



Program Evaluation Report

November 2023

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Table of Contents

Our Organization	3
Overview	3
Departments and Programs	8
MaineHousing Authorizing Laws.....	10
Program Descriptions	20
Organizational Chart	41
Our Operations	49
MaineHousing Financial Summary	49
Interagency Coordination.....	55
Constituents Served.....	58
Alternative Delivery Systems	59
Emerging Issues	61
Other Requested Information	66
Rules and Compliance	67
MaineHousing Privacy Policies.....	67
Required Reports, Applications, and Paperwork.....	82
Legislatively Required Reports.....	88
Comparison of Federal Laws and Regulations to State Laws and MaineHousing Rules.....	94
Recommended Legislative Review of State Laws	97

Our Organization

Overview

Mission Statement

The mission of the Maine State Housing Authority (MaineHousing) is to assist Maine people in obtaining and maintaining quality affordable housing and services suitable to their housing needs.

We pursue our mission through programs that:

- Provide low-interest loans to make homeownership affordable
- Expand the supply of affordable housing
- Subsidize and preserve existing affordable housing
- Administer federal programs to help pay energy costs and make rent affordable
- Provide services to homeowners to support safe, efficient, and stable housing
- Support homeless shelters and initiatives for homelessness prevention and reduction
- Provide leadership in the field of housing finance and production

Governance

MaineHousing is an independent authority created by the Legislature in 1969 to address the problems of unsafe, unsuitable, overcrowded, and unaffordable housing. We are governed by a ten-member Board of Commissioners appointed by the governor and confirmed by the Senate upon the recommendation of the Labor and Housing Committee. The Director is also appointed by the governor and confirmed by the Senate upon the recommendation of the Labor and Housing Committee. The Director and the State Treasurer are *ex-officio* members of the Board.

MaineHousing is the state's housing finance agency as well as the public housing authority for those areas of the state that do not have a local housing authority.

We are a \$2.2 billion financial institution.

Private Methods for Public Purposes

MaineHousing couples the methods and efficiencies of the private financial markets with the federal tax incentives of tax-exempt bonds and the government's public purpose goals to provide affordable rental and ownership housing. The housing finance agency component of MaineHousing works much like any other bank except that we raise capital with tax-exempt bonds and federal and state subsidies, and we use the strength of our financial position to take greater risks if they can help achieve our public purpose. Our agency, for example, will finance supportive housing and certain multifamily projects for very low income households that a typical bank would not be willing to underwrite.

The tax-exempt bonds allow us to borrow funds at a lower rate. In turn, we are able to lend those funds at a lower rate. The federal and state subsidy funds (such as the HOME Fund) allow us to further reduce the costs of providing housing.

Moral Obligation

The bulk of our assets are in mortgages, primarily from first-time homebuyers. These are funded by the tax-exempt mortgage revenue bonds that we are authorized to sell. The bonds issued by MaineHousing are not backed by the full faith and credit of the State of Maine; the debt payments are made by MaineHousing. These bonds are called moral obligation bonds. The moral obligation means that the state has a moral obligation to back our bonds if we cannot make the interest payments we owe. Moral obligation is specifically authorized in statute.

MaineHousing is required to maintain reserve funds to cover annual debts to the bond holders. If the account falls below the required level, the agency must inform the Governor of how much is needed to restore the required reserve amount. Maine law states that, "...the sum or sums so certified shall be appropriated and paid to the Maine State Housing Authority during the then current fiscal year." The state is morally but not legally obligated to issue those funds. The conditions that would enact this shortfall contingency have never occurred in the history of the agency.

Housing and the Maine Economy

In late 2023 a first-of-its-kind study, commissioned by MaineHousing in partnership with the Governor's Office of Policy Innovation and the Future, and the state's Department of Economic and Community Development, found Maine's housing assets were deeply insufficient and without significant acceleration in home production, Maine's otherwise steadily growing economy would suffer. The study, meant to assess the state's present and future housing needs, highlights the central role that housing of all types, and especially affordable housing, plays in a robust economy.

Over the last seven years Maine has seen historic levels of investment in affordable housing development of all scales and variety. This level of production would not have been possible without funds that have been made available through the Governor's office, the Legislature, and by referendum, totaling nearly \$300 million.

During the latter half of this period, unprecedented levels of one-time funding flowed from Washington in response to the COVID-19 pandemic, including nearly half a billion dollars directed to help tenants, landlords, and homeowners in Maine. MaineHousing played an instrumental role in moving these resources to where they were needed most. Indeed even as this report lands, the agency is still working to deliver more than \$45 million in aid to COVID-burdened Maine homeowners through the Homeowner Assistance Fund. With MaineHousing's lead the state was among the first 20 states to stand up programs to help renters and landlords with Emergency Rental Assistance.

The expanded workload of the COVID-19 era programs showcased the agency's efficiency in managing programs, as well as its ability to quickly adopt robust proactive measures to guard against fraud, waste, and abuse. To provide just one illustration of scale, the Emergency Rental Assistance program disbursed around \$500,000 *per day* on behalf of renters in Maine. The challenge of a

program at that level is in balancing the need to get the funds out the door as quickly as possible while also guarding against fraud.

Much of the demands placed on MaineHousing during the COVID period included operations that fell well outside of the agency's primary functions. Our successful execution of those operations serves as a testament to the foresight of the Maine Legislature, which created MaineHousing in a manner that allows the agency to remain unusually nimble in pursuit of its objectives and broader mission. We put that efficiency to work supporting affordable housing and the Maine economy.

Operations

MaineHousing pays for its operating costs through a combination of resources generated from lending activities and fees paid to us from federal programs that we administer. No State General Fund money is used to pay MaineHousing personnel or operating costs.

Departments

- **Asset Management:** Oversees the program administration of the 20,000 apartment units statewide that MaineHousing financed or that MaineHousing administers via federal rental assistance programs, including ensuring the units meet fiscal and safety standards.
- **Development:** Administers a variety of programs to finance the development of affordable rental housing and homeownership opportunities, and ensure its long term viability and affordability. Programs include the Low Income Housing Tax Credit Program, which leverages approximately \$30 million per year in private investment; development loans, direct development subsidies, affordable housing tax increment financing, and options to restructure debt. Funding comes from State, Federal, and internal MaineHousing sources. Housing is produced for individuals with moderate, low, very low, and extremely low incomes. Individuals served include families, older adults, and persons with specific housing needs.
- **Energy and Housing Services:** Administers several programs to help low income families pay their heating costs, make their homes more energy efficient, and make general home repairs or modifications, including repairs to address accessibility needs and life safety concerns. These programs include the federal Low Income Home Energy Assistance Program, the federal Department of Energy Weatherization Program, home repair, and lead abatement programs.
- **Finance:** Manages the agency's accounting and financial reporting requirements, develops and oversees the budgets, coordinates and facilitates external audits, and distributes the payments to thousands of renters and other benefit recipients who receive federal housing and energy assistance payments. It also administers the agency's loan servicing functions and manages loans to ensure payments are processed correctly and borrowers receive the necessary support throughout the life of their loans.

