation. Finally, we planned an informal breakfast, which was attended by about half of our cohort, and a team dinner at the Cornish Pasty Company, which was a smashing success that included the whole team and a few plus ones.

Aware of the coinciding conference trips for all but one of our team, we were careful to inform the leadership team well in advance of impending absences on our support team and also offered a few follow-up reminders. In the end, the disruption to our support capacity was hardly noticeable at all, evidenced by the fact that our median time to completion for tasks in September is less than fifteen minutes.

Website

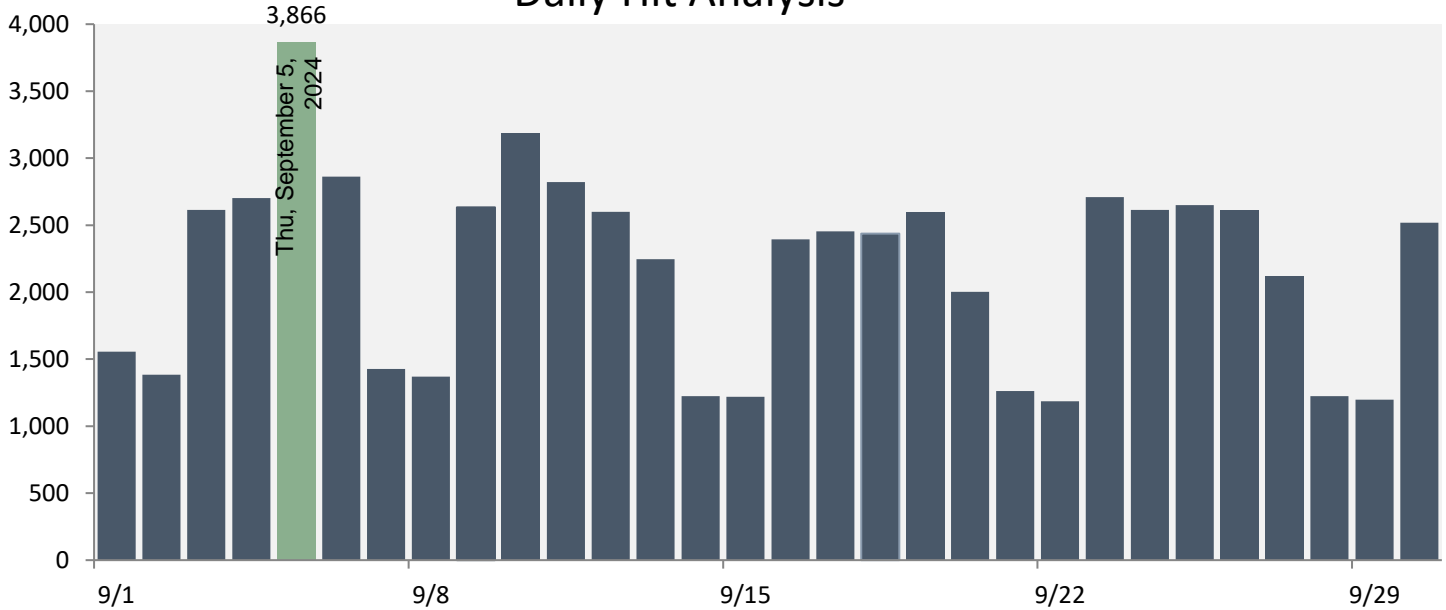
Web Traffic	Visitors	Total Hits	Engagement	Top 2 Program Areas
September 2024	65,682	247,122	89.1%	Energy Programs, Homebuyer Programs
Previous 3mo Average	56,363	204,575	87.5%	Homebuyer Programs Rental Programs
Previous 12mo Average	59,695	220,121	86.1%	Homebuyer Programs Rental Programs
September 2023	63,978	240,591	85.1%	Homebuyer Programs

The website had a great month, exceeding 65,000 hits for the first time in nearly a year. It's our highest hit September on record – including during COVID. Our highest single day of traffic during the month was September 5th, a Thursday. The surge of web traffic early in the month was almost certainly driven by our August 30th press release regarding the online HEAP application, which reminded folks to sign up early for HEAP benefits. Digging into the web report data, you can see that our top referral sites were FaceBook and news stations, and the top two most common search terms were HEAP terminology. Finally, Energy programs beat out Homebuyer programs for most popular content for the first time since March of 2023. There is little doubt that the press release drove a surge of interest, and that home heating remains a highly salient issue.

