

February 21, 2023 Board Packet

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Board of Commissioners Meeting – February 21, 2023 9:00 a.m. to 12:00 p.m.

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

9:00	Adopt Agenda (VOTE)	All
	Remote Commissioners	Frank O’Hara
	- Reason remote	
	- Any other persons at their location	
	Approve minutes of January 17, 2023 meeting (VOTE)	All
	Communications and Conflicts	All
	Chair of the Board Updates	Frank O’Hara
9:15	Director Updates	Dan Brennan
9:45	Legislative Update	Erik Jorgensen
10:00	Home Energy Assistance Program Rule Introduction	Troy Fullmer
10:30	Homeownership – 2022 Review and 2023 Preview	Craig Reynolds
11:00	Asset Management Big Issues Update	Bob Conroy
11:20	ERA Fraud Prevention Efforts	Linda Grotton
	<u>Department Reports:</u>	All
	Asset Management	
	Communications and Planning	
	Development	
	Energy and Housing Services	
	Finance Monthly Report	
	Financial & Budget Report	
	Finance Delinquency Report & Charts	
	Homeless Initiatives	
	Homeownership	
	Housing Choice Vouchers	
	Human Resources & Facilities	
	Information Technology	
	2023 Board Calendar	
	Adjourn (VOTE)	All

The next meeting of the Board is scheduled for March 21, 2023
virtually and in person at 26 Edison Drive, Augusta, Maine



Minutes of the Board of Commissioners Meeting January 17, 2023

MEETING CONVENED

A meeting of the Board of Commissioners for MaineHousing convened on January 17, 2023 at the offices of MaineHousing, 26 Edison Drive, Augusta, Maine and virtually. Notice of the meeting was published on January 6, 2023 in Central Maine newspapers. Notice of Board of Commissioners meetings is also on MaineHousing's website at www.mainehousing.org.

Chair Frank O'Hara called the meeting to order at 9:00 a.m. Director Dan Brennan, State Treasurer Henry Beck, Commissioners Paul Shepherd and Renee Lewis attended in person. Commissioner Laura Buxbaum attended remotely due to COVID concerns. She was alone at her location. Commissioner Nancy Harrison attended remotely due to a scheduling conflict. She was alone at her location. Commissioner Noël Bonam attended remotely due to a personal matter. He was alone at his location. Commissioner Deb Ibonwa attended remotely due to a scheduling conflict. She was alone at her location. Commissioner Betty Dietz was absent. There was a quorum present.

PUBLIC ATTENDANCE

Guests and staff present for all or part of the meeting included: Ashley Janotta, Chief Counsel; Adam Krea, Senior Director of Finance and Lending; Jimmy Puckette, Counsel; Linda Grotton, Director of Audit and Compliance; Jamie Johnson, Senior Director of Operations; Tom Cary, Treasurer; Allison Gallagher, Director of Housing Choice Voucher; Mark Wiesendanger, Director of Development; Jane Whitley, Director of Human Resources & Facilities; Craig Reynolds, Director of Homeownership; Craig Given, Director of Information Technologies; Karen Lawlor, Executive Administrator; Lauren Bustard, Senior Director of Homeless Initiatives; Genevieve Soucy, Director of Energy & Housing Services; Scott Thistle, Communications Director; Erik Jorgensen, Senior Director of Government Relations & Communications; Joshua Pinkerton, Data Analyst; Troy Fullmer, Manager of HEAP; Andrew Thomas, Help Desk Analyst II; Tara Hembree, Homeless Response Systems Coordinator; Laura Mitchell, Executive Director and BJ McCollister Policy Director Maine Affordable Housing Coalition; and Gerrylynn Ricker, Paralegal and Note taker.

ADOPT AGENDA

Commissioner Lewis made a motion seconded by Commissioner Buxbaum to adopt the January 17, 2023 agenda. The vote carried unanimously.

APPROVE MINUTES OF DECEMBER 20, 2022 MEETING

State Treasurer Beck made a motion seconded by Commissioner Lewis to accept the December 20, 2022 minutes as written. The vote carried unanimously.

COMMUNICATIONS AND CONFLICTS

Director Brennan explained that if a Commissioner has any interaction or communication regarding the housing authority, that this is the opportunity to share that. Or if there happens to be any conflicts of interest, this is the time to disclose that. Commissioner Buxbaum advised the members that her employer, Coastal Enterprises, Inc. had transferred ownership of its last housing properties that had MaineHousing financing. Commissioner Buxbaum also reported that she met with Kit St. John who has done some volunteer work with Tedford Shelters and the general needs of affordable housing in Brunswick was discussed.

CHAIR OF THE BOARD UPDATES

Chair O'Hara reported that he had spoken with Erik Jorgensen, Senior Director of Government Relations and his staff regarding a year-end report. Chair O'Hara had a meeting with several churches in the area regarding getting a church shelter going in Augusta and there was discussion about the Point in Time count that is coming up. Chair O'Hara reported he has personally (not in his capacity as Chair of MaineHousing) been working on some changes he would like to see to the housing TIF legislation.

DIRECTOR UPDATES

Director Brennan reported issues, his activities and upcoming matters as follows:

- Housing developer Joseph Cloutier passed away. He owned Realty Resources and was one of the more prolific affordable housing developers in the state.
- Staff very much appreciated the generosity of the Board.
- We succeeded in saving the \$26 million of rental assistance that U.S. Treasury wanted to take back. The money is on its way here from the State Treasury. There will be enough funds to pay for all the applications that the CAA took through September 2022 as well as enough money to keep people that are in hotels currently in hotels through April 2023.
- When congress passed the federal budget, they included language in that budget that essentially stopped HUD from trying to change how the performance based contract administration works. Our contract has been extended six months and there are three more six month extensions that we believe HUD will carry out. That was a great outcome. A lot of work went into that.
- Also when the federal budget passed there was another billion dollars in heating assistance money. We're still waiting to hear the amount that we will be getting.
- The Governor's budget includes money directly in the budget for affordable housing. \$15 million for tax credit program and \$15 million for the Rural Rental Program.
- LD 3 passed. \$40 million in HEAP supplemental funds; \$10 million in emergency money; and another \$21 million in emergency housing. Within one week of the budget being passed, we had two notices of funding availability on our website for both short term shelter situations and long term solutions.
- Two committees, Labor and Housing and the Joint Select Committee on housing have been formed. We have put out requests to have them come here and visit with us.
- Very close to launching the Homeowners Assistance Fund that we are taking over from the Bureau of Consumer Credit Protection.
- Attended the Governor's Inauguration. Governor Mills gave a wonderful speech.
- Meeting on a regular basis with Dan Burgess of the Governor's energy office and Michael Stoddard of Efficiency Maine particularly talking about mobile homes and how we can lower their heating burden.
- The Maine Real Estate Developers Association had an event over at the Hall of Flags at the State House.
- The Maine Development Foundation does a bus tour for legislators and they are going to Orono to see the 3-D house. Director Brennan with Erik Jorgensen and Mark Wiesendanger will attend the dinner then Dan and Mark will greet the legislators in the house.
- Director Brennan will be hosting the Maine Association of Public Housing Directors here at MaineHousing. They have a quarterly meeting and this time will be in person here.
- Going to do a podcast with Kevin Bunker hosted by Maine Real Estate Developers Association's President, Craig Young.
- Will be attending Maine Real Estate Developers Association annual forecast conference.

- All staff day will be held at the Augusta Civic Center on Monday, January 30th. All Commissioners are invited to attend.

State Treasurer Henry Beck asked Director Brennan about conversations with Representative Sam Zager about a pilot project. Senior Director of Government Relations & Communications, Erik Jorgensen, answered for Dan and told the members that he has had great conversations with Mr. Zager about a program that is going to help provide positive rental credit reporting. The idea is for landlords to participate and report rental payments to credit agencies. MaineHousing supports this bill and will help in any way it can. Treasurer Beck said his office is willing to help as well.

QUALIFIED ALLOCATION PLAN UPDATE

Director of Development, Mark Wiesendanger, gave an overview of the Qualified Allocation Plan (QAP). The QAP is essentially the road map for the Low Income Housing Tax Credit program. It describes how we are going to allocate tax credits to projects and what requirements must be met in order to receive the tax credits. Right now we are in a two year QAP. Mark reviewed for the Commissioners some of the items that the Board has expressed an interest in such as: housing needs analysis; owner experience/performance scoring; encouraging rural development; encouraging accommodations for asylum seekers; and adding other opportunities for external financial support. Mark also went over the QAP related events over the coming two years. Commissioner Renee Lewis mentioned constructions costs and perhaps a revisit of the caps may be in order for the next QAP.

LEGISLATIVE UPDATES

Director Brennan invited Laura Mitchell and BJ McCollister of Maine Affordable Housing Coalition (MAHC) to join Senior Director of Government Relations & Communications, Erik Jorgensen, while he gave his legislative update. Erik reported that the legislature is just coming up to speed and housing is going to be the top one or two subjects for their work this year. The first three bills were each about housing. A new committee has been named just to focus on housing issues. The Legal and Housing Committee and a special Joint Standing Committee will work in parallel to the usual Labor and Housing Committee. We will schedule orientation sessions to introduce MaineHousing to both committees. The Joint Standing Committee is going to be chaired by Senator Teresa Pierce of Falmouth and Representative Traci Gere of Kennebunkport. The Labor and Housing Committee will be chaired by Representative Amy Roeder of Bangor and Senator Mike Tipping of Penobscot County. Erik went over for the members the various leadership teams. Senate team president is Troy Jackson; Majority Leader is Eloise Vitelli and Mattie Daughtry is Assistant Leader; Rachel Talbot Ross has been elected Speaker of the House. She named Bill Brown as her Chief of Staff and Honorable Brian Hubbell as her fiscal policy person. The house Majority Leader is Mo Terry of Gorham and Whip Kristen Cloutier of Lewiston. Erik reported he has received the initial bill titles, although the bills themselves have not yet been printed. Erik reported that the Winter Emergency Energy Relief bill passed and it will provide significant heating assistance to 800,000 households in the form of direct checks; MaineHousing will receive \$50 million for HEAP and ECIP and \$21 million for emergency winter housing programs. Erik then introduced Laura who is Executive Director and BJ, the Policy Director for MAHC. Laura presented a slide show that talked about MAHC's mission, vision and strategic pillars. She talked about with the influx of people into Maine, more affordable homes are needed to meet economic needs in Maine. MAHC is fully behind the Governor's allocation in the general fund for \$30 million towards housing. Their number 1 priority piece of legislation is going to be pushing for a housing infrastructure bond. Laura focused on the need for more housing. Maine is not alone in under producing housing. Laura shared with the Commissioners their campaign HOMEforMEPLedge.com which is designed to cut red tape to improve land use laws; pass a housing infrastructure bond; use existing buildings and State land for Housing; and incentivize new housing construction. BJ McCollister talked a little bit about the HOME for ME four policy solutions. He discussed specific bills that will be presented before the

legislature this year. The number one need is funding so the passing of a housing infrastructure bond is a priority. BJ talked about the land bank authority being created last legislation session and talked about a memorandum of understanding between the land bank and the Bureau of General Services regarding abandoned municipal properties. He also discussed incentivizing new housing construction.

HOMELESS SERVICE HUBS COORDINATOR UPDATE

Senior Director of Homeless Initiatives, Lauren Bustard introduced Tara Hembree, Homeless Response Systems Coordinator. Tara works with Community Solutions, the consultant in the Built for Zero initiative. Tara also works very closely with all the Hub coordinators. Lauren introduced two Hub coordinators that joined the meeting, Jennifer Weatherbee from Hub 7, Penobscot and Piscataquis counties and Jace Farris from Hub 8, which is the downeast Hub, Washington and Hancock counties. Tara started a slide show presentation that highlighted for the Commissioners the benefits of the regionalized approach of nine homeless service Hubs. She reviewed the service Hub structure – Hub 1 through 9 and their locations. Tara talked about the statewide long term aims; the benefits of quality data; statewide short term goals; the role the Hub coordinators play; and what's next. Jennifer Weatherbee talked about developing and strengthening the local provider network that is already in place. They are looking at identifying needs and where there may be gaps. Jennifer told the Commissioners her Hub has assessed 271 people so far. The collaboration across Hub 7 has improved and is being streamlined to better support the system re-design. Jennifer has been collaborating with local municipalities in rural areas and getting an idea of what homelessness looks like in each of these areas and making sure they are connected to the right resources. Jace Farris who is located in Machias discussed how his area is different from other areas of the state. There are not as many resources available. Jace has been working with general assistance in the area, and local hotels. Jace's Hub holds weekly provider meetings to help bridge some of the gaps as the ERA funding was coming to an end. Not all the providers are homeless service providers – he has substance abuse providers and mental health providers. Jace talked about Healthy Acadia, which is a substance abuse provider service, who has opened up a warming center in Ellsworth. He is trying to get a similar place opened up in Washington county because transportation is a huge barrier between the two counties. Lauren told the Commissioners that there is constantly work going on to at the Hub level as well as the State level to increase outreach to rural areas. All the Hub coordinators are in constant communication with each other. They all meet every other week with Tara and on the off weeks they meet with each other. Commissioner Lewis asked Tara if there was a list of program providers in each of the Hubs. Tara said there was and she would get that list to Director Brennan who will forward it to the Commissioners.

DEPARTMENT REPORTS

Commissioner Lewis mentioned the Asset Management report and that perhaps that department could come to a meeting and talk about all that is going on in that department regarding new loans. Director Brennan will get Director of Asset Management, Bob Conroy to make a presentation.

Commissioner Shepherd asked how the on-line application for HEAP was working out. Senior Director of Operations, Jamie Johnson reported that it is going good. There have been about 1,700 applicants that have utilized it.

ADJOURN

Commissioner Shepherd made a motion seconded by Commissioner Lewis to adjourn the meeting. The meeting was adjourned at 11:30 a.m. by unanimous vote of the Board.

Respectfully submitted,

Elizabeth Dietz

HEAP PY2024 Rule and State Plan Review Process Tentative Key Dates (revised 1-26-2023)

DATE	MILESTONE/KEY EVENT
1/6/2023	Maine Community Action Agency (CAA) Housing and Energy Council Meeting - initial discussions about process and recommendations for PY2024
1/26/2023	Invitation to HEAP Stakeholders' Meeting – Announcement of HEAP Working Group on February 23, 2023, meeting held virtually from 1:00-4:00 p.m.
2/10/2022	All Stakeholders, including CAAs – submit input/recommendations in writing to Troy Fullmer, Manager of HEAP, at tfullmer@mainehousing.org
2/21/2023	Meeting of MaineHousing Board of Commissioners – Introduction of HEAP Rulemaking and State Plan* Review process – <i>agenda will be available on MH's website prior to the meeting</i>
2/23/2023	HEAP Working Group Meeting for stakeholder input. Includes distribution of written input from all stakeholders received by 2/10. Meeting held virtually from 1:00-4:00 p.m.
3/14/2023	Distribute summary of proposed changes and recommendations from Stakeholders to MaineHousing Board of Commissioners
3/21/2023	Meeting of MaineHousing Board of Commissioners – HEAP discussion and Board input - <i>agenda will be available on website prior to meeting</i>
4/4/2023	Written response to CAA Housing and Energy Councils' and HEAP Working Group's recommendations
4/11/2023	Distribution of information to MaineHousing Board of Commissioners – summary of proposed changes and drafts of HEAP Rule and State Plan*
4/11/2023	Submit proposed Rule to Attorney General's Office- notice of rulemaking
4/18/2023	Meeting of MaineHousing Board of Commissioners – Seek approval to commence Rule Making process – <i>agenda will be available on website prior to meeting</i>
4/18/2023	Email Notice of Public Hearing on the Rule with proposed Rule to the Secretary of State's Office
4/26/2022	Interested Parties Mailing – PY2024 State Plan*
5/16/2023	Meeting of MaineHousing Board of Commissioners - Public Hearing: HEAP Rule, PY2024 State Plan* - <i>agenda will be available on website and public notices published prior to meeting</i>
5/26/2023	Comment Period for Public Hearing* submissions ends
6/20/2023	Meeting of MaineHousing Board of Commissioners – Seek approval of Rule and State Plan*
7/20-21, 2023	HEAP CAA Training- platform/venue TBD
8/1/2023	CAAs begin taking PY2024 HEAP Applications
TBD	HEAP Vendor Training

***NOTE:** If it is determined that MaineHousing will seek a waiver to reallocate fuel assistance funding to the weatherization program, this recommendation will be included in public hearings and opportunities and notifications for comment will be provided within the prescribed timeframes.

Energy & Housing Services Department Memorandum

To: Home Energy Assistance Program (HEAP) Stakeholders

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

Date: January 26, 2023

Subject: HEAP Working Group Meeting- February 23, 2023
HEAP Rule and State Plan for PY2024- Key Dates

The purpose of this memo is to invite interested parties to participate in the HEAP Working Group meeting being held on February 23, 2023 beginning at 1:00 p.m. and scheduled to end at 4:00 p.m. The meeting will be held virtually online. In order to participate in the meeting, **attendees must preregister** by completing and submitting an online registration form **no later than Friday, February 17**. This is the link to access the meeting registration form- <https://www.surveymonkey.com/r/9HNB6TG> Individuals who register for the meeting will be emailed the link to access the online meeting along with the meeting agenda.

The HEAP Working Group meeting is intended to provide Maine's Community Action Agencies (CAAs), heating fuel vendors, and other HEAP stakeholders such as Maine Equal Justice Partners and the Office of the Public Advocate, an opportunity to participate in and have input in the development of the PY2024 HEAP Rule and State Plan. The focus of the meeting will be fuel assistance and Energy Crisis Intervention Program (ECIP) components.

Stakeholders are also welcome to submit written comments and recommendations prior to the meeting. Written recommendations should be sent to me at fullmer@mainehousing.org **no later than Friday, February 10**, which will allow time for the written submissions to be compiled and shared with HEAP Working Group participants.

The attached schedule provides information about the key dates related to the process for reviewing and adopting the PY2024 HEAP Rule and State Plan. The schedule includes the dates of public hearings, adoption and implementation. In accordance with state and federal laws, notice of public hearings and the comment process will be published well in advance the events.

The PY2023 HEAP State Plan and HEAP Rule are available online at MaineHousing's website at <https://www.mainehousing.org> (under Menu-About-MaineHousing Rules) and [maine-liheap-state-model-plan-revised-02152022.pdf \(mainehousing.org\)](https://www.mainehousing.org/maine-liheap-state-model-plan-revised-02152022.pdf). Additionally, the Administration for Children and Families (ACF) website offers easy access to the federal statutes and other pertinent documents/information that outline and establish the federal requirements for the administration of HEAP. To view this information, URLs are provided below.

HEAP Guidance, Policies and Procedures:

- Action Transmittals:
<https://www.acf.hhs.gov/ocs/policy-guidance/liheap-action-transmittals>
- Information Memoranda:
<https://www.acf.hhs.gov/ocs/policy-guidance/liheap-information-memoranda>
- Dear Colleague Letters:
<https://www.acf.hhs.gov/ocs/policy-guidance/liheap-dcls>
- Statute and Regulations:
<https://www.acf.hhs.gov/ocs/law-regulation/liheap-statute-and-regulations>

MaineHousing looks forward to working with all of you and if you have any questions or require additional information, please do not hesitate to contact me at tfullmer@mainehousing.org.

Attachment: HEAP PY2024 Rule and State Plan Review Process- Tentative Key Dates

Audit and Compliance Department Memorandum

To: Board of Commissioners
From: Linda L. Grotton, Director of Audit and Compliance
Date: February 21, 2022
Subject: Audit Committee Report

The MaineHousing Audit Committee held their quarterly meeting on February 6, 2023. Laura Buxbaum (Chair of the Audit Committee) and Audit Committee members Betty Dietz and Nancy Harrison met with Linda Grotton.

In the area of internal audit, Linda is continuing to audit the ERA rent relief program at each Community Action Agency (CAA). She shared the Audit Report for the fifth CAA completed at the end of 2022, and will be initiating the process with a sixth CAA. Also last quarter, an internal compliance audit was completed of Environmental Review documentation required by HUD in support of STEP (Stability Through Engagement Program), a form of tenant-based rental assistance administered by HCV program staff.

In the area of external audit, representatives of HUD's Lead and Healthy Homes Program Division visited Maine in September to evaluate the new Older Adult Home Modification Program. And while they were here, they decided to review a sample of our Lead Hazard Reduction Program files as well. No written results have been received to date. Additionally, the US Government Accounting Office is reviewing the Housing Trust Fund (HTF) nationally, and MaineHousing was selected to participate. HTF is a source of housing development funds targeted to extremely low income households. This review is ongoing; we have responded to numerous data requests since March of 2022, and continue to answer questions as they are received.

