

August 17, 2021 Board Meeting

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Board of Commissioners Meeting – August 17, 2021 9:00 A.M. – 12:00 P.M.

MEMBERS OF THE BOARD: Lincoln Merrill, Jr. (Chair), Daniel Brennan, Henry Beck, Bonita Usher (Vice Chair), Kevin P. Joseph (Secretary), Laura Buxbaum, Brian Hubbell, Nancy Harrison, and John Wasileski

9:00	Adopt Agenda (VOTE)	Lincoln Merrill
	Approve minutes of July 20, 2021 meeting (VOTE)	All
	Communications and Conflicts	All
	Chair of the Board Updates	Lincoln Merrill
	Director Updates	Dan Brennan
9:30	Approve Weatherization Waiver Request (VOTE)	Troy Fullmer
9:45	Review Proposed HCV Annual Plan	Allison Gallagher
10:00	ERA Program Update	Allison Gallagher
	Future Presentations/Topics	All
	<u>Department Reports:</u>	All
	Asset Management	
	Audit Committee Report	
	Communications and Planning	
	Development	
	Energy and Housing Services	
	Finance Monthly Report	
	Financial & Budget Report	
	Finance Delinquency Report & Charts	
	Homeless Initiatives	
	Homeownership	
	Housing Choice Voucher	
	Human Resources and Facilities	
	Information Technology	
	2021 Board Calendar	
	Adjourn (VOTE)	All



Minutes of the Board of Commissioners Meeting July 20, 2021

MEETING CONVENED

A meeting of the Board of Commissioners for MaineHousing convened on July 20, 2021 at the offices of MaineHousing, 26 Edison Drive, Augusta, Maine and virtually. Notice of the meeting was published on July 9, 2021 in Central Maine newspapers.

Chair Lincoln Merrill called the meeting to order at 9:00 a.m. Chair Merrill, Commissioners Laura Buxbaum, Nancy Harrison and Kevin Joseph all attended in person. State Treasurer Henry Beck and Commissioners Bonita Usher, and Brian Hubbell attended via video conference due to travel needs and Commissioner Wasileski attending remotely due to COVID concerns. There were no other persons at their locations. Director Dan Brennan was absent. There was a quorum present.

PUBLIC ATTENDANCE

Guests and staff present for all or part of the meeting included: Linda Uhl, Chief Counsel; Peter Merrill, Deputy Director; Denise Lord, Senior Director of Communications and Planning; Troy Fullmer, Manager of HEAP; Daniel Drost, Director of Energy and Housing Services; Cara Courchesne, Communications Coordinator; Linda Grotton, Director of Audit and Compliance; Jane Whitley, Director of Human Resources and Facilities; Erik Jorgensen, Director of Government Relations; Tom Cary, Treasurer; Tracy Snowden, Office Coordinator; Karen Lawlor, Executive Administrator; Jason Stonier, Operations Manager – Building & Grounds; Sheila Nielsen, Director of Information Technology; Rob Morrison, Systems Engineer; Ashley Janotta, Counsel; Steven McDermott, Strategic Planning and Research Team Leader; Julio Catumbela and Monica Grady, Kennebec Valley Community Action Program; Jackie Watson, York County Community Action; and Gerrylynn Ricker, Paralegal and Note taker.

ADOPT AGENDA

Commissioner Joseph made a motion seconded by Commissioner Harrison to adopt the July 20, 2021 agenda. The vote carried unanimously.

APPROVE MINUTES OF JUNE 15, 2021 MEETING

Commissioner Usher made a motion seconded by Commissioner Joseph to accept the June 15, 2021 minutes as written. The vote carried unanimously.

COMMUNICATIONS AND CONFLICTS

Chair Merrill had a communication regarding the HEAP program. He reached out to Troy Fullmer who was helpful. Chair Merrill also reported over the last month he has had correspondence with Denise Lord and Mark Wiesendanger regarding senior housing. Commissioner Hubbell reported he continues to work with the Governor's office on policy. Commissioner Wasileski reported he met with Erik Jorgensen, Denise Lord, and Dan Brennan regarding outreach.

CHAIR OF THE BOARD UPDATES

None

DIRECTOR UPDATES

Deputy Director Peter Merrill reported Director updates for Director Dan Brennan who is out on medical leave as follows:

- Dan Brennan is recovering from surgery.
- ERA program continues to improve and run more efficiently.
- Treasurer Tom Cary sold \$40,000,000 in single family bonds. A \$40,000,000 single family “social” bond issue will be sold in August.
- There has been a press release recently regarding a study on homeless shelters that we commissioned.
- We are watching very carefully the end of the moratorium on evictions.
- ERA funds distributed approximately \$41 million and helped approximately 8,500 households.
- Deputy Director Merrill welcomed everyone to the new building and invited the Commissioners attending in person to tour the building after the meeting.

MAINE ENERGY, HOUSING AND ECONOMIC RECOVERY (MEHER) BONDS RESOLUTION

Treasurer, Tom Cary asked the Board of Commissioners to adopt a resolution to authorize the issuance of up to \$100 million Maine Energy, Housing and Economic Recovery Revenue Bonds. Tom reviewed with the Commissioners the background of the MEHER bonds. We last issued MEHER bonds in 2010 in the amount of \$49,600,000. Those bonds were used for multi-family loans; supportive housing; mobile home replacements and island/rural housing. We are instructed by legislation to seek to achieve the following targets in allocating the MEHER funds over time:

- 30% to multi-family for seniors;
- 30% to multi-family for any age;
- 10% to serve special needs populations; and
- 10% to replace substandard manufactured housing.

There is also a directive to design programs so that up to 30% of proceeds could be used in smaller rural communities. Tom also explained to the Commissioners how the debt service is paid, the issuance limitations, and what the 2021 MEHER Bond issue will be used for.

Commissioner Buxbaum made a motion seconded by Commissioner Harrison to adopt the Resolution on Pages 8 and 9 of the Board packet to issue up to \$100 million of Maine Energy, Housing and Economic Recovery bonds. The vote carried unanimously.

HEAP WEATHERIZATION WAIVER REQUEST PUBLIC HEARING

Chief Counsel Linda Uhl opened the hearing on the weatherization waiver request under our Home Energy Assistance Program at 9:38 a.m. Ms. Uhl introduced the Commissioners and staff representing MaineHousing. Notice of the hearing was published on our website July 1, 2021, sent to interested parties, and published in newspapers statewide on July 2, 2021. The comment period expires Friday, July 30, 2021 at 5:00 p.m. Ms. Uhl asked the Manager of HEAP, Troy Fullmer to describe to the Board the stakeholder process. There were no public comments and the hearing on the waiver closed at 9:42 a.m.

LEGISLATIVE MATTERS

Included in the Board packet were two spread sheets, one listing all the bills that Director of Government Relations Erik Jorgensen and Deputy Director Peter Merrill followed for this 130th legislative session and the other was a summary of the more significant bills, their status, and Erik and Peter's analysis and position for each bill. Erik reviewed the two spreadsheets with the Commissioners.

ADJOURN

Commissioner Joseph made a motion seconded by Commissioner Wasileski to adjourn the meeting. The meeting was adjourned at 10:04 a.m. by unanimous vote of the Board.

Respectfully submitted,

Kevin P. Joseph, Secretary



Energy & Housing Services Department Memorandum

To: MaineHousing Board of Commissioners

From: Troy Fullmer, Manager of HEAP *T.F.*

Date: August 10, 2021

Subject: Waiver Request for PY2021 HEAP Weatherization Funding

MaineHousing is seeking a waiver pursuant to the Home Energy Assistance Program (HEAP) Statute related to funding limits for weatherization services provided within the HEAP. HEAP grantees can allocate up to fifteen percent (15%) of their annual HEAP funding towards installing cost-effective measures in dwellings occupied by eligible households to increase energy efficiency while ensuring health and safety. MaineHousing is seeking a waiver from the United States Department of Health and Human Services (HHS) to exceed the maximum percentage limits placed on funds used for weatherization services from fifteen percent (15%) up to a maximum of twenty-five (25%) for the PY2021 HEAP grant award.

A public hearing on the proposed waiver was held on July 20, 2021 and a description of the proposed waiver was made available on MaineHousing's website. There were no oral comments presented during the hearing. The ensuing ten-day comment period was open through July 30, 2021 and MaineHousing received no written comments during this period.

During a meeting with HHS, MaineHousing Energy and Housing Services Department (EHS) personnel were informed by HHS that the waiver for the PY2021 HEAP weatherization cap will apply to the PY2021 HEAP Supplemental funding as well as the regular PY2021 HEAP funding award. The waiver allows MaineHousing to use up to an additional 10% (not to exceed 25% total) of the regular PY2021 HEAP allocation and the PY2021 HEAP Supplemental award towards weatherization services.

Adoption of Proposed HCV Annual Plan

Public Comment Requirements

§ 903.17 What is the process for obtaining public comment on the plans?

(a) The PHA's board of directors or similar governing body must conduct a public hearing to discuss the PHA plan (either the 5-Year Plan and/or Annual Plan, as applicable) and invite public comment on the plan(s). The hearing must be conducted at a location that is convenient to the residents served by the PHA.

(b) Not later than 45 days before the public hearing is to take place, the PHA must:

(1) Make the proposed PHA plan(s), the required attachments and documents related to the plans, and all information relevant to the public hearing to be conducted, available for inspection by the public at the principal office of the PHA during normal business hours; and

(2) Publish a notice informing the public that the information is available for review and inspection, and that a public hearing will take place on the plan, and the date, time and location of the hearing.

(c) PHAs shall conduct reasonable outreach activities to encourage broad public participation in the PHA plans.

TIMELINE

August 3, 2021	Public Notice of Public Hearing Public availability of Proposed Plan including feedback/recommendations from Resident Advisory Board
August 17, 2021	Submit draft plan to Board for review prior to Public Hearing
September 21, 2021	Public Hearing
October 19, 2021	Board adoption

Newspapers we publish in:
Portland Press Herald
Lewiston Sun Journal
Kennebec Journal
Bangor Daily News

Resident Advisory Board comments and Narrative for 2022 PHA plan (annual)

An email was sent on July 20, 2021 to 8 HCV participants who have served on the Resident Advisory Board for the past three years. A draft of the Annual PHA plan was attached along with the questions below.

How do you like communicating best with MaineHousing?

- I prefer to do zoom with communications with MHA

Would you be interested in using an online tool to complete the annual recertification required each year?

- I would love to do the recertification on-line.

Do you have any specific comments about the 5 Year plan attached to this email?

- No responses received

Narrative-

MaineHousing did not make any changes to the FSS Action Plan since the last revision in 2018. MaineHousing comments received through the consultation process of our agency Consolidated Plan when completing our Annual PHA Plan.

- We will continue to give preferences to elderly and disabled families and veterans.
- We will continue to work with and give priority to the homeless shelters and domestic violence providers to serve this population.
- We will continue to give preference to applicants living or working in our jurisdiction to ensure that we help people in all parts of the State.
- We have hired a Housing Navigator to build landlord relationships and encourage them to participate in the HCV Program. They will also help people find and maintain housing.
- We are committed to working with social service agencies to provide housing resources to Mainstream and Emergency Housing voucher holders.
- We will support the development of new affordable units by offering project based vouchers to projects serving priority populations and those selected as part of a MaineHousing competitive process.
- We are evaluating an online portal to assist with the annual recertification process.

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: ME901 PHA Plan for Fiscal Year Beginning: (MM/YYYY): 01/2022 PHA Inventory (Based on Annual Contributions Contract (ACC) units at time of FY beginning, above) Number of Housing Choice Vouchers (HCVs) 4462 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: 25%;">Program(s) not in the Consortia</th> <th style="width: 15%;">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 checked="" type="checkbox"/> <input 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): Awarded 99 Emergency Housing Vouchers (EHV)</p>
B.2	New Activities. – Not Applicable

DRAFT

<p>B.3</p>	<p>Progress Report. Provide a description of the PHA’s progress in meeting its Mission and Goals described in its 5-Year PHA Plan.</p> <ul style="list-style-type: none"> - Provided excellent customer service by hiring staff competent in customer service delivery – hired one additional Occupancy Specialist - Awarded 4 Project-based vouchers to permanent supportive housing projects for homeless and or disabled families - Awarded 16 Project-based vouchers to housing projects for elderly and or disabled 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 56+ 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. Housing navigator on site. - Used administrative fee reserves and CARES act funding to provide landlord incentives, security deposits, landlord repair money and damage reimbursement as needed - 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. - 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 - 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. (8 currently housed) -Administer 115 VASH vouchers for veterans (99 currently housed) -Set aside 32 Non-Elderly Disabled Vouchers to assist families that qualify under the 811 waiver program (22 currently housed) -Set aside 42 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) 17 currently leased - Set aside 115 Family Unification vouchers for families and youth (86 currently leased) - Awarded 5 year mainstream vouchers (approx. 22 available) 17 currently leased -Awarded 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-Effective 7/1/2021 - Publish 2 Landlord newsletters per year - Regularly hold Landlord forums and PHA inspector forums- virtually - Staff attend industry meetings, conferences, and trainings- virtually
<p>B.4</p>	<p>Capital Improvements. – Not Applicable</p>

B.5	<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>
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C.	Other Document and/or Certification Requirements.
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C.1	<p>Resident Advisory Board (RAB) Comments.</p> <p>(a) Did the RAB(s) have comments to the PHA Plan?</p> <p>Y N <input checked="" type="checkbox"/> <input 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>
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C.2	<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>
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C.3	<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>
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C.4	<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 checked="" type="checkbox"/></p> <p>If yes, include Challenged Elements.</p>
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D.	Affirmatively Furthering Fair Housing (AFFH).
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D.1	<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>
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Fair Housing Goal:	
<i>Describe fair housing strategies and actions to achieve the goal</i>	

Fair Housing Goal:	
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Describe fair housing strategies and actions to achieve the goal

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

Asset Management Department Memorandum

To: MaineHousing Board of Commissioners
From: Robert Conroy – Director, Asset Management
Date: August 10, 2021
Subject: August Board Report - Asset Management

Supportive Housing Repair Loan Program (SHP Repair) Update

For 2021 the SHP Repair program continues as one of the most appreciated programs in Asset Management. The intent of the program is to provide much needed funding for repair, improvement and safety upgrades for Supportive Housing properties in the MaineHousing portfolio that serve Homeless and Special Needs populations.