- **Homeless Initiatives:** Provides funds to emergency shelters and other homeless service providers to assist with shelter operations, rapid rehousing, homelessness prevention, and other housing focused initiatives. Coordinates with providers on programs to help homeless and at-risk individuals and families reach permanent housing goals. Works with statewide bodies and community level action teams to plan and deploy nimble responses to homelessness.
- **Homeownership:** Provides low-interest rate loans and other assistance through a statewide network of over 40 lenders to help make homeownership achievable, affordable, and sustainable for low to moderate-income homebuyers.
- **Housing Choice Voucher:** Provides federal Section 8 rental assistance to income-eligible tenants by subsidizing a portion of their monthly rents and paying it directly to their landlords. The assistance provided is the difference between what the tenant pays toward rent (generally 30% to 40% of the household's adjusted gross income) and the cost of the rent. Inspects Section 8 units to ensure decent and safe living conditions in accordance with federal standards. Maintains Housing Referral Service to assist lower-income individuals and families in their search for affordable housing.
- **Internal Audit:** Acts independently of staff to ensure conformity with state and federal standards. Also focuses on fraud prevention.
- **Planning and Research:** Serves as the agency-wide hub for all information. This includes collecting and analyzing agency and partner data to support program operations; coordinating internal and external research activities; coordinating marketing for all MaineHousing programs; direct communication with the media and oversight of all other internal and external communications.
- **Treasurer:** Oversees the sale of MaineHousing bonds.
- Also, the following departments provide support services:
 - **Human Resources and Facility Management**
 - **Information Technology**
 - **Legal Services**

The Delivery of Federal and State Programs

In addition to financing affordable housing, MaineHousing administers a number of federal housing-related programs on behalf of the state. These include the HOME Partnership program, the Low Income Housing Tax Credit Program, the Section 8 Housing Choice Voucher programs, the Emergency Shelter Grant Program, the Lead-Based Paint Hazard Control Program, the Housing Counseling Program, the Weatherization Program, and the Low Income Home Energy Assistance Program. MaineHousing also administers a program for the Maine Public Utilities Commission: the Low Income Assistance Program (for electricity customers).

We design our programs to achieve our program goals and to meet the needs of the people we serve rather than deriving them from the requirements of the funding sources. We analyze the resources we have available and the restrictions they come with. Then we allocate resources to programs in a way that maximizes each resource.

Over an 18-month period starting in March of 2020 we also distributed more than \$500 million in pandemic-era emergency relief funds via a variety of special programs that helped pandemic-affected Mainers pay rent, pay utilities, pay for heat, pay for property taxes, and more. Some of this work remains ongoing at the time of this report.

Program Evaluation Report—2023

MaineHousing welcomes the Government Evaluation Act process. It provides us with another opportunity to review our operations and to examine our successes and areas that we can improve.

We have organized the report in the sequence detailed in law, with the exception of shifting towards the end of the report the section comparing state and federal laws to MaineHousing rules. We aim to provide you with a clear and concise review of MaineHousing and our activities. This report is meant to be user friendly and concise. We have eliminated some of the jargon that is often the language of housing and have paraphrased the statutes to plain English for clarity and accessibility.

As an agency, MaineHousing is not only proud of our work but transparent in its pursuit. The trust of the public, the Legislature, and the people we serve is fundamental to our success. We are happy to share this detailed review of our programs and finances.

Departments and Programs

Organizational Unit:	Programs:
Asset Management	<ul style="list-style-type: none"> Section 8 PBCA Section 8 New Construction Subsequent Loan Program Loan Modification Program Contract Administration (CA) Loan Program Section 8 Project Rental Assistance (PRA) Program Supportive Housing Repair
Development	<ul style="list-style-type: none"> Low Income Housing Tax Credit Program 9% Tax Credit Program 4% Tax Credit Program Supportive Housing Program Rural Affordable Rental Housing Program Affordable Homeownership Program Recovery Housing Program Affordable Housing Initiative for Maine Islands Short Term Real Estate Acquisition Program Rental Loan Program
Energy and Housing Services	<ul style="list-style-type: none"> Low Income Home Energy Assistance Program (HEAP) Weatherization Central Heating Improvement Program (CHIP) Heat Pump Program (HPP) Low Income Assistance Plan (LIAP) Emergency Crisis Intervention Program (ECIP) Home Accessibility and Repair Program (HARP) Community Aging in Place (CAIP) Lead Program Well Water Abatement Program
Finance	<ul style="list-style-type: none"> MaineHousing HAMP Program Maine HOPE Program

Organizational Unit:	Programs:
Homeless Initiatives	The Emergency Shelter and Housing Assistance Program Homeless Management Information System (HMIS) Temporary Rapid Rehousing (TRRP) Diversion Hub Coordinators Non Congregate Sheltering and Services State ARPA Funds for Shelters Homeless Provider Grants Shelter Renovations
Homeownership	First Home Loan Program Advantage First Generation Pilot Program Purchase Plus Improvement Mobile Home Replacement Initiative Mobile Home Self-Insured Salute ME Homebuyer Education Disaster Assistance Loan Program Indian Housing Mortgage Program
Housing Choice Vouchers	Housing Choice Vouchers Landlord Incentives Security Deposit Program Family Self-Sufficiency Program (ReStart)

Maine Housing Authorizing Laws

This section requires us to present our authorizing laws. Rather than simply reprint the laws as written, we offer a plain English summary of each law for greater accessibility and to convey our own understanding of their interpretation.

Maine Housing Authorities Act, Title 30-A, Chapter 201

The Maine Housing Authorities Act (the “Act”) called for the creation of a public body corporation and politic in each municipality to be known as the “Housing Authority” of the municipality. The Act also established Maine State Housing Authority (“MaineHousing”) as a public body corporate and politic and an instrumentality of the State. The Act grants MaineHousing the power to operate in the entire State, except in areas where a municipal housing authority has exclusive jurisdiction. This summary focuses primarily on the statutory provisions of the Act as they relate to MaineHousing.

Subchapter 1. General Provisions

Area of Operation. MaineHousing’s area of operation is the entire State. The area of operation of a municipal housing authority is within the municipality and subject to restrictions (consent is required if another municipal housing authority is already operating there) within ten miles outside of the city limits. To provide Federal financial assistance (Section 8) for a new construction or substantial rehabilitation project within the territory of a municipality housing authority, MaineHousing must obtain the prior consent of the municipality.

Declaration of Necessity. The Act was declared necessary because of unsafe and overcrowded housing; a shortage of suitable affordable housing; the benefit to the economy of housing construction; and the Federal government’s cutback of housing programs in the early 80’s.

State Policy. It is the policy of the State to help residents have the opportunity for: housing which is decent, safe, meets their needs, and affordable; a wide range of private housing; public housing as necessary; additional resources for home construction, mortgages, and notes from financial institutions with assistance provided by MaineHousing; and housing education and demonstration housing programs.

Confidentiality. The Act deems confidential: information from tenants and applicants; job applicant information for employment with the authority; employee records; individual financial statements submitted in connection with mortgages or grants; applicant or beneficiary information pertaining to weatherization, energy conservation, homeless assistance or fuel assistance programs; and the address of living accommodations for victims of domestic violence.