The final ERA / Rent Relief Program Fraud Summary Report was published as of December 31, 2022, and is provided as an addendum to this Audit Committee report. Just under \$20 million of fraudulent applications were identified in total, with the vast majority (96.6 percent) caught before payment was made. MaineHousing's Fraud Prevention Specialist is now turning his attention to the new HAF (Housing Assistance Fund) program, and he is assisting EHS program staff in reviewing the process for responding to fraud allegations in HEAP (Housing Energy Assistance Program).

In other minor business, Linda discussed the annual "Procurement Report" that must be filed with the Maine State Legislature each February 1. Additionally, all staff and commissioners completed the annual Conflict of Interest survey in November.

The next quarterly Audit Committee meeting is scheduled for April 3. Members of MaineHousing's Information Security Committee will be invited to provide their annual data security update, as well as share results of the external penetration testing completed at the end of 2022.

**Rent Relief /ERA Programs
Fraud Summary Report
FINAL through December 31, 2022**

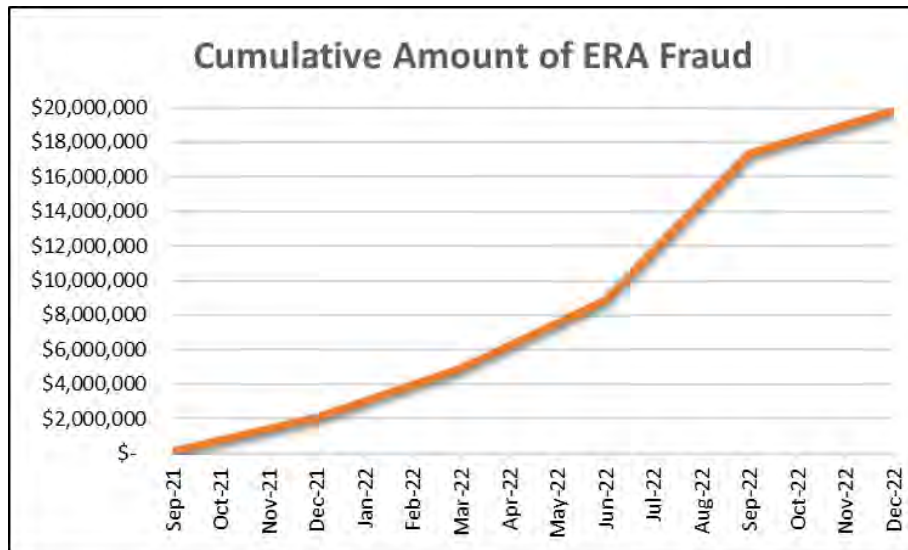
Overview

MaineHousing investigated all allegations of fraud in the Emergency Rental Assistance (ERA) Program. In conjunction with the ten Community Action Agencies, MaineHousing:

- Received and investigated **1,156** allegations of fraud.
- Confirmed **1,002** fraudulent applications. (Just 13.3 percent of total allegations were unfounded).
- Identified **\$19,857,343** in fraudulent requests (or **6.5 percent** of total ERA expenditures.) As depicted in the chart on page 2, the amount of ERA fraud identified nearly doubled every quarter throughout the duration of the program.
- Only **3.4 percent** of fraudulent applications were paid prior to discovery of the fraud, and MaineHousing is pursuing repayment of the vast majority of those funds. Cases were also referred to local and federal law enforcement agencies as appropriate.
- On average, individual fraudulent applications requested a total of **\$19,800**. This figure is **more than double** the amount that the average household received in ERA benefits since the program began.

ERA Fraud Investigation Results

	<u>Number of Cases</u>	<u>Amount</u>
Application Denied (or other Action)	923	\$ 18,934,940
No Fraud / Unable to Prove Fraud	154	\$ -
<u>Pursuing Repayment of Funds</u>		
Small Claims Court	15	\$ 57,662
Payment Plan	31	\$ 133,096
<u>Referred to Law Enforcement</u>		
Federal (US Attorney's Office)	14	\$ 383,862
Local (Police / Sheriff)	19	\$ 347,783
Total Cases	1156	\$ 19,857,343



Fraud Statistics

- A total of 14 cases were referred to federal law enforcement agencies. Ten cases were initially accepted but then declined, citing not enough evidence to prosecute. The other four cases were refused prior to review, and have been referred to local law enforcement in other states. Referral to local law enforcement in Maine has been more successful. Of the 19 cases, one was referred out of state, one was declined, and 17 remain active.
- MaineHousing is pursuing repayment of nearly \$200,000 of ERA funds, either through repayment agreements or through the Small Claims Court. The process is slow and cumbersome, and to date we have recouped over \$5,200.
- Nearly 75 percent of the total allegations of fraud came through four CAAs (Community Action Agencies). The other six CAAs each accounted for 6 percent or less.
 - The Opportunity Alliance: 27 percent
 - Kennebec Valley: 19 percent
 - Penquis: 14 percent
 - York County: 14 percent
- Just under 93 percent of the allegations of fraud were initiated by CAA staff processing and certifying applications. Other allegations were received by acquaintances of the applicant (e.g. friends, family, neighbors, coworkers). Some cases were brought by tenants against their landlords, or landlords against their tenants. Although the State of Maine Fraud Hotline was publicized as an avenue to report ERA fraud, only 13 cases were reported, of which two were proven to be fraudulent.
- The majority of cases identified (68 percent) were batches of similar applications submitted, generally during a short time span. Often the “landlord” would have an out of state address and/or phone number, and requested amount was high. Falsification of application documents were observed in 15 percent of cases, often with a fake tenant, a fake landlord, and/or a fake rental address. To a lesser degree, allegations included tenants and landlords living together, or failure of tenants to pay their landlords (in cases when rental assistance payments were made directly to tenants, allowed in some situations.)

Asset Management Department Memorandum

To: MaineHousing Board of Commissioners
From: Robert Conroy – Director, Asset Management
Date: February 14, 2023
Subject: February Board Report - Asset Management

HUD PBCA Annual Compliance Review (ACR) Update

Asset Management administers the Section 8 Rental Subsidy program on behalf of HUD pursuant to the terms of a Performance-Based Contract Administration Contract (PBCA). Annually HUD reviews our work to ensure that we are complying with the terms and conditions of the Contract.

Our 2022 review began with an ACR Entrance Conference in October 2022. The Entrance Conference officially announces the beginning of the ACR process and establishes primary points of contact for the review. At that time HUD informs Asset Management of the property documents that they intend to review including Management and Occupancy Review reports, subsidy processing records, rent amendments and Subsidy Contract renewals along with a list of our properties they plan to review:

On January 31, 2023 HUD informed Director Brennan of the results of the 2022 ACR. In summarizing the results, HUD stated the following:

Thank you for your cooperation and for the assistance provided by your staff answering questions and promptly sending the documents necessary for the Compliance Review Team (CRT) to complete the ACR of the Section 8 PBCA program for your agency.

*We conducted our Entrance Conference with your staff on **Monday October 17, 2022**. Then, we concluded our review with an Exit Conference call on **Friday, January 27, 2022**.*

*Our ACR report has **No Performance Findings**. Therefore, no response from your office is required. The CRT provided several recommendations for completing MORs during the ACR as outlined in the report during our Exit Conference. Our office is acknowledging your organization's overall performance and continued success administering the PBCA program for HUD in **ME**.*

We were pleased to learn of the 2022 ACR results that recognized the great work of our staff. And we look forward to another successful year in 2023.



Communications & Planning Department Memorandum

To: Board of Commissioners

From: Erik C. Jorgensen, Senior Director of Government Relations and Communication

Date: February 14 2023

Subject: February 2023 Board Report

The Communications and Planning Department is pleased to report on selected activities during late January and Early February of 2023.

HOUSING STUDY

MaineHousing hosted two meetings last week with the consultancy HR&A Advisors, inc. who will be conducting the Statewide and Regional Housing Production Goals study for MaineHousing, The Governor's Office of Policy Innovation and the Future, and the Department of Economic and Community Development. This groundbreaking study, which was discussed in an earlier monthly update, should provide deep new information and significant insight into Maine's housing production shortfall, and what will need to be done in order to end it.

Several members of the HR&A team traveled from New York and Washington to meet with a wide variety of stakeholders. On the 14th of February, they met with the project principals (including, from MaineHousing, Commissioner Frank O'Hara), and on the 15th, they convened a much larger group, one recruited by MaineHousing and the Governor's office, that included a range of stakeholders with access to different types of data. This included the Maine Realtors, Associated General Contractors, the Department of Labor, the State Economist, The Maine Municipal Association, the AARP (represented by Commissioner Noël Bonam), as well as representatives from this department.

This work, which has never really been done before in our state, should be complete by late summer and has the potential to be a road map for Maine's housing production over the next decade. With luck it will help policymakers focus and coalesce around a single vision for overcoming some of the housing challenges we face.

INTERNAL

CPD is as much an internal service center for other MaineHousing departments, as it is a coordinator for how the agency is projected externally. CPD responded to 39 requests from MaineHousing staff over the past month. These might range from website changes to the design of publications, to the creation of collateral materials for MaineHousing to use with constituents at conferences, etc.

PRESS AND MEDIA

MaineHousing remains in the news – A lot. Since Jan. 10, when we last updated our media contacts for this year, CPD has fielded 29 media requests from outlets all over Maine – indeed all over the world.

Lots of housing-related action at the Legislature, the funding of warming shelters and ongoing interest in the “BioHome 3-D” research and development project at the UMaine Advanced Structures and Composites Center has driven media interest in our agency. Heating assistance, the Home Energy Assistance Program and supplemental heating help from the Legislature and Gov. Mills have also been primary categories.

The most interesting media request came from the German broadcaster RTL News, the largest privately run television news station in Germany. They dispatched a team to Maine and interviewed Maine Housing Development Director Mark Wiesendanger. Appended is a translated transcript of that report. This translation was done by MaineHousing Claudia Toppel, a native to Germany and fluent in the language. Here’s the original story as it aired in Germany: <https://redaktionsportal-vid.cbc.de/60420620-a24b-11ed-b19a-87063596d2db.mp4>

We also fielded questions from the Wall Street Journal and the Canada-based Wood and Design Building magazine. Maine outlets small and large including all the major daily newspapers, television stations and Maine Public continue to turn to MaineHousing for information and insight on all things housing-related and coverage of our agency has held us in a largely positive light.

This is thanks to the willingness of all the staff to quickly answer questions and provide transparency for all of our work to the best of our ability. MaineHousing Director Daniel Brennan continues to be our primary face and voice of the agency and leads by example by always being responsive to our friends in the media but Mark Wiesendanger may be giving Dan a run for his money!

[Affordable housing complex for older adults in Augusta to begin leasing in February - CentralMaine.com](#)

[State lawmaker calls for \\$200 million investment in affordable housing - Portland Press Herald](#)

[MaineHousing releases report on 2023 housing outlook | newscentermaine.com](#)

[New MaineHousing report forecasts state housing environment in 2023 | Wiscasset Newspaper](#)

[MaineHousing report: Looking to 2023 after a rough 2022 \(spectrumlocalnews.com\)](#)

[As Maine pursues housing projects for new immigrants, advocates call for long-term solutions \(bangordailynews.com\)](#)

[3D printed home neighborhood to be built in Bangor \(wabi.tv\)](#)

[Maine Voices: Time for Yarmouth to move ahead with inclusionary zoning - Portland Press Herald](#)

[Maine's housing affordability crisis needs a public option, says lawmaker – Maine Beacon](#)

WEBSITE

Appended is the January analytics report for our website. Webmaster Amanda Ouellette provided some contextual information:

First, she noted, our total hits are down slightly. 4% decrease from last month and 10% decrease from January of 2022. It is a decrease we have been expecting given the end of the ERA program. HEAP is very high in hits and search terms. We expect this trend to continue through April.

Of greater interest, Google is changing how its analytics are collected and we suspect this may have something to do with our decreased visit numbers. We have used Google Analytics to collect our website's information since 2008 and in that time their methodology has remained the same. But in 2023 they are phasing out their old methodology, Universal Analytics, and replacing it with the GA4 methodology. Google will be turning off all Universal Analytics by July 1st, 2023.

We have been collecting both GA4 and Universal Analytics since October 2022 and rather than waiting until July Amanda has opted to switch with the New Year. This will provide a few months of dual analytics so we can compare the two. While the numbers are close, they are not exactly the same. Universal Analytics paid far more attention to hits and nothing else, while GA4 spends more time looking at the hits in relation to the activity of users; whether they are actively engaging in your site, and what content users are engaging in. Amanda notes that "There are some small changes to the report, some charts have disappeared and some columns on charts have changed as there are metrics I can no longer obtain. I expect as I continue to learn what is important in the new reporting structure we'll update this report."

LEGISLATURE

We have been busy as the legislature gets into the meat of the session. We will provide a "live" legislative update at the Board Meeting.

Appendix: TV spot RTL “Nachtjournal”

(This is a translation by our own Claudia Topplep of the story that ran across Germany in January)

Building is expensive and takes a long time. That is exactly the reason why affordable living space is rare. That is the same in the US as it is in Germany. How convenient would it be if you could simply print a house. Engineers from the University of Maine did exactly that. With a 3D printer they created a house. That was quick and the home is even fully recyclable. Our correspondent Oliver Beckmeier took a closer look at the project.

This could be the future of sustainable house constructions. About 600 square feet with living room, an open kitchen concept, bright bedroom with modern “wavy design” along the walls and a small bathroom and entryway. The house of the future, completely without concrete, entirely constructed by a 3D printer.

They smell a little like caramel and it took about 30 tons of these small pellets to build this home. The small pellets consist of wood shavings and bioplastic produced of corn. These so called “pellets” are being melted within the printer and formed into the different sections of the soon to be house. According to the developers, this is a process that creates almost no scraps (waste) at all.

“This house is completely recyclable. You could tear it down, break it up into smaller pieces and then build something completely different with it.”

Technology meets environmental protection, with one of the most modern 3D printers in the world. The printing of the house prototype, here shown through time lapse cameras, takes several months. Within the near future, the goal is, to have the sustainable home move in ready within just 2 days.

“I am very certain, that within 5 years we are able to print complete neighborhoods with it”, says the project manager.

In rural areas like Maine, a house of about 645 square feet costs about 275.000 Euro (about \$300,000). Printing and construction of this new sustainable home, is going to cost less than half of that. That will help to improve the living condition, especially for lower income families.

“It is worse than it has ever been before. At this time we are short about 25,000 apartments for low income families. This number is only a fraction of what is really needed.”

Unfortunately the printer still has difficulties that result in broken spots within the construction. In addition these sensors currently test if the house is able to pass insulation standards. The local authorities caution no to be too optimistic.

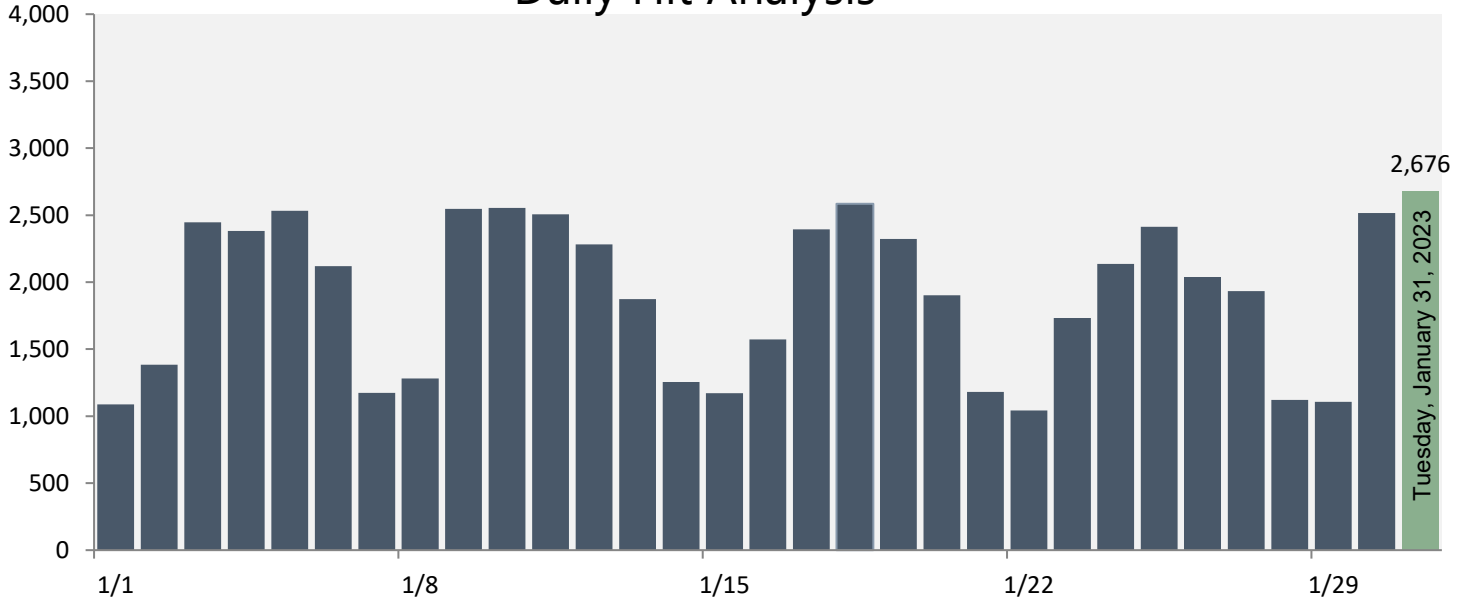
“Currently we cannot print a lot of homes and the materials are still being tested on their long term sustainability. When we have those results we will know if the technology is truly going to work.”

The first sustainable neighborhood production has started. Within the next few years, 9 of these homes will be constructed here in Maine, for those in need and low income families.