Historically these properties have been challenged with not having sufficient operating capital to maintain and improve the property over a long period of time. Incidents of deferred maintenance often escalate into more costly repairs that properties struggle to afford.

Through the SHP Repair program property owners can fund up to \$150,000 in repairs and upgrades that will help sustain property operations into the future.

In 2021 the program was allocated \$1,750,000.

Since January 1, 2021 we have received 16 applications with funding requests totaling \$1,042,327.

Loan closings have been completed on 7 applications with requests totaling \$623,083.

Application processing, which includes a full inspection of the property, is proceeding on the remaining 9 properties with requests totaling \$419,244.

Audit and Compliance Department Memorandum

To: Board of Commissioners
From: Linda L. Grotton, Director of Audit and Compliance
Date: August 17, 2021
Subject: Audit Committee Report

The MaineHousing Audit Committee held their quarterly meeting on July 28, 2021. Bonita Usher, Chair of the Audit Committee, and Lincoln Merrill, Chair of the Board of Commissioners and Audit Committee member, met with Linda Grotton.

Under the category Internal Audit Updates, Linda reported that the ERA Program Audit will be initiated in August. Timing was postponed to allow the CAAs additional time to establish procedures and process the unprecedented numbers of applications received immediately following the program's launch in March. Linda will be visiting each of the ten participating CAAs to interview and job shadow staff involved in the program. Because all documents are electronic, the file review portion of the audit will be completed remotely.

Under the category of External Audit Updates, Linda shared the results of the ESG (Emergency Solutions Grant) Exit Interview held July 22 held by the CPD (Community Planning and Development) office of HUD. This was their first major fully remote audit of a grantee since all on-site audits were canceled by HUD due to the COVID pandemic, and overall, it went very smoothly. All documents requested for review (and there were a lot of them!) were uploaded in advance to a new HUD file sharing site. Daily check-in meetings between MaineHousing Homeless Initiatives, Audit/Compliance, Finance, and HUD were held each morning during a two-week period leading up to the Exit Interview. Overall, there will be 2 (minor) findings – one of which will be closed by the time the report is issued – and both related to documentation of homeless verification of clients by participating shelters. Given the breadth and depth of HUD's review, and given the challenges of administering the ESG program throughout the COVID period, these results are notable.

Linda announced that Kevin Strout started as MaineHousing's Fraud Prevention Specialist on June 21. She received a record 56 applications for the position. Interviews were held in May, and Tom Roth, the Director of the Fraud Investigation and Recovery Unit for Maine DHHS, participated in second round interviews. Kevin recently retired as a State Trooper with the Maine State Police, and spent some time investigating financial crimes, including Medicaid fraud, as a Special Agent with the Ohio Attorney General's office. He will initially focus on ERA program fraud, but will branch out to other programs as time allows.

The MaineHousing Disaster Recovery / Business Continuity Plan update is now complete. The updated version reflects our current location at 26 Edison Drive, lessons learned as a result of the COVID pandemic, as well as our recently contracted IT system backup and recovery site in Brunswick. Annual testing of the plan is a key component that will be established in the Fall or Spring timeframe.

The Information Security Committee continues to work to educate staff on phishing attack risks. As reported last quarter, all employees are now required to take quarterly training sessions and are receiving “fake” phishing emails as part of the overall education effort. During the May phishing campaign, nearly one in five (20 percent) clicked on a link or opened an attachment that if real, could have been harmful to MaineHousing. Instead, the employee received immediate feedback as to why they should have recognized the email as a potentially harmful phishing attempt. All employees were required to complete quarterly training in June, and in July, a new “fake” phishing campaign was rolled out. The ISC was thrilled to see that only 2.7 percent of employees clicked on the link (beating the industry benchmark of 3.7 percent!)

Linda also discussed the work that the ISC is doing in the area of helping to reduce vendor management risk. IT created a Vendor Management Questionnaire that has been sent to all of our vendors of systems or applications that score high on our System Criticality Matrix that IT maintains. The questionnaire is also being sent to new vendors as part of the vetting process by the ISC before IT approves a new system or application for connection to or use with MaineHousing’s systems.

The next quarterly meeting of the Audit Committee will be scheduled for early October.

Communications & Planning Department Memorandum

To: Board of Commissioners

From: Denise Lord

Date: August 10, 2021

Subject: August Board Report

Sole Source Procurement

I provide the following as background information to the Director's report on sole source procurement of a two extension of our licensing agreement with Emphasys for mainehousingsearch.org under the uniqueness provision of our procurement policy.

On June 1, 2016, MaineHousing entered into a software licensing agreement with Non-Profit Industries d.b.a Social serve.com for a web-based searchable statewide housing database for the listing and information on rental properties. Non-Profit Industries has since been purchased by Emphasys.

The licensing agreement is for hosting the database and website that are MaineHousingSearch.org. The licensing agreement included four, one year renewals. MaineHousing has renewed the agreement each year and has during the term of the agreement amended the agreement to include two additional products. The agreement was amended to include the HUD 811 PAIR module. This module was requested by Asset Management to establish a referral system for 811 units awarded to MaineHousing. The Housing Choice Voucher department also uses the housing search data to conduct the rent reasonableness portion of Elite. Emphasys also owns Elite and moving away from the mainehousingsearch.org product would remove that functionality. The agreement was also amended to include a survey of market rental units for data used in our annual Affordability Index.

The software agreement is considered commercial off the shelf software. The agreement is funded with MaineHousing General Funds for the housing database, federal funds for the HUD 811 PAIR module, and General Funds for the market rental survey.

Since the licensing agreement of \$41,546 (without the market rental survey) exceeds the procurement limit of \$10,000, either the Generally Applicable Policy of the MaineHousing Procurement Policy using an RFP process or the Sole Source Procurement provisions apply.

There are very few housing locator services available for use in the public sector housing market. I searched the internet, checked software comparison websites, and asked other colleagues for alternative vendors. Twenty five state housing agencies use the Emphasys housing locator product. <https://emphasyslhs.com/> It is the only vendor that I could identify that includes the HUD 811 PAIR module. Other potential vendors are offering products that are property management software, designed to help with leasing and managing rental properties. Those very few vendors that

offer housing locator/listing services and these products are geared to very specific uses such as public housing and to smaller housing authorities – GoSection8 for example.

There are challenges involved with transitioning the data base to a new vendor, sorting out if the HUD 811 PAIR module will be available or if it will need to be re-developed, determining the process impact on determining rent reasonableness for HCV, and establishing new relationships and protocols with a new vendor. Given the modest annual cost and that the Emphasys product has served us well, I recommend that we renew our licensing agreement for at least two years. That will give us enough time to conduct a thorough assessment of the market for other products.

CPD's Communications & Marketing Team has:

- Fielded 30 unique outreach calls (defined as a reporter's call on one issue) with a total of 48 contacts (some reporters/topics require more back and forth) on topics ranging from ERA statistics to the launch of Emergency Rental Assistance Program (ERA) 2 to homeless shelters to the eviction moratorium. This included journalists from NBC Nightly News, the Washington Post, the Boston Globe, the Associated Press, and Maine media outlets.
- Publicly launched MaineHousing's ERA 2 efforts, including: drafting and disseminating a press release and providing media relations, supporting CAAs and MECAP, and significantly revamping MaineHousing's ERA webpage to include ERA 2 updates and simplify some of the language. This included rewriting content and working with our contracted translator to ensure we had information and application materials in 8 languages other than English.
- Worked on additional materials and efforts to ramp up more ERA outreach efforts that will begin in the next two weeks. This includes working with our contracted marketing agency on a new PSA, new outreach flyers for partners (which will be translated into several languages), and an outreach approach similar to ERA 1 which our Communications Coordinator Cara spoke to you about earlier this year.
- Supported the writing of two op-eds, one published by the Press Herald (authors: Dan Brennan and Steph Primm) and one published by the Bangor Daily News (authors: Megan Hannan and Greg Payne).

ERA/Housing Stability

In anticipation of the ending of the national CDC eviction moratorium, we contracted with Pine Tree Legal and Legal Services for the Elderly to provide legal aid to renters facing eviction. We also held a landlord forum to inform them of the expansion of emergency rental assistance and the provision of legal aid during eviction filings.

Reports/Dashboards/Data

The Development Dashboard is on the webpage; it can be found here:

<https://www.mainehousing.org/policy-research/program-data/development-program-metrics>. The next dashboard under construction is Housing Services which describes the home repair, home modification, arsenic and lead abatement programs. Homeless Initiatives will soon follow. The ERA dashboard now includes expenditures by county. Finally, we are assisting the Department of Health and Human Services in the development of the Age Friendly State Plan dashboard.

We finalized fact based proxies for determining eligibility for the Emergency Rental Assistance program. We continue to compile data for reporting to US Treasury.

Staff Development

Registration opened for the next Staff Development Webinars. These virtual 1 ½ hour sessions are facilitated via RingCentral. The webinars are limited to 16 participants. Webinars are offered for the following topics: Leading Organizational Change, Group Conflict and Cohesion, Emotional Intelligence, Delivering Feedback. These webinars are optional and are intended to build staff competencies.

Three mandatory staff training opened for Harassment Prevention, Diversity, Equity & Inclusion, and Office Ergonomics.

Supporting/Accessing American Rescue Plan funds

Legislation was enacted to include allocating \$50 million in ARPA funds for the development of workforce housing. This funding will expand housing options that are affordable to workers and their families to own or rent, through existing financial programs offered by MaineHousing, as well as new incentives in partnership with the Department of Economic and Community Development using input from stakeholders, municipalities and community providers. The funds may also be used to provide planning and technical assistance for communities, developers and builders to encourage construction or production of affordable, energy-efficient housing units close to services and employment centers to support individuals, families and state workforce needs.

Affordable Housing Conference

Reminder that registration for the Affordable Housing Conference is open. Scheduled for October 20-21, the conference will be virtual and will feature some great keynote speakers and work sessions. Please join us!

Development Department Memorandum

To: MaineHousing Board of Commissioners
From: Mark C. Wiesendanger, Director of Development
Date: August 17, 2021
Subject: Monthly Report

LIHTC Applications Subsidy Increase

In response to increased construction costs, MaineHousing has been granting waivers of Qualified Allocation Plan (QAP) Total Development Cost (TDC) limits for tax credit projects in the Development Department's current project pipeline. In addition, we are offering increased 0% deferred debt ("subsidy") financing for those projects. Future QAP funding cost limits and subsidy offerings will be determined through the usual process of soliciting partner input and internal data gathering. This additional subsidy is only available for projects as outlined below.

2022 9% LIHTC Applicants

Up to \$40,000 in additional subsidy per unit as needed, with no per-project limit. The Full Application deadline has been extended by two weeks to allow developers to alter their projects and underwriting accordingly.

2021 LIHTC Pipeline Projects not yet under construction

Up to \$30,000 in additional subsidy per unit as needed, with no per-project limit

2020 LIHTC Pipeline Projects not yet under construction

Up to \$20,000 in additional subsidy per unit as needed, with no per-project limit

4% LIHTC Walk-in Program Changes

MaineHousing has not offered any subsidy for preservation projects which wish to use tax credit funding for quite some time, other than a small set aside (enough for one project) in the 9% LIHTC offering. We have observed that many older affordable properties are in need of recapitalization and/or new ownership but, there are few options that can properly address the capital needs. It is generally less expensive to refresh older properties than to replace them with new ones so, we are offering up to \$75,000 per unit in subsidy to be used for Acquisition/Rehabilitation projects, with the 4% LIHTC Walk-in Program. There will initially be a total funding limit of \$10,000,000 so that we might revisit the offering before providing further funding. We anticipate great interest from our partners.

Additionally, we are offering up to \$40,000 in additional subsidy per unit as needed for new construction or adaptive reuse projects, to address the current cost increases, until further notice.

Staff

Greg Connors joins us as our newest Multifamily Loan Officer. Greg spent many years at the Maine Municipal Bond Bank, and brings additional experience with NNEHIF (now Evernorth), the Maine State Legislature, and the Maine Municipal Association. His education and long career in finance and public service is already serving him well. We are lucky and excited to have him on board.



To: MaineHousing Board of Commissioners
From: Daniel Drost, Director of Energy and Housing Services
Date: August 17, 2021
Subject: EHS Monthly Report – August 2021

HOME ENERGY ASSISTANCE PROGRAM (HEAP)

PRODUCTION STATISTICS FOR PROGRAM YEAR 2021 (BEGUN AUGUST 24, 2020)

Number of Applications	PY 2021 THRU 8-6-2021	PY 2020 THRU 8-10-2020	+/-	% change
Total Applications Taken	48,686	48,124	+562	+1.2%
Confirmed Eligible/Paid	38,226	40,197	-1,971	-4.9%
Pending (in process)	0	3	-3	-100%
Other (ineligible, denied, void, etc.)	10,460	7,924	2,536	+32%

TANF SUPPLEMENTAL BENEFIT:

The Maine Department of Health and Human Services- Office for Family Independence allocates Temporary Assistance for Needy Families (TANF) funding annually to MaineHousing to provide a supplemental heating assistance benefit to Home Energy Assistance Program (HEAP) eligible households that have a member under the age of 18 years. The amount of funding available for this supplemental benefit through the 2020/2021 agreement was \$3 million. The TANF Supplemental Benefit amount for the HEAP PY2021 and upcoming PY2022 is \$350.00. The use and administration of TANF Supplemental Benefits are subject to the same standards for HEAP Benefits. 7,134 HEAP eligible households were also eligible for the TANF Supplemental benefit during HEAP PY2021.