September 2024 - MaineHousing Website Statistics

Hit Summary

Daily Hit Analysis

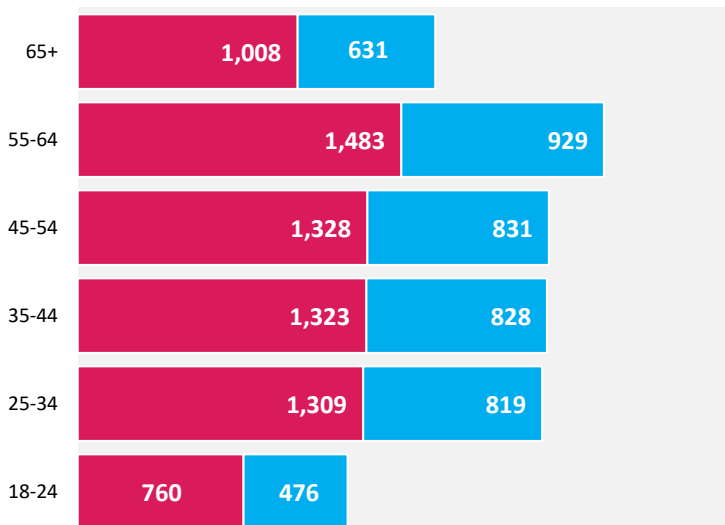


Visitors	Unique Visitors	Page Loads (Hits)	Avg Page Views	Avg Duration	Avg Engagement Rate
65,682	39,599	247,122	3.72	0:03:05	89.1%

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

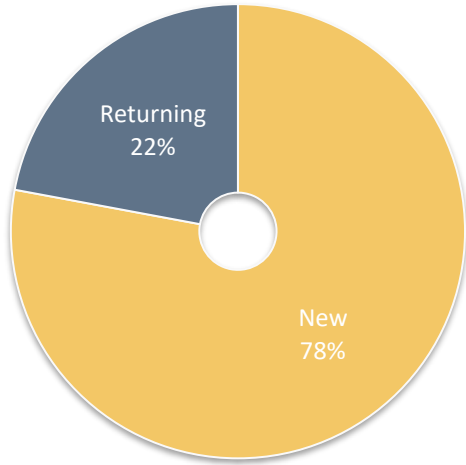
Boston, Massachusetts	6,711
New York, New York	6,054
Portland, Maine	3,821
Augusta, Maine	2,662
Bangor, Maine	1,994
Greenville, North Carolin	1,720
Lewiston, Maine	1,279
Ashburn, Virginia	1,209
Sanford, Maine	740
Waterville, Maine	725

Top Cities account for 40.98% of all website traffic.