January 2023 - MaineHousing Website Statistics

Hit Summary

Daily Hit Analysis

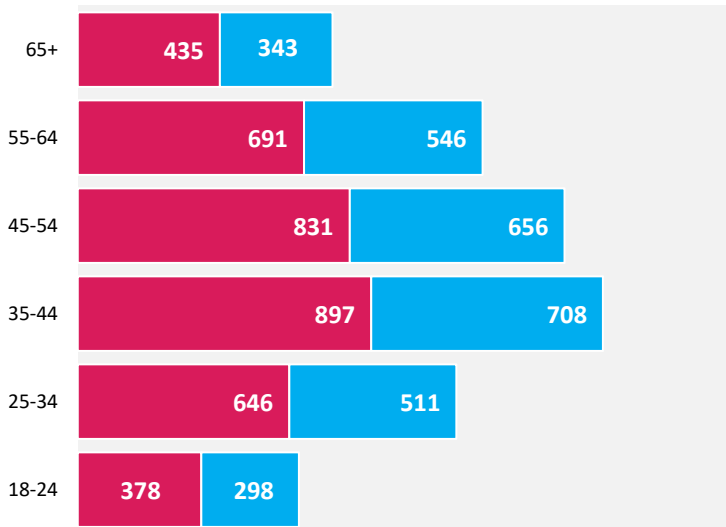


Hits	Unique Visitors	Page Loads	Avg Page Views	Avg Duration	Avg Engagement Rate
59,270	34,018	178,458	3.00	0:03:18	76.2%

Demographics Summary

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

AGE & GENDER



56%



44%

TOP CITIES

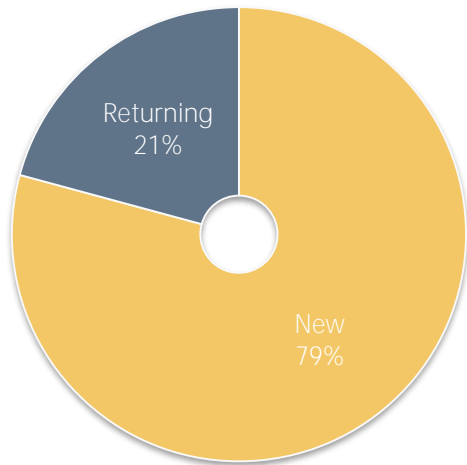
Boston, Massachusetts	3,578
Portland, Maine	2,656
New York, New York	2,502
State Of Massachusetts	2,440
Bangor, Maine	1,763
Augusta, Maine	1,708
Hallowell, Maine	1,577
Lewiston, Maine	1,458
Ashburn, Virginia	1,201
State Of Maine	1,044

Top Cities account for 33.62% of all website traffic

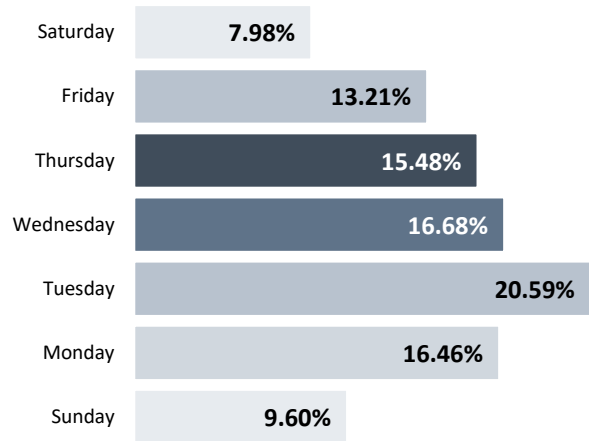
Visitor Engagement

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

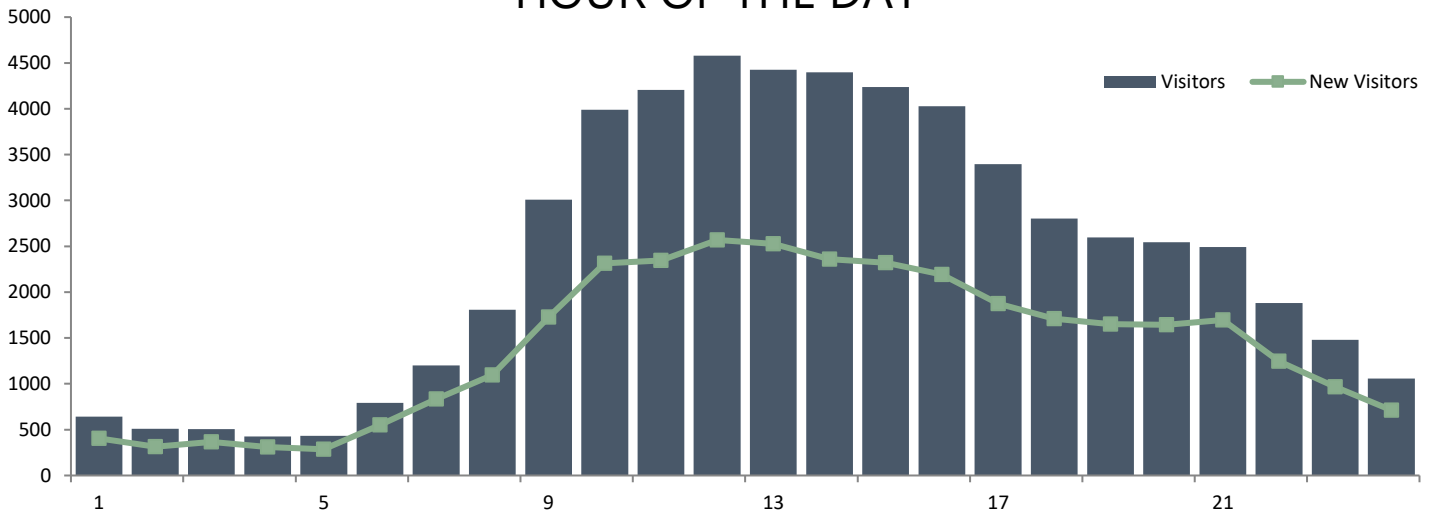
NEW & RETURNING VISITORS



DAYS OF THE WEEK

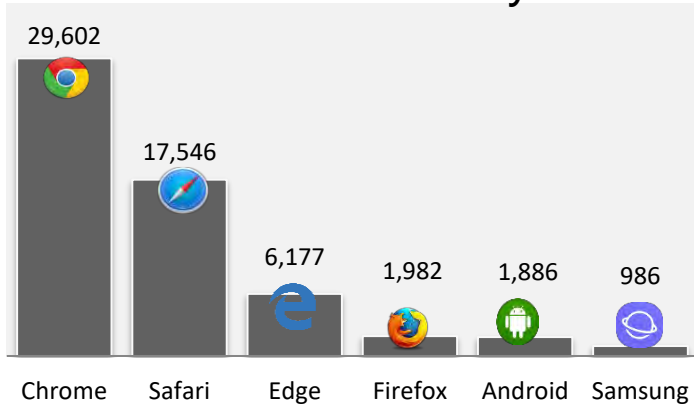


HOUR OF THE DAY

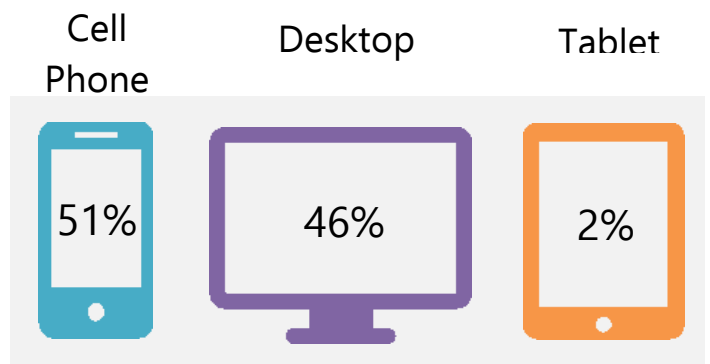


Visitor Technology Summary

Web Browser Analysis



DEVICE ANALYSIS

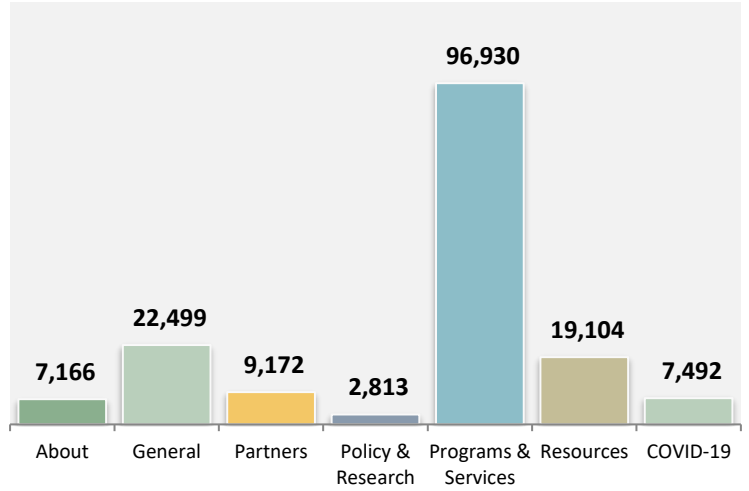


Popular Content

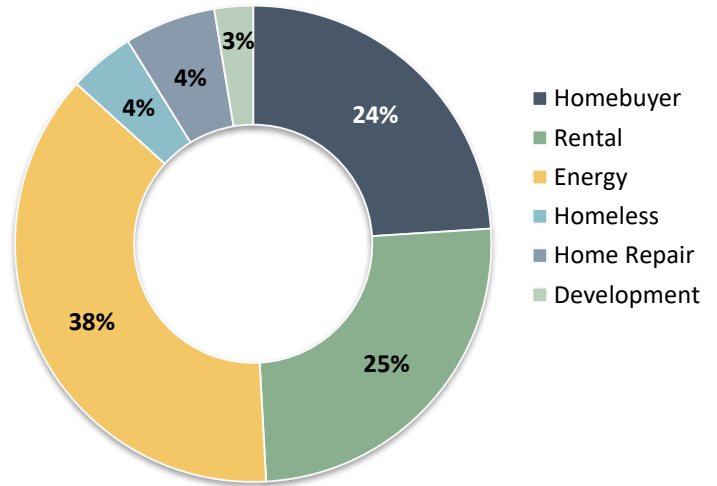
Popular content on our site is defined by pages and or sections of our site that have the highest visits. Below content has been categorized by page, program area and content sections. COVID-19 was added in March of 2020.

Page Title	Hits
HEAP Program	14,711
Home	14,051
Home Energy Assistance Program	9,619
HEAP Income Eligibility	8,019
First Home Loan Program	7,684
Rental Assistance	7,507
Emergency Rental Assistance Program	7,492
MaineHousing Website	6,644
Housing Choice Vouchers	5,811
Subsidized Housing	5,199
First Home Loan	4,350
MaineHousing Lenders	3,605
Home Repair	3,376
Homebuyer Income & Purchase Limits	3,303
HEAP Agency Contacts	3,003
Emergency Shelters	2,375
hoMEworks Homebuyer Education Classes	2,212
Rent - Income Charts	2,193
Low Income Assistance Program	2,127
Weatherization Program	2,119
Home Energy Assistance Program	1,813
Contact MaineHousing	1,799
Current Interest Rates	1,756
Low Income Housing Tax Credit Program	1,741
Heat Pump Program	1,737

Popular Content By Program

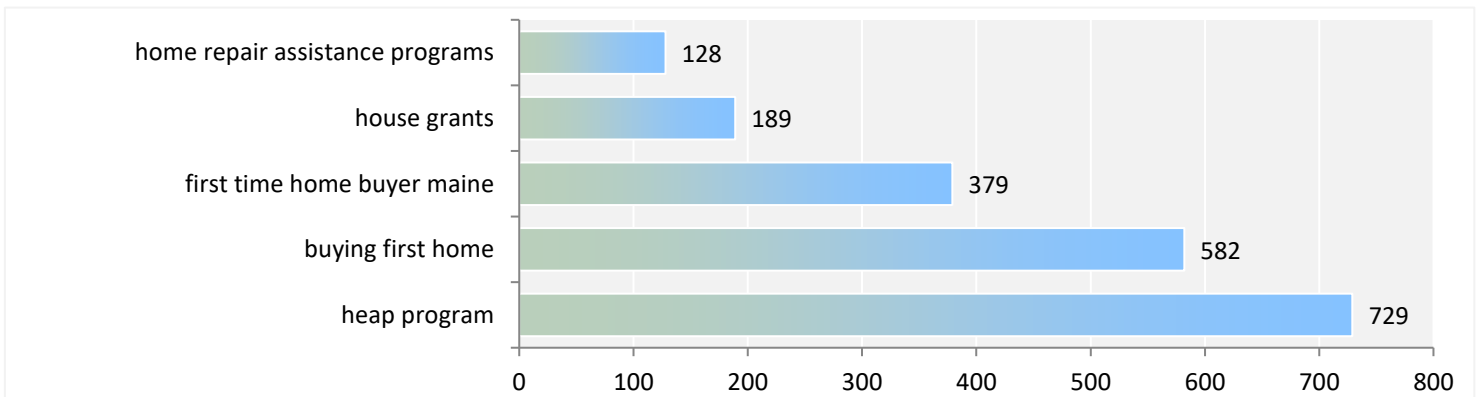


Popular Content By Section



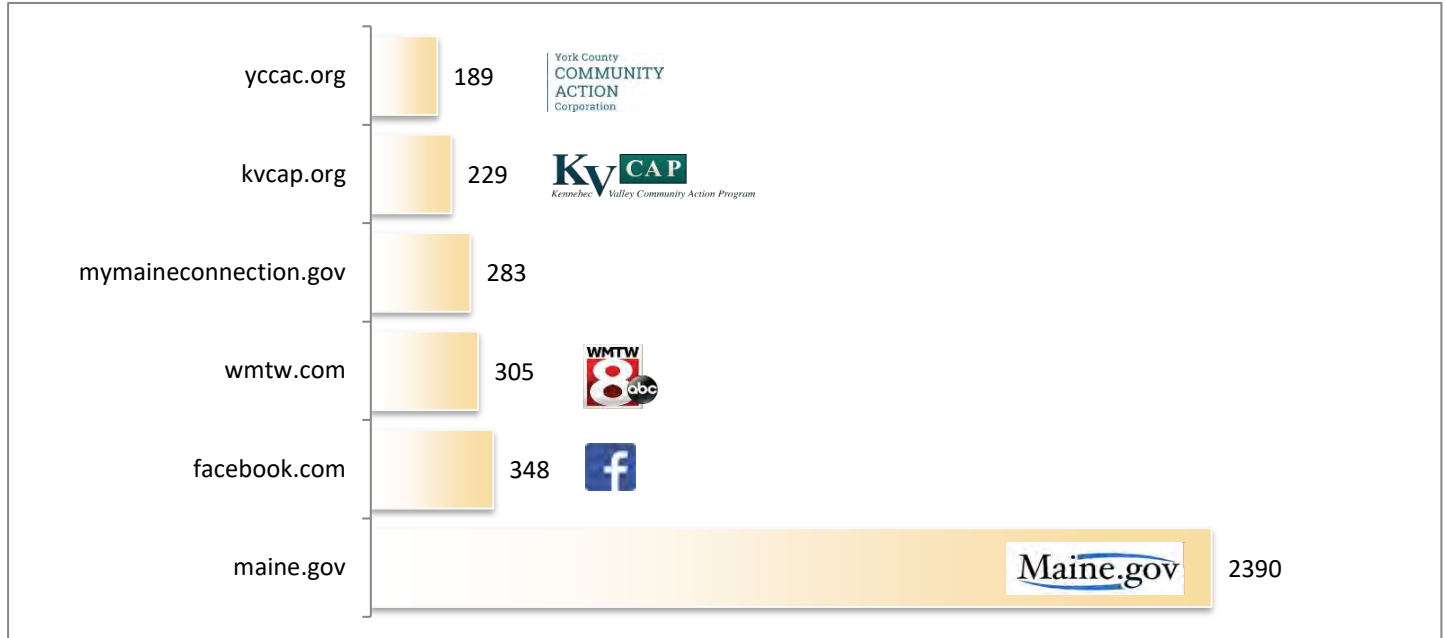
Search Keywords

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



Referring Websites

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



Development Department Memorandum

To: Maine Housing Board of Commissioners
From: Mark C. Wiesendanger, Director of Development
Date: February 21, 2023
Subject: Monthly Report

Recovery Housing Program

James Dillon and Mark Wiesendanger attended the grand opening for Tucker’s House. Tucker’s House is a 10 bedroom women’s recovery residence in Bridgton. It was the first applicant to the RHP as well as the first winner of funding. <https://www.tuckershousedbridgton.org/>



For the 2022-2 Recovery Housing Program, there were two applicants. One was determined to be ineligible, and one was awarded funding: 16 Waterford ST. It will provide 10 units of recovery housing in Harrison, and will developed, owned and managed by the same team behind Tucker’s House.

Development Pipeline

Below you will find the Development Pipeline updated as of January 10. We expect that a small number of these projects will not see completion, and that predicted completion times for some projects might change for many reasons. Additionally, projects that start construction in 2023, or are in “Preliminary Underwriting” may very well see completion in 2024.

Project Name	Developer	Program	City	Family/ Senior	Total Units
Under Construction - likely completed in 2023					
155 Danforth	Developers Collaborative	4%	Portland	Family	30
Blake & Walnut	Raise-Op	4%	Lewiston	Family	18
Blueberry Ridge	Bangor HA	4%	Bangor	Senior	32
Hillside at Village Square	Avesta	4%	Gorham	Senior	27
Jocelyn Place	SoPo HA	4%	Scarborough	Senior	60
Millbrook Estates	Westbrook HA/EBM	4%	Westbrook	Senior	100
Milliken Heights	Szanton	4%	OOB	Senior	55
Mountain View Apartments	Bateman	4%	Fairfield	Senior	28
The Schoolhouse	CHOM	4%	Bangor	Family	66
The Uplands II	Developers Collaborative	4%	Scarborough	Senior	39
Mary Street Apartment	KVCAP	4%+State	Skowhegan	Family	40
Phoenix Flats	CHOM	4%+State	Portland	Senior	45
Porter Station	Avesta	4%+State	Portland	Family	60
Front Street Phase 1	Portland HA	9%	Portland	Family	60
Sr Living at the Marketplace	Tim Gooch	9%	Augusta	Senior	42
Washington Gardens	Portland HA	9%	Portland	Senior	100
West End Apts. Phase II	Avesta	9%	So. Portland	Family	52
Theresa Bray Knowles Place	Penquis CAP	HOME-ARP	Bangor	Family	36
89 Olive Street	Penquis CAP	HTF	Bangor	Family	6
Tucker's House	LB Dev Part.	RHP	Bridgton	Family	4
100 Ohio Street	CHOM	SHP	Bangor	Family	4
Total Projects	21			Total Units	904
Under Construction - likely completed in 2024					
Harrison Ridge	Developers Collaborative	4%	Bridgton	Senior	48
Hartland II	KVCAP	4%	Hartland	Senior	30
Snow School Apartments	Avesta	4%+HTF	Fryeburg	Senior	28
Front Street Phase 2	Portland HA	9%	Portland	Senior	45
The Uptown	Szanton	9%	Bath	Senior	60
Village Commons	Avesta	9%	Scarborough	Senior	31
Total Projects	6			Total Units	242
Starting Construction in 2023					
Berry Park Apartments	Northland Enterprises	4%	Biddeford	Family	46
Betsy Ross Crossing	SoPo HA	4%	So. Portland	Senior	52
Edgewater Village	Avesta	4%	Farmington	Senior	25
Fairview Commons	Brunswick HA	4%	Topsham	Family	38

Harbor Terrace	Portland HA	4%	Portland	Senior	120
Lambert Woods North	Maine Coop. Dev. Part.	4%	Portland	Family	74
Lockwood Mill	North River Co.	4%	Waterville	Family	65
Meadowview II	Avesta	4%	Gray	Senior	27
North Deering Gardens	Wingate Dev.	4%	Portland	Family	164
Stacy M. Symbol Apts	Westbrook HA	4%	Westbrook	Senior	60
Stroudwater Apartments	Westbrook HA	4%	Westbrook	Senior	55
Wedgewood	Lewiston HA/Avesta	4%	Lewiston	Family	82
The Equinox	CHOM	4%+State	Portland	Family	43
Winter Landing	CHOM	4%+State	Portland	Senior	52
115 Congress St	Developers Collaborative	9%	Belfast	Family	36
Adams Point	Biddeford HA	9%	Biddeford	Family	39
Landry Woods	South Portland Housing	9%	So. Portland	Senior	43
Milford Place	Penquis CAP	9%	Bangor	Senior	40
Oak Grove Commons	Realty Resources	9%	Bath	Family	34
Peasley Park	Developers Collaborative	9%	Rockland	Senior	49
Picker House Lofts	Szanton	9%	Lewiston	Family	72
Rumford Senior Living	Developers Collaborative	9%	Rumford	Senior	33
Sturgeon Landing	Augusta Housing	9%	Augusta	Family	32
22 Shapleigh Road	Fairtide	Home ARP	Kittery	Family	6
Colonial Valley & Mt Blue	WMCA	Home ARP	Farmington	Family	33
18 Green Street	Motivational Svs	HTF	Augusta	Family	8
One Edgemont Drive	ACAP	SHP	Presque Isle	Family	13

Total Projects	27			Total	
				Units	1341

Preliminary Underwriting

45 Dougherty	Szanton	4%	Portland	Family	63
99 Western Ave	Mastway Dev LLC	4%	Augusta	Family	38
Farwell Mill	Realty Resources	4%	Lisbon Falls	Family	96
Munjoy South	Avesta	4%	Portland	Family	106
Place St. Marie	Brisa Dev w/Andy J	4%	Lewiston	Family	40
Riverton Park	Portland HA	4%	Portland	Family	182
Dominican Court	SAA/EVI	4%	Lewiston	Senior	45
Lisbon Sr Village	SAA/EVI	4%	Lisbon Falls	Senior	20
Meadowbrooke Apts	SAA/EVI	4%	Livermore Falls	Family	24
Sherwood Forest Apts	SAA/EVI	4%	Skowhegan	Senior	26
Seton Tower	Kevin Mattson w/Andy J	4%	Waterville	Family	68
Summer Block	Bateman	4%	Saco	Senior	32
89 Elm Apartments	Tom Watson & CO LLC	4% PLA	Portland	Family	201
19 Bodwell Street	Androscoggin Homes	AHOP	Sanford	Family	9
Beals Ave Workforce	LB Dev Partners	AHOP	Ellsworth	Family	23
Clarks Bridge Crossing	Patco	AHOP	Waterboro	Family	9

Highpines Village	Highpine Properties LLC	AHOP	Wells	Family	120
Stearns Farm	S.E. MacMillan Co, INC	AHOP	Hampden	Family	23
Wildlands	Greater Portland Habitat	AHOP	Standish	Family	12
Windward Estates	Penquis CAP	AHOP	Searsport	Family	7
Great Cranberry Island	Cran Isles Realty Trust	Islands	Cranberry	Family	2
NHSH	NHSH	Islands	New Haven	Family	4
16 Waterford RD	LB Dev Partners	Recovery	Harrison	Recovery	5
Belgrade Gables	John Endicott	Recovery	Belgrade	Recovery	3
380 Main Street	Archer Properties LLC	Rural	Norway	Family	13
404/408 Main Street	Lake City Investments	Rural	Rockland	Family	9
520 Centre Street	Bath HA	Rural	Bath	Family	18
55 Elm Street	East Town Rentals	Rural	Presque Isle	Family	18
55 Weston Ave	55 Weston Avenue LLC	Rural	Madison	Family	18
5-7 Mechanic Street	WLR Properties	Rural	Houlton	Family	18
Brunswick Landing	Developers Collaborative	Rural	Brunswick	Family	36
Firefly Fields	Midcoast Habitat	Rural	Rockland	Family	10
Sun Journal Properties	LAAHDC	STREAP	Lewiston		
Total Projects	33			Total Units	1298
Total Projects All Stages	87			Total Units	3785



To: MaineHousing Board of Commissioners
From: Genevieve Soucy, Director Energy and Housing Services
Date: February 13, 2023
Subject: EHS Monthly Report – February 2023

HOME ENERGY ASSISTANCE PROGRAM (HEAP)

Number of Applications (program start July 18,2022)	PY 2023 (Week 29) THRU 2/7/2023	PY 2022 (Week 29) THRU 3/15/2022	+/-	% change
Total Applications Taken	48,185	41,047	+7,138	+17.4%
Confirmed Eligible/Paid	33,465	26,440	+7,025	+26.6%
Pending (in process)	9,242	9,523	- 281	-3.0%
Other (ineligible, denied, void, etc.)	5,478	5,084	+ 394	+7.7%
Amount Distributed	\$37,938,118	\$18,611,335		
Applicants new to Program	12,837			

Additional information:

- **Online Application** – The online HEAP application became live for applicants Monday November 28th, 2,000 applicants have started their self-intake process online.
- **Emergency Crisis Intervention Program (ECIP) component** – Maine’s ECIP program runs from November 1 – April 30 and provides HEAP eligible households who do not have heat, or are at risk of running out of fuel, with up to an \$800 benefit to address their heating crisis situation. This benefit may be accessed multiple times during the program year, with a program year maximum of \$800. To date, there have been obligations for \$2,220,000 of fuel deliveries to households in crisis.
- **LD3 State Supplemental Funding** – State Supplemental HEAP payments began processing on February 2nd. The first three payment runs provided benefits to over 6,200 households and totaled \$7,700,000. Over the next three weeks, payments will be going to households who have previously been approved then will be issued weekly with the regular HEAP benefit.