LOW INCOME HOUSEHOLD WATER ASSISTANCE PROGRAM:

MaineHousing has received a funding notification from the Department of Health and Human Services – Administration for Children and Families for the Low Income Household Water Assistance Program (LIHWAP). The total funds available are \$4,752,456 to be obligated by September 30, 2023 and spent by December 31, 2023. The allocation comes from two funding sources: American Rescue Plan Act of 2021 (\$2,088,074) and The Consolidated Appropriations Act (\$2,664,382).

The purpose of the Program is to provide income eligible households with assistance to meet water utility and wastewater disposal costs. Funds may be used for utility arrearages, prevention of water/wastewater disconnections for non-payment, reconnection of water/wastewater services and related costs such as reconnect fees. Utility payments may only be made directly to water/wastewater utility vendors and only for current or past due utility charges. Prospective utility payments are not allowed. Applicants may submit more than one application during the Program period and payments will be issued until funding has been exhausted.

Income eligibility is based on the same requirements of LIHEAP (at or below 150% Federal Poverty Level or 60% State Median Income, whichever is greater). Applicants who have a household member that is receiving benefits from HEAP, TANF, SNAP, Social Security or VA means-tested support are considered categorically eligible for benefits under this program. If a household does not meet the categorical eligibility requirements, the applicant will need to provide documentation of income to determine eligibility. The same income documentation requirements for LIHEAP will be used for this Program.

MaineHousing will be working with the Community Action Agencies to deliver this program using some of the same policies, procedures and application processing that is used for the Emergency Rental Assistance Program and income eligibility guidelines used for LIHEAP.

On September 9, 2021, the Grant Implementation Plan was submitted to the Office of Community Services for review and approval. The review process will take several weeks. Once the Plan is approved, MaineHousing will receive notification of its ability to access LIHWAP funds for benefit payments. Currently, up to 15% of the grant is available for administrative expenses related to the Program. The tentative plan is to begin taking applications for LIHWAP in mid-September with the first payments to be issued in early October.

COMMUNITY AGING IN PLACE PROGRAM:

HUD recently announced that MaineHousing will be receiving \$1 million to administer the Older Adult Modification Program. On May 18, 2021, the Energy and Housing Services (EHS) Department applied for the Older Adult Modification Program grant opportunity through HUD. The purpose of this program is to assist older adults with necessary home modification measures to allow the individual to remain in their home “age in place.” EHS plans to utilize this funding to enhance our current Community Aging in Place Grant Program (CAIP) that offers no-cost home safety checks, minor maintenance repairs, and accessibility modifications to eligible low-income elderly and disabled homeowners. In the next few months, EHS staff will be working on establishing guides, forms, and tracking mechanisms for the program.

HOME ACCESSIBILITY AND REPAIR PROGRAM (HARP):

The Home Accessibility and Repair Program (HARP) provides grants to income eligible homeowners for professional home repairs; assistance with home replacement when deemed necessary, and accessibility modifications. The HARP is funded with State Home funds and the program period runs from January 1 through December 31. The HARP program is comprised of five components: Home Repair, Elderly, Accessibility, Emergency Home Repair, and Emergency Manufactured Home Repair. The HARP is delivered statewide through the network of Community Action Agencies (CAAs).

Total Units By Project Type	
Home Repair	38
Elderly Home Repair	12
Accessibility	16
Emergency Home Repair	50
Emergency Manufactured Home Repair	37
Total Projects in Progress	153

<i>Projects in the Pipeline</i>	<i>88</i>
TOTAL	241

WEATHERIZATION ASSISTANCE PROGRAM (WAP):

MaineHousing’s Weatherization Program provides grants to low-income homeowners and renters with installation of energy conservation measures in their homes. The weatherization measures installed are intended to reduce the home’s energy costs by improving home energy efficiency. The Weatherization Program is delivered statewide through the network of Community Action Agencies (CAAs). MaineHousing’s Energy and Housing Services staff have begun the process of reviewing the State Plan in preparation of the 2022 program.

Finance Department Memorandum

To: Board of Commissioners
From: Darren R. Brown
Date: August 10, 2021
Subject: Monthly Report – Finance Department

ACCOUNTING AND FINANCIAL REPORTING (AFR):

- The Accounting and Financial Reporting (AFR) staff continued work on the A-133 Single Audit for the year ended December 31, 2020. This is an annual audit of MaineHousing’s federally funded programs to determine whether the programs have been administered in compliance with federal guidelines. The auditors from Baker Newman & Noyes are conducting the audit remotely again this year because of COVID-19.

MaineHousing administered and disbursed approximately \$193 million through twenty-six different federal programs in 2020. Major federal programs are audited on a rotating basis. The major programs for the 2020 audit are the Section 8 Housing Choice Voucher, HOME Investment Partnership, CARES Act – Rent Relief, and FEMA Homelessness programs. The A-133 Single Audit needs to be completed and filed with the federal Single Audit Clearinghouse and the HUD Real Estate Assessment Center (REAC) within nine months after the fiscal year end, which is September 30th for MaineHousing. There have been no preliminary findings or issues reported to date.

- The State Budget Office requires agencies that receive funding to submit Work Program Worksheets (WPW) at the beginning of the State’s fiscal year, which starts on July 1st. The WPWs present the agencies planned distribution of funds for the upcoming year. MaineHousing receives program funds from the State and WPWs were recently prepared and submitted for the State’s fiscal Year 2022. The WPWs were prepared based on the adopted State budget, which included the following for MaineHousing: \$19 million for Housing Opportunities for Maine (HOME) Fund, \$4.3 million for Maine Energy, Housing & Economic Recovery (MEHER) Fund, and \$2.5 million for Shelter Operating Subsidy (SOS).

HOME funds represent a portion of total real estate transfer taxes (RETTs) collected by the State. MaineHousing allocates and uses these funds in various housing programs. MEHER funds also come from RETTs collected by the State and are used exclusively by MaineHousing to make debt service payments on related bonds. The SOS program is a pass-through program and MaineHousing distributes all funds to the homeless shelters.

- The AFR staff completed the second quarter-end closing for 2021 and the financial statements for the period ended June 30, 2021. A draft of the June 30, 2020 financial statements has been completed and the results are presented in the Financial and Budget Results section of the Board packet.
- The State of Maine is preparing its audited financial statements for their fiscal year ended June 30, 2021. MaineHousing is considered a component unit of the State for accounting purposes. As such, MaineHousing needs to prepare and provide financial information for inclusion in the State’s financial

statements. This involves preparing a reporting package and converting our audited financial statements into a format consistent with the State. We recently prepared and submitted our reporting package for 2021.

LOAN ADMINISTRATION:

- The federal mortgage guarantors extended the date that borrowers are allowed to request a forbearance under a COVID-19 hardship from June 30, 2021 to September 30, 2021. Under the current guidelines, if a borrower attests to experiencing a financial hardship due to COVID-19 and makes a request for a forbearance, it must be granted. No COVID-19 forbearance period may extend beyond June 30, 2022.

As noted in prior month reports, the number of single-family borrowers in our portfolio requesting COVID-19 financial hardship assistance has decreased. Through the end of July, MaineHousing has provided COVID-19 financial hardship assistance to 536 of its first-time homebuyer borrowers. The assistance provided has been primarily in the form of a forbearance. A total of 492 borrowers received a forbearance and 44 received assistance through the Maine HOPE Program. Of the 536 borrowers assisted, 400 or 75% have subsequently brought their loan current and are no longer in forbearance or delinquent status.

MaineHousing's single-family loan portfolio consist of approximately 10,300 borrowers and amounts to \$920 million. The 136 loans in forbearance at the end of July amount to approximately \$12.2 million and represents about 1.33% of the portfolio. The Mortgage Bankers Association reported that the national forbearance rate has also been declining and was 3.47% as of the end of July.

- MaineHousing performs semi-annual evaluations of its single-family loan servicing agents. These evaluations address performance in the areas of investor reporting, customer service and default management. They also serve as a tool to monitor trends and identify servicer training needs. Evaluations for the first half of 2021 were recently completed and will be issued this week. There were no significant findings and servicers are meeting performance expectations.

Finance Department Memorandum

To: Board of Commissioners

From: Darren R. Brown

Date: August 10, 2021

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 six-month period ended June 30, 2021.

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 \$2.02 billion and total combined liabilities approximate \$1.64 billion. Total net assets amount to approximately \$389.1 million. Total combined revenues approximate \$184.2 million and total expenses amount to approximately \$175.3 million, which results in net operating income of \$8.9 million. For this six-month period in 2020, total combined net operating income was \$0.5 million. Net operating income is \$8.4 million higher in 2021 and the increase is attributed primarily to the following:

The HOME Fund has net operating income of \$7.6 million, which is an increase of \$8.5 million compared with a net operating loss of \$0.9 million in 2020. MaineHousing's portion of the real estate transfer taxes received from the State are accounted for in this Fund Group. The increase in net operating income is due to higher real estate transfer tax receipts and timing differences with the expending of funds and the recognition of grant expenses. Income from the State is \$4.2 million higher, while program grant expenditures are \$4.3 million lower at this point in 2021.

The net operating income for the Mortgage Purchase Fund (MPP), MaineHousing's largest fund group, is approximately \$1.7 million compared to net operating income of \$2 million in 2020. The net operating income decrease of \$0.3 million is due to a change in the carrying values of non-mortgage investments and lower interest rates. A paper loss of \$0.4 million has been recognized in 2021, which represents a decrease of \$0.5 million compared with a paper gain of \$0.1 million recorded in 2020. The change associated with the recording of paper gains and losses is attributed to interest rate changes during the year.

The recording of paper gains and losses is required for accounting purposes. However, because MaineHousing does not actively buy and sell related investments, actual gains and losses will not occur and these amounts are ignored by the rating agencies, bond analysts, and management when assessing profitability.

Excluding the paper losses and gains, MPP's net operating income is \$2.1 million as of June 30, 2021 compared to \$1.9 million at the end June 2020.

BUDGET RESULTS

Also attached are the budget variance results for the period ended June 30, 2021. 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 2021 are \$76.4 million and total expenses are budgeted at \$71.6 million. Total actual revenues as of June 30, 2021 amount to \$36.9 million, while total expenses amount to \$34.5 million. For the six-month period ended June 30, 2021, revenues exceed expenses by approximately \$2.4 million.

Total revenues are slightly under budget at this point due largely to lower interest income from non-mortgage investments. Interest rates have decreased during the year and average yields from investments are lower than projected. Fee income is running above budget due to additional administrative fees from new federal COVID-19 programs.

Total expenses are also slightly below budget at this time due mainly to lower other program administrative 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**.

Total 2021 operating expenses are budgeted at approximately \$19.5 million. As of June 30, 2021, approximately \$9.7 million or 50% of the total operating budget has been used. In total, operating expenses are in line with the established budget at this point. Salaries are running above budget due to an increase in staff. Additional staff has been needed because of new COVID-19 federal programs. These federal programs provide additional administrative fee income to pay for related operating costs.

Total other program administrative expenses are budgeted at \$8.8 million and actual expenses amount to \$3.6 million as of June 30, 2021. Expenses in this area are running under budget due mainly to timing. Loan origination and bond issuance expenses are under budget because single-family loan production is below budget projections at this point. Expenses for Section 8 security deposits and landlord incentives are over budget. Additional administrative fees for the Section 8 Voucher program are available this year because of COVID-19. A portion of these funds are being used for a landlord incentive initiative, which was not anticipated or included in the budget amount.

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 2021 is \$385,000. Expenditures amounted to \$132,000 as of June 30, 2021 and were mainly for software upgrades to the Hancock systems used to administer the federal LHEAP and Weatherization programs and window shades for the office building.

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 June 30, 2021.

MAINE STATE HOUSING AUTHORITY
BALANCE SHEETS
JUNE 30, 2021
(IN THOUSANDS OF DOLLARS)

	<u>Memorandum Only Combined Totals</u>		<u>Mortgage Purchase Fund Group</u>	<u>Bondholder Reserve Fund</u>	<u>General Fund</u>	<u>HOME Fund</u>	<u>Federal Programs Fund</u>	<u>Other Funds</u>	<u>Maine Energy Housing & Economic Recovery Funds</u>
	<u>2020</u>	<u>2021</u>							
ASSETS:									
Cash, principally time deposits	39,888	56,765	25,288	1	25,565	0	5,908	3	0
Investments	401,503	478,074	420,023	8,026	13,253	26,174	0	10,211	387
Accounts receivable - Federal	5,595	13,559	0	0	0	0	13,559	0	0
Assets held for sale	2,950	0	0	0	0	0	0	0	0
Accrued interest and other assets	10,718	15,192	9,412	0	34	4,362	1,366	3	15
Mortgage notes receivable, net	1,469,696	1,426,803	1,383,570	0	4,887	28,728	0	0	9,618
Other notes receivable, net	233	176	0	0	176	0	0	0	0
Land, equipment and improvements, net	18,114	17,913	22	0	17,891	0	0	0	0
Other real estate owned	222	0	0	0	0	0	0	0	0
Accumulated decrease in fair value of hedging derivatives	22,551	12,172	12,172	0	0	0	0	0	0
Deferred pension expense	610	577	319	2	54	0	0	202	0
Deferred amount on debt refundings	3,424	2,893	2,893	0	0	0	0	0	0
Total Assets	1,975,504	2,024,124	1,853,699	8,029	61,860	59,264	20,833	10,419	10,020
LIABILITIES AND NET ASSETS:									
Accrued interest payable	5,809	5,332	5,299	0	0	0	0	0	33
Accounts payable - Federal	446	344	0	0	0	0	344	0	0
Accounts payable & accrued liabilities	2,604	6,758	246	2	6,278	0	229	3	0
Unearned income	13,392	20,545	0	0	0	486	5,868	14,191	0
Net pension liability	2,282	2,819	1,558	9	266	0	0	986	0
Deferred pension credit	867	243	134	1	23	0	0	85	0
Derivative instrument - interest rate swaps	22,551	12,172	12,172	0	0	0	0	0	0
Interfund	0	0	3,909	14	(773)	(8,346)	9,008	(3,812)	0
Mortgage bonds and notes payable, net	1,557,990	1,586,201	1,547,572	0	19,375	0	0	0	19,254
Deferred grant income	0	584	0	0	0	0	584	0	0
Deferred loan origination points	25	20	20	0	0	0	0	0	0
Total Liabilities	1,605,966	1,635,018	1,570,910	26	25,169	(7,860)	16,033	11,453	19,287
NET ASSETS:									
Restricted Net Assets	333,177	352,415	282,789	8,003	0	67,124	4,800	(1,034)	(9,267)
Unrestricted Net Assets	36,361	36,691	0	0	36,691	0	0	0	0
Total Net Assets	369,538	389,106	282,789	8,003	36,691	67,124	4,800	(1,034)	(9,267)
Total Liabilities and Net Assets	1,975,504	2,024,124	1,853,699	8,029	61,860	59,264	20,833	10,419	10,020