Subchapter 2. Establishment and Organization

MaineHousing's Power and Duties. In addition to the powers listed in Subchapter 3 and other powers described in the Act, MaineHousing has the power and duty to:

- gather information and statistics on housing;
- develop and finance the research and demonstration of model housing programs;
- provide or coordinate technical assistance and consultation about housing;
- prepare and disseminate educational materials;
- encourage and coordinate the effective use of resources for housing;
- accept Federal funds and other assistance for housing activities for the State as authorized under the statute;
- carry out renewal projects under Chapter 203, the Urban Renewal Law;
- issue revenue bonds;
- purchase, sell, service, pledge, and invest in mortgage-related securities;
- adopt by-laws;
- do what's necessary to carry out its powers and duties;
- make loans and grants and contract with financial institutions to make mortgage loans ("mortgage loan" is an interest bearing obligation on S/F or M/F housing including any mortgage loan for the purpose of acquiring, developing, constructing, or reconstructing S/F or M/F housing);
- issue taxable bonds;
- issue certificates evidencing interests in mortgage loan pools;
- cause its power and duties to be carried out by one or more non-profit corporations;
- deal in mortgage credit certificates;
- approve municipal bonds for housing;
- consult with the Statewide Homeless Council;
- administer energy conservation programs;
- operate energy conservation and fuel assistance programs;
- advise the Governor and other State officials on energy conservation;
- condition approval of funding for housing projects upon municipal representation that the applicant has no record of material municipal code violations;
- certify transfers of multifamily affordable housing property qualifying for exit taxes deduction;
- make a loan to payoff or pay amounts due on S/F home in default or at risk of foreclosure;
- incent carbon offsets;
- certify affordable housing projects for state historic tax credit increase;
- refinance single-family mortgage loans for homeowners who meet eligibility requirements for the purpose of lowering mortgage payments or making home improvements;
- provide grants to homeowners served by private, arsenic-contaminated wells;
- allocate, administer, and enforce the requirements of low income housing tax credits; and
- provide the legislature reports on emergency rental assistance programs.

Limitations on MaineHousing's Powers. MaineHousing may not finance or assist in housing assisted by a college or university, student-housing, or certain nursing homes and related institutions.

Commissioners. MaineHousing has ten commissioners, eight appointed by the Governor, subject to legislative review and confirmation. The other commissioners are the Treasurer of the State and the director of MaineHousing. There must be at least five (5) commissioners present to conduct business. Action may be taken by commissioners upon a vote of a majority of present commissioners. Commissioners may also meet by telephone, videoconferencing or other similar means of communication. The eight gubernatorial appointments serve four year terms and must include a an advocate of tenants' rights or resident of subsidized housing, a civil rights or fair housing policy expert, a representative of residents with disabilities or aging residents, and an expert on energy efficiency. Of the four (4) remaining appointments, the Governor gives priority to a representative with expertise in housing business and policy. The Governor will ensure commissioners reflect the diversity of the State. The Governor appoints the chair from among the eight gubernatorial appointments.

Commissioners and Director. The powers of MaineHousing are vested in the commissioners. The commissioners may delegate such powers and duties to the director as they deem appropriate. The commissioners are responsible for the performance review of the director. The director may be terminated by an affirmative vote of five (5) commissioners.

The commissioners also approve the operating budget pursuant to Subchapter 9.

Conflict of Interest. MaineHousing employees and commissioners may not participate in decisions in which they have an interest. While at MaineHousing and for the following year, they may not acquire an interest in any contract or project they worked on as a MaineHousing employee or commissioner.

Housing Design Standards. Construction of projects funded by MaineHousing must meet the design and energy efficiency standards of at least one of the recognized national or international councils, institutes or associations, or a similar certification or state program. Construction projects must also use all-electric equipment systems or other non-fossil fuel systems, provide infrastructure for electric vehicle charging, or provide infrastructure for solar panels and energy storage. MaineHousing may waive these requirements for extenuating circumstances.

Subchapter 3. Powers and Duties of Housing Authorities

General Powers. All housing authorities have the following powers:

- to sue and be sued, to enter into contracts, to make rules and regulations to carry out the purposes and powers of the authority;
- to acquire, manage, own, lease, operate, construct, and improve housing projects;
- to research and analyze housing needs and disseminate such information;
- to contract for services in connection with a housing project;
- to lease and purchase real property;
- to exercise eminent domain;

- to invest funds and to redeem or purchase its bonds;
- to determine where slums exist and to work with localities to alleviate slum areas;
- to conduct examinations and investigations and to hear testimony; and
- to exercise all or any part or combination of the powers granted.

In addition, the commissioners of a municipal housing authority or the director of MaineHousing must establish procedures by which a municipality may review proposed projects and plans for financing proposed projects.

MaineHousing Powers. In addition to the powers listed in Subchapter 2, the above powers of all housing authorities listed in Subchapter 3, and other powers described in the Act, MaineHousing has the following powers:

- to acquire mortgage loans;
- to make payments to reduce interest costs on market rate mortgages;
- to allocate tax-exempt bonds established pursuant to the Internal Revenue Code and allocated to MaineHousing under Title 10, Section 363;
- to allocate low-income housing tax credits;
- to act as the weatherization, energy conservation, and fuel assistance agency for the State;
- to represent the State in carrying out the HOME Investment Partnerships Program created by the Cranston-Gonzalez National Affordable Housing Act;
- to coordinate homeless programs for the State and administer federal funds for homeless persons;
- to allocate funds from the National Housing Trust Fund; and
- to affirmatively further fair housing by addressing barriers for protected classes.

Operation and Management of Projects. Housing authorities may not manage and operate their housing projects for profit. At least 20% of the units in a project must be for low income families, veterans are given a preference, and units may be made available for disaster victims and defense workers. State public bodies may cooperate with housing authorities in undertaking projects.

Subchapter 3-A. Affordable Housing Program. The Affordable Housing Program (the “Program”), which along with the Affordable Housing Partnership Act, Chapter 202, grew out of the 1988 Governor’s Task Force on Affordable Housing, was intended to get MaineHousing, municipal housing authorities, municipalities, and the Department of Economic and Community Development to work together in connection with housing.

Housing Component of Comprehensive Plans. The Program requires municipalities’ comprehensive plans to include the development of affordable housing and requires housing authorities to provide technical assistance to municipalities.

Matching Resources. The Program allows MaineHousing to match resources provided by municipalities.

Universal Application and Waiting List. The Program requires MaineHousing and municipal housing authorities to maintain a single, streamlined application for Section 8 housing choice voucher

assistance, allowing families to apply in any geographical area of the State and be placed on a centralized waiting list. The Program also requires the creation of an electronic system for submitting applications and updates to applications.

Construct Housing. The Program allows MaineHousing to acquire property and construct or rehabilitate housing for low and moderate-income households.

MaineHousing's Right of First Refusal. State agencies are required to offer MaineHousing the opportunity to purchase surplus land before selling it to other parties. If the land is located in a community serviced by a municipal housing authority, MaineHousing must give the local housing authority the first option to purchase the parcel. MaineHousing may sell surplus property at below market value for affordable housing.

Subchapter 3-B. Temporary Housing Assistance Program. MaineHousing may use the Temporary Housing Assistance Fund to provide loans or grants to low-income persons for rent and security deposits. Preference must be given to those who can repay a loan.