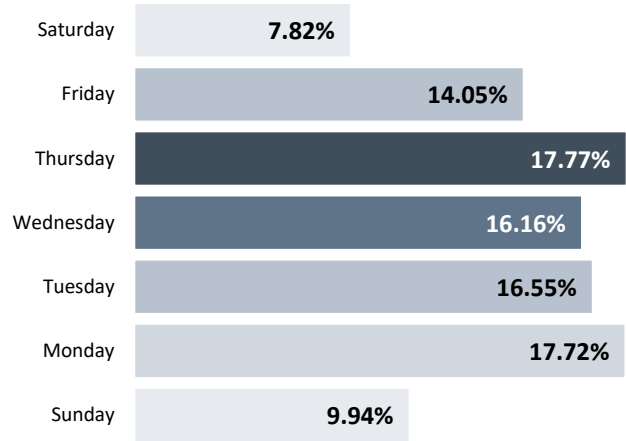
Visitor Engagement

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

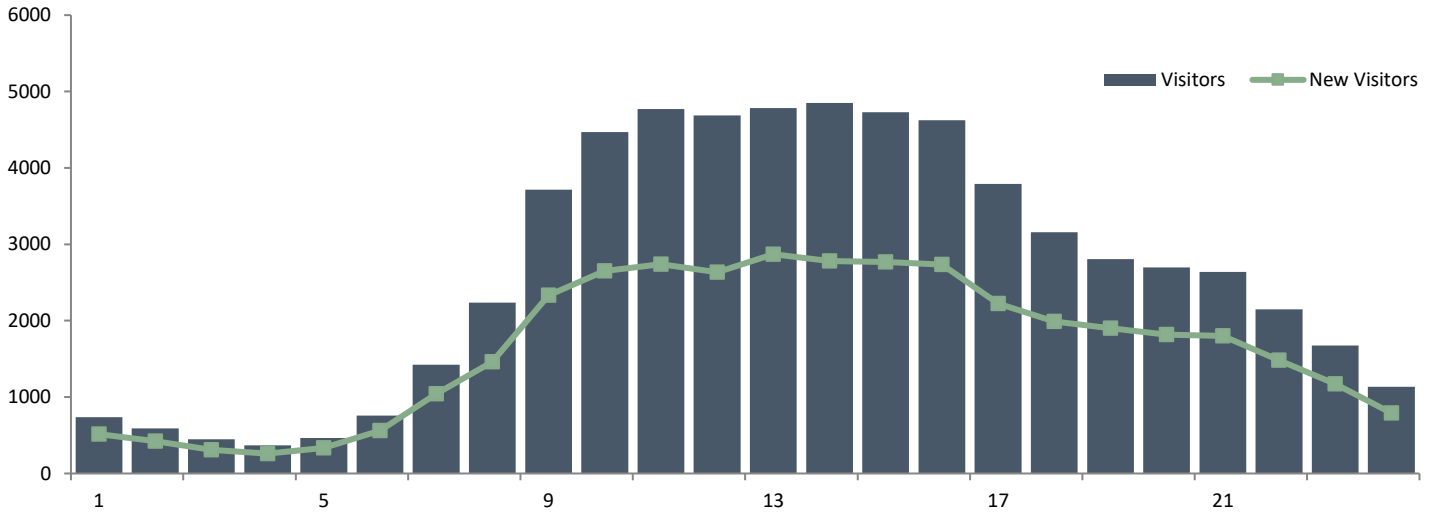
NEW & RETURNING VISITORS



DAYS OF THE WEEK

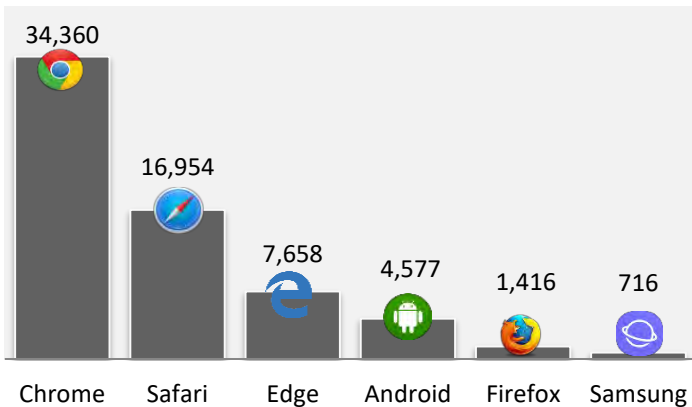


HOUR OF THE DAY

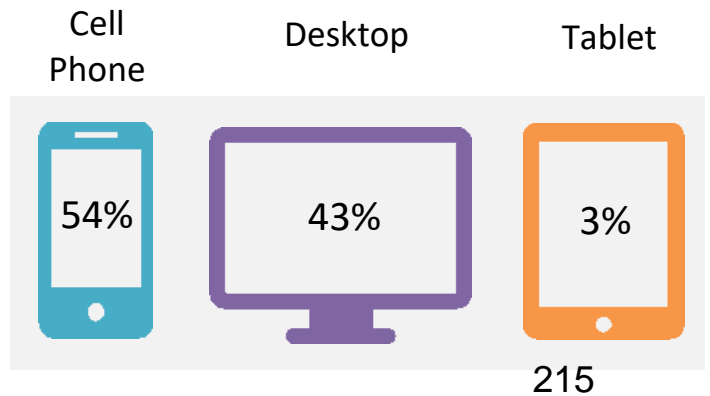


Visitor Technology Summary

Web Browser Analysis



DEVICE ANALYSIS

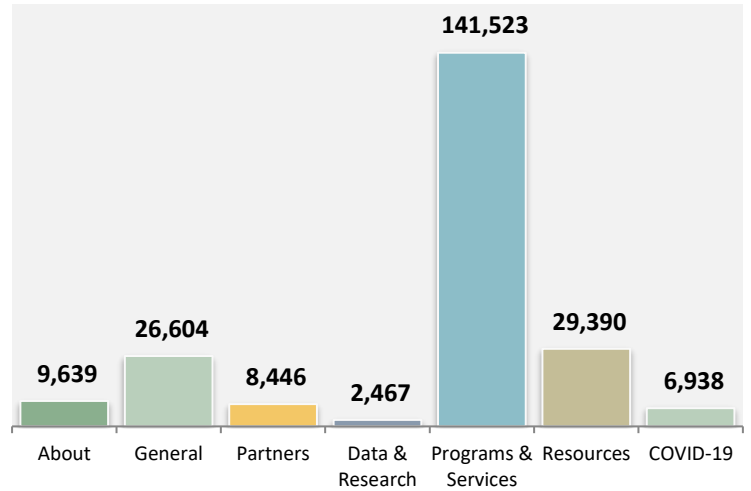


Popular Content

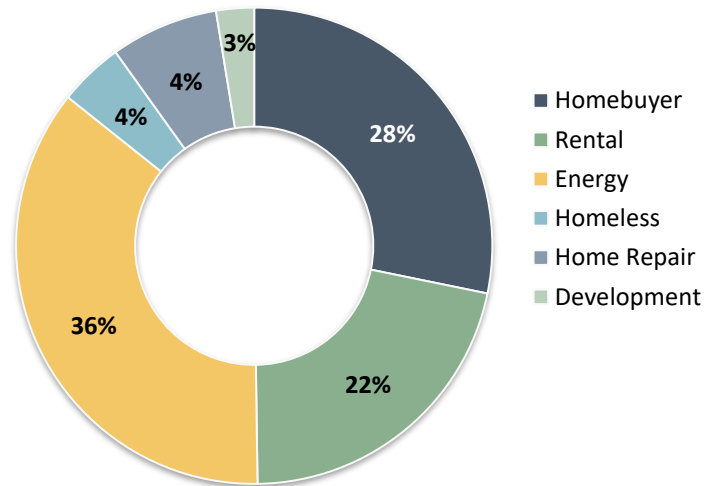
Popular content on our site is defined by pages and or sections of our site that have the highest visits. Below content has been categorized by page, program area and content sections. COVID-19 was added in March of 2020.

Page Title	Hits
Home Energy Assistance Program	38,983
Home	24,173
HEAP Income Eligibility	19,677
First Home Loan Program	16,223
Rental Assistance	7,727
Housing Choice Vouchers	7,404
Subsidized Housing	6,099
Home Repair	4,747
MaineHousing Lenders	4,207
Programs - Services	3,752
Current Interest Rates	3,454
Emergency Shelters	3,321
Eviction Prevention Program	3,318
Homebuyer Income & Purchase Limits	3,038
Mortgage Calculator	2,981
Steps to Homeownership	2,717
Low Income Assistance Program	2,520
Energy Assistance	2,507
Contact MaineHousing	2,448
HEAP Agency Contacts	2,401
First Generation Program	2,252
Homebuyer Programs	2,236
Home Energy Assistance Program	2,206
Weatherization Program	2,203
Rent - Income Charts	2,130