MAINE STATE HOUSING AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE PERIOD ENDED JUNE 30, 2021
(IN THOUSANDS OF DOLLARS)

	<u>Memorandum Only Combined Totals</u>		<u>Mortgage Purchase Fund Group</u>	<u>Bondholder Reserve Fund</u>	<u>General Fund</u>	<u>HOME Fund</u>	<u>Federal Programs Fund</u>	<u>Other Funds</u>	<u>Maine Energy Housing & Economic Recovery Funds</u>
	<u>2020</u>	<u>2021</u>							
REVENUES:									
Interest from mortgages and notes	31,638	30,552	30,312	0	175	45	0	0	20
Income from investments	1,815	523	511	1	5	3	1	2	0
Net increase (decrease) in the fair value of investments	44	(400)	(402)	0	2	0	0	0	0
Fee income	4,560	5,546	217	0	432	0	4,763	134	0
Other revenue	187	146	56	0	41	39	0	0	10
Grant income	32,897	81,030	0	0	0	772	79,517	741	0
Income from State	7,457	11,752	0	0	0	11,752	0	0	0
Federal rent subsidy income	52,996	54,828	0	0	0	0	54,828	0	0
Gain on bond redemption	197	235	219	0	0	0	0	0	16
Total Revenues	131,791	184,212	30,913	1	655	12,611	139,109	877	46
EXPENSES:									
Operating expenses	9,637	9,662	0	0	9,662	0	0	0	0
Other program administrative expenses	2,838	2,765	2,261	0	1	0	442	61	0
Mortgage servicing fees	850	870	862	0	8	0	0	0	0
Provision for losses on loans	17	19	0	0	11	0	0	8	0
Losses on foreclosed real estate	0	(47)	(47)	0	0	0	0	0	0
Interest expense	22,961	21,604	21,204	0	0	0	0	0	400
Grant expense	41,983	85,768	0	0	0	5,005	80,022	741	0
Federal rent subsidy expense	53,029	54,679	0	0	0	0	54,679	0	0
Loss on bond redemption	0	0	0	0	0	0	0	0	0
Excess arbitrage	0	0	0	0	0	0	0	0	0
Allocated operating costs	0	0	4,935	29	(8,761)	0	3,724	73	0
Total Expenses	131,315	175,320	29,215	29	921	5,005	138,867	883	400
Net Operating Income (Loss)	476	8,892	1,698	(28)	(266)	7,606	242	(6)	(354)
Transfers between funds, net	0	0	0	0	58	0	(58)	0	0
Change in net assets	476	8,892	1,698	(28)	(208)	7,606	184	(6)	(354)
Net assets at beginning of year	369,062	380,214	281,091	8,031	36,899	59,518	4,616	(1,028)	(8,913)
Net assets at end of period	369,538	389,106	282,789	8,003	36,691	67,124	4,800	(1,034)	(9,267)

**MAINE STATE HOUSING AUTHORITY
OPERATING REVENUES AND EXPENSES BUDGET VARIANCE REPORT
FOR THE PERIOD ENDED JUNE 30, 2021**

(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	30,487	0	30,487	64,025	33,538	52%
Income from investments	517	3	520	1,500	980	65%
Fee income	649	4,897	5,546	10,764	5,218	48%
Other revenue	316	0	316	140	(176)	(126%)
Total Revenues	31,969	4,900	36,869	76,429	39,560	52%
EXPENSES:						
Operating expenses	5,865	3,797	9,662	19,510	9,848	50%
Other program administrative expenses	3,096	503	3,599	8,811	5,212	59%
Interest expense	21,204	0	21,204	43,270	22,066	51%
Total Expenses	30,165	4,300	34,465	71,591	37,126	52%
Excess Revenues Over Expenses	1,804	600	2,404	4,838	2,434	50%

**MAINE STATE HOUSING AUTHORITY
OPERATING AND OTHER PROGRAM ADMINISTRATIVE EXPENSES
FOR THE PERIOD ENDED JUNE 30, 2021**

ATTACHMENT B

	Total Annual Budget	Total Year to Date Actual	Budget Available	Percentage of Budget Available
Operating Expenses				
Salaries	10,777,009	5,572,766	5,204,243	48%
Payroll Taxes	788,606	416,832	371,774	47%
Retirement	1,065,276	528,185	537,091	50%
Medical and Life Insurance	2,619,299	1,262,482	1,356,817	52%
Other Fringe Benefits	10,000	1,517	8,483	85%
Office Supplies	54,095	19,169	34,926	65%
Printing	118,044	49,537	68,507	58%
Membership and Dues	61,745	18,091	43,654	71%
Subscriptions	22,660	9,932	12,728	56%
Sponsorships	13,500	3,000	10,500	78%
Staff Educ/Train/Conf	114,176	51,144	63,032	55%
Travel/Meals - Staff Educ/Train/Conf	74,801	201	74,600	100%
Partner/Client Train/Meetings	56,672	30,907	25,765	45%
Travel/Meals - Partner/Client Training	46,325	4,225	42,100	91%
Staff Events	10,225	3,665	6,560	64%
Meals - Staff Events	16,175	1,261	14,914	92%
Leased Vehicles	141,429	58,936	82,493	58%
Computer Supplies	19,300	11,025	8,275	43%
Computer License SAAS	177,415	121,157	56,258	32%
Rent-Other	34,130	18,003	16,127	47%
Computer Maintenance	622,493	215,393	407,100	65%
Depreciation	940,000	456,773	483,227	51%
Telephone	125,384	61,752	63,632	51%
Employment Advertising	3,400	375	3,025	89%
Postage and Shipping	97,050	69,267	27,783	29%
Insurance	90,935	17,762	73,173	80%
Recording Fees	1,300	291	1,009	78%
Payroll Services	36,075	19,594	16,481	46%
Audit Services	153,800	70,000	83,800	54%
Building Interest Expense	491,495	246,161	245,334	50%
Property Expenses	410,779	219,689	191,090	47%
Professional Services	316,088	102,546	213,542	68%
Total Operating Expenses	19,509,681	9,661,638	9,848,043	50%
Other Program Administrative Expenses				
Loan foreclosure expenses	200,000	37,234	162,766	81%
REO expenses	50,000	2,710	47,290	95%
Mortgage Servicing fees	1,820,000	870,720	949,280	52%
Provision for losses on loans & REOs	175,000	(28,132)	203,132	116%
Loan Origination expenses	3,000,000	988,964	2,011,036	67%
Bond Issuance Costs	900,000	239,011	660,989	73%
Trustee/Bank fees	158,000	84,279	73,721	47%
Program advertising/printing	147,500	35,570	111,930	76%
Bond and mortgagee insurance	15,200	0	15,200	100%
Variable rate bond remarket/liquidity facilities	1,175,000	528,674	646,326	55%
Cash flow/arbitrage/swap consultants/legal	600,000	340,707	259,293	43%
Homebuyer education	110,000	8,400	101,600	92%
Program administrator fees	447,000	347,337	99,663	22%
Section 8 security deposits/landlord incentives	13,000	152,512	(139,512)	(1073%)
Total Other Program Administration Expenses	8,810,700	3,607,986	5,202,714	59%

**MAINE STATE HOUSING AUTHORITY
CAPITAL BUDGET
FOR THE PERIOD ENDED JUNE 30, 2021**

ATTACHMENT C

Description	2021 Budget	2021 Actual	Budget Available	% Expended
Computer Hardware:				
Network backup hardware - Data Domain	50,000	0	50,000	
Laptops	18,000	7,835	10,165	
Total computer hardware	<u>68,000</u>	<u>7,835</u>	<u>60,165</u>	12%
Computer Software:				
Enterprise multi-family housing system	170,000	0	170,000	
Coordinated Entry Portal - client list software homeless programs	10,000	0	10,000	
Mobile device management system	5,000	0	5,000	
Website redesign	27,000	24,593	2,407	
Hancock system upgrades (LIHEAP & Wx Programs)	50,000	53,900	-3,900	
Salesforce software upgrades (Lead Program)	10,000	0	10,000	
Single Family loan servicing system modifications	10,000	0	10,000	
Community Outreach Dashboard	25,000	0	25,000	
Emphasys (AOD) Single Family lender (LOL) & tracking (LT) systems modifications	10,200	4,875	5,325	
Total computer software	<u>317,200</u>	<u>83,368</u>	<u>233,832</u>	26%
Office Building:				
Window Shades	0	40,794	(40,794)	
	<u>0</u>	<u>40,794</u>	<u>(40,794)</u>	N/A
Total	<u>385,200</u>	<u>131,997</u>	<u>253,203</u>	34%

**MAINE STATE HOUSING AUTHORITY
MEMBERSHIPS, DUES, AND SPONSORSHIPS
FOR THE PERIOD ENDED JUNE 30, 2021**

Description	Amount
Memberships and Dues	
Kennebec Valley Board of Realtors - annual affiliate membership	171
Maine Association of Mortgage Professionals - annual membership	375
Maine Bankers Association - annual affiliate membership	950
Maine Real Estate Management Association - annual membership	125
National Leased Housing Association - annual membership	600
National Association for State Community Services Programs - annual membership	2,603
National Energy Assistance Directors' Association - annual membership	6,341
International Code Council - annual membership	145
Construction Specifications Institute - employee annual membership	325
Council of State Community Development Agencies - annual membership	1,500
Maine Real Estate & Development Association - annual membership	1,200
National Affordable Housing Management Association - affiliate membership	1,075
Maine Department of Environmental Protection - lead inspector license renewal	200
Association of Government Accountants - (6) employee annual memberships	660
American Payroll Association - employee annual membership	262
Society for Human Resource Management - employee annual membership	219
Institute of Internal Auditors - employee annual membership	175
Association of Certified Fraud Examiners - employee annual membership	225
Maine Public Relations Council - employee annual membership	90
American College of Mortgage Attorneys - employee dues	525
Access to Maine State House - employee	100
American College of Real Estate Lawyers - employees dues	225
Total	<u><u>\$ 18,091</u></u>
Sponsorships	
New England Resident Service Coordinator - conference sponsor	3,000
Total	<u><u>\$ 3,000</u></u>



Finance Department Memorandum

To: Board of Commissioners
From: Darren Brown
Date: August 2, 2021
Subject: Monthly Delinquencies Report

MULTI-FAMILY DELINQUENCIES

The Multi-Family portfolio totals \$676 million with 1,153 loans as of July 31, 2021. There are no 60+ days delinquent loan, as shown in *Exhibit 1*. The delinquency rate is 0.00%. The Multi-Family delinquency rate is benchmarked against MaineHousing's historical rates, as shown in *Exhibit 2*.

SINGLE-FAMILY DELINQUENCIES

The Single-Family portfolio totals \$921 million with 10,243 loans as of June 30, 2021. The over 60-day delinquencies stayed at 3.23% and the in-foreclosures decreased from 0.43% to 0.42. The over 60-day delinquencies amount to \$30 million, with approximately \$4 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 3.23%; and the overall delinquency rate by loan count is 3.33%. As reflected in *Exhibit 5*, the overall delinquency rate by loan count is below the delinquency rate for all Maine Loans.

Servicer Delinquencies – As of June 30, 2021, Bank of America, NA had the highest overall delinquency rate of 17.21%, with an in-foreclosure rate of 2.50%. Delinquencies for our largest servicer, Mortgage Servicing Solutions, decreased from 3.92% to 3.69%, while the in-foreclosure rate decreased from 0.41% to 0.39%. In the month of May, Bangor Savings Bank entered into a qualified servicing agreement with MaineHousing. Bangor Savings Bank QS has no delinquencies. Bangor Savings Bank SS has the lowest rate of delinquencies at 1.00%. Delinquency rates for each servicer are shown in *Exhibit 3*.

Delinquencies by Insurance Type – In June 2021, FHA insured loans had the highest delinquency rate by total insurance type of 6.20%, with in-foreclosures at 0.61%. When compared to the total loan portfolio, RD insured loans had the highest delinquency rate of 1.69%, with in-foreclosures at 0.26%. Delinquencies by insurance type and the portfolio as a whole are shown in *Exhibit 6*.

FHA insured loans comprise 16% of the Single-Family portfolio and 31% of delinquencies, while RD insured loans comprise 60% of the portfolio and represent 52% 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*.