Subchapter 3-C. Emergency Housing Relief. The Emergency Housing Relief Fund may be used to provide rental assistance or housing to persons experiencing homelessness, to purchase and convert buildings to homeless shelters, to supplement rental assistance programs, to create supportive housing, or to address other housing emergencies in the state. MaineHousing will report expenditures to the Legislature.

Subchapter 4. Funds. Housing authorities are granted the power to do anything required to obtain the financial aid or cooperation of the Federal government in the exercise of their powers granted under the Act.

Moderate Rehabilitation with Federal Assistance. MaineHousing must give 15 days prior written notice to a municipality of its intention to solicit proposals from owners of units in the municipality for federal assistance for moderately rehabilitated units.

New Construction with Federal Assistance. The legislative body of the municipality where a project is located must approve an authority's entering into a contract for federal assistance for new construction.

Subchapter 5. Loans to Financial Institutions. MaineHousing may make loans to financial institutions to finance mortgage loans which benefit low income persons.

Subchapter 6. Construction Loans. MaineHousing may participate with financial institutions in the making of construction loans for housing for low-income persons. A financial institution must participate in the loan at least to the extent of acting as an escrow agent unless the loan is to a public instrumentality or a private nonprofit corporation. MaineHousing may issue "construction loan bonds" not subject to the moral obligation provided the total outstanding balance is no more than \$25,000,000.¹

¹ The cap in Subchapter 6 was removed in the 2023 Legislative Session. The Act has not been updated as of the date of the preparation of this Summary.

Subchapter 7. Housing Opportunities for Maine Program. The Act creates the Housing Opportunities for Maine Fund (the “State HOME Fund”). The State HOME Fund is funded with real estate transfer tax proceeds pursuant to 36 M.R.S.A. § 4641-B.

State HOME Fund Uses. MaineHousing may use the State HOME Fund to:

- reduce the interest rate on or principal amount of mortgage loans;
- reduce low-income persons’ rental payments;
- make mortgage loans or grants;
- fund reserves for, pay interest on, pay costs of issuance of, or otherwise secure and facilitate the sale of MaineHousing’s bonds;
- pay the administrative costs of public instrumentalities and nonprofit corporations directly associated with housing projects; and
- otherwise make housing affordable to low income persons.

Up to 3% of the fund plus earnings and repayments may be used for administrative costs.

Repayment Terms. MaineHousing establishes interest rates and may defer repayments. There is a limitation on MaineHousing’s recovery of State HOME Funds in that recovery is limited to property subject to the mortgage.

Subchapter 7-A. Maine Energy, Housing and Economic Recovery (“MEHER” or “Part E”) Program. MaineHousing may issue bonds for the MEHER Fund. MaineHousing must seek to target MEHER resources over time as follows:

- A. at least 30% to construction and substantial rehabilitation of M/F affordable housing for seniors;
- B. at least 30% to construction and substantial rehabilitation of M/F affordable housing for persons of any age;
- C. at least 10% to construction or substantial rehabilitation of M/F affordable housing for populations with special needs; and
- D. at least 10% to replacement of mobile homes that don’t meet 24 CFR Part 3280.

MaineHousing will provide up to 30% for needs of rural communities through flexible standards for size and income eligibility.

MaineHousing may issue bonds for MEHER purposes with principal and interest to be paid from the State’s portion of the real estate transfer tax. MaineHousing may have outstanding up to \$200,000,000 in MEHER bonds. The director of MaineHousing must report new activity of the fund to the Legislature annually.

Subchapter 8. Bonds. Housing authorities may issue bonds. Authorities may secure the payment of the bonds however they choose. Remedies of bondholders include injunctive relief, taking possession of a property, appointment of a receiver, and requiring an accounting.

Subchapter 9. Mortgage Credit

Low Income Requirement. Authorities may sell revenue bonds to purchase mortgage loans as long as a financial institution certifies that the loan is a prudent investment and reinvests the proceeds in residential mortgages or notes in Maine. A reasonable number of low income persons must occupy the mortgaged property. The authority must make sure the intended use of the property continues as long as economically and socially reasonable.

Reserves Securing Bonds. The Act requires MaineHousing to establish reserve funds to secure the bonds it issues. MaineHousing may not issue bonds under a resolution unless the reserve funds securing the bonds issued or to be issued under the resolution are at least equal to the principal and interest payments becoming due under the resolution in the next calendar year. The Housing Reserve Fund required by the Act secures bonds issued under MaineHousing's General Mortgage Purchase Bond Resolution. The Capital Reserve Fund permitted by the Act secures bonds issued under MaineHousing's General Housing Finance Revenue Bond Resolution.

Moral Obligation. If there is a deficiency in the reserves securing the bonds, the director may certify to the Governor the amount needed and the State will provide that amount to MaineHousing. The director has never certified to a deficiency in the reserves. MaineHousing may not have at any time more than \$2,150,000,000 of outstanding mortgage purchase bonds to which this provision applies. Such mortgage purchase bonds must be rated A or better by a nationally recognized rating agency. Mortgage purchase bonds to which the moral obligation does not apply and other credit arrangements securing the bonds may be issued up to \$100,000,000 per calendar year with no more than \$300,000,000 in the aggregate outstanding. A rating is not necessary if the bonds are not subject to the moral obligation and are sold only to financial institutions, insurance companies, or similar financial entities for their own account and not for resale.

Financial Reports and Budgets. MaineHousing submits annual audited financial reports to the Governor and the bank superintendent and MaineHousing submits an annual budget of expenses of operation and administration of mortgage purchase programs to the Bureau of the Budget.

Limitation on Proceeds. No more than .05% of the outstanding bond value may be used for the administration of the mortgage purchase program or other programs of MaineHousing.

Conservation Projects. With the Department of Economic and Community Development, MaineHousing shall develop guidelines for energy improvement that may be made with home improvement loans.

Subchapter 10. Housing Mortgage Insurance Law. The State Constitution authorizes the Legislature to insure mortgage loans on homes on Indian reservations in an aggregate amount up to \$1,000,000. This law creates a housing mortgage insurance fund under MaineHousing's jurisdiction for mortgage insurance in an aggregate amount up to \$25,000,000 on housing not located on Indian reservations and authorizes MaineHousing to request the State Treasurer to issue up to \$1,000,000

in general obligation bonds to pay costs arising from insuring mortgages for housing on Indian reservations.

Subchapter 10-A. Elderly Homeowner Equity Loan Program. MaineHousing may use the Elderly Homeowner Equity Loan Guarantee Fund to give low-income elderly homeowners reverse mortgage loans and home equity loans so they can afford to stay in their homes in accordance with a rule adopted by MaineHousing. MaineHousing no longer runs this program.

Subchapter 11-A. Electric Assistance. This law provides for MaineHousing's implementation of procedures to administer the electric assistance program established by the Public Utilities Commission to provide needs-based assistance for low-income persons.

Subchapter 12. Preservation of Moderate-income and Low-income Housing Constructed With Federal Assistance. This law was intended to discourage the conversion of federally assisted moderate-income and low-income rental housing units to market units.