Popular Content By Program

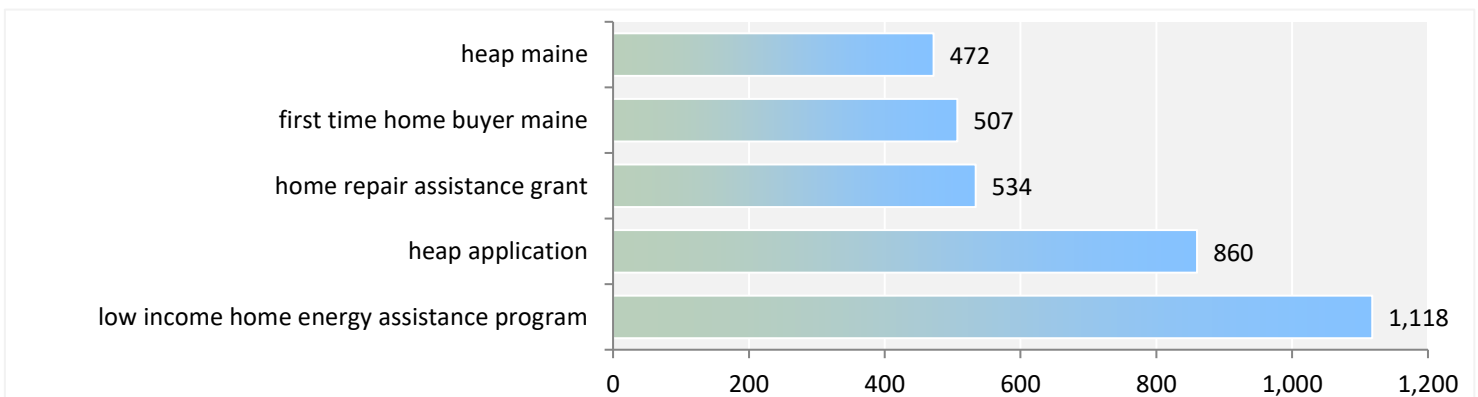


Popular Content By Section



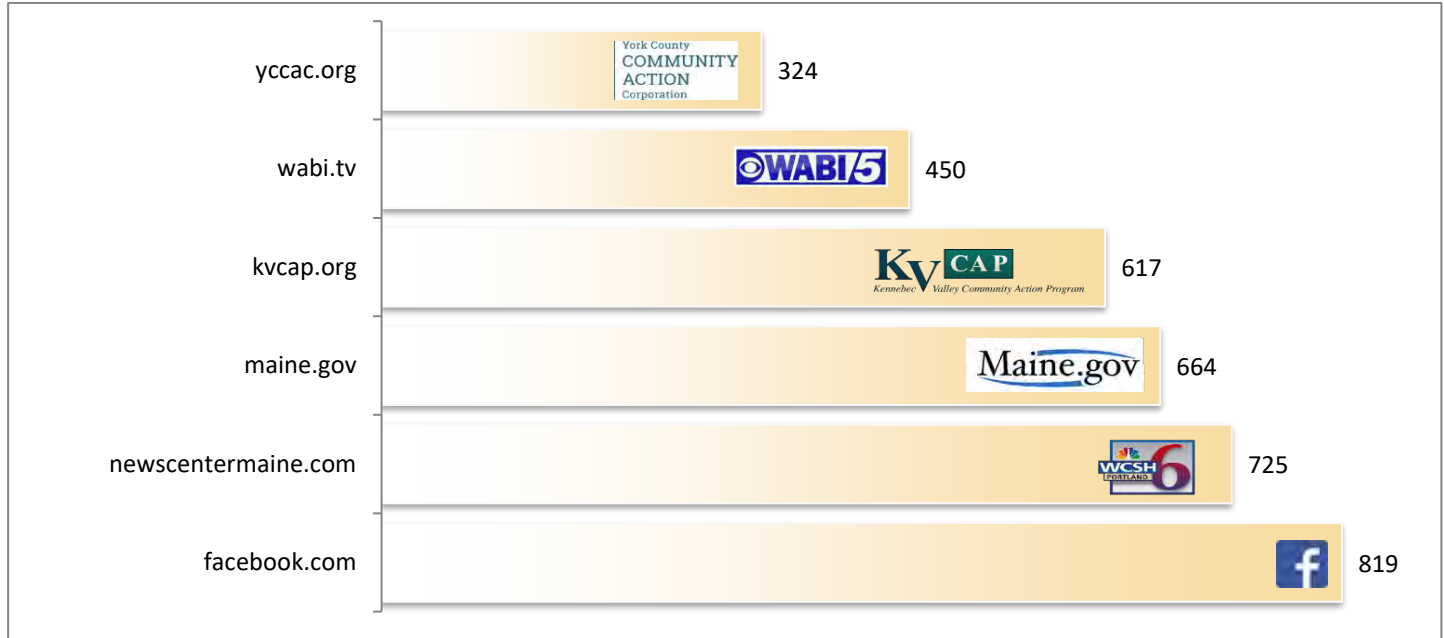
Search Keywords

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

<p>JANUARY 16 <u>Board Business:</u></p> <ul style="list-style-type: none"> • QAP discussion (30 minutes) • Legislature Preview <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • HAF <p>NCSHA HFA Institute Washington, DC (Jan 7 – Jan 12)</p>	<p>FEBRUARY 20 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Draft QAP Discussion • Legislative Update • Governor’s Office Update • Introduce HEAP Rule <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • Homeownership – 2023 Review, 2024 Preview
<p>MARCH 19 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Legislative update • Goals Progress Report • QAP Draft / Commence Rulemaking (VOTE) • Executive Session – Personnel matter <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • Asset Management Update <p>NCSHA Legislative Conf. Washington, DC (March 4- March 6)</p>	<p>APRIL 16 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Commence Rulemaking HEAP Rule (VOTE) • Legislative Update • QAP Public Hearing • Executive Session – Personnel matter followed by a (VOTE) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 2023 Budget and Audit results
<p>MAY 21 <u>Board Business:</u></p> <ul style="list-style-type: none"> • HEAP Rule Public Hearing • HEAP State Plan Introduction <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 2023 Mortgage Purchase Program (MPP) Overview 	<p>JUNE 18 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Adopt HEAP Rule (VOTE) • Adopt QAP (VOTE) • HEAP State Plan Public Hearing • Legislative Update (final) • Update from the Governor’s Office (Greg Payne) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • Housing Choice Voucher Dept. presentation <p>NCSHA Housing Credit Connect Atlanta, GA (June 10 – June 13)</p>
<p>JULY 16</p> <p style="text-align: center;">If necessary</p> <p>NCSHA Exe Directors Workshop Kansas City, MO (July 13-July 16)</p>	<p>AUGUST 20 <u>Board Business:</u></p> <ul style="list-style-type: none"> • 2025 Goal Setting • Adopt HEAP State Plan • Commence Rulemaking Homeless Rule (VOTE)
<p>SEPTEMBER 17 <u>Board Business:</u></p> <ul style="list-style-type: none"> • PHA Plan Public Hearing • 2025 Goal Setting • Homeless Rule Public Hearing • Housing First Rule (VOTE) <p><u>Program Presentations:</u></p>	<p>OCTOBER 15 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Adopt PHA Plan (VOTE) • Introduce DOE Weatherization State Plan • Resource Allocation • Adopt Homeless Rule (VOTE) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> •
<p>NOVEMBER 19 <u>Board Business:</u></p> <ul style="list-style-type: none"> • DOE Weatherization State Plan Public Hearing • Review Preliminary 2025 Budget • 2025 Goal Setting - final • Updates from the Governor’s office (Greg Payne) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 	<p>DECEMBER 17 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Adopt DOE Weatherization State Plan (VOTE) • Approve 2025 Budget (VOTE) • Elect Officers (VOTE) • MPP Series Resolution (VOTE) <p><u>Program Presentations:</u></p> <p>NCSHA Special Board of Directors Meeting and Executive Directors Forum Washington, D.C. (Dec. 8 – Dec. 10)</p>