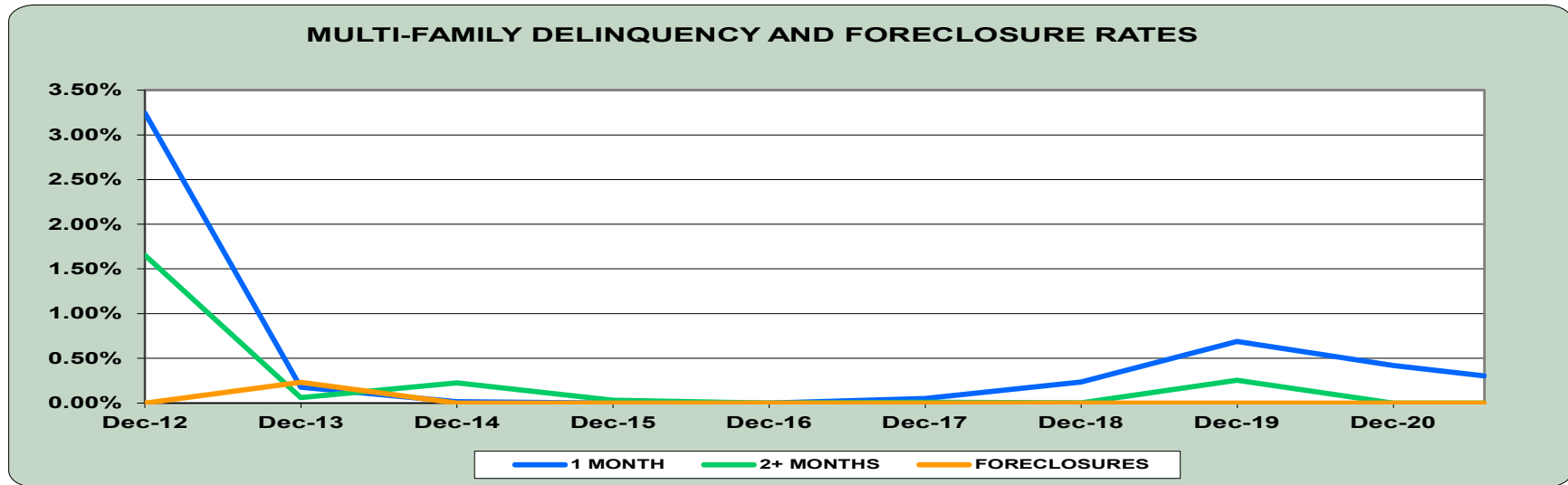
Foreclosure Prevention Activities – *Exhibit 8* summarizes our foreclosure prevention activities, as well as the number of completed foreclosures. As of June 2021, we have assisted 690 borrowers with various foreclosure preventions options. In 2020, we assisted a total of 1,652 borrowers. Activity increased in 2020 due to financial hardship requests associated with the COVID-19 pandemic.

Multi-Family Delinquent Loans

MAINE STATE HOUSING AUTHORITY MULTI-FAMILY DELINQUENCIES 7/31/2021									
Section 8					ORIGINATION	DELINQUENT			
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS	
NONE						0.00	0.00	0.00	
Rental Housing					ORIGINATION	DELINQUENT			
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS	
MERICI WOODS	544,785.00	06/15/20	WATERVILLE	MERICI WOODS LP	07/23/19	2,041,540.00			
						2,041,540.00	0.00	0.00	
Supportive Housing & Other					ORIGINATION	DELINQUENT			
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS	
NONE						0.00	0.00	0.00	
						2,041,540.00	0.00	0.00	
Grand Total									
% of Portfolio Delq 60+ day: 0.00%									
Total Number of Loans 1,153									



Multi-Family Delinquency & Foreclosure Trends



	<u>OUTSTANDING</u>		<u>1 MONTH</u>		<u>2+ MONTHS</u>		<u>FORECLOSURES</u>	
	<u>PRINCIPAL</u>	<u>DOLLARS</u>	<u>RATE</u>	<u>DOLLARS</u>	<u>RATE</u>	<u>DOLLARS</u>	<u>RATE</u>	
Jul-21	\$ 676,011,310	\$ 2,041,540	0.30%	\$ -	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%	
Dec-14	\$ 513,937,525	\$ 77,568	0.02%	\$ 1,169,620	0.23%	\$ -	0.00%	
Dec-13	\$ 506,871,177	\$ 896,386	0.18%	\$ 297,366	0.06%	\$ 1,166,866	0.23%	
Dec-12	\$ 487,638,082	\$ 15,815,491	3.24%	\$ 8,056,115	1.65%	\$ -	0.00%	



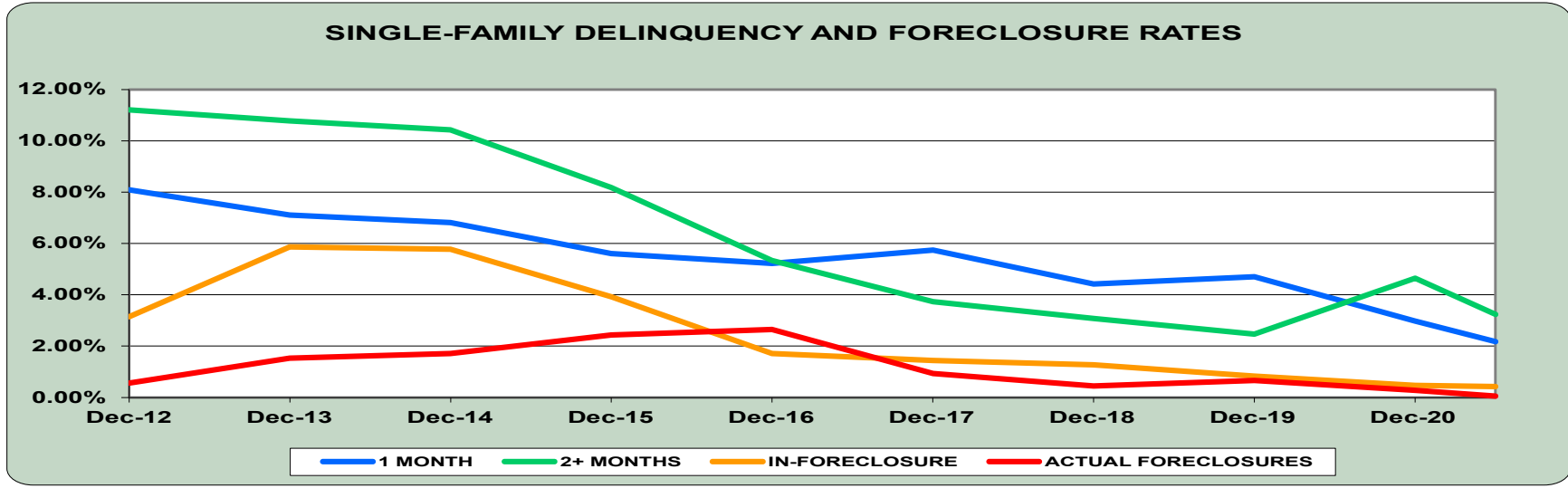
Single-Family Delinquent Loans

**Maine State Housing Authority
Single-Family Delinquencies by Servicer
6/30/2021**

SERVICER	% OF PORTFOLIO	% of Portfolio Delq 60 + days	OUTSTANDING PRINCIPAL	----- 1 MONTH	DELINQUENT 2 MONTHS	----- 3+ MONTHS	IN- FORECLOSURE
MORTGAGE SERVICING SOLUTI	66.33%	3.69%	611,135,638.21	14,407,125.71	2,986,955.89	17,161,999.64	2,398,889.35
BANGOR SAVINGS BANK	16.48%	1.00%	151,863,838.27	2,648,216.64	345,035.37	886,620.63	283,487.40
CAMDEN NATIONAL BANK UK	8.96%	2.38%	82,544,535.62	1,076,449.11	781,871.09	889,545.43	291,617.73
MACHIAS SAVINGS BANK	6.88%	3.83%	63,394,859.50	1,542,299.22	508,372.05	1,183,744.34	738,234.26
BANK OF AMERICA NA	0.84%	17.21%	7,730,275.71	331,899.47	155,366.39	981,710.36	193,427.97
BANGOR SAVINGS BANK QS	0.45%	0.00%	4,138,072.53	0.00	0.00	0.00	0.00
SALEM FIVE MORTGAGE CORP	0.06%	3.33%	589,586.30	0.00	0.00	19,645.95	0.00
TOTAL	100.00%	3.23%	921,396,806.14	20,005,990.15	4,777,600.79	21,123,266.35	3,905,656.71



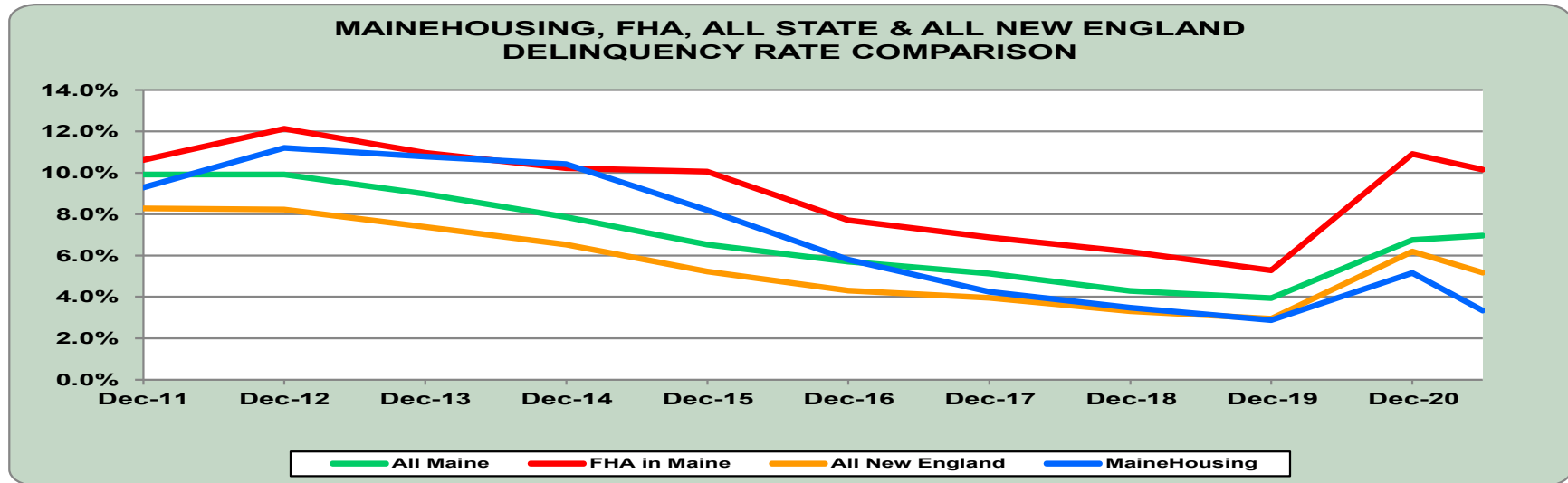
Single-Family Delinquency & Foreclosure Trends



	OUTSTANDING PRINCIPAL		1 MONTH		2+ MONTHS		IN-FORECLOSURE		ACTUAL FORECLOSURES	
	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE
Jun-21	\$ 921,396,806	2.17%	\$ 20,005,990	3.23%	\$ 29,806,524	0.42%	\$ 3,905,657	0.06%	\$ 513,498	0.06%
Dec-20	\$ 960,761,414	2.98%	\$ 28,645,024	4.64%	\$ 44,603,599	0.47%	\$ 4,471,656	0.27%	\$ 2,617,001	0.27%
Dec-19	\$ 967,171,381	4.69%	\$ 45,399,415	2.46%	\$ 23,774,547	0.83%	\$ 8,037,512	0.66%	\$ 6,357,994	0.66%
Dec-18	\$ 916,608,577	4.42%	\$ 40,526,473	3.07%	\$ 28,155,105	1.27%	\$ 11,647,401	0.44%	\$ 4,056,247	0.44%
Dec-17	\$ 844,497,676	5.74%	\$ 48,457,930	3.72%	\$ 31,454,643	1.43%	\$ 12,099,518	0.93%	\$ 7,847,858	0.93%
Dec-16	\$ 799,557,471	5.23%	\$ 41,780,468	5.34%	\$ 42,682,410	1.70%	\$ 13,625,991	2.64%	\$ 21,142,137	2.64%
Dec-15	\$ 790,409,905	5.61%	\$ 44,303,365	8.18%	\$ 64,656,769	3.93%	\$ 31,066,182	2.43%	\$ 20,797,314	2.43%
Dec-14	\$ 810,139,060	6.81%	\$ 55,171,703	10.42%	\$ 84,385,397	5.77%	\$ 46,711,687	1.72%	\$ 13,904,155	1.72%
Dec-13	\$ 849,385,825	7.11%	\$ 60,378,599	10.77%	\$ 91,501,809	5.86%	\$ 49,783,071	1.53%	\$ 12,980,502	1.53%
Dec-12	\$ 899,788,247	8.09%	\$ 72,815,090	11.20%	\$ 100,738,963	3.14%	\$ 28,237,109	0.55%	\$ 4,987,749	0.55%



Single-Family Delinquency Comparison Trends



MAINEHOUSING LOAN COUNT COMPARISON

	<u>Loan Count</u>	<u>2 Months</u>	<u>3+ Months</u>	<u>In-Foreclosure</u>	<u>Totals</u>
All State*	118,395	0.66%	4.88%	1.43%	6.97%
FHA for State*	17,908	0.93%	7.75%	1.47%	10.15%
All New England*	1,675,941	0.60%	3.86%	0.71%	5.17%
MaineHousing**	10,243	0.65%	2.23%	0.45%	3.33%

*This information is obtained from MBA's National Delinquency Survey for the first quarter of 2021.

**MaineHousing's overall delinquency rate based on loan dollars is 3.23%, whereas rates in this exhibit are based on loan count.