Right of First Refusal. Anyone with a controlling interest in low-income housing who might take any action which would result in the termination of financial assistance for affordability must give a 90-day prior notice to the tenants, MaineHousing, and the municipal housing authority, if any. MaineHousing has the right of first refusal to purchase the property at its current appraised value unless a qualified buyer agrees to maintain the property as low-income housing. The minimum penalty for failure to give notice is \$2,500.²

Six Month Transition. In addition, any owner or purchaser of low-income rental housing who takes any action which would result in the termination of financial assistance for affordability must allow the current tenants to remain in the units for 6 months at the same rents or relocate the tenants to comparable units with comparable rent. MaineHousing shall adopt rules for relocation assistance.

Purchase Property; Provide Financing. MaineHousing may purchase property to preserve or provide affordable housing to moderate and low income persons. MaineHousing may provide low or no interest financing to anyone who constructs, reconstructs, rehabilitates, or purchases property to provide housing for low and moderate income households.

Subchapter 12-A. This law establishes the Lead Abatement Fund, allocated by the legislature, and controlled by MaineHousing. The fund may be used for the abatement of lead paint hazards in residential housing for households at or below 100% Area Median Income. All lead abatement performed must comply with industry standards and priority for funds must be given to abatement projects in which a child who has been determined to have lead poisoning resides.

Subchapter 13. Fuel Assistance

Local Operators. MaineHousing may select local program operators to run a federally funded fuel assistance program for eligible homeowners and tenants. Program operators must be available for a

² Subchapter 12 was substantially revised in the 2023 Legislative Session changing the Right of First Refusal to an Option, updating the Notice Requirements and providing clearer definitions of Low-income rental housing and holder. The Act has not been updated as of the date of the preparation of this Summary.

specified time each week and must accept online applications. Fuel assistance is paid to fuel vendors or the beneficiaries.

Reserve Fund. MaineHousing may use funds appropriated to the Fuel Assistance Reserve Fund to cover anticipated fuel assistance payments and program costs before MaineHousing receives the Federal fuel assistance money. MaineHousing must return the money within the fiscal year.

MaineHousing may request a working capital advance from the General Fund unappropriated surplus to the Fuel Assistance Reserve Fund for cash necessary to ensure that fuel assistance benefits for the State’s eligible elderly and low-income applicant households will be available prior to the beginning of the heating season. The State Controller may advance up to \$10,000,000 from this fund during any state fiscal year.

In the event of heating oil price increases, this law provides that MaineHousing estimate funds needed to provide adequate assistance to residents eligible for fuel assistance if prices increase more than 40% and to residents regardless of eligibility for fuel assistance if prices increase more than 50% in any 14-day period during the home heating season and notify the Governor and specified committees of the estimated funding need.

While it is outside of the time frame of this report, legislation passed by the 131st legislature added an additional distribution requirement to the portion of the Real Estate Transfer Tax that is currently allocated to the General Fund. Under that provision, 50% of the General Fund portion of the proceeds will, starting in SFY 2025, be dedicated in an on-going fashion, to constructing and providing services for “housing first” projects aimed at supporting the chronically homeless population.

Affordable Housing Partnership Act of 1989, Title 30-A, Chapter 202

The Affordable Housing Partnership Act of 1989, like the Affordable Housing Program, Chapter 201, Subchapter III-A, grew out of the 1988 Governor’s Task Force on Affordable Housing.

Subchapter 1. Administration and Implementation. This Subchapter provides definitions for affordable housing and related terms and requires all state agencies and independent agencies to cooperate and coordinate with MaineHousing to address the affordable housing crisis.

Subchapter 5-A. Statewide Homeless Council

Membership. The council consists of fourteen members: six members appointed by the Governor, two from each of the three regional homeless councils; the director of MaineHousing or their designee; three members appointed jointly by the President of the Senate and Speaker of the House, one from each of the three regional homeless councils; one representative of the Office of the Governor, serving as chair; the Commissioner of Health and Human Services or their designee; the Commissioner of Corrections or their designee; and the Director of the Maine Bureau of Veteran’s Services or their designee. Appointees of the President of the Senate and Speaker of the House serve three-year terms, and appointees of the Governor serve two year-terms.

Duties. The council will: provide leadership; educate; coordinate information; assess needs; identify resources; advise departments and implement plans to assist persons experiencing homelessness; and provide services for homeless veterans.

Municipal Affordable Housing Development Districts, Title 30-A Chapter 206, Subchapter 3

This law enacted in 2003 authorizes municipalities to create an affordable housing development tax increment financing (TIF) district which benefits from the use of increased property values relating to the district without any offsets to the municipality's State revenue sharing and education subsidies or any increase in the municipality's share of county taxes. A municipality's affordable housing TIF program requires the director of MaineHousing's approval. The law required MaineHousing to adopt a rule providing for the recovery of public revenue if an affordable housing TIF district does not comply with the conditions of its creation.

Allocation of State Ceiling on Tax-Exempt Bonds, Title 10, Chapter 9

This statute authorizes the Legislature to allocate the state ceiling of tax-exempt bond authority among the following issuers: MaineHousing, the Treasurer of the State of Maine, the Finance Authority of Maine, the Maine Municipal Bond Bank, and the Maine Educational Loan Authority. The law also provides a mechanism for representatives of the issuers and the Governor's office to allocate unallocated bond cap and reallocated bond cap among the issuers.

Real Estate Transfer Tax, Title 36, Chapter 711-A

When real estate is sold in Maine a tax is imposed on each deed transferring title and on the transfer of any controlling interest in an entity with a fee interest. 10% of this tax remains with the county where the transaction took place. The remaining 90% is split equally – half capitalizes the HOME Fund and the other half is credited to the General Fund after first paying for the debt service of outstanding bonds in the Maine Energy, Housing and Economic Recovery (MEHER) Program (see Subchapter 7-A).

While it is outside of the time frame of this report, legislation passed in the 131st legislature added an additional distribution requirement to the portion of the Real Estate Transfer Tax that is currently allocated to the General Fund. Under that provision, 50% of the General Fund portion of the proceeds will, starting in SFY 2025, be dedicated in an on-going fashion, to constructing and providing services for "housing first" projects aimed at supporting the chronically homeless population.

Program Descriptions

MaineHousing has engaged in several iterations of housing market and trends analyses, organizational assessments, and visioning or strategic planning sessions. These culminated in the 2018-2023 Strategic Plan, which outlines priorities and goals for the agency. Each goal pertains to one or more MaineHousing programs, each of which is housed in one of seven administering departments. The goals outlined in the plan include:

1. Increase the number and quality of First Home Loans.
2. Increase affordable housing development.
3. Ensure the long term sustainability of MaineHousing's multifamily portfolio.
4. Help Maine people stay safe and warm in their homes and apartments.
5. Reduce the length of time and number of Maine people experiencing homelessness using best practice methods of Housing First and Rapid Rehousing.
6. Improve housing stability for Maine people at risk.
7. Promote inclusive, sustainable communities that support viable affordable housing.
8. Lead and support collaborative efforts to address Maine's housing needs.
9. Ensure the long-term financial viability of MaineHousing.
10. Become an efficient, effective organization that people want to work for and do business with.

