

Housing Opportunities for Maine (HOME) Fund



A Report to the Maine Legislature on HOME Fund uses 2019-2020

MaineHousing

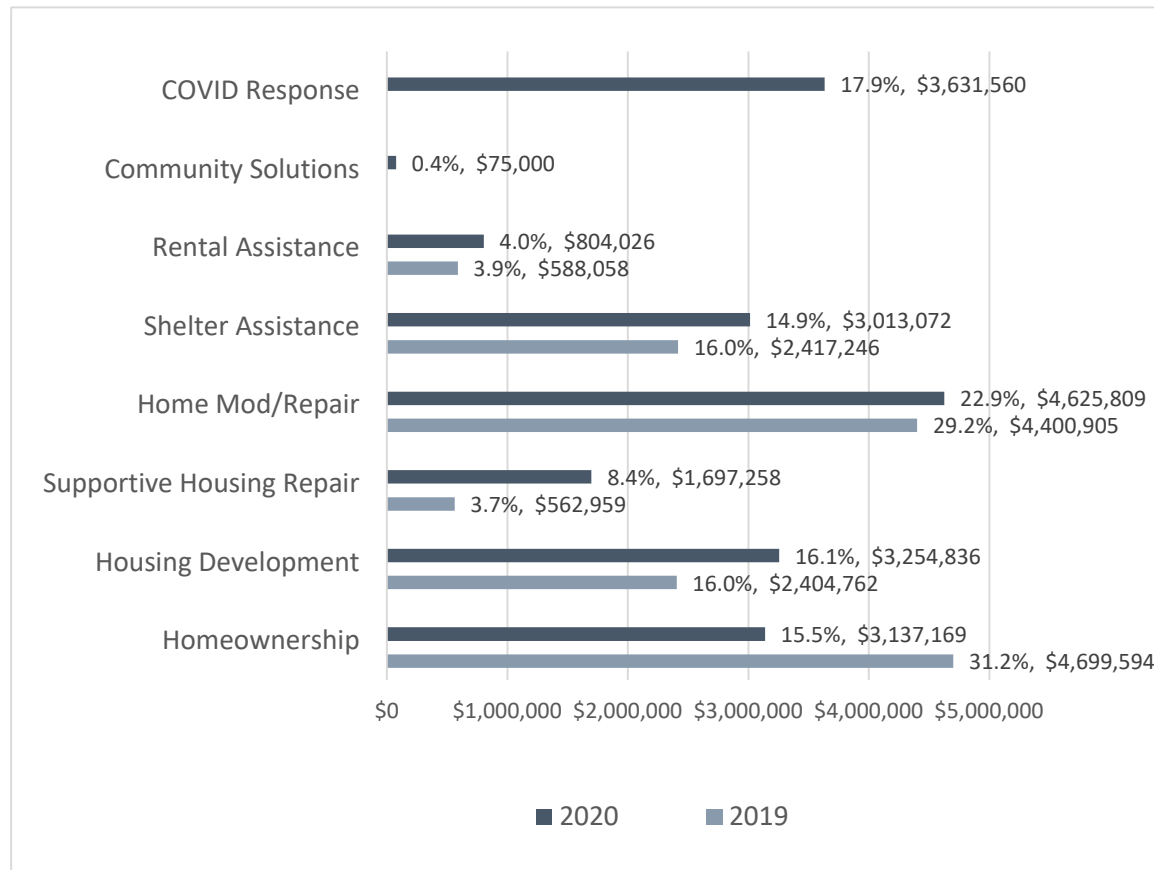
April, 2021

BY THE NUMBERS:

A SNAPSHOT OF MAINEHOUSING'S USE OF THE HOME FUND

In 2019 and 2020, MaineHousing invested \$35,312,254 of HOME Funds to serve low and moderate income homeowners, homebuyers, and renters across Maine.