In addition to the \$40million for Supplemental HEAP funding, LD3 provided \$10million in emergency funding provided directly to the Community Action Agencies. This funding is to be used for households who are either HEAP eligible and have exhausted their benefit, and access to ECIP, or households who are over income for the HEAP program, up to 300% of federal poverty guidelines. This funding will provide up to an \$800 benefit to be sent directly to the households fuel vendor.

- **Additional funding from Federal source** – With the passing of the Federal budget, we were notified that there is an additional \$1 billion dollars being added to the LIHEAP funding. We do not yet officially know what Maine will be receiving from this funding. The funding has not been received, or released, by HHS yet. A communication from the Office of Children and Family services indicated that they are expecting to have funding to distribute by March.

TANF Heating Supplemental

Maine DHHS makes available \$3,000,000 of TANF (Temporary Assistance for Needy Families) block grant funds to MaineHousing to provide a supplemental heating assistance benefit for low-income families with children. Each HEAP eligible household with a child 17 years of age or under receives a \$350 credit for their fuel vendor.

Program Year 2022 has provided 7,980 households with an additional \$2,677,949 in heating assistance. Credit notification for Program Year 2022 may be redeemed until April 30, 2023. Program Year 2023 will commence upon the finalization of the new contract.

Home Accessibility and Repair Program (HARP)

The Home Accessibility and Repair Program (HARP) provides grants to income eligible homeowners for professional home repairs and accessibility modifications. The HARP is delivered statewide through the network of Community Action Agencies (CAAs).

PROJECT PROGRESS BY CAA						
Reporting Period: January 1, 2022 – December 31, 2022						
Agency	Projects	Project Cost	Home Repair & Accessibility		Emergency	
ACAP	18	\$320,682.00	11	\$249,797.00	7	\$70,885.00
CCI-ANDROSCOGGIN	38	\$515,002.00	4	\$108,176.00	34	\$406,826.00
CCI-CUMBERLAND	10	\$309,448.00	6	\$183,923.00	4	\$125,525.00
DCP	18	\$281,891.00	9	\$89,493.00	9	\$192,398.00
KVCAP	31	\$716,893.00	23	\$496,095.00	8	\$220,798.00
PCAP	66	\$851,347.00	42	\$451,046.00	24	\$400,301.00
WCAP	1	\$25,560.00	0	\$0.00	1	\$25,560.00
WMCA	18	\$332,820.00	7	\$147,614.00	11	\$185,206.00
YCCAC	38	\$809,484.00	15	\$344,079.00	23	\$465,405.00
TOTAL	227	\$4,163,125.00	117	\$2,070,223.00	121	\$2,092,903.00
2021 Program	280	\$4,344,090.00				

Additional Information:

- **2023 HARP** – EHS is adding an additional program component for Program Year 2023, Weatherization Readiness. The Weatherization Readiness component will allow homes that were previously unable to receive weatherization services due to existing structural issues, to have these issues resolved so that the household can have weatherization services performed using HEAP and DOE WAP funding.

Low Income Water Assistance Program (MEWAP)

MaineHousing’s Low Income Water Assistance Program launched in September. The funding for this program comes from HHS and is currently considered a one-time program set to run through September 30, 2023. The MEWAP is being administered in-house, and to date there have been over 750 applicants and over \$492,000 in benefits payable.

Weatherization Assistance Programs (WAP)

PROJECT PROGRESS BY CAA				
Reporting Period: January 1, 2022 – December 31, 2022				
Agency	Projects	Total Cost	DOE Funded	HEAP Funded
ACAP	47	\$889,810.00	\$477,911.00	\$411,898.00
CCI-ANDROSCOGGIN	41	\$937,061.00	\$504,478.00	\$432,583.00
CCI-CUMBERLAND	35	\$604,174.00	\$137,504.00	\$466,671.00
DCP	6	\$176,445.00	\$58,904.00	\$117,542.00
KVCAP	74	\$1,637,259.00	\$687,638.00	\$949,621.00
PCAP	69	\$1,270,038.00	\$633,202.00	\$636,836.00
WCAP	5	\$97,378.00	\$36,534.00	\$60,845.00
WMCA	21	\$423,628.00	\$237,301.00	\$186,327.00
YCCAC	18	\$407,060.00	\$200,328.00	\$206,731.00
TOTAL	316	\$6,442,853.00	\$2,973,800.00	\$3,469,053.00

Additional information:

- **DOE-BIL State Plan** – Maine Housing staff submitted requested updates to DOE regarding the BIL State Plan and are currently awaiting approval.
- **DOE Annual State Plan** - Maine Housing has received our allocation for the 2023 program year. We will be receiving \$4,302,290.00 with \$403,527 allocated to the Weatherization Readiness component and \$693,510 for Training and Technical Assistance. The final update of the Annual State Plan is prepared and waiting additional guidance from DOE regarding submission. The 2023 Annual program will commence 4/1/2023.

Heat Pump Program

The MaineHousing Heat Pump Program (HPP) production has had incremental success since its creation. The production goal for calendar year 2022 was 1,500 units installed. As of December 31, the total number of installations was 1,679, 112% of the goal set.

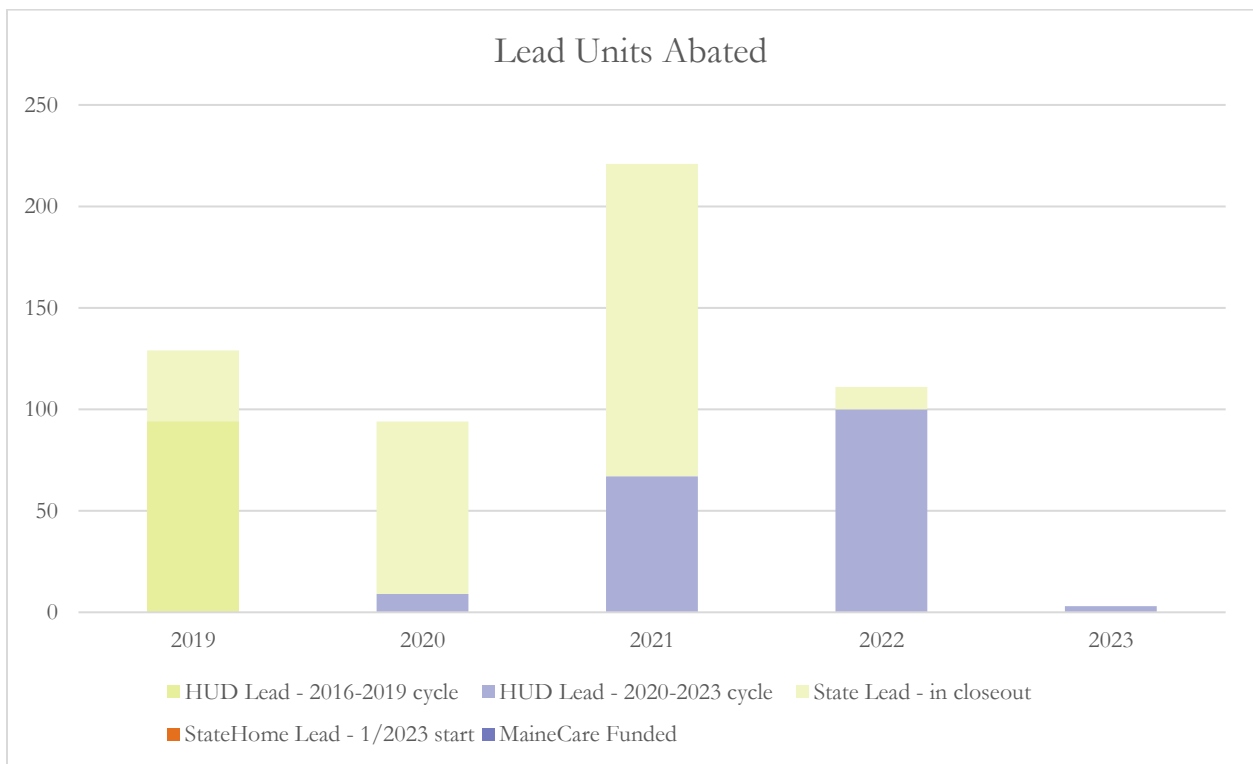
Production goals for the 2023 program will be determined once we receive our final LIHEAP award allocation.



Lead Abatement Program

Maine Housing works with two Community Action Agencies to deliver the Lead Abatement Programs across the State. Currently there are two funding sources used to abate units, HUD’s three year Lead Abatement Program and the State Home funded Lead Abatement Program. There is currently \$3million available in State Home funded Lead to abate units, the HUD Program is fully earmarked and will be closing out August 2023. HUD has published a Notice of Funding Opportunity for the next grant funded cycle. EHS will be applying for this grant with the intention of asking for an additional \$4million over three years.

Maine CDC is in process of negotiating a final contract with the State of Maine to utilize excess MaineCare funds to abate units in which a MaineCare eligible child resides. The anticipated funding for this will be \$900,000 per year.



Finance Department Memorandum

To: Board of Commissioners

From: Darren R. Brown

Date: February 14, 2023

Subject: Monthly Activity Report – Finance Department

ACCOUNTING AND FINANCIAL REPORTING:

- During the month of January, the Accounting & Financial Reporting (AFR) staff worked on the year-end closing process and completed numerous schedules and work papers in preparation for MaineHousing’s annual audits. A first draft of the December 31, 2022 financial statements was also completed. Baker Newman & Noyes (BNN), the agency’s external auditors, began the final phase of the financial statements audit on January 31st. An audit team will be working on this audit through the end of March.

This year’s audit approach is similar to prior years. The auditors will first perform an audit of the financial statements and then work on the federal compliance (OMB A-133) audit. The financial statements audit needs to be completed and submitted to our Trustee by the end of March. The A-133 federal compliance audit should be completed by the end of June. This audit needs to be completed and the reports 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.

- The AFR staff also worked with several departments throughout January to assist them with verifying and reconciling funds and compiling various data required for year-end program reporting. In addition, staff assisted with compiling and reviewing information for the State OPEGA reporting requirements associated with procurements and contributions. MaineHousing is required to report to the State all procurements exceeding \$10,000 where competitive procurement was waived or not required, as well as all contributions greater than \$1,000.
- The AFR staff have been working closely with program staff to establish processes and procedures for disbursing the recently awarded funds from the Maine Legislature. MaineHousing received \$40 million in supplemental heating assistance funds, \$10 million in emergency heating funds, and \$21 million for emergency housing assistance. Staff arranged for new bank accounts, obtained the necessary check stock, ensured that proper controls were in place, and worked with program staff to develop processes to disburse funds in the most expeditious manner.

LOAN ADMINISTRATION:

- The Loan Administration Department also spent a significant portion of January working on year-end closing activities for 2022 and completed various year-end reporting requirements. The Loan Administration Department is an integral part of the year-end audit process and is required to prepare numerous confirmations and schedules for the auditors. Many of MaineHousing’s multifamily borrowers are also undergoing audits and Loan Administration staff have prepared responses to numerous borrower audit confirmation requests.

- Several staff members attended the National Council of State Housing Agencies (NCSHA) HFA Institute in Washington, DC on January 8, 2023 – January 13, 2023. This is an annual meeting of state housing finance agencies that provides trainings and advice on various federal and affordable housing programs. The Federal Housing Administration (FHA) and United States Department of Agriculture (USDA) shared their agencies visions for 2023. It also included recent legislative and regulatory actions and insights into what to expect from the Biden Administration and Congress in 2023.
- Recruitment activities to fill the vacant Loan Operations Manager position in Finance were completed in January. The Loan Operations Manager oversees the financial servicing, loan purchasing, and regulatory functions of MaineHousing’s loan portfolios. We are very pleased that Renee Karter has accepted the position and will be joining MaineHousing on Monday, February 27, 2023.

Renee comes to MaineHousing from Kennebec Valley Community Action Program (KVAP) where she worked as a Housing Services Financial Coach (supervisor). She is also a HUD-Certified Housing Counselor and Foreclosure Intervention & Default Counselor. Prior to joining KVCAP, Renee worked for Kennebec Savings Bank as the Senior Compliance Specialist and a Loan Processor. She holds a Bachelor’s of Art degree in English from the University of Maine-Farmington. Renee’s background, knowledge, and experience with housing counseling advocacy work, mortgage loan processing, and regulatory compliance reviews will make her a valuable addition to our team.

Finance Department Memorandum

To: Board of Commissioners

From: Darren R. Brown

Date: February 14, 2023

Subject: Monthly Financial and Budget Report

The following are preliminary financial and budget results for the year ended December 31, 2022. The year-end closing procedures and audit have not been completed. A final report with more detailed analyses will be provided and reviewed with the Board of Commissioner's after the audit has been completed.

FINANCIAL RESULTS

Attached are the preliminary Balance Sheets and Statements of Revenues, Expenses, and Changes in Net Assets for the year ended December 31, 2022.

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 \$2.25 billion and total combined liabilities are \$1.84 billion. Total net assets amount to approximately \$414 million. Total combined revenues approximate \$550.1 million and total expenses amount to \$542.3 million, which results in net operating income of \$7.8 million. For the year ended 2021, total combined net operating income was \$26.1 million. Net operating income is \$18.3 million lower for 2022 due primarily to the activities and operating results of the Mortgage Purchase Fund (MPP), MaineHousing's largest fund group, and a decrease in the fair value of non-mortgage investments.

The MPP has a net operating loss of approximately \$6.7 million. This is an \$11.3 million decrease compared to net operating income of \$4.6 million in 2021. The net operating loss for 2022 is attributed solely to the recognition of a significant paper loss associated with adjusting the carrying values of non-mortgage investments. A paper loss of \$15.2 million has been recorded for 2022, which is \$14.2 million larger than the paper loss of \$1 million recorded in 2021. 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, the MPP has net operating income of \$8.5 million in 2022 compared to \$5.6 million in 2021. Net operating income is \$2.9 million higher in 2022 due mainly to interest rate increases this year and higher income from non-mortgage investments.

The HOME Fund has net operating income of \$8.4 million, which is a decrease of \$8.1 million compared with net operating income of \$16.5 million in 2021. MaineHousing's portion of the real estate transfer taxes received from the State is accounted for in this Fund Group. The decrease in net operating income is due to timing differences with the expending of program funds and the recognition of grant expenses. Total income in the HOME Fund is \$0.8 million higher in 2022. However, program expenditures were \$8.9 million higher in 2022 compared to 2021.

BUDGET RESULTS

Also attached are the preliminary budget variance results for the year ended December 31, 2022. Additional analysis and variance explanations will be provided once the audit has been completed and the final budget results are available.

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 administrative expenses. It also presents the aggregate operating and administrative expenses. Total budgeted revenues for 2022 are \$75.6 million and total expenses are budgeted at \$71.6 million. Total revenues as of December 31, 2022 amount to \$81.4 million, while total expenses amount to \$70.5 million. Revenues exceeded expenses by approximately \$10.9 million for the year, which is \$6.9 million higher than the budget amount.

Revenues were above budget by \$5.8 million due to higher income from non-mortgage investments. Interest rates increased throughout the year and average yields from investments were significantly higher than projected.

Expenses were below budget by \$1.1 million due to lower operating and program administrative expenses. The operating and other program administration expenses are detailed on **Attachment B** and summarized below:

OPERATING AND OTHER PROGRAM ADMINISTRATIVE EXPENSES

MaineHousing's overhead and operational costs for the year as well as other program administrative expenses, which are costs that are specifically and exclusively related to a particular program, are itemized on **Attachment B**.

Operating expenses are budgeted at approximately \$22.7 million. Total actual expense amounted to \$22 million and were under budget by \$0.7 million or 3%. The underage is primarily attributed to lower salaries and benefits expenses (lines 1-5), which were below budget by a combined amount of \$420,000. These expenses were below budget as a result of fewer full-time equivalents (FTEs). FTE's were under budget by approximately four positions due to a number of position turnovers and internal position changes throughout the year. Some positions were vacant for an extended period due to a tight labor market in central Maine.

Additionally, costs associated with staff and partner trainings and events (lines 11-16) were under budget by a combined amount of \$142,000 due to COVID-19 and restrictions on gatherings and travel during the early part of the year. Expenses for professional services were also under budget by \$122,000 because

services for developing a Fair Housing Plan were not be needed and outside legal services was not needed to the extent budgeted.

Other Program Administrative expenses were budgeted at \$9.1 million for 2022. Total actual expenses amounted to \$8.3 million and were under budget by \$0.8 million or 9%. The underage is due to lower than projected delinquency and foreclosure activities and lower related expenses (first three lines), which were below budget by a combined amount of \$791,000. In addition, the restructuring of Standby Bond Purchase Agreements lowered the remarketing and liquidity facilities costs associated with variable rate bonds.

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 their estimated useful life. The total authorized capital budget for 2022 was \$556,000 and expenditures amounted to \$586,000 for the year. Capital expenditures were mainly for the acquisition of the new multifamily loan system and modifications to the Hancock system, which is used to administer the federal LHEAP and Weatherization programs.

During the year, the A/C in the computer room and audio visual equipment in several conference rooms needed upgrades and modifications, which were not included in the budget. The salesforce software, community outreach dashboard, and several other software items were not needed or acquired as originally planned.

MEMBERSHIPS, DUES AND SPONSORSHIPS

In accordance with MaineHousing's Contributions Policy, all payments for memberships, dues and sponsorship are required to be reported to the Commissioners each month as part of the budget variance reports. **Attachment D** presents an itemized listing of the membership, dues, and sponsorship expenses as of December 31, 2022.