Each of the 10 goals is paired with several strategic priorities, which have the specificity necessary for department accountability to directors and the Board of Commissioners but also sufficient flexibility to adapt to the ever evolving conditions of the Maine housing market and economy. Moving forward, the Board of Commissioners has adopted an even more adaptive approach with annual updates to the Strategic Plan. This approach will allow the agency to more smoothly adjust to the changing political and economic landscape, as well as the housing ecosystem.

More recently, MaineHousing's Board of Commissioners has conducted annual goal-setting sessions each summer, helping the agency focus and prepare its efforts for the upcoming calendar year.

Regardless of short-term goals and strategies, we strive to ensure that all programs under our roof support MaineHousing's core mission: realizing a future in which all Maine people have access to safe, warm, and affordable housing. Each of our outward-facing departments serves to further one or more aspects of that vision. The programs administered by MaineHousing are allocated among those departments to most efficiently execute on program goals while also coordinating efforts across the agency.

This section includes a short description of each program administered by MaineHousing, a summary of the program goals and/or priorities, and a brief assessment of recent performance. We are pleased to summarize those assessments by stating that all programs are operating at or beyond expected performance levels. That being said, MaineHousing adopts a philosophy of continuous process improvement because our mission is to reach as many household as possible with the resources available to us.

MaineHousing Programs

Our program descriptions are organized by the administering department. The following is the totality of programs currently offered by MaineHousing.

Asset Management

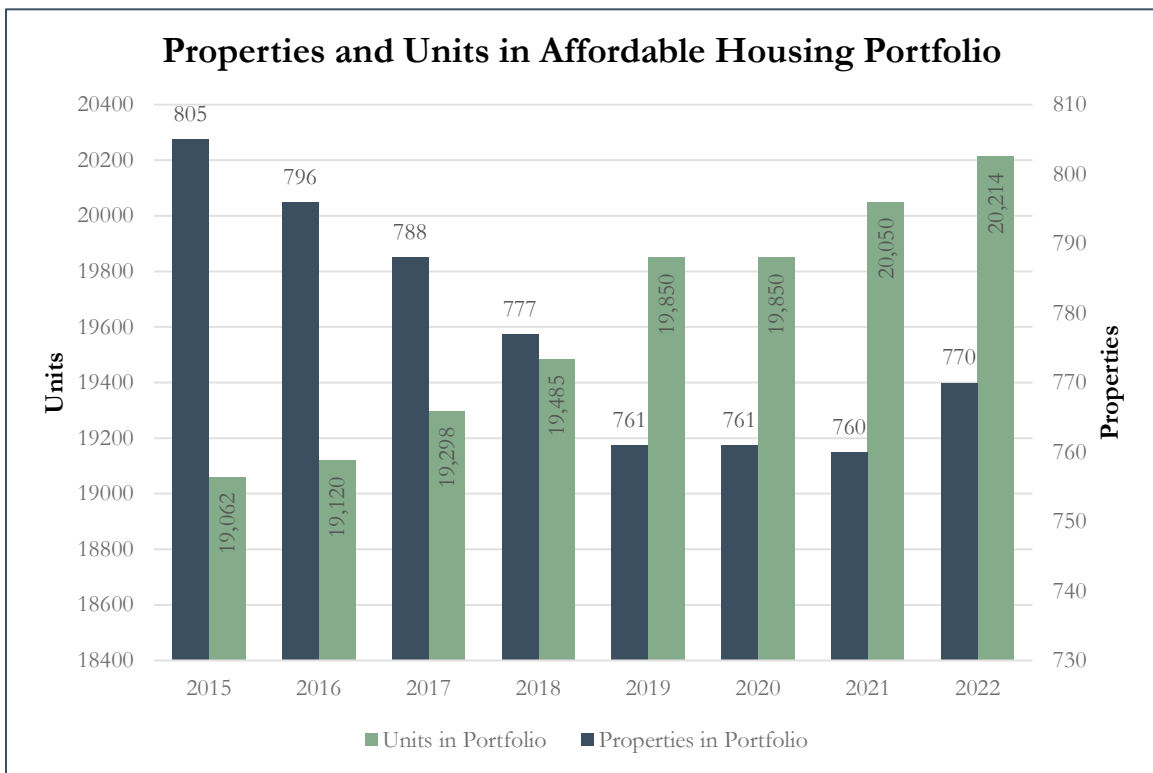
Asset Management oversees the multifamily properties funded or assisted by MaineHousing, the U.S. Department of Housing and Urban Development (HUD), and Low Income Housing Tax Credit (IRS) programs. Administrative duties include financial and program reviews on properties, inspections, tenant assistance, and working with owners and property managers on matters of compliance with program requirements. Asset Management processes rental assistance for eligible residents living in properties receiving rental assistance under a HUD Housing Assistance Payment Contract.

Asset Management monitors multifamily mortgages, including tax and insurance payments, ensures that mortgagors are meeting their loan obligations with MaineHousing and analyzes the overall fiscal and physical plant health of the properties.

Program	Goal/Priority	Assessment
<p>Section 8 PBCA & Section 8 New Construction Asset Management administers these HUD rental assistance programs on behalf of the federal agency and reports to HUD on program activity on a regular basis. MaineHousing is paid an administration fee by HUD for this work. The administration duties cover both MaineHousing-financed Section 8 properties and properties funded by HUD and Rural Development.</p>	<p>To assure that properties in the MaineHousing asset management portfolio are fully leased and well maintained.</p> <p>To ensure multifamily program integrity, performance, and outcomes.</p> <p>Meet the contractual obligations of our contracts with HUD.</p>	<p>MaineHousing is contracted by the U.S. Department of Housing and Urban Development to oversee the management of these properties. Currently there are 235 projects with 8,001 units for which we are responsible. We consistently meet our contractual responsibilities and receive incentive funds for high performance.</p>
<p>Subsequent Loan Program The Subsequent Loan Program provides additional financing to owners of existing MaineHousing-financed properties for such things as unanticipated operating shortfalls, capital improvements, property rehab, energy efficiency improvements, creation of new units, and equity takeout. The term of the loan is up to 30 years. In return for the subsequent loan, owners usually must extend affordability of the units.</p>	<p>To protect MaineHousing’s investment in multifamily programs.</p>	<p>The objectives of this program are being met.</p>

Program	Goal/Priority	Assessment
<p>Loan Modification Program The Loan Modification Program offers owners of MaineHousing-financed multi-family properties the opportunity to restructure MaineHousing debt by modifying interest rates, extending loan terms, or both. Loan modifications generally lower debt service payments in return for extended project affordability.</p>	<p>To protect MaineHousing’s investment in multifamily programs.</p> <p>To ensure multifamily program integrity, performance, and outcomes.</p>	<p>The objectives of this program are being met.</p>
<p>Contract Administration (CA) Loan Program The CA Loan Program offers financing to owners of Section 8 properties with a Housing Assistance Payment (HAP) contract administered by MaineHousing. The proceeds can be used for capital improvements, repayment of existing debt, rehab work, energy efficiency upgrades, creation of new units, ownership transfer, or equity takeout. Only projects not currently financed by MaineHousing are eligible for this program.</p>	<p>To assist in preserving low income affordable housing in the State of Maine.</p>	<p>The objectives of this program are being met.</p>
<p>Section 8 Project Rental Assistance (PRA) Program The 811 PRA Program is a HUD demonstration program designed to expand the supply of permanent supportive housing for extremely low income persons with disabilities. This program provides integrated affordable housing and services through a partnership between MaineHousing and Maine DHHS.</p>	<p>To provide additional housing opportunities for disabled individuals in a fully integrated housing environment.</p>	<p>MaineHousing received a HUD funded contract through RFP to provide rental assistance for up to 60 extremely low income disabled individuals/households. Under this award, MaineHousing was able to secure 50 units within existing tax credit projects that are targeted to serve this population. Currently working to fulfill the contracts at unit turnover.</p>