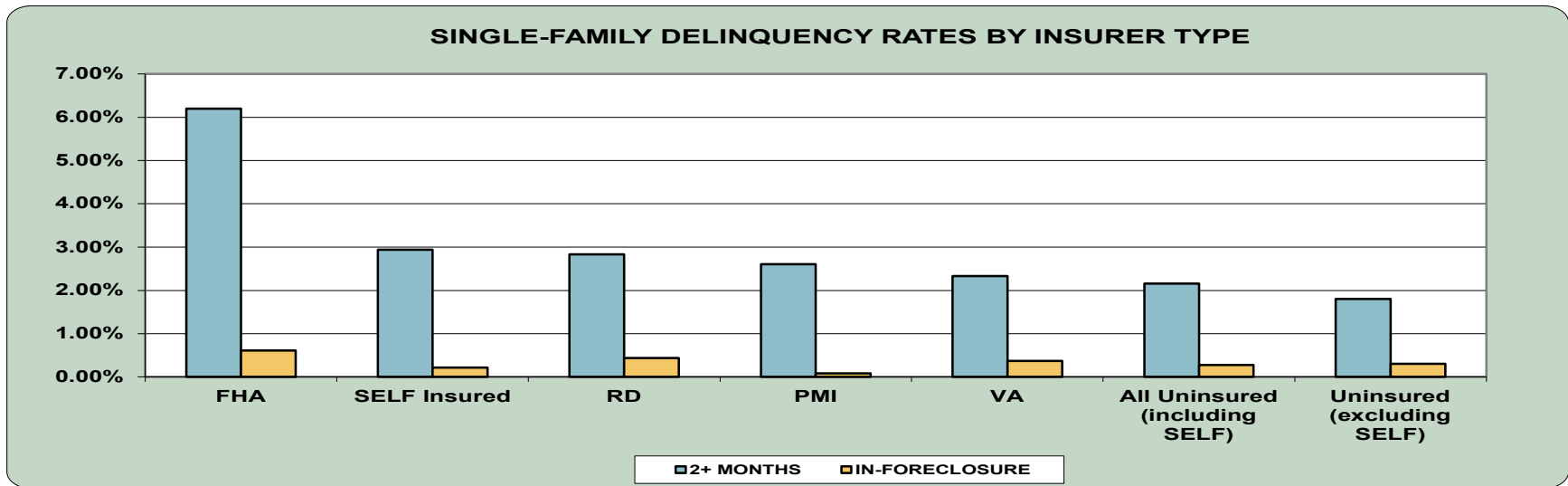
Single-Family Delinquencies by Mortgage Insurer

As A Percent of Total Insurance Type
6/30/2021

TYPE	2+ MONTHS	IN-FORECLOSURE
FHA	6.20%	0.61%
SELF Insured	2.94%	0.21%
RD	2.83%	0.44%
PMI	2.61%	0.08%
VA	2.33%	0.37%
All Uninsured (including SELF)	2.16%	0.28%
Uninsured (excluding SELF)	1.80%	0.30%

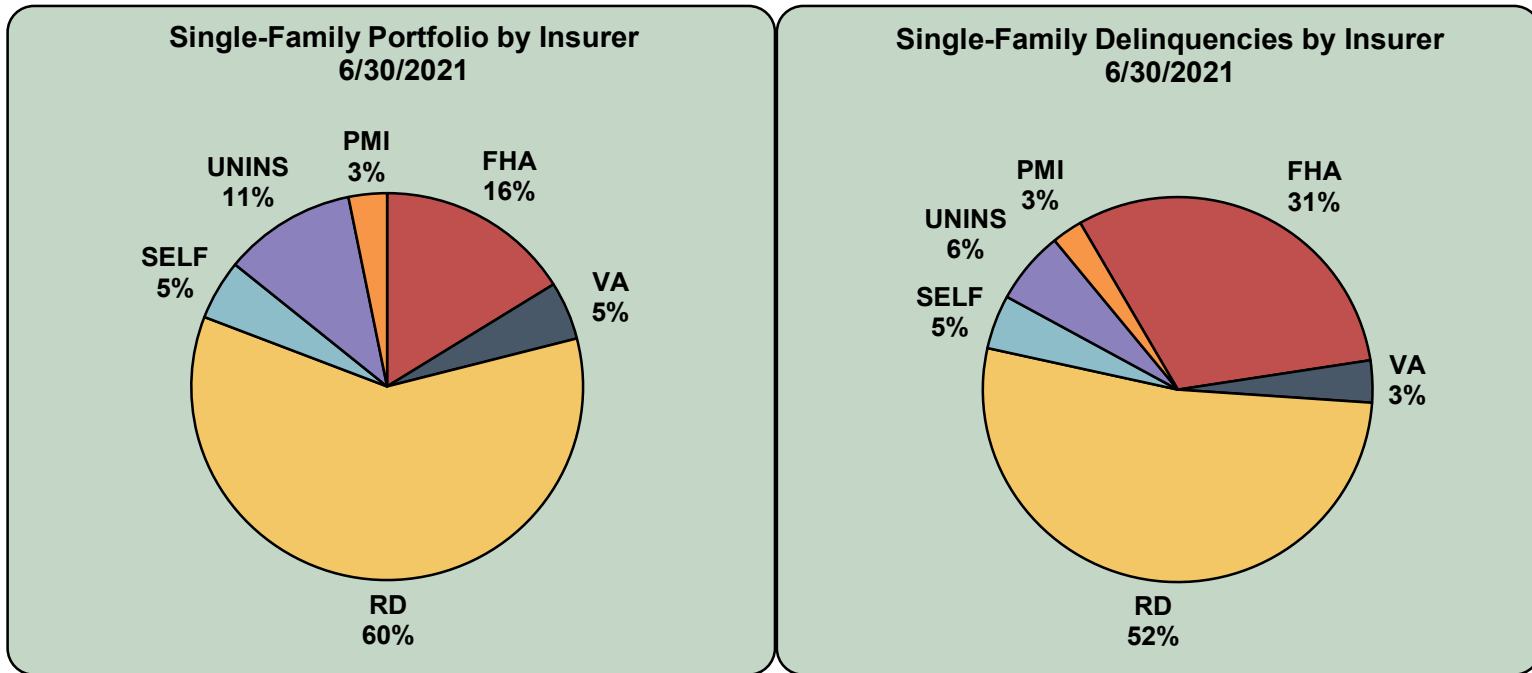
As A Percent of Total Loan Portfolio
6/30/2021

TYPE	2+ MONTHS	IN-FORECLOSURE
RD	1.69%	0.26%
FHA	1.00%	0.10%
All Uninsured (including SELF)	0.34%	0.04%
Uninsured (excluding SELF)	0.20%	0.03%
SELF Insured	0.15%	0.03%
VA	0.11%	0.02%
PMI	0.08%	0.00%

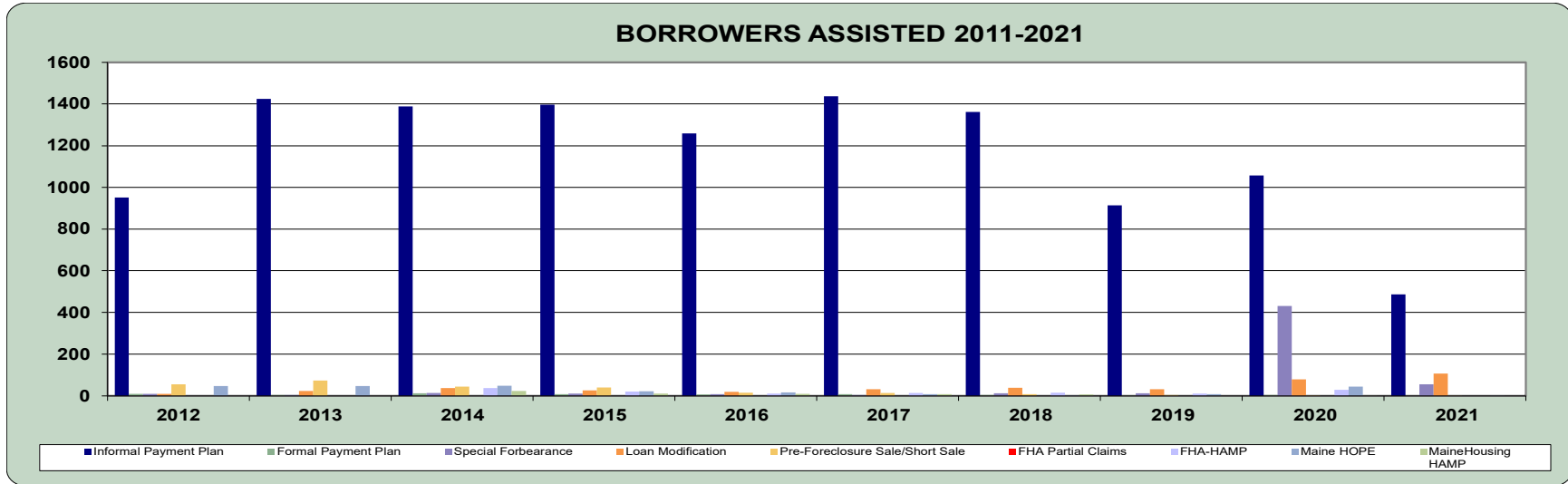


Single-Family Delinquencies by Mortgage Insurer

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	FHA Partial Claims	FHA-HAMP	Maine HOPE	MaineHousing HAMP	Total Workouts
Jun-21	487	0	56	107	2	37	1	0	690	
Dec-20	1058	5	432	79	3	29	44	2	1652	
Dec-19	914	3	12	32	4	10	8	0	983	
Dec-18	1361	4	12	39	8	15	3	6	1448	
Dec-17	1437	8	4	31	14	14	8	7	1523	
Dec-16	1259	6	8	19	15	10	16	9	1342	
Dec-15	1397	8	11	26	40	21	22	10	1535	
Dec-14	1388	12	13	38	44	38	48	24	1605	
Dec-13	1424	4	5	24	73	46	46	1576		
Dec-12	952	9	9	9	56	37	1	0	1082	

Actual Foreclosures

	Number of Foreclosures	Number of Loans in Portfolio	Percentage of Portfolio
Jun-21	7	10,243	0.07%
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%
Dec-14	162	10,526	1.54%
Dec-13	146	10,952	1.33%
Dec-12	60	11,571	0.52%



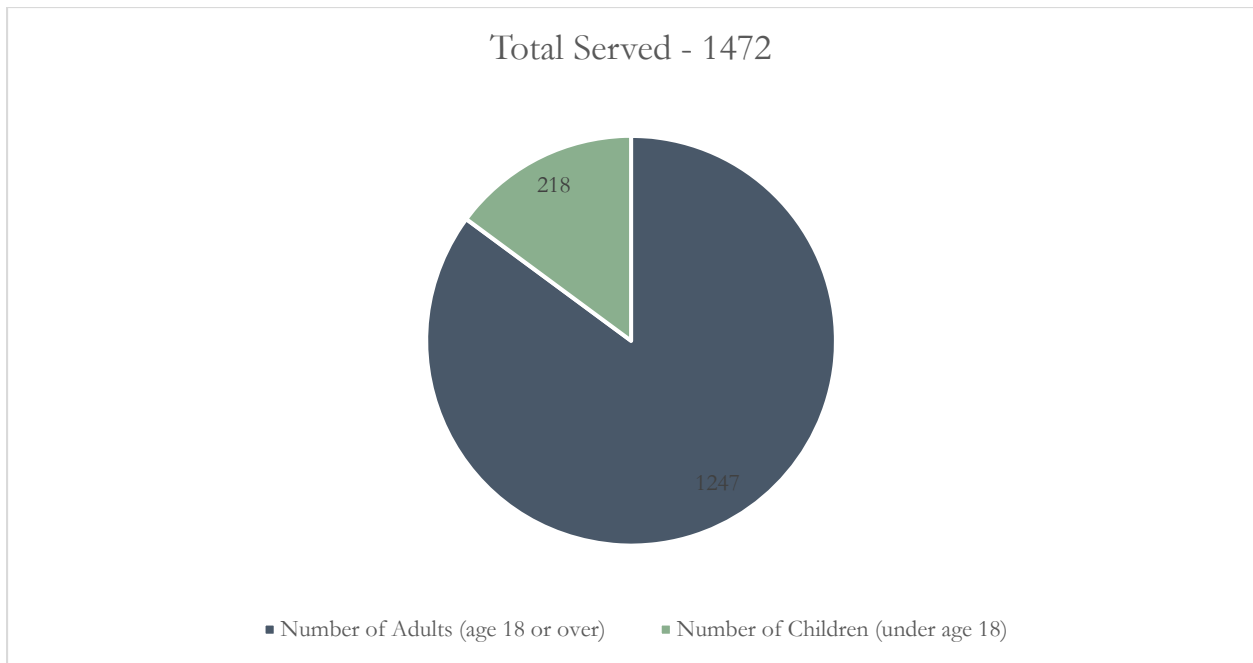
Homeless Initiatives Department Memorandum

To: Board of Commissioners
From: Lauren Bustard, Director of Homeless Initiatives
Date: August 10, 2021
Subject: Homeless Initiatives Report