MAINE STATE HOUSING AUTHORITY
BALANCE SHEETS
DECEMBER 31, 2022
(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>2021</u>	<u>2022</u>							
ASSETS:									
Cash, principally time deposits	65,418	89,151	15,708	1	67,213	1	6,228	0	0
Investments	492,368	516,011	420,946	8,038	18,499	26,954	0	6,262	35,312
Accounts receivable - Government	43,376	26,657	0	0	0	2,394	23,948	315	0
Accrued interest and other assets	10,040	9,494	8,860	16	76	135	178	124	105
Mortgage notes receivable, net	1,410,453	1,571,052	1,515,578	0	4,308	33,095	0	717	17,354
Other notes receivable, net	65	37	0	0	37	0	0	0	0
Land, equipment and improvements, net	17,632	17,261	22	0	17,239	0	0	0	0
Other real estate owned	70	145	145	0	0	0	0	0	0
Derivative instrument - interest rate swaps	10,113	18,560	18,560	0	0	0	0	0	0
Net pension asset	217	217	112	1	22	0	0	82	0
Deferred pension expense	1,123	1,123	580	3	113	0	0	427	0
Deferred amount on debt refundings	2,665	2,324	2,324	0	0	0	0	0	0
Total Assets	2,053,540	2,252,032	1,982,835	8,059	107,507	62,579	30,354	7,927	52,771
LIABILITIES AND NET ASSETS:									
Accrued interest payable	4,818	6,191	6,133	0	0	0	0	0	58
Accounts payable - Federal	354	332	0	0	0	0	332	0	0
Accounts payable & accrued liabilities	11,618	22,850	260	7	14,242	2,673	5,519	149	0
Unearned income	45,458	43,825	0	0	0	0	16,721	27,104	0
Net pension liability	0	0	0	0	0	0	0	0	0
Deferred pension credit	3,159	3,159	1,632	10	317	0	0	1,200	0
Accumulated increase in fair value of hedging derivatives	10,113	18,560	18,560	0	0	0	0	0	0
Interfund	0	0	2,913	10	38,986	(24,726)	3,205	(20,391)	3
Mortgage bonds and notes payable, net	1,571,645	1,742,917	1,674,349	0	14,261	0	0	0	54,307
Deferred grant income	0	0	0	0	0	0	0	0	0
Deferred loan origination points	16	19	19	0	0	0	0	0	0
Total Liabilities	1,647,181	1,837,853	1,703,866	27	67,806	(22,053)	25,777	8,062	54,368
NET ASSETS:									
Restricted Net Assets	368,270	374,478	278,969	8,032	0	84,632	4,577	(135)	(1,597)
Unrestricted Net Assets	38,089	39,701	0	0	39,701	0	0	0	0
Total Net Assets	406,359	414,179	278,969	8,032	39,701	84,632	4,577	(135)	(1,597)
Total Liabilities and Net Assets	2,053,540	2,252,032	1,982,835	8,059	107,507	62,579	30,354	7,927	52,771

MAINE STATE HOUSING AUTHORITY
STATEMENTS OF REVENUES, EXPENSES AND CHANGES IN NET ASSETS
FOR THE YEAR ENDED DECEMBER 31, 2022
(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>2021</u>	<u>2022</u>							
REVENUES:									
Interest from mortgages and notes	60,094	60,191	59,798	0	275	76	0	0	42
Income from investments	1,201	9,242	7,691	126	281	429	5	113	597
Net increase (decrease) in the fair value of investments	(1,028)	(15,159)	(15,159)	0	0	0	0	0	0
Fee income	12,420	13,028	1,165	0	1,035	0	10,474	354	0
Other revenue	375	143	0	0	106	36	0	1	0
Grant income	222,021	338,356	0	0	0	2,616	328,209	7,531	0
Income from State	32,855	33,215	0	0	0	28,896	0	0	4,319
Federal rent subsidy income	109,705	110,583	0	0	0	0	110,583	0	0
Gain on bond redemption	888	557	557	0	0	0	0	0	0
Total Revenues	438,531	550,156	54,052	126	1,697	32,053	449,271	7,999	4,958
EXPENSES:									
Operating expenses	19,087	22,026	0	0	22,026	0	0	0	0
Other program administrative expenses	5,621	6,954	6,423	0	5	0	271	227	28
Mortgage servicing fees	1,729	1,784	1,771	0	13	0	0	0	0
Provision for losses on loans	17	(500)	0	0	(500)	0	0	0	0
Losses on foreclosed real estate	0	40	40	0	0	0	0	0	0
Interest expense	42,022	41,802	40,774	0	0	0	0	0	1,028
Grant expense	234,783	358,825	0	0	0	23,638	328,249	6,815	123
Federal rent subsidy expense	109,127	111,405	0	0	0	0	111,405	0	0
Allocated operating costs	0	0	11,753	69	(19,680)	0	7,731	127	0
Total Expenses	412,386	542,336	60,761	69	1,864	23,638	447,656	7,169	1,179
Net Operating Income (Loss)	26,145	7,820	(6,709)	57	(167)	8,415	1,615	830	3,779
Transfers between funds, net	0	0	0	0	1,779	100	(1,879)	0	0
Change in net assets	26,145	7,820	(6,709)	57	1,612	8,515	(264)	830	3,779
Net assets at beginning of year	380,214	406,359	285,678	7,975	38,089	76,117	4,841	(965)	(5,376)
Net assets at end of year	406,359	414,179	278,969	8,032	39,701	84,632	4,577	(135)	(1,597)

**MAINE STATE HOUSING AUTHORITY
OPERATING REVENUES AND EXPENSES BUDGET VARIANCE REPORT
FOR THE YEAR ENDED DECEMBER 31, 2022**

(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	60,073	0	60,073	60,300	227	0%
Income from investments	8,098	118	8,216	1,235	(6,981)	(565%)
Fee income	2,200	10,828	13,028	14,046	1,018	7%
Other revenue	106	1	107	65	(42)	(65%)
Total Revenues	70,477	10,947	81,424	75,646	(5,778)	(8%)
EXPENSES:						
Operating expenses	14,168	7,858	22,026	22,708	682	3%
Other program administrative expenses	7,752	526	8,278	9,093	815	9%
Interest expense	40,217	0	40,217	39,800	(417)	(1%)
Total Expenses	62,137	8,384	70,521	71,601	1,080	2%
Excess Revenues Over Expenses	8,340	2,563	10,903	4,045	(6,858)	(170%)

**MAINE STATE HOUSING AUTHORITY
OPERATING AND OTHER PROGRAM ADMINISTRATIVE
FOR THE YEAR ENDED DECEMBER 31, 2022**

ATTACHMENT B

	Total Annual Budget	Total Year to Date Actual	Budget Available	Percentage of Budget Available
Operating Expenses				
1 Salaries	12,989,264	12,758,537	230,727	2%
2 Payroll Taxes	956,112	947,376	8,736	1%
3 Retirement	1,247,720	1,193,079	54,641	4%
4 Medical and Life Insurance	2,932,952	2,806,407	126,545	4%
5 Other Fringe Benefits	10,000	10,809	(809)	(8%)
6 Office Supplies	51,700	51,708	(8)	(0%)
7 Printing	71,430	70,671	759	1%
8 Membership and Dues	65,554	56,932	8,622	13%
9 Subscriptions	26,440	18,225	8,215	31%
10 Sponsorships	17,000	16,100	900	5%
11 Staff Educ/Train/Conf	134,838	96,513	38,325	28%
12 Travel/Meals - Staff Educ/Train/Conf	132,010	59,389	72,621	55%
13 Partner/Client Train/Meetings	58,500	38,914	19,586	33%
14 Travel/Meals - Partner/Client Training	45,018	45,172	(154)	(0%)
15 Staff Events	14,970	8,086	6,884	46%
16 Meals - Staff Events	16,439	12,143	4,356	26%
17 Leased Vehicles	143,417	165,084	(21,667)	(15%)
18 Computer Supplies	25,312	29,834	(4,522)	(18%)
19 Computer License SAAS	185,827	252,777	(66,950)	(36%)
20 Rent-Other	37,430	37,295	135	0%
21 Computer Maintenance	653,846	675,315	(21,469)	(3%)
22 Depreciation	1,020,000	957,391	62,609	6%
23 Telephone	132,384	118,215	14,169	11%
24 Employment Advertising	1,000	985	15	2%
25 Postage and Shipping	115,650	107,796	7,854	7%
26 Insurance	93,010	92,922	88	0%
27 Recording Fees	1,000	785	215	22%
28 Payroll Services	44,365	45,948	(1,583)	(4%)
29 Audit Services	169,800	158,800	11,000	6%
30 Property Expenses	460,085	462,507	(2,422)	(1%)
31 Professional Services	380,886	258,490	122,396	32%
32 Building Interest Expense	473,524	471,854	1,670	0%
Total Operating Expenses	22,707,543	22,026,058	681,485	3%
Other Program Administrative Expenses				
1 Loan foreclosure expenses	200,000	34,284	165,716	83%
2 REO expenses	50,000	9,693	40,307	81%
3 Provision for losses on loans & REOs	125,000	(460,000)	585,000	468%
4 Mortgage Servicing fees	1,860,000	1,784,006	75,994	4%
5 Loan Origination expenses	3,020,000	3,221,276	(201,276)	(7%)
6 Bond Issuance Costs	900,000	1,238,558	(338,558)	(38%)
7 Trustee/Bank fees	170,000	162,279	7,721	5%
8 Program advertising/printing	424,750	295,920	128,830	30%
9 Bond and mortgagee insurance	17,000	17,607	(607)	(4%)
10 Variable rate bond remarket/liquidity facilities	1,100,000	909,210	190,790	17%
11 Cash flow/arbitrage/swap consultants/legal	645,000	578,885	66,115	10%
12 Homebuyer education	120,000	118,950	1,050	1%
13 Program administrator fees	461,000	368,158	92,842	20%
Total Other Program Administration Expenses	9,092,750	8,278,826	813,924	9%

**MAINE STATE HOUSING AUTHORITY
CAPITAL BUDGET
FOR THE YEAR ENDED DECEMBER 31, 2022**

ATTACHMENT C

Description	2022 Budget	2022 Actual	Budget Available	% Expended
Computer Hardware:				
Network backup hardware - Data Domain	15,000	0	15,000	
Laptop replacements	30,000	29,747	253	
Server room power module	-	2,000	(2,000)	
Server room cameras	-	1,533	(1,533)	
Total computer hardware	<u>45,000</u>	<u>33,280</u>	<u>11,720</u>	<u>74%</u>
Computer Software:				
Enterprise multi-family housing system	170,000	235,675	(65,675)	
Coordinated Entry Portal - client list software homeless programs	10,000	0	10,000	
Mobile device management software	8,000	0	8,000	
Website redesign	37,000	15,431	21,569	
Single Family loan servicing system modifications	10,000	0	10,000	
Single Family lender & loan tracking systems mods	10,000	0	10,000	
Hancock systems mods (LIHEAP & Wx Programs)	119,484	171,375	(51,891)	
Community Outreach Dashboard	25,000	0	25,000	
Salesforce software upgrades	122,000	0	122,000	
AmpliFund grant management software	0	79,100	(79,100)	
Total computer software	<u>511,484</u>	<u>501,581</u>	<u>9,903</u>	<u>98%</u>
Office Building:				
Audio visual equipment modifications	0	20,176	(20,176)	
Computer room A/C modifications	0	24,390	(24,390)	
Workstations & furniture	0	6,975	(6,975)	
	<u>0</u>	<u>51,541</u>	<u>(51,541)</u>	<u>0%</u>
Total	<u><u>556,484</u></u>	<u><u>586,402</u></u>	<u><u>(29,918)</u></u>	<u><u>(5%)</u></u>

**MAINE STATE HOUSING AUTHORITY
MEMBERSHIPS, DUES, AND SPONSORSHIPS
FOR THE YEAR ENDED DECEMBER 31, 2022**

Description	Amount
Memberships and Dues	
Maine Bankers Association - annual affiliate membership	\$ 950
Maine Real Estate Management Association - annual membership	125
National Leased Housing Association - annual membership	660
National Association for State Community Services Programs - annual membership	2,603
National Energy Assistance Directors' Association - annual membership	6,817
National Energy Assistance Directors' Association - annual LIHWAA membership	1,450
National Energy and Utility Affordability Coalition - annual membership	515
Maine Real Estate & Development Association - annual membership	1,200
National Affordable Housing Management Association - affiliate membership	1,125
National Council of State Housing Agencies - annual membership	30,707
Association of Government Accountants - (5) employee annual memberships	550
Maine Association of Non Profits - annual membership	100
American Payroll Association - employee annual membership	275
American College of Mortgage Attorneys - employee dues	225
Kennebec Board of Realtors - employee dues	188
Maine Association of Mortgage Professionals - employee annual membership	375
Society for Human Resource Management - employee annual membership	229
Information Systems Audit and Control Association - employee annual membership	305
Project management Institute - employee membership	60
Construction Specifications Institute - employee annual membership	325
Maine Building Officials and Inspectors Association - (7) employee membership	335
passivhausMaine - employee annual membership	175
Maine Department of Environmental Protection - lead inspector license renewal	200
Maine State Bar Association - (7) employee annual memberships	1,585
Board of Overseers of the Bar - (6) employee annual registration	1,590
United States District Court - employee certification to practice law	188
Maine Society of CPAs - employee annual membership	250
Maine State Treasurer - employee annual CPA license renewal	35
Mortgage Bankers Association - annual affiliate membership	1,350
Maine Association of Public Housing Directors - annual membership	1,000
Credit Builders Alliance, Inc - annual membership	795
Treasurer, State of Maine - Access to State House (2) employees	50
Association of Certified Fraud Examiners - (2) employee annual membership	595
Total	<u>\$ 56,932</u>
Sponsorships	
Northern New England Community Action - training conference sponsor	\$ 1,500
Maine Real Estate and Development Association - conference sponsorship	1,600
Maine Council on Aging - Wisdom Summit sponsorship	500
National Association of State and Local Equity Funds - conference sponsorship	1,500
Maine Real Estate Management Association - 2021/2022 conference sponsorship	5,500
Maine Affordable Housing Coalition - housing conference sponsor	2,500
New England Resident Service Coordinator - conference sponsor	3,000
Total	<u>\$ 16,100</u>



Finance Department Memorandum

To: Board of Commissioners
From: Darren Brown
Date: February 3, 2023
Subject: Monthly Delinquencies Report

MULTI-FAMILY DELINQUENCIES

The Multi-Family portfolio totals \$805 million with 1,267 loans as of January 31, 2023. There is one 60+ days delinquent loan, as shown in *Exhibit 1*. The Multi-Family delinquency rate is benchmarked against MaineHousing's historical rates, as shown in *Exhibit 2*.

SINGLE-FAMILY DELINQUENCIES

The Single-Family portfolio totals \$959 million with 9,739 loans as of December 31, 2022. The over 60-day delinquencies increased from 2.39% to 2.75%, and the in-foreclosures decreased from 0.60% to 0.54%. The over 60-day delinquencies amount to \$26 million, with approximately \$5 million representing accounts in foreclosure. The over 60-day and in-foreclosure historic rates are shown in *Exhibit 4*. MaineHousing's overall delinquency rate by loan dollars is 2.75%; and the overall delinquency rate by loan count is 2.98%. 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 December 31, 2022, Bank of America (BOA) had the highest overall delinquency rate of 15.11%, with an in-foreclosure rate of 3.38%. BOA's high delinquency rate is due to the small size of their portfolio. The portfolio consists of approximately 100 loans.

Delinquencies for our largest servicer, Mortgage Servicing Solutions, increased from 2.87% to 3.28%, while the in-foreclosure rate decreased from 0.68% to 0.59%. Bangor Savings Bank QS portfolio had a rate of 0.00%, which was the lowest rate for the month. Delinquency rates for each servicer are shown in *Exhibit 3*.

Delinquencies by Insurance Type – In December 2022, FHA insured loans had the highest delinquency rate by total insurance type of 4.25%, with in-foreclosures at 0.93%. When compared to the total loan portfolio, RD insured loans had the highest delinquency rate of 1.70%, with in-foreclosures at 0.33%. Delinquencies by insurance type and the portfolio as a whole are shown in *Exhibit 6*.

FHA insured loans comprise 17% of the Single-Family portfolio and 26% of delinquencies, while RD insured loans comprise 58% of the portfolio and represent 62% of all delinquent loans. The

current composition of the Single-Family portfolio by insurance type, along with the percentage of delinquencies by insurance type, is shown in *Exhibit 7*.

Foreclosure Prevention Activities – *Exhibit 8* summarizes our foreclosure prevention activities, as well as the number of completed foreclosures. As of the end of month December 2022, we have assisted 1028 borrowers with various foreclosure preventions options. Seven of the foreclosure prevention options through the end of December are reinstatements by Homeowner’s Assistance Funds (HAF).

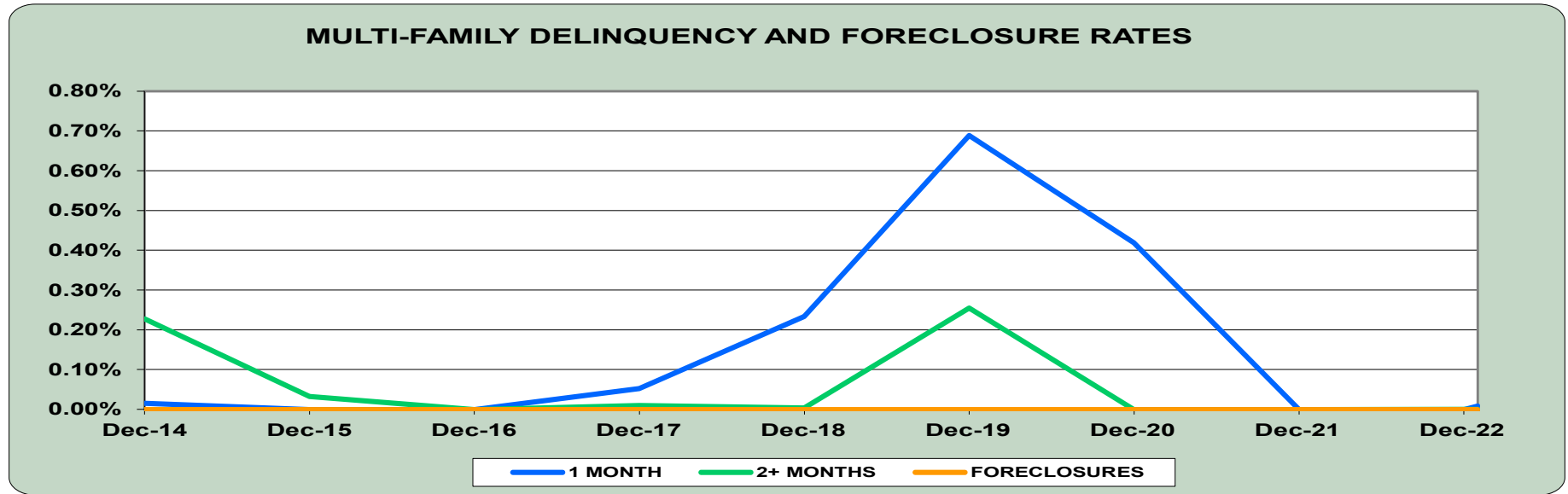
Multi-Family Delinquent Loans

MAINE STATE HOUSING AUTHORITY MULTI-FAMILY DELINQUENCIES 1/31/2023									
Section 8						ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS	
SUMMER BLOCK*	474.89	01/01/23	BIDDEFORD	SUMMER STREET HOUSING ASSOCI/	12/14/20	69,075.00	0.00	0.00	
						<u>69,075.00</u>	<u>0.00</u>	<u>0.00</u>	
Rental Housing						ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS	
NONE						0.00	0.00	0.00	
						<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	
Supportive Housing & Other						ORIGINATION	DELINQUENT		
BORROWER	LEVEL PMT	PTD	LOCATION	PROJECT OWNER	DATE	1 MONTH	2 MONTHS	3+ MONTHS	
MOUSAM ST, 5*	761.20	11/01/22	SANFORD	YORK COUNTY SHELTER PROGRAM	02/20/92	0.00	0.00	3,796.00	
						<u>0.00</u>	<u>0.00</u>	<u>3,796.00</u>	
Grand Total						<u>69,075.00</u>	<u>0.00</u>	<u>3,796.00</u>	
% of Portfolio Delq 60+ days	0.00%								
Total Number of Loans	1,267								

*past maturity date.