Program	Goal/Priority	Assessment
<p>Supportive Housing Repair The Supportive Housing Repair Program (SHP Repair) targets existing supportive housing properties in MaineHousing’s portfolio to address critical capital needs. In 2019, Emergency Shelter Homeless Assistance Program (ESHAP) shelters that serve homeless populations were added as eligible participants to the program. MaineHousing makes deferred, forgivable loans to owners of these eligible properties to make needed life-safety and immediate rehabilitation improvements and repairs to their properties which will help to ensure their long term viability and ability to continue to meet their public purpose. Since 2016 the need for this resource and the cost of repairs have grown exponentially. MaineHousing addressed rising costs and the need for this resource by increasing funding to the SHP Repair program in 2018, 2019, 2020, 2022, and 2023.</p>	<p>To ensure multifamily program integrity, performance, and outcomes.</p>	<p>Ongoing need; objectives being met.</p>



Development

MaineHousing’s Development Department administers a variety of programs to finance the development of affordable rental housing and homeownership opportunities, and ensure its long term viability and affordability. Programs include the Low Income Housing Tax Credit Program, which leverages approximately \$30 million per year in private investment; development loans; direct development subsidies; affordable housing tax increment financing; and options to restructure debt. Funding comes from State, Federal, and internal MaineHousing sources. Housing is produced for individuals with moderate, low, very low, and extremely low incomes. Individuals served include families, older adults, and persons with specific housing needs.

It is important to note that since 2019, the State of Maine has made unprecedented investments in the production of affordable housing, amounting to nearly \$300,000,000 in new funding. This has been transformative in growing the agency’s project pipeline. As this report is being written, MaineHousing, through its developer partners, has almost 4,000 affordable units either in underwriting or under construction statewide. For an agency where annual production used to be measured in the low hundreds of units, this is a remarkable shift, made possible by financial tools such as the State Low Income Housing Tax Credit, the voter-approved Senior Housing bond, and tranches of funding provided through the Maine Jobs and Recovery act, as well as other pandemic-related sources. This state investment has provided the margin needed to rapidly expand production.

Should state level investment slow down or stop, this momentum will be lost, as MaineHousing has only limited sources of subsidy to draw from.

Program	Goal/Priority	Assessment
<p>Low Income Housing Tax Credit Program Low Income Housing Tax Credits (LIHTC) are a federal resource that MaineHousing allocates to projects in Maine. The project developers sell the tax credits to corporate investors through a syndication process. In return, the project receives equity created by the sale. The equity is usually combined with other sources including debt and subsidies.</p> <p>Types of federal tax credits:</p> <ul style="list-style-type: none"> • 9% Credits: Limited resource allocated through a competitive process that MaineHousing administers each year after rulemaking. • 4% Credits: More readily available with tax exempt bond financing, but provides a smaller amount of equity, therefore requiring more from additional funding sources. 	<p>To expand the supply of affordable housing.</p> <p>MaineHousing’s allocation of the LIHTC is a competitive process scored through the Qualified Allocation Plan (QAP), which is developed with input from stakeholders and approved after due public process by MaineHousing’s Board of Commissioners. The QAP lays out the priorities for development investments.</p>	<p>MaineHousing is allocated approximately \$3.5 million in 9% LIHTCs annually, which provides approximately \$35 million in subsidy.</p> <p>Each year, we award 9% LIHTCs to between 4-6 projects with a varying number of units.</p> <p>By year’s end 2023, we expect to complete 15 tax credit projects, providing 727 units of new and newly refurbished housing. There are an additional 3,067 tax credit units in the pipeline.</p>

Program	Goal/Priority	Assessment
<p>Supportive Housing Program The Supportive Housing Program (SHP) provides reduced interest rate financing and subsidy funds to eligible nonprofit developers to create affordable supportive housing for persons with special needs and persons who are homeless. Financing may be used to purchase, purchase and rehab, or construct facilities such as transitional housing, group homes, emergency shelters, and supported or independent apartments.</p>	<p>To enable social service providers to better serve some of Maine’s neediest clients in a stable housing environment.</p>	<p>By year’s end 2023, we expect 2 Supportive Housing projects, with 10 units to be completed. There are an additional 5 projects with 46 units in the pipeline.</p>
<p>Rural Affordable Rental Housing Program The Rural Affordable Rental Housing Program was created to provide economic equity to rural areas of Maine, which are often left out of the Low Income Housing Tax Credit program as the size, scale and lack of investor interest makes them all but unworkable. The Program will provide subsidy in the form of zero interest forgivable loans as well as paying debt for the acquisition and substantial rehabilitation or construction of any units developed under the Program.</p>	<p>To provide housing in places where LIHTC is not viable due to scale and rent restraints. It also provides an opportunity for newer, less sophisticated developers to obtain funding without the complexity of the LIHTC program.</p>	<p>There are 7 Rural Affordable Rental Housing projects, with 104 units in the pipeline.</p>
<p>Affordable Homeownership Program In an ongoing effort to increase the supply of moderately-priced homes available to Mainers, the State of Maine is making \$10 million, from the American Rescue Plan Act, available to facilitate the development of subdivisions with affordable single family homes. The Affordable Homeownership Program is intended to help lower the costs to developers building single-family subdivisions by providing zero percent interest, forgivable loans.</p>	<p>To provide developers with additional funding so they in turn can offset construction costs and offer housing at lower prices.</p>	<p>By year’s end 2023, we expect 2 AHOP projects, with 8 units to be completed. There are an additional 8 projects with 102 new homes in the pipeline.</p>

Program	Goal/Priority	Assessment
<p>Recovery Housing Program To help combat the record numbers of overdoses and deaths from substance abuse, MaineHousing is making up to \$1,705,193 of 2021-2022 Recovery Housing Program (RHP) funds available under this RFP for qualified developers to produce, preserve, and/or rehabilitate transitional rental housing for households in recovery from a substance use disorder who are low- or moderate-income.</p>	<p>To provide Mainers safe and stable environments in which they can recover from substance abuse disorder.</p>	<p>Our first Recovery Housing Program project was completed in 2023. It houses 10 women in recovery. There is another project in the pipeline which will house 10 men in recovery.</p>
<p>Affordable Housing Initiative for Maine Islands MaineHousing is making funding available to finance the creation or substantial rehabilitation of affordable multi-family rental housing units located on Maine’s island communities. Rental housing units must remain as rental housing for a minimum of 45 years and must be leased to full-time island residents as their primary residence.</p>	<p>To provide funding for housing that addresses the unique needs and circumstances of unbridged Maine islands with year-round populations.</p>	<p>One Islands Initiative project was completed in 2023, providing 2 units of housing. There are an additional 5 projects in the pipeline, providing 17 units to island communities.</p>
<p>Short Term Real Estate Acquisition Program The Short Term Real Estate Acquisition Program (STREAP) provides flexible, short-term capital that allows partners to take advantage of an opportunity to acquire real estate quickly. Funds may be used for real estate acquisition and associated closing costs. The ultimate goal must be to preserve or create new affordable housing.</p>	<p>To provide quickly available capital to smaller affordable housing developers who must often compete in the real estate market with cash buyers who wish to own or develop market-rate housing.</p>	<p>STREAP is new and has only been used a few times. It has proven effective in cases where it has been needed.</p>
<p>Rental Loan Program The Rental Loan Program (RLP) provides long-term mortgage financing at attractive interest rates for development of affordable rental housing. The RLP may be used for acquisition, acquisition and rehab, or new construction of apartment buildings of five or more units; developers must reserve a portion of the units for lower income renters.</p>	<p>To provide debt funding to affordable housing projects, most often in conjunction with LIHTC.</p>	<p>These mortgages are an integral part of financing for all of our projects.</p>