Assistance by Type of Program Area

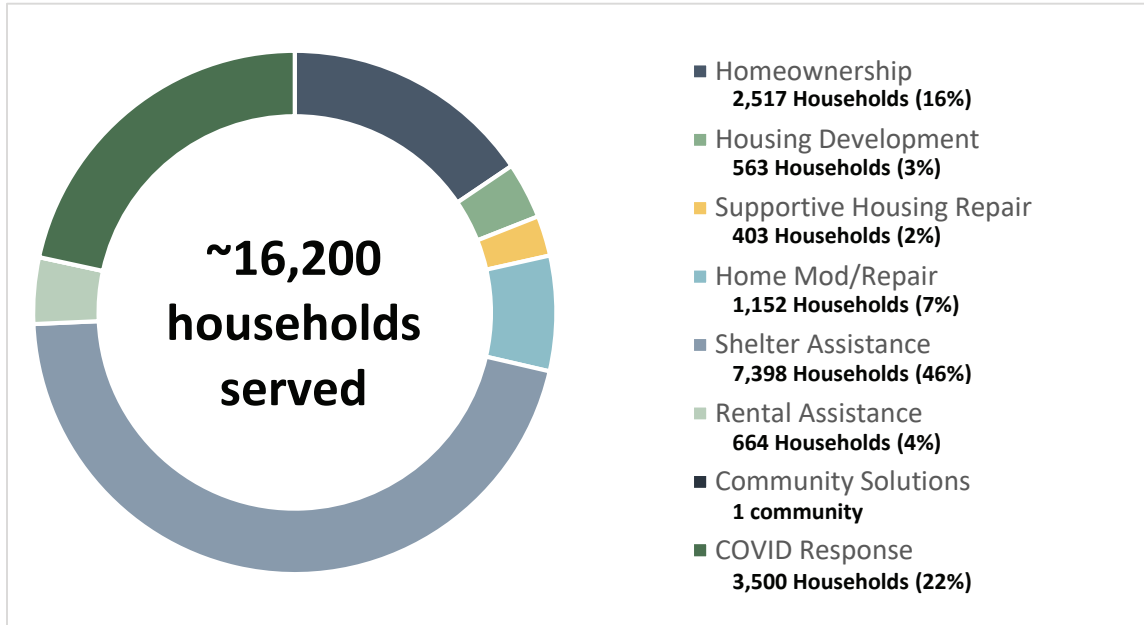


First home mortgage loans
1,970

Home improvements
1,152

Rental units created/preserved
563

COVID-19 Rent Relief to households
3,500



Median homeowner income*	
Lowest	Highest
\$47,083	\$90,038

Median renter income*	
Lowest	Highest
\$20,830	\$42,353

*by county

2019 – 2020 Results

This report provides data and information on MaineHousing’s use of the Housing Opportunities for Maine (HOME) Fund. These dedicated revenue funds are derived from the Real Estate Transfer Tax to meet the purpose of the Housing Opportunities for Maine (HOME) Fund. Maine’s HOME Fund was created in 1982 to provide MaineHousing with a flexible financial resource to address the state’s affordable housing needs. MaineHousing applies these funds directly to Maine’s affordable housing challenges. The agency does not use money from the HOME Fund for salaries or the administrative costs of the agency. Title 36, Section 4641-N of the Maine Revised Statutes requires MaineHousing to submit a report every two years to the joint standing committee of the Legislature having jurisdiction over housing.

The key characteristic of the fund is its flexibility. MaineHousing can use the revenues for a wide variety of housing initiatives that might not otherwise have adequate funding. Funds are also used to meet emergency housing needs such as the numerous housing problems resulting from the COVID-19 pandemic in 2020.

MaineHousing targets HOME Funds toward the priorities it established in the agency’s 2018 – 2023 Strategic Plan.

2018 – 2023 Strategic Priorities

- ◆ **Expand Affordable Housing Opportunities**
- ◆ **Improve and Preserve the Quality of Housing**
- ◆ **Help People Attain Housing Stability**
- ◆ **Provide Leadership in the Housing Field**
- ◆ **Continue to be Viable and Capable of Meeting the State’s Housing Needs**



Helping Maine Expand Affordable Housing Opportunities

2019
1,072 First Home Loans
342 Rental Units Created/Preserved

2020
898 First Home Loans
221 Rental Units Created/Preserved



1,970 First Homes Financed in Maine
\$6.4 million

Loans with Down Payment and Closing Cost Assistance	Average Loan	Average Age of Homeowner	Average Household Size
96%	\$140,760	34	2

MaineHousing offers mortgage products that meet the needs of first-time homebuyers. Through its First Home Loan Advantage option, MaineHousing has helped Maine households purchase their first home by providing them with down payment and closing cost assistance funded by State HOME Funds. The Advantage option currently offers \$3,500 to MaineHousing borrowers with the only requirement being proof of completion of a hoMEworks-approved homebuyer education class.



563 Rental Units Created/Preserved in Maine
\$5.7 million

Total Units Created/Preserved*	Total Funding*
1,109	\$188 million

*All Funding Sources

MaineHousing offers several programs to encourage private development of affordable rental housing for families, seniors, and persons with special needs. Low income housing tax credits, development loans, direct development subsidies, affordable housing tax increment financing, and options to restructure debt are available. Developers are required to ensure that housing developed with MaineHousing financing remains affordable.

Working to Improve and Preserve the Quality of Housing

Home Improvements 2019 – 2020 *Safe, Dry, and Warm Housing*



\$13,000/home
(569 homes)

MaineHousing's home repair programs provide help to low-income homeowners who cannot afford necessary home repairs. MaineHousing spent \$7.4 million in HOME funds to provide needed home repairs.



\$1,760/home
(376 homes)

Older adults value their independence and a fall can significantly reduce their ability to remain self-sufficient. MaineHousing spent \$660,996 in HOME funds to modify homes to make them safer for older adults in Maine.



\$3,860/home
(102 homes)

Lead in homes is a public health issue. It causes learning disabilities and behavior disorders in children as well as nerve damage in adults. MaineHousing spent \$393,458 in HOME funds for lead abatement assistance.