Multi-Family Delinquency & Foreclosure Trends



	<u>OUTSTANDING</u> <u>PRINCIPAL</u>	<u>1 MONTH</u>		<u>2+ MONTHS</u>		<u>FORECLOSURES</u>	
		<u>DOLLARS</u>	<u>RATE</u>	<u>DOLLARS</u>	<u>RATE</u>	<u>DOLLARS</u>	<u>RATE</u>
Jan-23	\$ 804,981,758	\$ 69,075	0.01%	\$ 3,796	0.00%	\$ -	0.00%
Dec-22	\$ 796,448,381	\$ -	0.00%	\$ 4,553	0.00%	\$ -	0.00%
Dec-21	\$ 696,004,882	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Dec-20	\$ 666,678,177	\$ 2,791,073	0.42%	\$ -	0.00%	\$ -	0.00%
Dec-19	\$ 635,961,774	\$ 4,379,009	0.69%	\$ 1,620,600	0.25%	\$ -	0.00%
Dec-18	\$ 630,936,475	\$ 1,473,376	0.23%	\$ 20,600	0.00%	\$ -	0.00%
Dec-17	\$ 608,939,257	\$ 319,836	0.05%	\$ 60,624	0.01%	\$ -	0.00%
Dec-16	\$ 579,916,852	\$ -	0.00%	\$ -	0.00%	\$ -	0.00%
Dec-15	\$ 573,932,384	\$ -	0.00%	\$ 185,320	0.03%	\$ -	0.00%
Dec-14	\$ 513,937,525	\$ 77,568	0.02%	\$ 1,169,620	0.23%	\$ -	0.00%



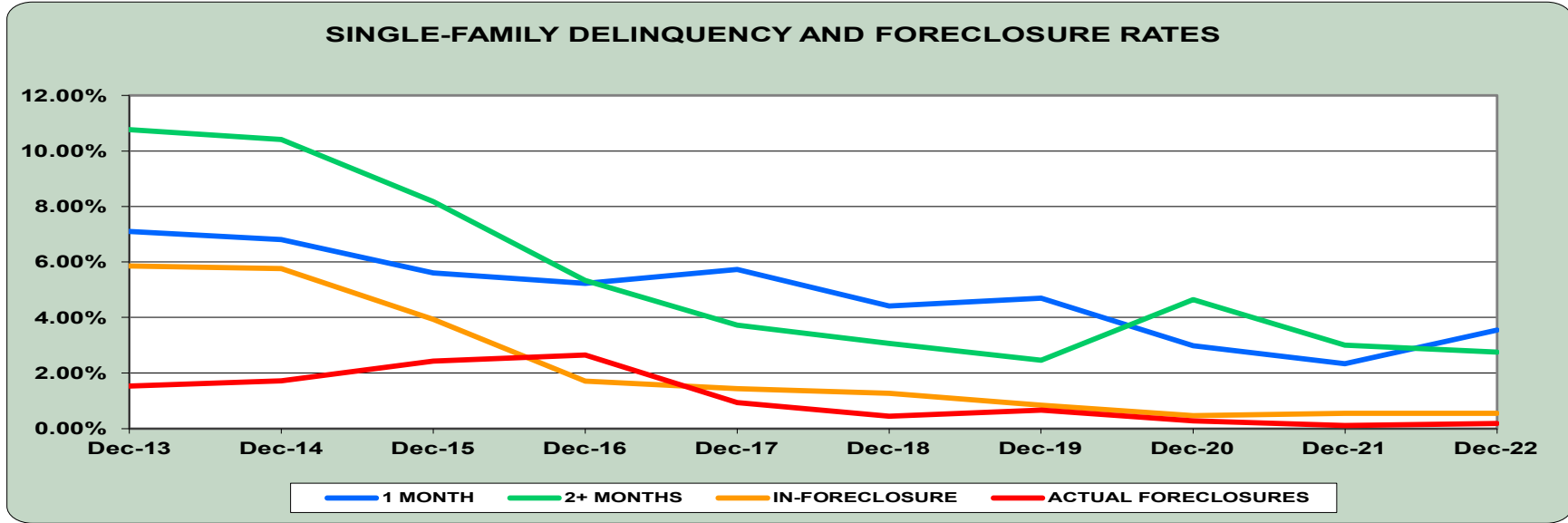
Single-Family Delinquent Loans

**Maine State Housing Authority
Single-Family Delinquencies by Servicer
12/31/2022**

SERVICER	% OF PORTFOLIO	% of Portfolio Delq 60 + days	OUTSTANDING PRINCIPAL	----- 1 MONTH	DELINQUENT 2 MONTHS	----- 3+ MONTHS	IN- FORECLOSURE
MORTGAGE SERVICING SOLUTIONS	66.41%	3.28%	636,856,298.73	25,775,186.25	7,746,738.17	9,366,843.91	3,761,930.07
BANGOR SAVINGS BANK	12.65%	0.85%	121,322,742.89	2,929,549.92	490,122.10	378,640.41	157,805.67
CAMDEN NATIONAL BANK UK	8.57%	1.30%	82,230,735.02	2,709,983.93	367,385.35	207,748.06	496,544.60
MACHIAS SAVINGS BANK	7.00%	3.74%	67,094,861.77	1,651,163.93	1,046,449.11	890,329.80	570,134.24
BANGOR SAVINGS BANK QS	4.71%	0.00%	45,207,535.60	473,916.45	0.00	0.00	0.00
BANK OF AMERICA NA	0.61%	15.11%	5,846,254.86	429,724.18	173,393.73	512,371.32	197,491.19
SALEM FIVE MORTGAGE CORP	0.04%	3.37%	426,092.36	26,841.15	0.00	14,373.60	0.00
TOTAL	100.00%	2.75%	958,984,521.23	33,996,365.81	9,824,088.46	11,370,307.10	5,183,905.77



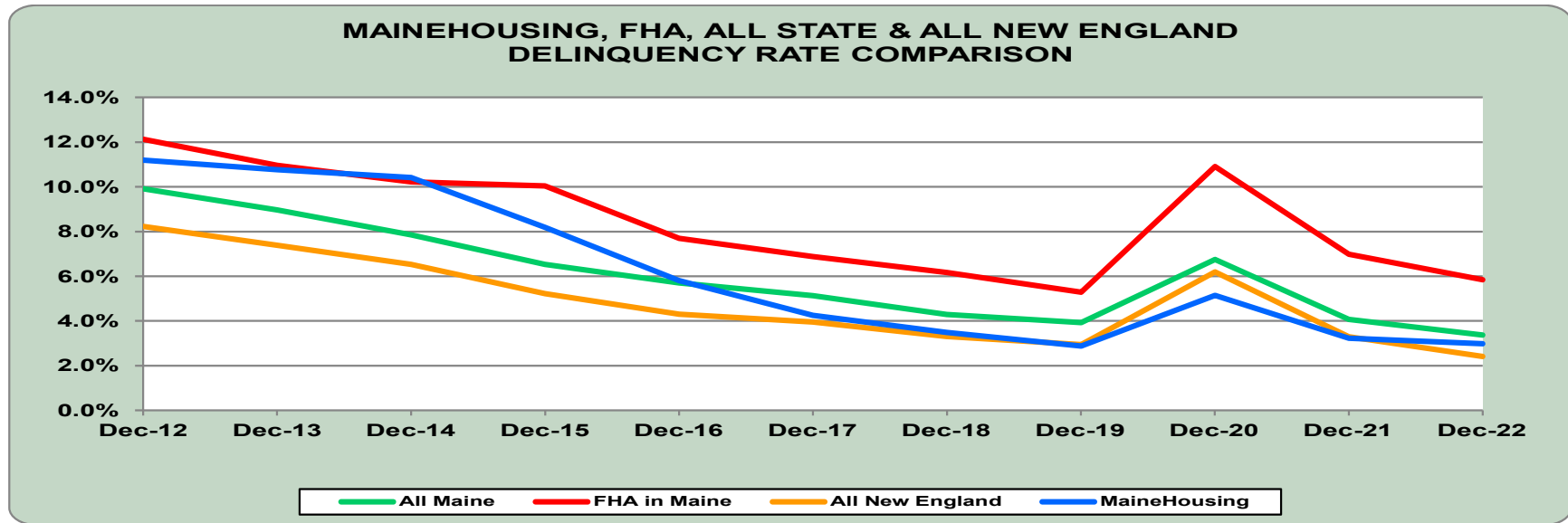
Single-Family Delinquency & Foreclosure Trends



	OUTSTANDING PRINCIPAL		1 MONTH		2+ MONTHS		IN-FORECLOSURE		ACTUAL FORECLOSURES	
	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE	DOLLARS	RATE
Dec-22	\$ 958,984,521	3.55%	\$ 26,378,301	2.75%	\$ 5,183,906	0.54%	\$ 1,733,447	0.18%		
Dec-21	\$ 887,303,920	2.33%	\$ 26,645,647	3.00%	\$ 4,806,968	0.54%	\$ 941,490	0.11%		
Dec-20	\$ 960,761,414	2.98%	\$ 44,603,599	4.64%	\$ 4,471,656	0.47%	\$ 2,617,001	0.27%		
Dec-19	\$ 967,171,381	4.69%	\$ 23,774,547	2.46%	\$ 8,037,512	0.83%	\$ 6,357,994	0.66%		
Dec-18	\$ 916,608,577	4.42%	\$ 28,155,105	3.07%	\$ 11,647,401	1.27%	\$ 4,056,247	0.44%		
Dec-17	\$ 844,497,676	5.74%	\$ 31,454,643	3.72%	\$ 12,099,518	1.43%	\$ 7,847,858	0.93%		
Dec-16	\$ 799,557,471	5.23%	\$ 42,682,410	5.34%	\$ 13,625,991	1.70%	\$ 21,142,137	2.64%		
Dec-15	\$ 790,409,905	5.61%	\$ 64,656,769	8.18%	\$ 31,066,182	3.93%	\$ 20,797,314	2.43%		
Dec-14	\$ 810,139,060	6.81%	\$ 84,385,397	10.42%	\$ 46,711,687	5.77%	\$ 13,904,155	1.72%		
Dec-13	\$ 849,385,825	7.11%	\$ 91,501,809	10.77%	\$ 49,783,071	5.86%	\$ 12,980,502	1.53%		



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*	120,604	0.58%	1.54%	1.25%	3.37%
FHA for State*	15,902	1.26%	2.91%	1.68%	5.85%
All New England*	1,716,134	0.51%	1.28%	0.62%	2.41%
MaineHousing**	9,739	1.07%	1.27%	0.64%	2.98%

*This information is obtained from MBA's National Delinquency Survey for the third quarter of 2022.

**MaineHousing's overall delinquency rate based on loan dollars is 2.75%, whereas rates in this exhibit are based on loan count.



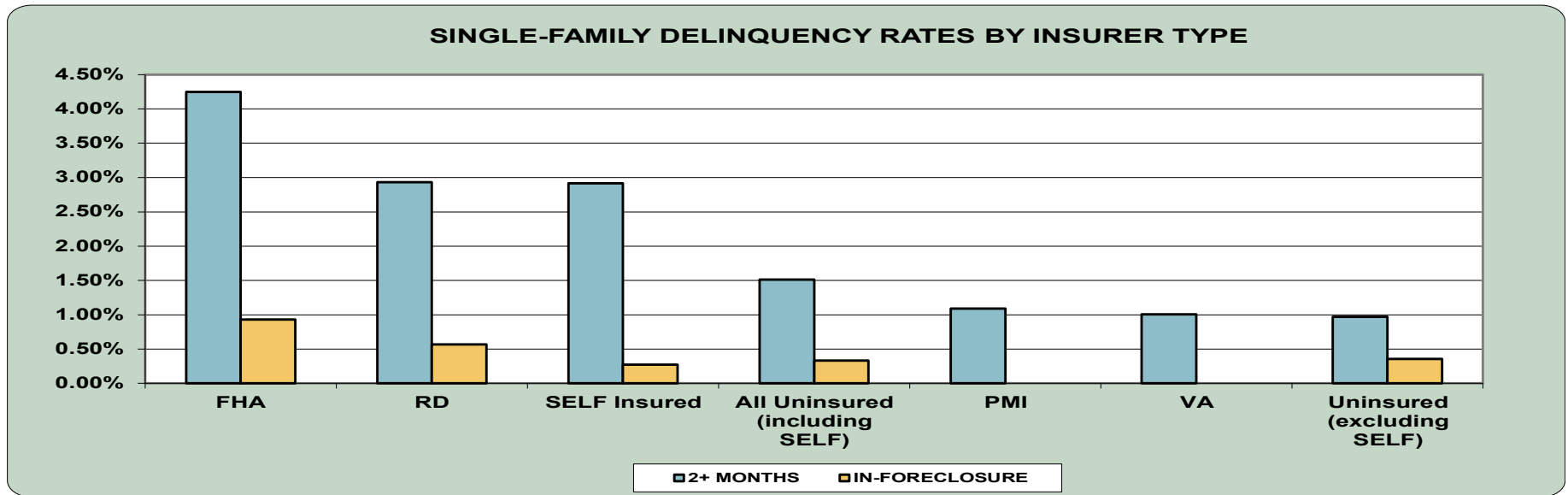
Single-Family Delinquencies by Mortgage Insurer

**As A Percent of Total Insurance Type
12/31/2022**

TYPE	2+ MONTHS	IN-FORECLOSURE
FHA	4.25%	0.93%
RD	2.93%	0.57%
SELF Insured	2.92%	0.27%
All Uninsured (including SELF)	1.51%	0.33%
PMI	1.09%	0.00%
VA	1.01%	0.00%
Uninsured (excluding SELF)	0.97%	0.36%

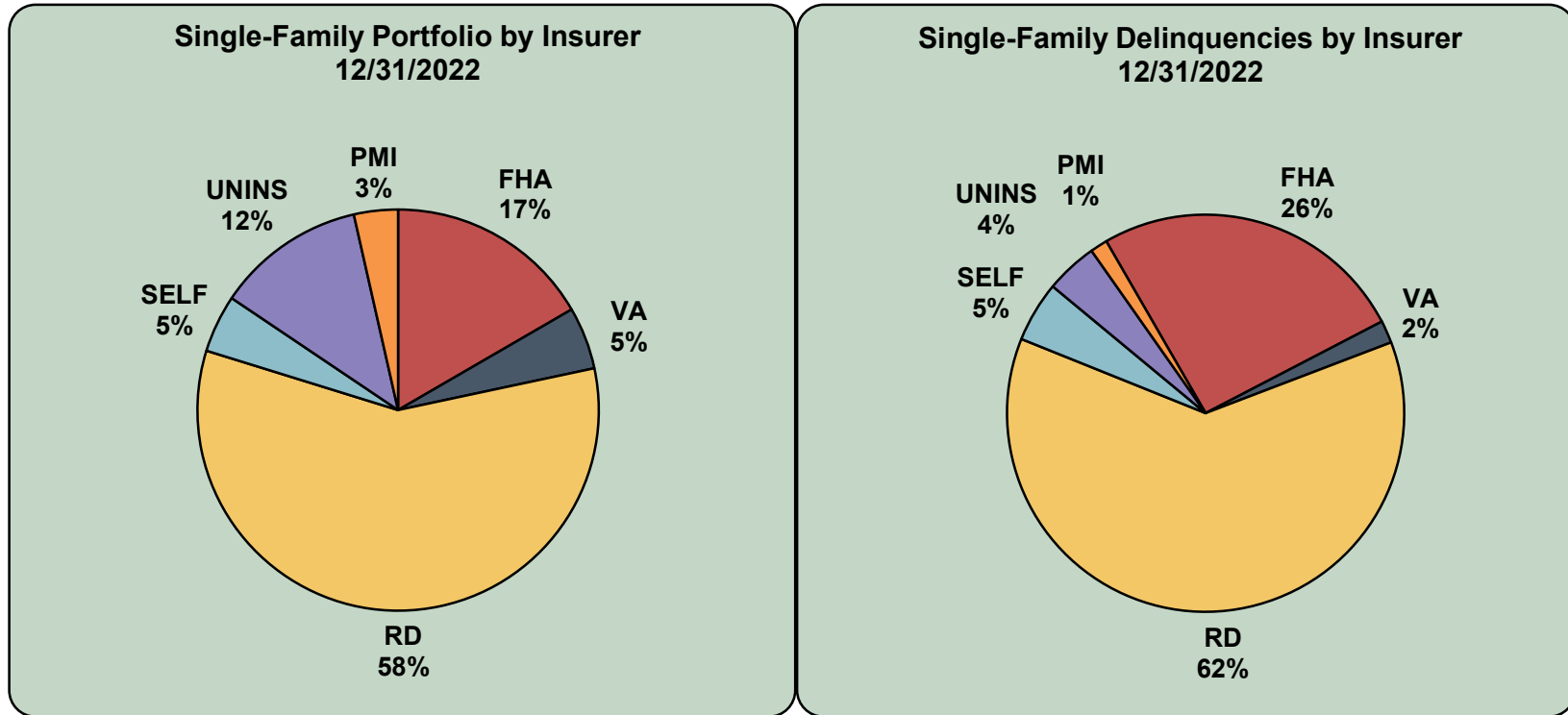
**As A Percent of Total Loan Portfolio
12/31/2022**

TYPE	2+ MONTHS	IN-FORECLOSURE
RD	1.70%	0.33%
FHA	0.71%	0.15%
All Uninsured (including SELF)	0.25%	0.06%
SELF Insured	0.14%	0.02%
Uninsured (excluding SELF)	0.12%	0.04%
VA	0.05%	0.00%
PMI	0.04%	0.00%

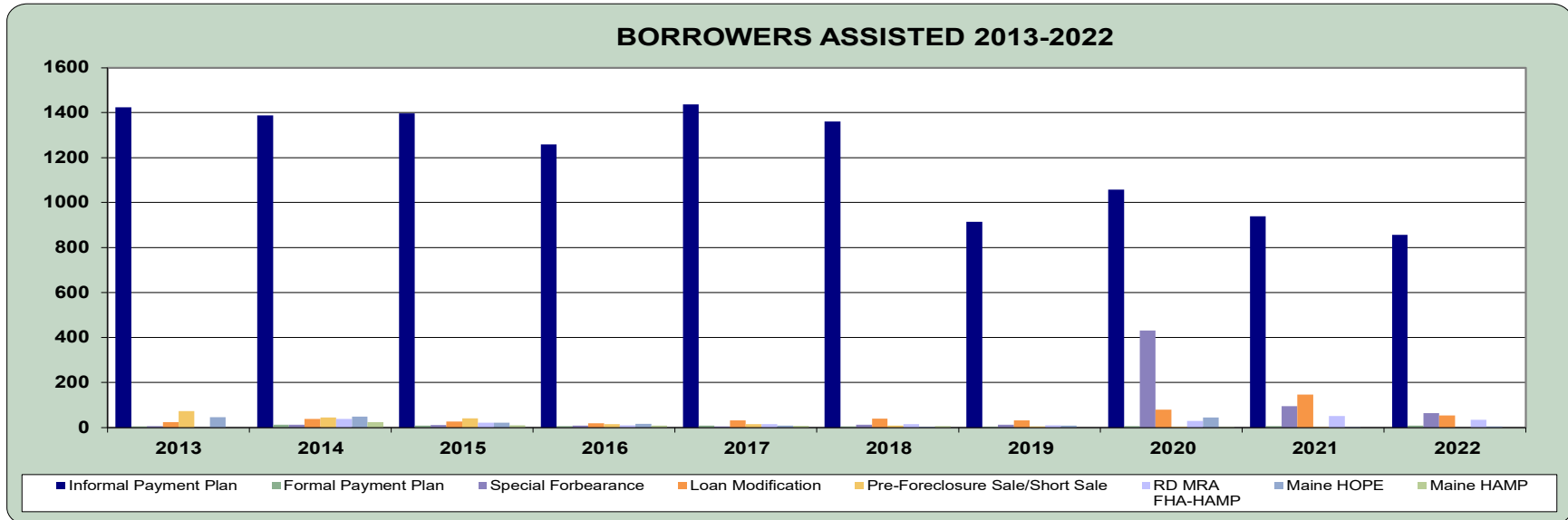


Single-Family Delinquencies by Mortgage Insurer

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



Single-Family Foreclosure Prevention Activities



Number of Borrowers Approved for Assistance

	Informal Payment Plan	Formal Payment Plan	Special Forbearance	Loan Modification	Pre-Foreclosure Sale/Short Sale	RD MRA FHA-HAMP	Maine HOPE	Maine HAMP	HAF Reinstatement	Total Workouts
Dec-22	857	8	63	54	0	35	4	0	7	1028
Dec-21	939	5	94	146	2	50	2	0	0	1238
Dec-20	1058	5	432	79	3	29	44	2	0	1652
Dec-19	914	3	12	32	4	10	8	0	0	983
Dec-18	1361	4	12	39	8	15	3	6	0	1448
Dec-17	1437	8	4	31	14	14	8	7	0	1523
Dec-16	1259	6	8	19	15	10	16	9	0	1342
Dec-15	1397	8	11	26	40	21	22	10	0	1535
Dec-14	1388	12	13	38	44	38	48	24	0	1605
Dec-13	1424	4	5	24	73	0	46	0	0	1576