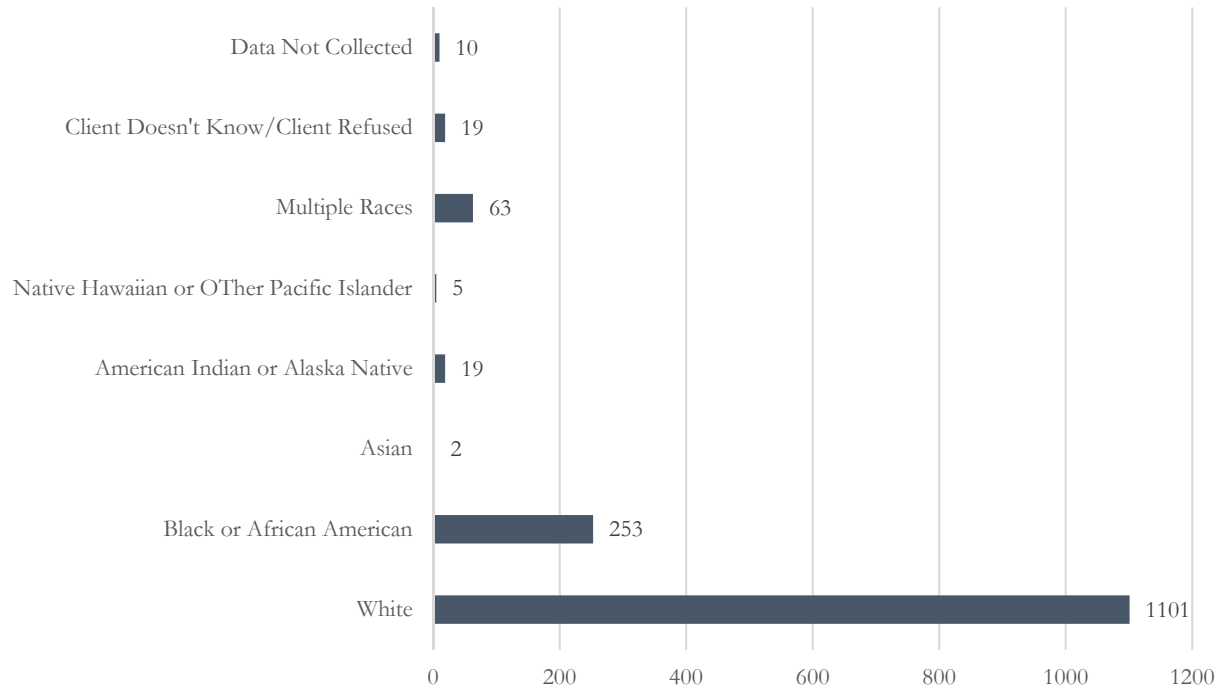
Homeless Data – July 2021

The following are the monthly statistics for July. Some of the things we are specifically tracking:

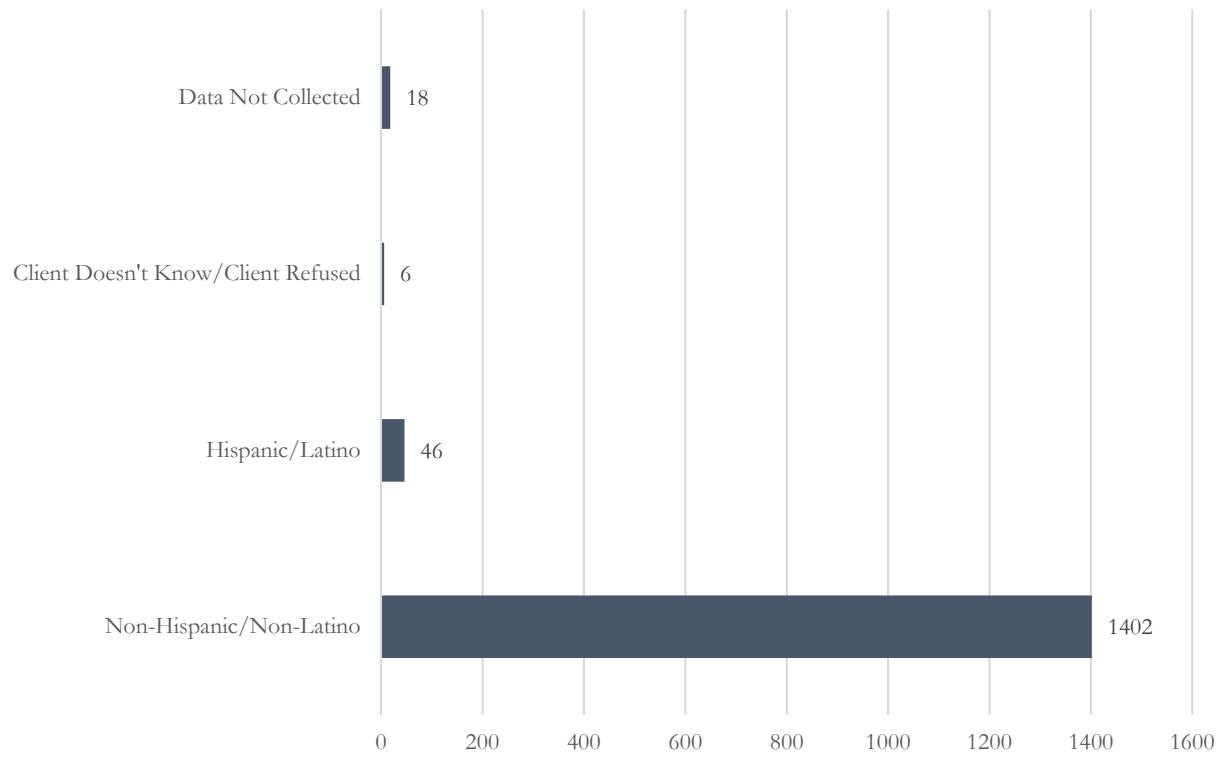
1. Total number of people served is 1472– an increase of 269 individuals from our last report on May numbers.
2. Racial equity – people of color made up 23.7% of the homeless population in July, a slight increase from May.
3. The number of individuals entering the homeless system from institutional settings remained fairly consistent.
4. Our exits to permanent living situations increased to 71 in July – 11 more than May but still significantly less than the 100 in April. Our Temporary Rapid ReHousing Program has now served a total of 201 households in Portland, Bangor and the Midcoast, comprised of 242 adults and 66 children. A total of 86 households have been successfully leased up through the program thus far.



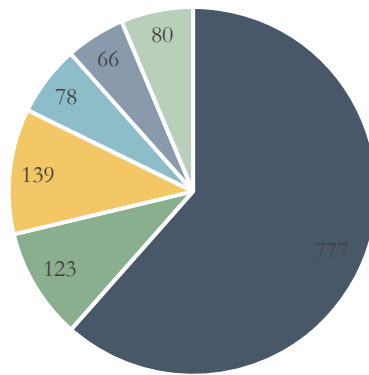
Number of People Served by Race



Number People Served by Ethnicity

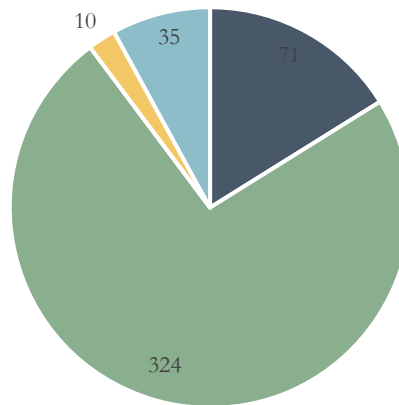


Residence of Clients Prior to Entry



- 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
- Other Locations

Residence of Clients after Exit



- Permanent Destinations
- Temporary Destinations
- Institutional Settings
- Other Destinations

2021 Emergency Shelter and Housing Assistance Program (ESHAP)

The Homeless Initiatives Department recently released the 2nd quarter shelter payments under our ESHAP Program. Payments were made from State Home Funds and State Shelter Operating Subsidy (SOS) Funds. Payments for the 2nd^h quarter encompassed shares for Operations, Stabilization, and Performance. Following is a breakdown of the payments:

Source of Funds	Operations Share	Stabilization Share	Performance Share	Total
State Home		763,478	339,324	1,102,802
State SOS	763,478			763,478
TOTAL	\$763,478	\$763,478	\$339,324	\$1,866,280

The Operating share contributes to shelter operating costs and the Stabilization share is disbursed to eligible shelters for Rapid Re-housing, Housing First, and Housing Stabilization services. Both the Operating and Stabilization shares are released quarterly.

The Performance Share provides funding to shelters that achieve specific performance measures that focus efforts on helping clients achieve permanent housing and remain in permanent housing. This share is released twice a year with the 2nd and 4th quarter payments.

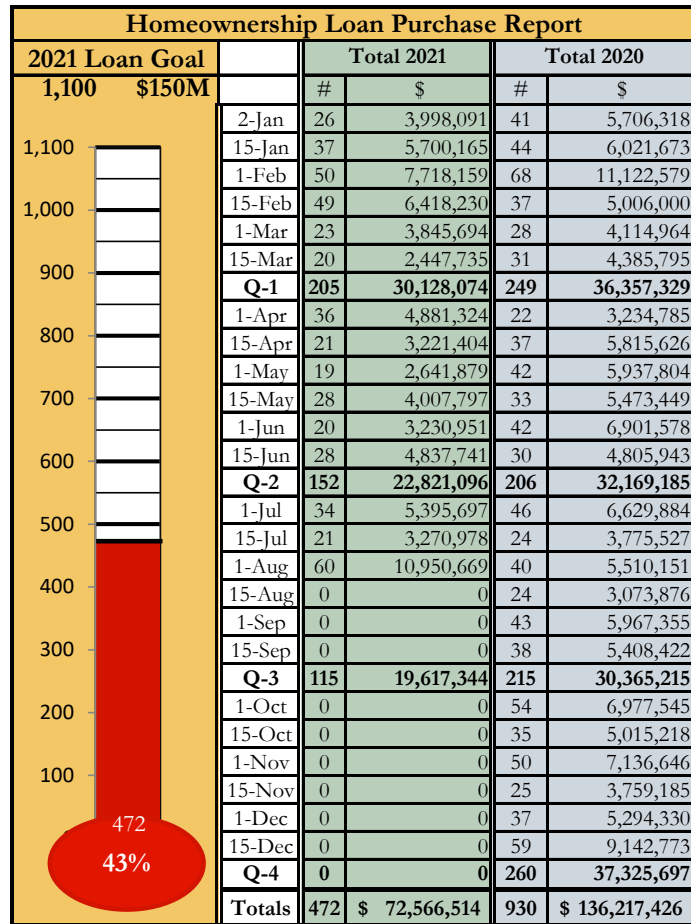
Temporary FEMA-Funded Hotel Depopulation Plan

MaineHousing currently has contracts in place with six hotels to house people experiencing homelessness – 2 in Portland, 1 in Lewiston, 1 in Waterville, 1 in Bangor and 1 in Presque Isle. These contracts were put in place to address the COVID emergency and funding has been provided through FEMA. With the FEMA funding set to expire September 30th, we are working with the service providers in each of these locations to implement depopulation plans to enable us to discontinue those contracts. We plan to move all guests out of at least 3 of these hotels through the use of rental assistance programs to house as many guests as possible and then a shift to other locations. The plan for those guests remaining at certain hotels is to continue to fund their stay through the ERA program. We are working with hotel owners and local Community Action Agencies to provide a smooth transition to the new funding source.

Homeownership Department Memorandum

To: MaineHousing Board of Commissioners
From: Craig Reynolds, Director of Homeownership
Date: August 9, 2021
Subject: Monthly Report – Homeownership Department

PRODUCTION UPDATE



Monthly Loan Reservations: 08/02/21	
#	\$ Volume
77	\$ 12,625,011

Loan Pipeline as of: 08/02/21	
#	\$ Volume
263	\$ 41,290,017

YTD Loan Reservation Comparison					
July 2020		July 2021		2020 vs 2021	
#	\$ Volume	#	\$ Volume	#	\$ Volume
328	\$ 46,229,827	263	\$ 41,290,017	-20%	-11%

PROGRAM HIGHLIGHTS

Loan Production & Market Status

The number of loan purchases still lags behind 2020, however the purchase scheduled for August 2nd was the largest in 2021, containing 60 loans with a combined loan amount of \$10.95M. The reservation pipeline of new loans has been consistent over the past few months with approximately \$41M in loans remaining after the large August 2nd purchase. Despite the ongoing challenges of a low inventory of homes for sale, rising sales prices, and strong competition from buyers bidding above asking price without financing or inspection contingencies included in the purchase and sale offer, first time homebuyers are still successfully managing to find homes they can afford by using our First Home Loan program.

Below are excerpts from the Maine Association of Realtors monthly press release in July regarding Maine's real estate market conditions and related statistics:

AUGUSTA (July 22, 2021) — Demand continues to drive up the values of Maine's single family existing homes. Maine Listings reported a statewide median sales price (MSP) of \$310,000 in June—a 24.5 percent increase over June 2020. The MSP indicates that half of the homes were sold for more and half sold for less.

Sales have also increased 14.71 percent in June compared to June a year ago. "June's high sales volume indicates that pent up buyer demand is strong in Maine, whether that demand is fueled by choice or by circumstance," said Aaron Bolster, Broker/Owner of Allied Realty in Skowhegan and 2021 President of the Maine Association of REALTORS®.

"REALTORS® from across Maine report that homes continue to go under contract rapidly after receiving multiple offers. Statewide, the Days on Market for June 2021 was six days, compared to 14 days a year ago, and 13 days in 2019, pre-COVID," he added.

Positive signs do exist for buyers. "Statewide, beginning in June of 2020, single-family for-sale inventory declined monthly for nine consecutive months through March of 2021, where it reached its low point. For the third straight month, we've seen improving for-sale supply metrics. Active single-family listings were up 18.5 percent during June 2021 compared to May 2021, and up 55 percent from the March 2021 low," said Bolster. "An increase in for-sale inventory should bring a better balance to Maine's real estate market over time."

Mortgage interest rates in Maine have remained relatively unchanged for most of the summer months, however by the end of July the average among lenders surveyed showed a small drop to just over 3% for a 30 year fixed rate home loan. MaineHousing's First Home Loan program continues to offer a below market fixed rate of 2.875% for the same 30 year - 0 point loan product. In addition to offering the Advantage option, which features a \$3,500 grant for borrowers to use toward down payment and closing costs after first completing a hOMEworks approved homebuyer education class.

Bangor Savings Bank and MaineHousing Partner in Lewiston Project

MaineHousing and Bangor Savings Bank have agreed to partner in an innovative affordable housing project in Lewiston named the Renter to Owner program. The partnership calls for Bangor Savings Bank to finance the purchase of newly converted condominiums in urban locations created from existing units in multi-tenanted buildings, with MaineHousing purchasing the loans through our First Home Loan program. The buildings and the condominium conversions are owned and being managed by a private developer. Bangor Savings Bank and MaineHousing are only involved in the mortgages secured by the condominium buyers. The anticipated population served by the program will be first time homebuyers, new Americans and low-to-moderate income borrowers. The first conversions will be in Lewiston's Tree Street neighborhood and the hope is to expand the program to include other urban communities throughout Maine in the near future.

