



Minutes of the Board of Commissioners Meeting February 17, 2009

MEETING CONVENED

A regular meeting of the Board of Commissioners for MaineHousing convened on February 17, 2009 at the offices of MaineHousing, 353 Water Street, Augusta, Maine. A notice of the meeting was published on February 10, 2009 in the Central Maine Newspapers.

Commissioner Sheryl Gregory called the meeting to order at 9:05 a.m. with Commissioner and Director Dale McCormick, Commissioners David Lemoine, Don Gean, and Nikki McLean present. Carol Kontos and Elizabeth Mahoney were absent. A quorum was present with five Commissioners.

PUBLIC ATTENDANCE

Other guests and staff present at the meeting include: Margaret Bean & Adam Krea, Deputy Directors; Linda Grotton, Internal Audit Manager; Tom Cary, Treasurer; Dan Brennan, Director of Development; Darren Brown, Controller; Laurie Murray, Loan Servicing Manager; Peter Merrill, Director of Communications and Planning; John Bobroweicki, Counsel; Nancy Fritz, Director of Homeless Initiatives; Barbara Berry, Shane Malloy, and Jane Whitley, HR Manager and note taker.

AGENDA

Commissioner Lemoine made a motion seconded by Commissioner McCormick to accept the agenda. All Commissioners voted to accept the agenda. The motion carried 5-0.

COMMUNICATIONS/CONFLICTS

Commissioner McCormick reported that Commissioner John Sevigny resigned. MaineHousing received official notification from HUD that Commissioner Sevigny had a conflict of interest. The Governor's office has until February 25, 2009 to respond.

MINUTES OF THE MEETING

Commissioner Gregory recommended that Commissioner Kontos' comments about a building fire be deleted from the minutes. Commissioner McCormick made a motion seconded by Commissioner Gean to accept the minutes as amended. All Commissioners voted to accept the minutes as amended. The motion carried 5-0.

EXECUTIVE SESSION

Commissioner Gean made a motion to enter into Executive Session pursuant to 1MRS4405.6.E to discuss the pending Liberty litigation. Commissioner McLean seconded the motion. The motion carried 5 – 0.

FINANCIAL REPORT & UPDATE

Darren Brown reported on delinquencies in all portfolios. There have been no significant changes since last month. The single-family delinquency rate increased slightly due to current economic conditions and reductions in household income. MaineHousing's foreclosure rates decreased to just over 1%. MaineHousing is proactively working to keep borrowers out of foreclosure. Our Maine HOPE program has already served 30 borrowers in 2009.

Darren and Laurie Murray met with Graystone to review their delinquency rates. In an effort to better serve our portfolio, Graystone has hired two full-time collectors.

Darren discussed the preliminary budget results for the year ended 2008. A more detailed analysis will be provided once the audit has been completed and the final financial and budget results are available.

Tom Cary and Adam Krea met with Smith Barney last week in Portland. There is interest in our bonds and there are retail buyers in Maine. They are discussing the use of Capital Appreciation Bonds, which we have not sold in several years.

Commissioner Lemoine complimented Darren and Tom for their great work in difficult times.

DIRECTOR UPDATES

Commissioner McCormick presented the following information in her updates:

- Energy Star Mortgage Program ~ there will be a press conference on Friday 2/20.
- Governor's Weatherization Plan ~ 100 audits have been completed, work has begun, and 120 homes will be completed by the end of April.
- Stimulus Package money for housing and weatherization includes: Public Housing Capital Fund, HOME Partnership Program, Homeless Prevention, Weatherization, and Lead Hazard Reduction Program.

LEGISLATIVE UPDATES

Peter Merrill presented the following information in his updates:

- There is a bill regarding the application process for the LIHEAP program.
- Margaret Bean will be presenting our budget to the legislature in March.
- We did an energy presentation to the Joint Standing Committee last week.
- We are doing a MaineHousing overview presentation for the Business Committee today.
- There is concern about the 2007 predatory lending legislation because the interest rates are historically low.
- Commissioner Gean crafted a Resolve (LD 576) to look at housing and service programs. Are the programs located in the proper agencies? Commissioner McCormick and Brenda Harvey, DHHS Commissioner, have already begun these discussions.

REPORTS

None

OTHER BUSINESS

Nancy Fritz presented 2008 Homeless data information. There was a 13% increase in bed nights compared to 2007. The same number of people were served; however, they stayed longer.

Commissioner Gean made a motion seconded by Commissioner McLean to adjourn the meeting at 10:35 a.m.

NEXT MEETING

The next meeting of the Board of Commissioners will be held on March 17, 2009 at the offices of MaineHousing.

Respectfully submitted,

Donald Gean, Secretary