\$31,600/home
(36 homes)

Mainers who own and occupy mobile homes built prior to 1976 may be spending too much money for structure upkeep and energy. MaineHousing spent \$1,137,750 in HOME funds to repair and/or replace pre-1976 mobile homes.



Upgrading properties to support aging in place, accessibility, and energy efficiency

Maine has an older, less energy efficient, and often unsafe housing stock. Many Maine homes have significant repair needs and low income residents are not able to afford necessary repairs. To address these issues, MaineHousing has implemented several programs funded through the HOME Fund. These programs are offered to low income homeowners by Community Action Agencies and local Public Housing Authorities to improve and preserve the quality of housing in Maine.

Helping Maine People Attain Housing Stability

COVID-19 Recovery Initiatives

Keeping Mainers housed through the COVID-19 pandemic has been a significant part of MaineHousing's efforts beginning in March 2020. The flexibility of the HOME Fund greatly improved Maine's public health and economic responses to COVID-19. Responding quickly at the onset of the pandemic, MaineHousing reallocated HOME funds to establish an emergency rental assistance program. In May 2020 MaineHousing offered 3,500 renter applicants up to \$500 in rental assistance. HOME funds were also used to contract with hotels for much needed, temporary wellness shelters for homeless shelter overflow and for non-congregate housing. These hotels provided quarantine and isolation for people who are homeless and residents of group homes who could not safely do so. These costs were ultimately reimbursed by the Federal Emergency Management Agency and the HOME funds were allocated to their original purpose.

HOME Fund Investments: 2019 – 2020

HOME Fund Program Area	2019 Investment	2020 Investment	Households/Individuals Served	Programs
Homeownership	\$4,699,594	\$3,137,169	2,517	Single Family Advantage Program Mobile Home Replacement Program HOPE Program HAMP Program Housing Counseling
Housing Development	\$2,404,762	\$3,254,836	563	LIHTC Program Subsidy Tiny Home Innovation Project Subdivision Program Multifamily Loan Workouts/Preservation
Supportive Housing Repair	\$562,959	\$1,697,258	403	Supportive Housing Repair Program
Home Mod/Repair	\$4,400,905	\$4,625,809	1,152	Home Repair Program Lead Hazard Program Landlord Repair Program Home Replacement Program Community Aging in Place
Shelter Assistance	\$2,417,246	\$3,013,072	7,398	Emergency Shelter and Housing Assistance Program Family & Children Together Youth Homeless Demonstration
Rental Assistance	\$588,058	\$804,026	664	Rental Assistance Security Deposit Program TBRA Assistance Family Development Accounts Asylum Families Rental Assistance
Community Solutions	\$0	\$75,000	1 community	Building Community Together
COVID Response	\$0	\$3,631,560	3,500	COVID-19 Rent Relief COVID-19 Hotels/Shelters
Totals	\$15,073,524	\$20,238,730	16,197	

*Household equivalent of individuals served



MaineHousing

MAINE STATE HOUSING AUTHORITY

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Board of Commissioners 2019 – 2020

- ◆ **Henry Beck**, Treasurer of the State of Maine
- ◆ **Daniel Brennan**, Director of MaineHousing
- ◆ **Laura Buxbaum**, Senior Vice President, Public Policy and Resource Development for Coastal Enterprises, Inc.
- ◆ **Thomas Davis**, retired as Chief Executive Officer of Skills, Inc.
- ◆ **Laurence Gross**, former Chief Executive Officer for Southern Maine Agency on Aging
- ◆ **Kevin Joseph**, Co-owner of Joseph's Fireside Steak House in Waterville
- ◆ **Lincoln J. Merrill, Jr.**, President and Chief Executive Officer of Patriot Insurance Co. in Yarmouth
- ◆ **Donna Talarico**, Senior Vice President and Marketing Manager for Residential Lending at GuaranteedRate.com in Portland
- ◆ **Bonita Usher**, Owner of Smooth Transitions Maine in Buxton

Mission

The mission of MaineHousing is
to assist Maine people
in obtaining and maintaining
quality affordable housing and services
suitable to their housing needs.

Vision of Success

All Maine people have
the opportunity to live
in quality affordable housing.

MaineHousing does not discriminate on the basis of race, color, religion, sex or gender, sexual orientation, gender identity or expression, national origin, ancestry, disability, age, familial status, marital status or receipt of public assistance in the admission or access to or treatment in its programs and activities. In employment, MaineHousing does not discriminate on the basis of race, color, religion, sex or gender, sexual orientation, gender identity or expression, national origin, ancestry, age, disability or genetic information. MaineHousing will provide appropriate communication auxiliary aids and services upon sufficient notice. MaineHousing will also provide this document in alternative formats upon sufficient notice. MaineHousing has designated the following person responsible for coordinating compliance with applicable federal and state nondiscrimination requirements and addressing grievances: Lauren Bustard, Maine State Housing Authority, 26 Edison Drive, Augusta, Maine 04330-6046, Telephone Number 1-800-452-4668 (voice in state only), (207) 626-4600 (voice) or Maine Relay 711.