New Lender Partner Training

Mortgage Lending Team Leader, Lisa McKenna and Mortgage Lending Officer, Casey Erlebach recently conducted a virtual Post-Closing lender training for Bar Harbor Bank & Trust, one of the newest members of our lender network. MaineHousing and Homeownership extend a warm welcome to our friends and new partners at Bar Harbor Bank & Trust!

Housing Choice Vouchers Department Memorandum

To: MaineHousing Board of Commissioners

From: Allison Gallagher - Director of HCV Programs

Date: August 17, 2021

Subject: Monthly Report – Housing Choice Voucher Program

Program Updates:

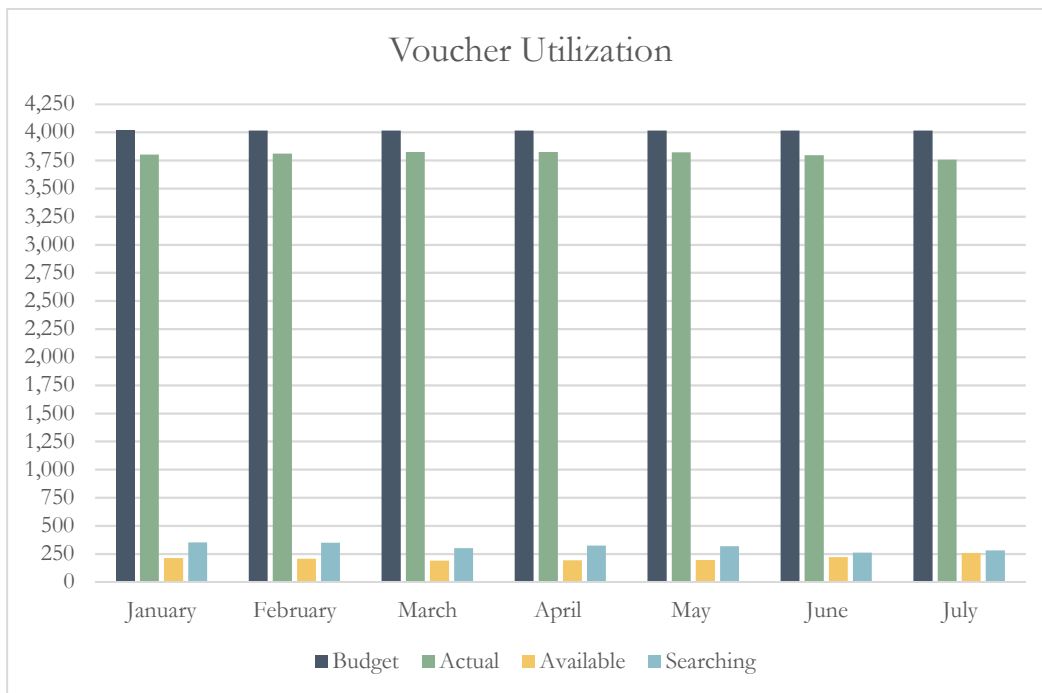
PHA Plan- A draft of the HCV PHA plan is included in this packet and was posted on the MaineHousing website August 3, 2021.

HCV accepted an offer of 99 Emergency Housing Vouchers (EHV) from HUD.

- MOU signed with the Maine CoC
- We have received 11 referrals to date

LEAN Update:

HCV staff are working on scanning all physical tenant files as a 2021 LEAN initiative. We have scanned 20% of our files to date and are scanning all new participants and ongoing tenant certifications into Docuware.



HCV (homeless initiatives)

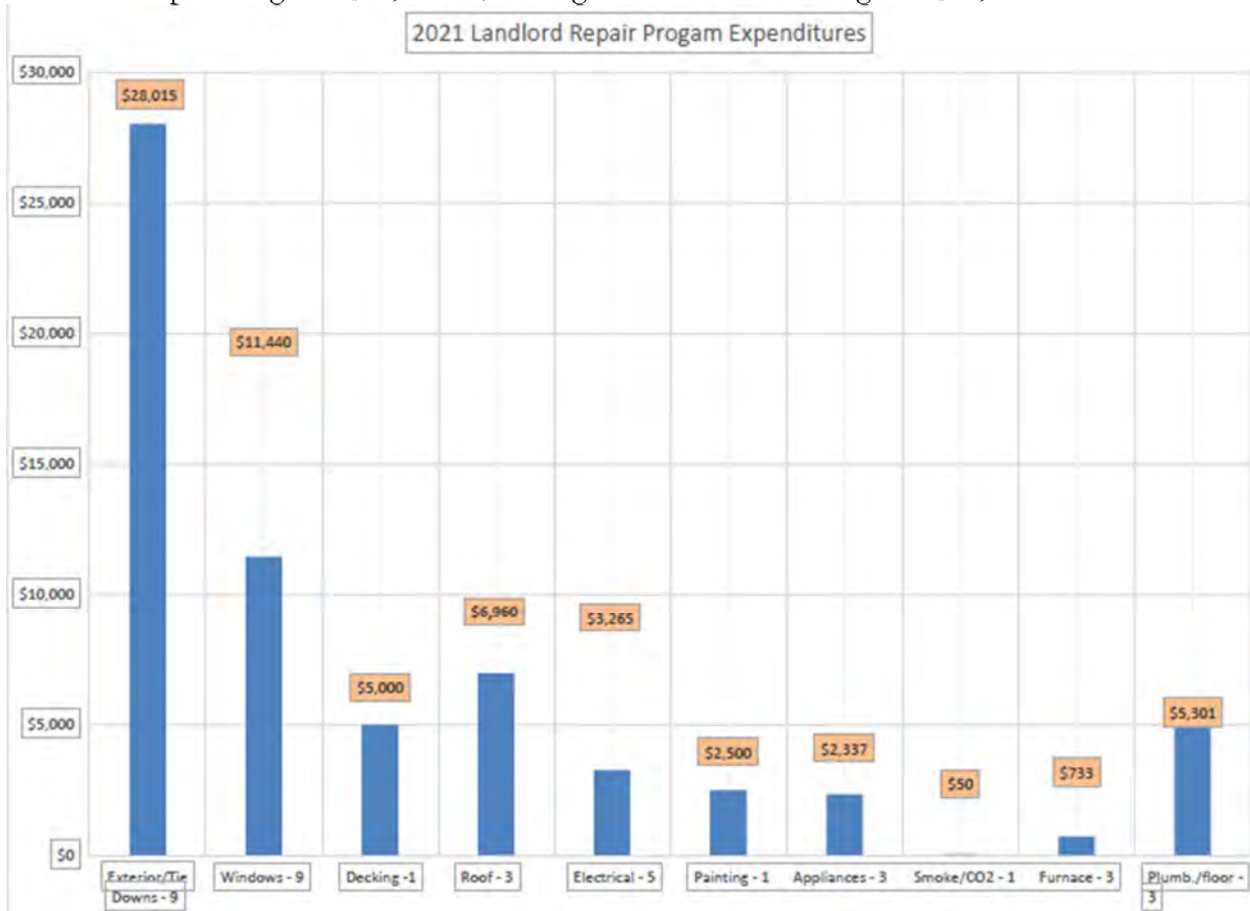
STEP, Home to Stay, Homeless priority

	Leased	Searching
STEP	142	53
Home to Stay	164	79
Homeless Priority	236	46

Inspection Updates:

- Days to schedule initial inspections: 3
- Days to schedule homeless initial inspections: 2

Landlord Repair Program: \$65,599.80/Damage Reimbursement Program: \$19,822.90



Human Resources and Facilities Department Memorandum

To: Board of Commissioners

From: Jane Whitley, Director of Human Resources & Facilities

Date: August 2021

Subject: Board Report

Human Resources Updates

STAFF ANNOUNCEMENTS

Welcome to our new hires, we are thrilled to have you here!

- ✓ Betty Mezzoff, EHS Assistant, Energy & Housing Services Department
- ✓ Greg Connors, Multifamily Loan Officer, Development Department
- ✓ Cera St. Amand, Office Assistant, HR & Facilities Department

Congratulations to staff who have moved into a different position at MaineHousing, we wish you the best in your new adventure!

- ✓ Jason Bullock, IT Manager to Information Security Engineer
- ✓ Carol Bernard, Helpdesk Analyst II to Application Specialist

We are currently advertising for the following position:

- Construction Program Coordinator (previously titled: Lead Paint and Housing Rehab Coordinator)

BEST PLACES TO WORK IN MAINE SURVEY

MaineHousing participated in the 2021 *Best Places to Work in Maine* program. We finished at a 79% completed survey response rate or 138 completed surveys out of 174 total sent.

The next steps are as follows:

- ❖ August: We'll hang tight while Best Companies Group's research team compiles and analyzes the data to determine winners and rankings.
- ❖ By mid to late August: We'll receive an email letting us know if MaineHousing has made the list or not.
- ❖ September: We'll receive our Insights Report package summarizing staff feedback.
- ❖ October 12: *Best Places to Work in Maine* awards event and publication of the rankings.

COMPENSATION STUDY

MaineHousing has contracted with Gallagher Benefit Services to conduct a compensation study. The survey is underway and includes 28 positions (job descriptions) representing every band. We should be receiving survey results in mid-September.



We are always looking for great people to fill our positions!

Please encourage your family and friends to visit our website at www.mainehousing.org/careers.

We also advertise on Indeed and Jobsinme.com.

PERFORMANCE COACHING PROGRAM (versus Performance Evaluations)

The management team participated in a refresher training class on August 10. I thought you would be interested in seeing our coaching program, our theme is **Building for Success at MaineHousing!**

Purpose

The purpose of the Performance Coaching Program is to improve the employee experience by driving more frequent and meaningful conversations between employees, managers, and peers. With recurrent touch points through a variety of conversation opportunities, we will all strengthen our work relationships and tap into our potential. These conversations will create alignment around current performance, future expectations, and growth opportunities.

Expectations

MaineHousing expects that both managers and employees will be open to engaging in dialogue. The minimum expectation is that a 10-Minute Conversation will occur three times per year. (The 10-minute conversations realistically takes at least one hour.)

Staff Roles and Responsibilities include:

Employees - Drive your performance and come prepared to be open and honest with your manager regarding support needed, what's working, and ideas on how you'd like to expand your capabilities. Come to the 10-Minute Conversation prepared to talk about: something that has gone well, something you're interested in developing/a new skill you'd like to learn/something you'd like to be involved in, etc., and insight for your manager (what's working and additional support or ideas on how you can work even better together).

Managers - Indicate your support, interest, and make the time to ensure the meetings occur at a minimum of three times per year. This will allow you to provide employees with insight into what they are doing well and should continue to do, and what can be done to make even more progress. We also recommend that you set aside 10-15 minutes in a staff meeting to allow for 5-minute peer conversations.

Everyone - Ensure that your conversations go beyond your task lists. There is a 10-Minute Worksheet to guide questions and answers.

Performance Issues

Off-target performance is discussed as soon as there is a concern. Performance issues do not need to wait for a scheduled 10-Minute Conversation meeting between the manager and employee. Off-target performance should be addressed separately and immediately. If performance does not improve, please work with Human Resources.

Facilities Updates

✓ We hope you enjoyed the tour of the building after the July meeting!

Information Technology Department Memorandum

To: Board of Commissioners

From: Sheila Nielsen, Director of IT

Date: August 10, 2021

Subject: Monthly Report

The IT Department has been working on the following efforts over the last month.

- With the help of Human Resources, completed Information Technology Department reorganization to allow full time focus on IT security. Also added 1 additional HelpDesk resource to support continued telecommuting and increased staffing support.
- Recruited and selected applicant to fill new HelpDesk position, start date is August 30, 2021.
- Selected CrowdStrike's Falcon Complete offering from the Managed Detection and Response Service RFP. Implementation is underway and monitoring has begun on 2/3rds of the devices.
- Continued efforts to streamline Emergency Rental Assistance processing and roll out of the 2.0 legislation.
- Completed second quarter employee phish email testing campaign with dramatic reduction of phish prone score from 16.7% in the first quarter tests to 1.9% this quarter.

Board Calendar 2021

<p>JANUARY 19</p> <ul style="list-style-type: none"> • Adopt DOE Weatherization State Plan • Legislative Preview (P. Merrill) <p>NCSHA HFA Institute (Jan. 25-Feb. 5) Virtual</p>	<p>FEBRUARY 16</p> <ul style="list-style-type: none"> • Introduce HEAP
<p>MARCH 16</p> <ul style="list-style-type: none"> • HEAP discussion • Audit Committee update <p>NCSHA Legislative Conference (March 22-24) Washington, DC</p>	<p>APRIL 20</p> <ul style="list-style-type: none"> • Commence rulemaking HEAP • 2020 Year-end Financials
<p>MAY 18</p> <ul style="list-style-type: none"> • HEAP public hearing 	<p>JUNE 15</p> <ul style="list-style-type: none"> • Adopt HEAP rule • HCV Annual Plan Timeline <p>NCSHA Credit Connect (June 22-25) Denver, CO</p>
<p>JULY 20</p> <ul style="list-style-type: none"> • HEAP Weatherization Waiver public hearing • MEHER Bonds Resolution 	<p>AUGUST 17</p> <ul style="list-style-type: none"> • HCV Annual Plan Review prior to Public Hearing • Approve HEAP Weatherization Waiver
<p>SEPTEMBER 21</p> <ul style="list-style-type: none"> • HCV Annual Plan Public Hearing <p>NCSHA Annual Conf. (Sept. 25-27) Detroit, MI</p>	<p>OCTOBER 19</p> <ul style="list-style-type: none"> • Introduce DOE Weatherization State Plan • Adopt HCV Annual Plan
<p>NOVEMBER 16</p> <ul style="list-style-type: none"> • Review Preliminary 2022 Budget • DOE Weatherization State Plan Public Hearing 	<p>DECEMBER 21</p> <ul style="list-style-type: none"> • Approve 2022 Budget • Elect Officers • MPP Series Resolution • Adopt DOE Weatherization State Plan