Actual Foreclosures

	Number of Foreclosures	Number of Loans in Portfolio	Percentage of Portfolio
Dec-22	21	9,739	0.22%
Dec-21	14	9,750	0.14%
Dec-20	38	10,668	0.36%
Dec-19	86	10,904	0.79%
Dec-18	57	10,673	0.53%
Dec-17	97	10,332	0.94%
Dec-16	258	10,097	2.56%
Dec-15	233	10,258	2.27%
Dec-14	162	10,526	1.54%
Dec-13	146	10,952	1.33%



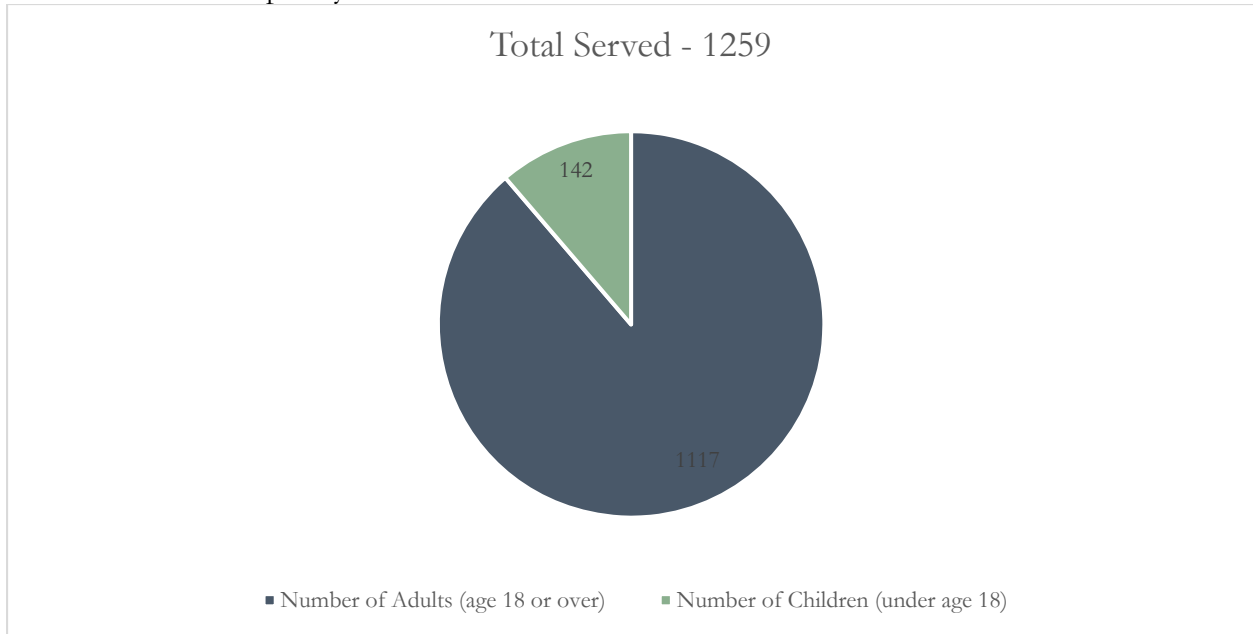
Homeless Initiatives Department Memorandum

To: Board of Commissioners
From: Lauren Bustard, Senior Director of Homeless Initiatives
Date: February 14, 2023
Subject: Homeless Initiatives Report

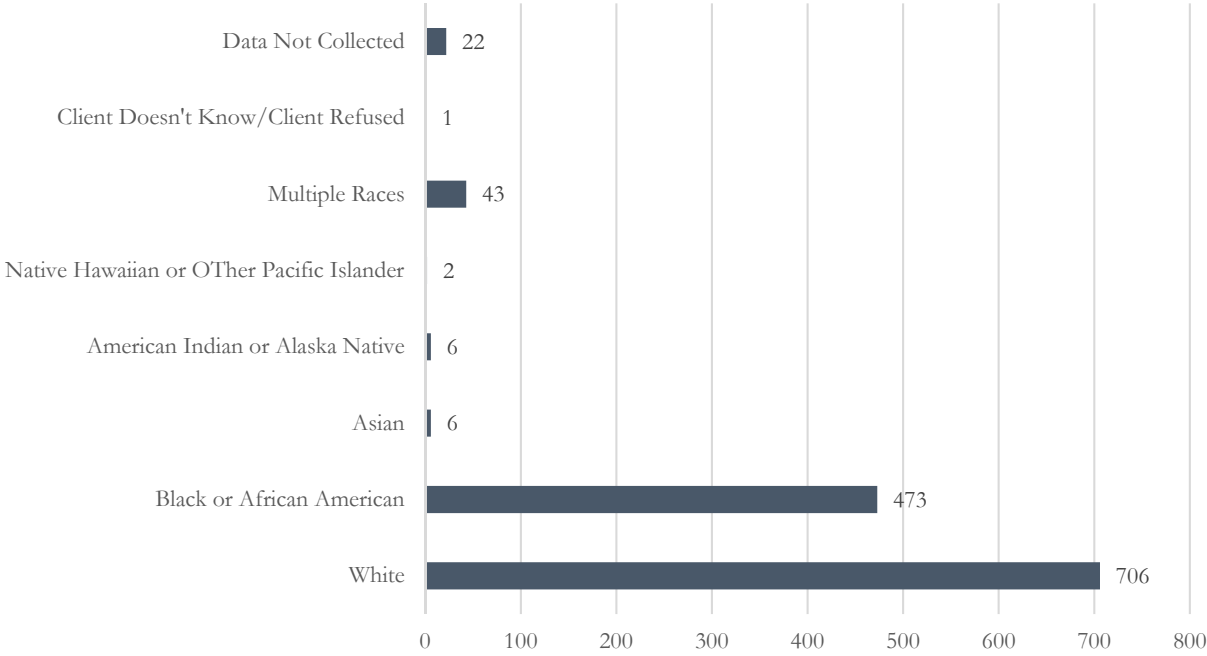
Homeless Data – January 2023

The following are the monthly statistics for January:

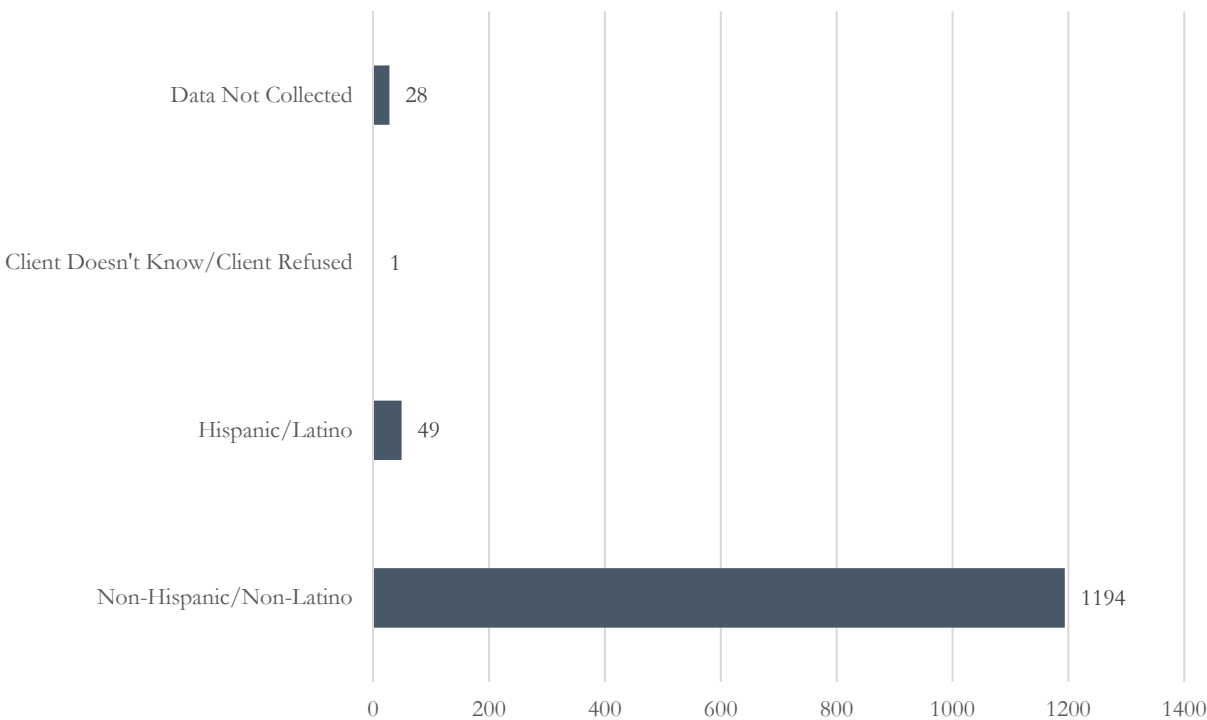
1. Total number of people served (1259) remained fairly stable, only decreasing by 13 individuals. The caveat here is that these are only the individuals that are being served by homeless service providers around the state who are mandated to record data in the HMIS (Homeless Management Information System) database. It does not include people sheltered through GA, ERA or faith-based shelters that do not participate in the ESHAP program.
2. Racial equity – the percentage of people of color served increased - from 38.3% in December to 42.8% in January. The Greater Portland Area has seen a significant increase in people from African countries seeking asylum since December. The number for those who identify as Hispanic/Latino remained stable.
3. Similar to December, we did not see a substantial increase in people coming out of hotels funded by ERA in January
4. The number of Exits to Permanent Housing decreased slightly to 56– hovering around the average level for 2022. Exits to other destinations remained stable, with a slight increase in Exits to Temporary Destinations.



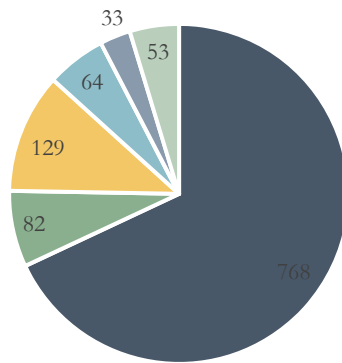
Number of People Served by Race



Number People Served by Ethnicity

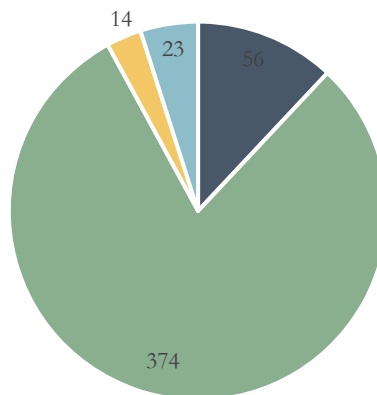


Residence of Clients Prior to Entry



- 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 Entry



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

Use of Hotels

We continue to utilize two hotels in South Portland to house those single individuals experiencing homelessness in the Greater Portland area, funded through FEMA. The City of South Portland provided a reprieve for hotel guests until April 30, 2023. Originally, they had been scheduled to be decommissioned by the end of February. We are hoping to be able to consolidate into one hotel for the months of March and April. We remain at capacity at the hotel in Saco utilized to provide a minimum of one year of housing for Asylum Seeker families.

Service Hub Implementation – Built for Zero Initiative

The State Strategy Team met on 1/24. Actions teams were redefined for the next six-month action cycle.

1. A new Veteran Housing Surge Action Team will support the existing veterans' housing challenge work group in the efforts to house homeless veterans in Maine. This aligns with the state goal to reach functional zero for Veterans by June 2025.
2. The System Improvement Action Team identified 3 areas to focus on:
 - Establish a training for Case Conferencing protocols across the hub network
 - Streamline the housing process: reduce the number of days in process from identification in the homeless response system to lease up and increase monthly outflow of the system
 - Increase Rural Outreach
3. The Racial Equity and Lived Experience Action Team identified the following areas:
 - Clarify clear, complementary lanes of work between this Action Team and the Maine Continuum of Care Diversity, Equity and Inclusion (DEI) Workgroup
 - Create user-centered maps to highlight barriers experienced disproportionately by groups experiencing inequities

Hub Coordinators found the 2023 Point in Time carried out the last week of January to be a valuable learning experience and have debriefed on the successes and challenges. They are providing ideas for improvement for next year's count to Maine Continuum of Care. Here is a highlight from Amy Holland, the Hub 3 – Midcoast Hub Coordinator:

“Something really amazing that came out of the PIT Count was that Healthy Lincoln County, who has not participated in the Count prior to this year, found 15 locations to administer surveys, donated 200 hand sanitizers to the Count volunteers, and delivered supplies from their organization to the people they surveyed. But more than this, they reported that the PIT Count had a large impact on them, so much so that they are starting monthly outreach efforts, starting this week, to hand out supplies to people experiencing homelessness in Lincoln County. This is an organization that does not have a homeless services program, but has been attending hub meetings regularly to learn more about how they could get involved.”

LD 3 Funding

The passage of LD 3 in January provided MaineHousing with \$21M to address emergency housing needs in the state through this winter (through 4/30/23), as well as to fund longer term solutions to be put in place before next winter (by 10/31/23). Along with some funding to keep individuals and families in hotels who had been placed there through ERA and GA, there was also a smaller pot of

funding to allow shelter providers to place people in hotels where no shelter bed is available, all only through April 30th.

MaineHousing also published two Notices of Funding Availability within a week of the passage of the legislation – one to fund Temporary Winter Overnight Warming Shelters through 4/30/23 and the other to fund Long-term Solutions to Address Homelessness. Although this is for longer-term solutions, projects would still need to be operational by October 31, 2023 in time for next winter.

The deadline for the Warming Shelters NOFA was February 3rd, and we received a total of 17 applications. We awarded grants to 13 applicants; however one has since pulled out. I have attached a spreadsheet listing the grantees, area covered, and grant amount for your review.

The deadline for the Long-term Solutions NOFA is Friday, February 24th. I will report on grants awarded under that NOFA next month.

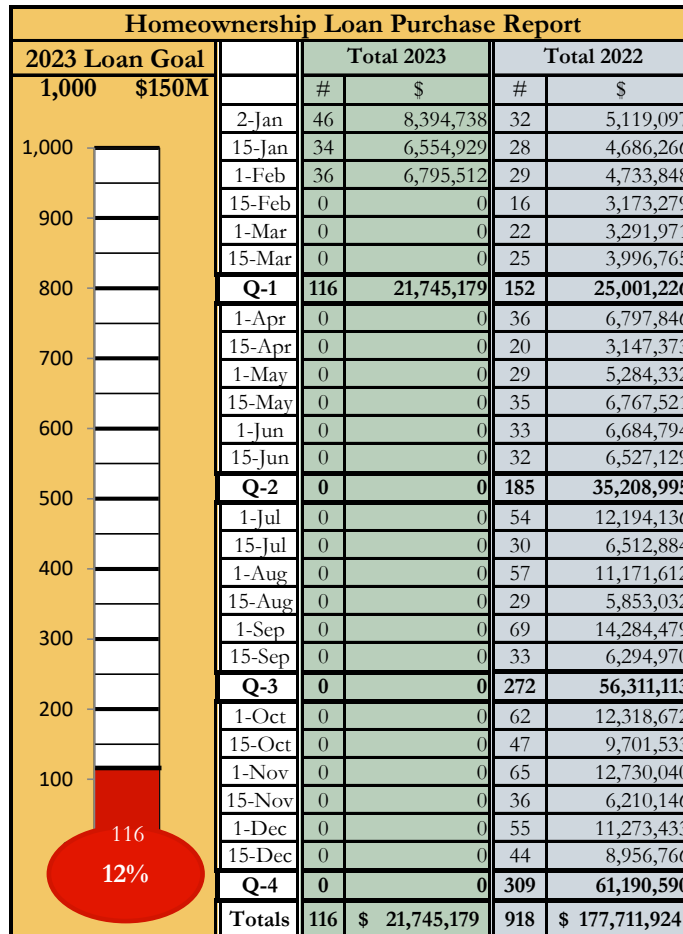
Agency	Hubs Applied For									Award
	York	Cumberland	MidCoast	Androscoggin	Western	Central	Penquis	Downeast	Aroostook	
Amistad - Wiscasset			X							\$50,079.00
Aroostook Mental Health -Calais								X		\$35,518.00
Aroostook Mental Health -Houlton									X	\$36,218.00
Augusta						X				\$136,678.00
Gathering Place - Brunswick			X							\$40,000.00
Greater Portland Family Promise		X								\$104,638.00
MIRC - Portland		X								\$265,672.00
MMHS - Waterville						X				\$31,979.00
Monson							X			\$15,000.00
State Street Church - Portland		X								\$150,000.00
Union St. Brick Church - Bangor							X			\$21,250.00
York County Shelter - Alfred	X									\$157,516.00



Homeownership Department Memorandum

To: MaineHousing Board of Commissioners
From: Craig Reynolds, Director of Homeownership
Date: February 3, 2023
Subject: Monthly Report – Homeownership Department

PRODUCTION UPDATE



Monthly Loan Reservations: 02/01/23	
#	\$ Volume
46	\$ 9,400,963

Loan Pipeline as of: 02/01/23	
#	\$ Volume
162	\$ 30,730,008

Loan Reservation Comparison					
January 2022		January 2023		2022 vs 2023	
#	\$ Volume	#	\$ Volume	#	\$ Volume
160	\$26,321,028	162	\$ 30,730,008	1%	17%

PROGRAM HIGHLIGHTS

Production Update & Market Status

Following the record setting loan volume for the First Home Loan program 2022, this year has started out very strong in terms of the number of loan purchases and the resulting dollar volume, and slightly exceeds that of last year at this same time. Much of this activity is owed to the carryover of a nearly \$40M pipeline of pending loans from December, which are now being reviewed and approved for purchase. The weekly influx of new loan reservations slowed in January, however that is a common occurrence following the holiday season, and it was also influenced by a series of storms which impacts the level of activity of both hopeful homebuyers and real estate professionals.

The shortage of homes for sale continues to be a major obstacle for potential buyers in most price ranges in Maine, as well as in many other areas of the country. The shortage accounts for the continuation of high sale prices in many parts of our state, particularly in the southern and coastal regions where strong buyer demand and stiff competition still characterize the market.

Mortgage interest rates, which had been on the rise, and briefly reached the 7% range in the fall of 2022, have now slipped back to an average in the low 6% range with a few lenders offering under 6% for a 30 year fixed rate loan. The drop in rates is welcomed by homebuyers as it improves housing affordability somewhat, but any significant gain is being offset by still high home prices and the continuing impact of inflation resulting in higher costs for many consumer goods and services. Predictions concerning the direction of mortgage interest rates and real estate market activity during 2023 vary widely among industry analysts, however the current decrease in interest rates has stimulated a small resurgence in the number of home sales in recent weeks.

The following is an excerpt from the Maine Association of REALTORS® monthly press release in January regarding Maine's real estate market activity and related regional and national statistics provided by the National Association of REALTORS®.

MAINE SINGLE-FAMILY HOME SALES EASED DURING 2022; PRICES ROSE 12 PERCENT

AUGUSTA (January 20, 2023)—The real estate market in Maine adjusted during the 2022 sales year due to an increase in mortgage interest rates and a shortage of available homes for sale. Statistics released by Maine Listings indicate a 17.49 percent decrease in single-family existing home sales last year. Home prices, however, continue to rise. The median sales price (MSP) for the year reached \$335,000—up 12.04 percent over 2021. The MSP indicates that half of the homes were sold for more and half sold for less.

“The sales year ended with just over 16,800 homes sold and a median sales price of \$335,000—down 8.5 percent since its peak in June,” says Carmen McPhail, 2023 President of the Maine Association of REALTORS® and Associate Broker at family-owned United Country Lifestyle Properties of Maine, with offices in Lincoln, Bangor and Lubec. “Overall, the numbers reflect the impact of mortgage rate increases, the typical fourth-quarter seasonal slowdown and a continued shortage of for-sale housing inventory.”

Statistics gathered by Maine Listings for the month of December 2022 indicate an 8.9 percent MSP increase to \$330,000 compared to December 2021.

Sales declined 36.6 percent comparing December 2022 to December 2021. According to the National Association of Realtors, single-family home sales across the county declined 33.5 percent comparing December 2022 to December 2021, and the MSP rose 2.0 percent to \$372,700. Regionally, December 2022 sales in the Northeast were down 28.8 percent compared to December 2021 and the MSP increased 1.6 percent to \$391,400.

“We’re seeing a bit of a pause as buyers and sellers are adjusting their expectations due to today’s less-favorable financing terms compared to mid-2022,” added McPhail. “As we move through 2023, we expect would-be buyers to re-engage with the market and the demand for residential real estate to remain high. Conditions are favorable for a gradual balancing of the real estate market.”

HoMEworks Update

HoMEworks is a non-profit group dedicated to the development and oversight of the class curriculum created for consumer homebuyer education in Maine. HoMEworks firmly believes that the best place to start the home buying process is in the classroom. MaineHousing’s Consumer Education Coordinator, Jessica Gurney, is member of the volunteer hoMEworks Board of Directors which met in January, and she reported that the agenda included the welcome of a new board member Emile Demers, Jr., a Realtor affiliated with Better Homes and Gardens, The Masiello Group in Windham.

Jessica also shared that the updated class schedule has been posted on the hoMEworks website showing classes planned through April with 5 in-person classes and 21 virtual classes available for learners to select from. This gives learners the flexibility to choose the remote or in-person learning experience that suits their needs and almost anywhere in the state. The virtual classes are offered as one eight-hour class, or evenings over 3 nights, or in 2 four-hour classes. Jessica also noted that the hoMEworks website had received an impressive 17,774 hits in 2022.

The hoMEworks incentive of offering \$1,000 per in-person class to education providers has been very successful and has resulted in an increase in the number of in-person classes offered. It has been found that learners benefit more from the live classroom environment, which encourages individual participation and provides the benefit of hearing the questions and concerns of others who are interested in achieving homeownership.

MaineHousing requires the completion of a hoMEworks approved homebuyer education class by all First Home Loan borrowers choosing the \$5,000 Advantage down payment and closing cost assistance option grant. MaineHousing also subsidizes education provider organizations for a large number of the homebuyer and landlord classes they intend to conduct in 2023.

2022 First Home Loan Program Statistics

Please review the following page of 2022 program statistics which will be discussed by Homeownership department staff at the February Commissioners meeting.

Homeownership Department
Program Statistics for 01/01/22 -12/31/22

Total Number of Loans	918
Total Loan Amount	\$177,711,924
Average Income	\$67,728
Average Age	35
Average Family Size	2
Average Credit Score	711
Average Purchase Price	\$205,284
Average Loan Amount	\$193,586
Average Property Age	64

Summary by Guarantor		%	\$
RD	443	48%	\$82,017,775
FHA	180	20%	\$39,023,092
VA	41	4%	\$9,889,704
PMI (ARCH Pilot)	59	6%	\$15,162,974
Self-Insured (MHSI)	47	5%	\$5,649,918
Uninsured	148	16%	\$25,968,461

Credit Score by Guarantor	
RD	710
FHA	695
VA	709
PMI (ARCH Pilot)	734
Self-Insured (MHSI)	712
Uninsured	728

Housing by Property Type	#	%
Single Family	742	81%
2-4 Family	52	6%
Condo	36	4%
PUD	4	0%
Party Wall	0	0%
Single Wide	35	4%
Double Wide	49	5%

Income % by AMI	#	%	\$
<=30%	2	0%	\$ 110,694
30 - 50%	30	3%	\$ 4,008,241
50 - 80%	326	36%	\$ 55,451,974
80 - 100%	275	30%	\$ 56,645,463
>100%	285	31%	\$ 61,495,552

Advantage Program Closing Cost Assistance			
Number of Loans with Advantage	886		
MultiUnit Advantage Loans	48		
Percentage of Total Loans	97%		
Average Loan Amount	\$195,229		
Total Loan Amount	\$172,973,156		
Total Assistance Granted	\$4,086,000		
Salute Program Summary		#	\$
Salute ME	42		\$9,873,832
Salute Home Again	7		\$1,653,062
Total Loan Amount	49		\$11,526,894
Mobile Home Loan Summary		#	\$
Replacement Initiative (MHRI)	17		\$1,742,183
Self-Insured (MHSI)	47		\$5,649,918
Total Mobile Homes	84		\$10,715,013
PPI Option Summary			
PPI Total Number of Loans			8
Percentage of Total Loans			1%
Total Rehab Amount			\$145,968
Energy Star Appliance Amount			\$1,000

Loans by County	District	#	\$
Androscoggin	2	109	\$22,570,844
Aroostook	2	63	\$ 7,444,804
Cumberland	1	102	\$28,582,415
Franklin	2	36	\$ 5,805,592
Hancock	2	29	\$ 5,722,772
Kennebec	1,2	108	\$20,179,853
Knox	1	26	\$ 4,706,298
Lincoln	1	18	\$ 3,442,893
Oxford	2	69	\$13,563,061
Penobscot	2	123	\$20,850,235
Piscataquis	2	16	\$ 1,825,048
Sagadahoc	1	18	\$ 3,955,861
Somerset	2	67	\$10,041,092
Waldo	2	33	\$ 6,181,657
Washington	2	27	\$ 3,520,827
York	1	74	\$19,318,672
Loan Production by District		#	\$
District 1		308	\$73,158,279
District 2		610	\$104,553,645

Housing Choice Vouchers Department Memorandum

To: MaineHousing Board of Commissioners

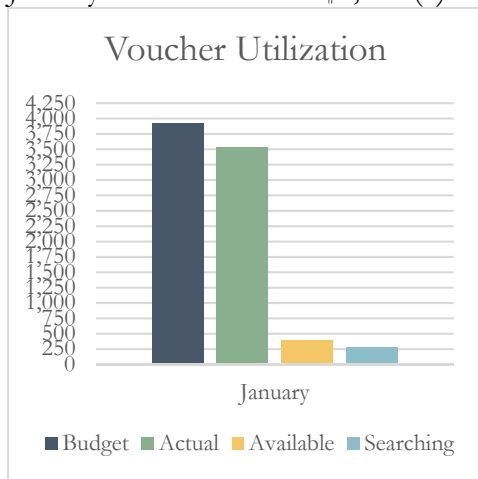
From: Allison Gallagher - Director of HCV Programs

Date: February 21, 2023

Subject: Monthly Report – Housing Choice Voucher Program

Program Updates:

January Lease Incentives-\$3,750 (5)

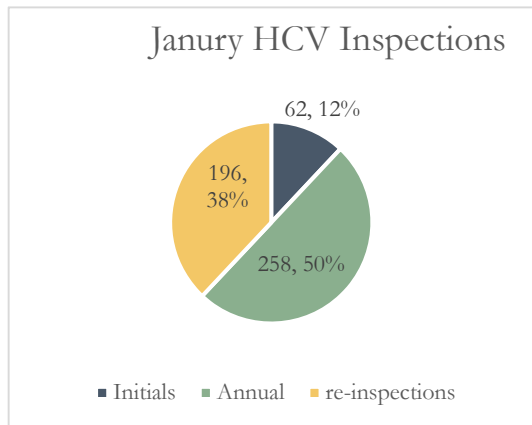
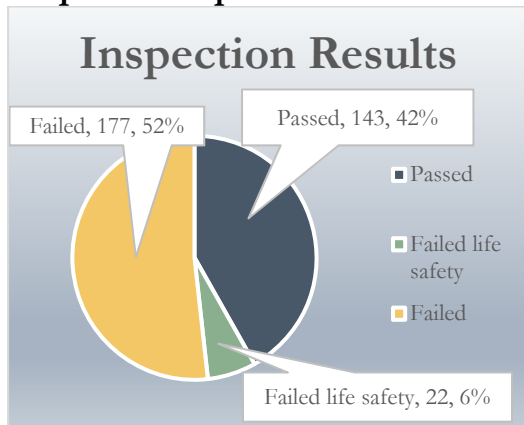


- #### 2022 Successes
- Tenant files are now electronic
 - Leased 776 families
 - 836 hours assisting callers
 - 14,407 emails received/responded to from our customer service email box
 - 100 ERA referrals/10 leased
 - Added 3 new partners for homeless referrals
 - Expended the full \$200M in ERA 1
 - Restart won an award from NCSHA

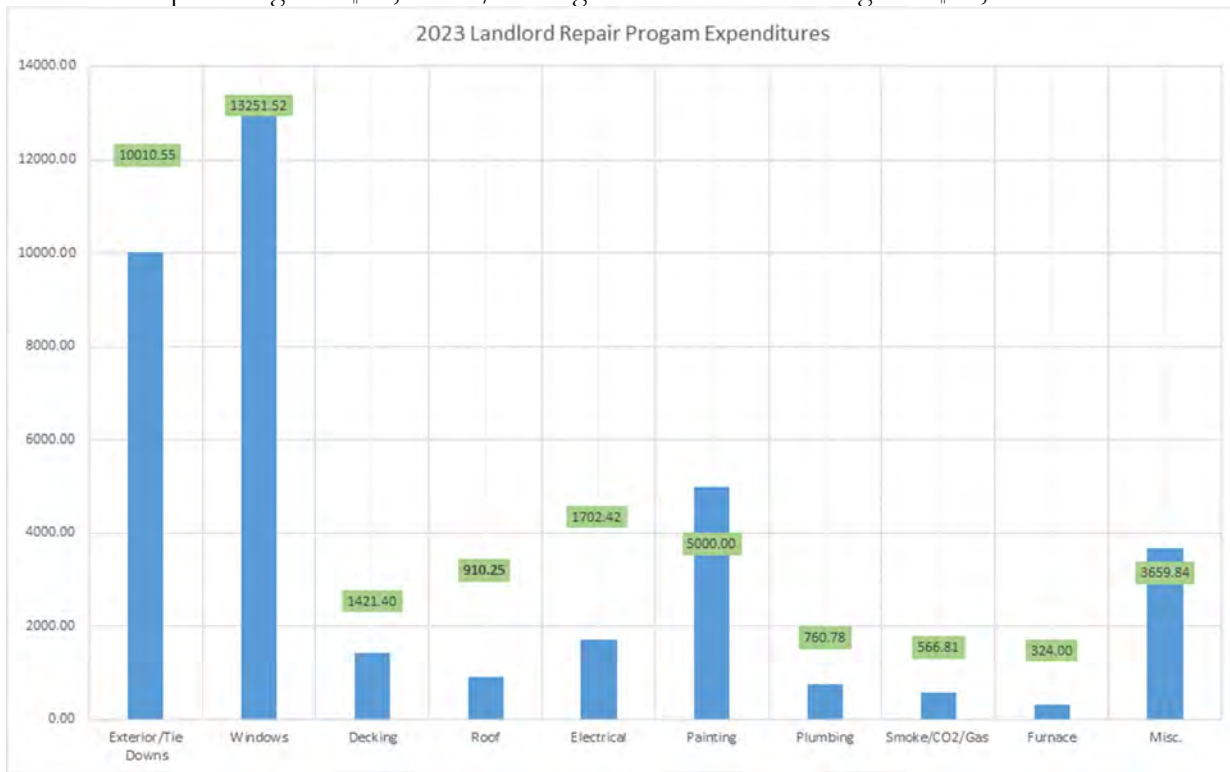
HCV (homeless initiatives)

	Leased	Searching
STEP	83	53
Home to Stay	168	84
Homeless Priority	285	76
EHV	50	32

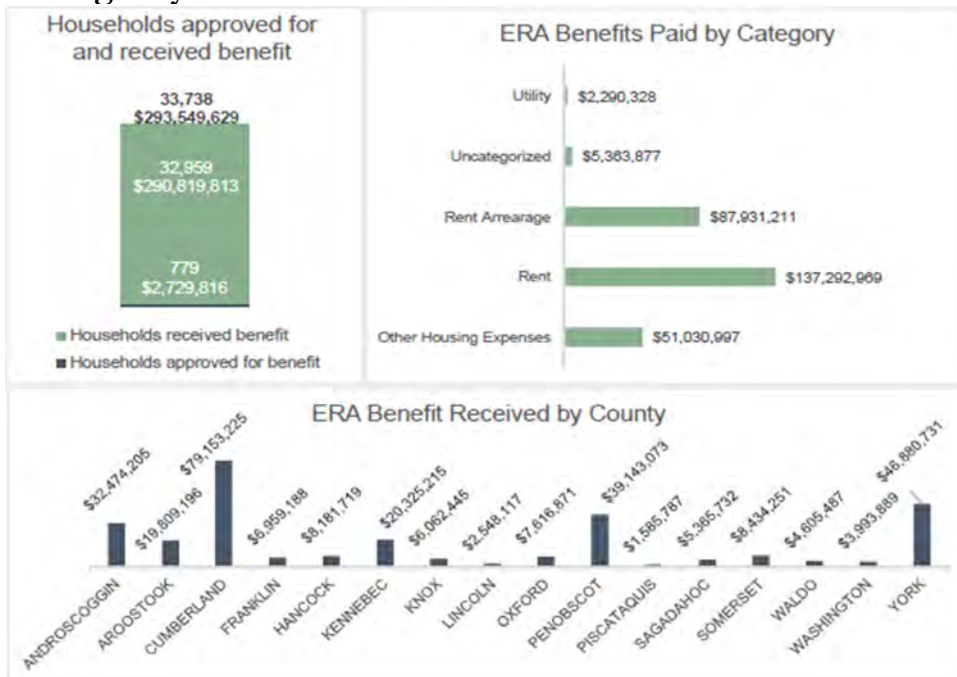
Inspection Updates:



Landlord Repair Program: \$37,607.57/Damage Reimbursement Program: \$12,343.79



Emergency Rental Assistance:



As of December 28, 2022

Human Resources and Facilities Department Memorandum

To: Board of Commissioners
From: Jane Whitley, Director of Human Resources & Facilities
Date: February 2023
Subject: Board Report

Human Resources – as of February 13



STAFF ANNOUNCEMENTS

We welcomed two new employees since January 4:

- Sarah Kinsella-Spieldenner, HMIS Training & Support Specialist, Homeless
- Evelyn Goulette, Administrative Assistant W&H, EHS

We are currently advertising and/or interviewing for the following positions:

- Administrative Assistant – Loan Servicing, Finance
- Construction Analyst, Development
- HEAP Program Officer, EHS
- Fiscal Operations Specialist, Homeless



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.

All Staff Day

MaineHousing had its first in-person all staff day on January 30 at the Augusta Civic Center since the pandemic. The last in-person all staff day was held on February 4, 2020 just prior to the pandemic. The theme of the day was Hygge (pronounced: hoo-guh) meaning: What if the secret to happiness isn't having the newest high-tech gadget around, but something much simpler? Denmark knows a thing or two about happiness. Winning the top spot in the United Nations' World Happiness Report in 2012, 2013, and 2016, Denmark has long winters but boasts a unique high quality of life. This is due in big part to the common practice of Hygge, translating loosely to coziness, or to the comforts of home.

The day was focused around us and reconnecting, and guest speakers included: Frank O'Hara, MaineHousing's Board Chair; Greg Payne, Senior Advisor on Housing Policy, Governor's Office; Bridget Gifford, Program Manager, Efficiency Maine Trust; and Mike Pratico, Sr. Vice President & Financial Advisor, CAPTrust. It was a great day!

Fair Housing Training for Partners

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

Facilities Updates

During the severe cold snap the weekend of February 3-5, our building only experienced one minor sprinkle head water leak in the garage. A repair was made, and additional insulation was added above the garage doors to prevent this from happening again.

Information Technology Department Memorandum

To: Board of Commissioners

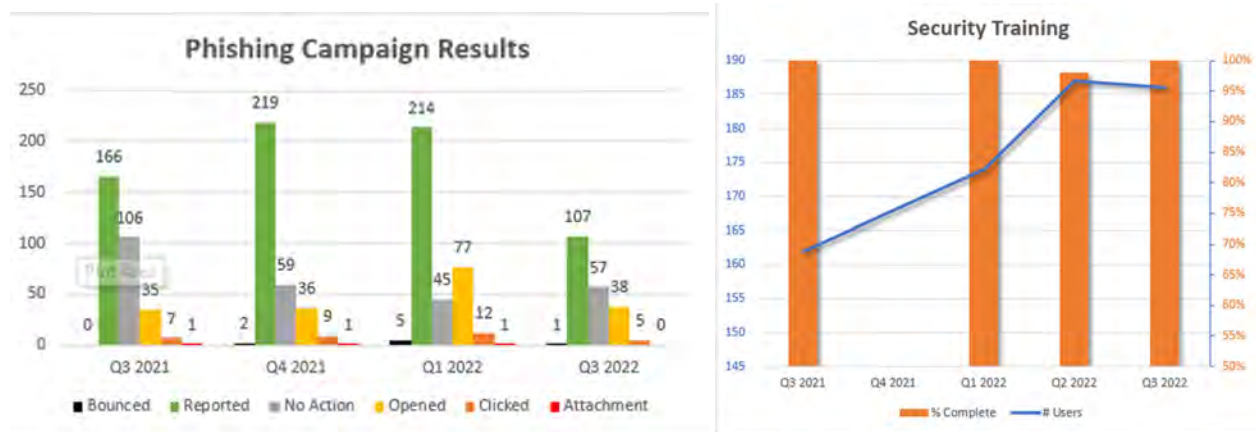
From: Craig Given, Director of IT

Date: February 13, 2023

Subject: Monthly Report

February Spotlight:

The IT Security Team has multiple initiatives to educate and train MaineHousing staff on security principles and best practices. Over the past year, there has been a steady progress in maintaining good security posture, while the number of users has continued to grow. All staff have completed quarterly security trainings (Q2 2022 has two staff currently on leave). In addition, during the All Staff day, IT Staff presented information on home networking and security as well as a video skit recreating the organizations Data Breach Response Plan tabletop exercise.



Information Technology Updates:

- All staff required to complete a review and quiz for the Acceptable Use Policy (AUP). 96% completed on time, notification sent to those who were incomplete.
- Communication of changes from the Information Security Policy included meeting with Leadership and Management teams.
- Members of the Information Technology team developed and presented at the All Staff Day a

presentation on Home Networking and Security to support staff who are teleworking or could benefit from technical expertise on setting up their home environment.

- A video skit was created to demonstrate the experience of the Information Security Committee and Data Breach Response Team during this past fall's tabletop exercise. The video was presented during the All Staff Day and will be used in future trainings.
- IT began preparations for an RFP to address printers and managed print services, focusing on changes to needs and updated requirements.
- Applied security patches to critical systems to address identified vulnerabilities.
- Technology and application team members involved in software implementations, including grant management software, housing assistance fund, and development & asset management software.
- Data Migration underway for implementation of new Development and Asset Management software.

Board Calendar 2023

<p>JANUARY 17 <u>Board Business:</u></p> <ul style="list-style-type: none"> • QAP discussion (30 minutes) • Legislative Preview <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • HUB Coordinator update <p>NCSHA HFA Institute Washington, DC (Jan 8 – Jan 13)</p>	<p>FEBRUARY 21 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Introduce HEAP Rule • Legislative Update <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • QAP (if needed) • Homeownership – 2022 Review, 2023 Preview
<p>MARCH 21 <u>Board Business:</u></p> <ul style="list-style-type: none"> • HEAP Rule Discussion • Legislative update • Updates from the Governor’s office (Greg Payne) • Executive Session – Personnel <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • QAP (if needed) <p>NCSHA Legislative Conf. Washington, DC (March 27- March 29)</p>	<p>APRIL 18 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Commence Rulemaking HEAP Rule (VOTE) • Executive Session – Dan’s performance evaluation • Legislative Update • Executive Session – Personnel followed by a (VOTE) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 2022 Budget and Audit results
<p>MAY 16 <u>Board Business:</u></p> <ul style="list-style-type: none"> • HEAP Rule Public Hearing • Legislative Final Report <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 2022 Financial Overview 	<p>JUNE 20 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Updates from the Governor’s office (Greg Payne) • Adopt HEAP Rule (VOTE) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • Housing Choice Voucher Dept. presentation <p>NCSHA Housing Credit Connect Seattle, WA (June 13 – June 16)</p>
<p>JULY 18</p> <p style="text-align: center;">If necessary</p> <p>NCSHA Exe Directors Workshop Nashville, TN (July 16-July 19)</p>	<p>AUGUST 15 <u>Board Business:</u></p> <ul style="list-style-type: none"> • 2024 Goal Setting <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> •
<p>SEPTEMBER 19 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Updates from the Governor’s office (Greg Payne) • Commence Homeless Rule Revision • PHA Plan Public Hearing • 2024 Goal Setting <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 	<p>OCTOBER 17 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Homeless Rule Public Hearing • Adopt PHA Plan (VOTE) • 2024 Goal Setting <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • <p>NCSHA Annual Conference & Showplace Boston, MA (Oct 14 – Oct 17)</p>
<p>NOVEMBER 21 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Review Preliminary 2024 Budget • Resource Allocation • Adopt Homeless Rule (VOTE) • 2024 Goal Setting <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • 	<p>DECEMBER 19 <u>Board Business:</u></p> <ul style="list-style-type: none"> • Updates from the Governor’s office (Greg Payne) • Approve 2024 Budget (VOTE) • Elect Officers (VOTE) • MPP Series Resolution (VOTE) <p><u>Program Presentations:</u></p> <ul style="list-style-type: none"> • <p>NCSHA Special Board of Directors Meeting and Executive Directors Forum New Orleans, LA (Dec 3 – Dec 5)</p>