Energy and Housing Services

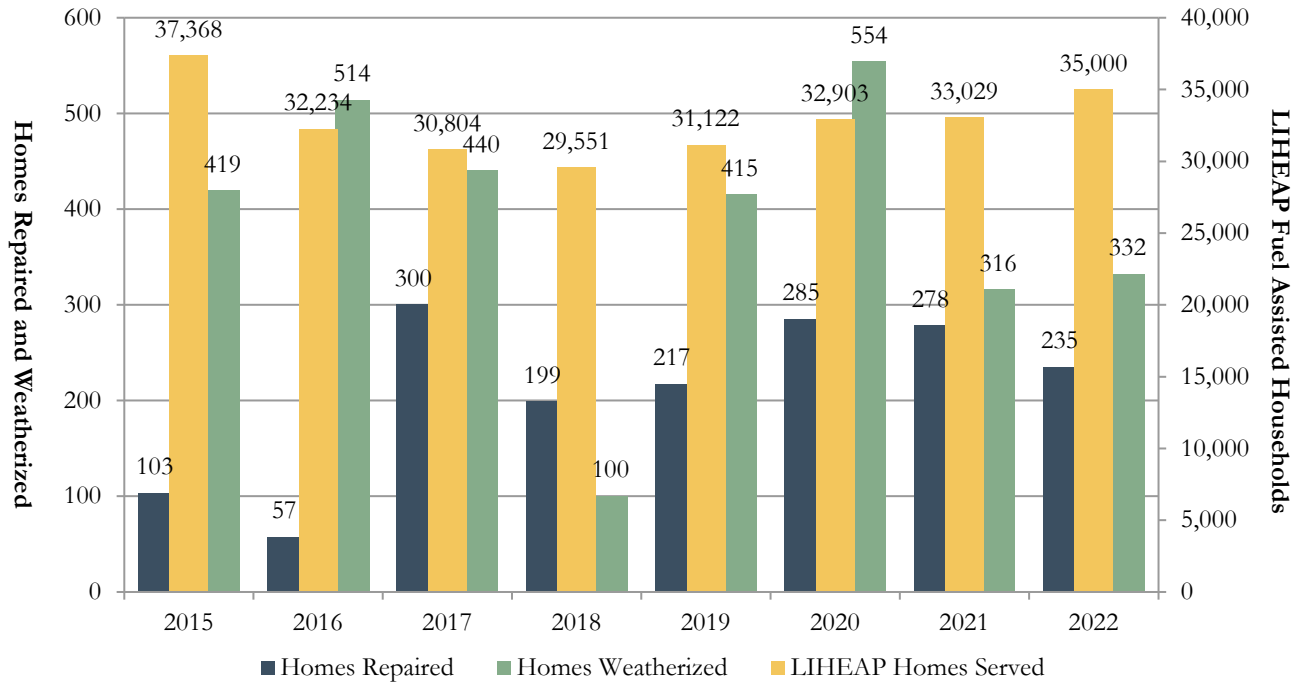
MaineHousing offers several programs to help low income families pay their heating costs, make their homes more energy efficient, and make general home repairs or modifications, including repairs to address accessibility needs and life safety concerns. The programs are funded through a variety of sources, including federal and state grants as well as the Maine Public Utilities Commission and the Maine Center for Disease Control. Maine is the state Administrator for the Low Income Home Energy Assistance Program and the Department of Energy Weatherization Assistance Program.

Program	Goal/Priority	Assessment
Energy Programs:		
<p>Low Income Home Energy Assistance Program (HEAP) The Low Income Home Energy Assistance Program (commonly called LIHEAP or HEAP Fuel Assistance) provides money to low income homeowners and renters to help pay heating costs. The funds are distributed throughout Maine by ten Community Action Agencies, in most cases directly to the fuel vendors. The program is not intended to pay for all heating costs, but to assist in paying the heating bills.</p> <p>The amount of assistance a household may get under this program is based on household size and income, energy costs, and other factors.</p> <p>Annual funding amount: \$40 million</p>	<p>To distribute fully Maine’s annual federal funding for energy assistance in a timely manner, to do so efficiently in cooperation with Maine’s Community Action Agencies and energy suppliers, and to eliminate waste and fraud.</p>	<p>In federal fiscal year 2023, 48,543 households were assisted with an average benefit of \$1,037.</p> <p>In federal fiscal year 2022, 38,904 households were assisted with an average benefit of \$754.</p>
<p>Weatherization MaineHousing’s Weatherization Program provides grants to low-income homeowners and renters to reduce energy costs by improving home energy efficiency. MaineHousing offers this program to consumers through Community Action Program agencies, who screen people for eligibility as part of the HEAP application process.</p> <p>Weatherization improvements may include insulation, weather-stripping, caulking, and some safety-related repairs.</p>	<p>To make Maine homes warmer, drier, less costly to operate, and more energy efficient.</p>	<p>316 homes in 2022; \$3,206,175.</p> <p>218 homes in 2023 YTD; total of \$2,900,038.</p>

Program	Goal/Priority	Assessment
<p>Central Heating Improvement Program (CHIP) MaineHousing’s Central Heating Improvement Program (CHIP) provides grants to repair or replace central heating systems that serve low-income households. Funded under HEAP.</p>	<p>To keep households’ primary heating system.</p>	<p>2021 - \$5,085,266.00</p> <ul style="list-style-type: none"> • 503 Heating System Replacements • 791 Heating System Repairs • 185 Oil Tank Repair/Replacements • 125 Chimney Repair/Replacements • 545 Clean, Tune and Evaluates <p>2022 - \$6,475,187.00</p> <ul style="list-style-type: none"> • 575 Heating System Replacements • 974 Heating System Repairs • 256 Oil Tank Repair/Replacements • 129 Chimney Repair/Replacements • 571 Clean, Tune and Evaluates
<p>Heat Pump Program (HPP) MaineHousing’s Heat Pump Program (HPP) provides grants to install a single heat pump in low-income households. Funding is provided under HEAP and by a Department of Energy (DOE) SERC Grant.</p>	<p>To reduce a household’s energy costs by installation of heat pumps as a secondary heating system.</p>	<p>Program has provided 3,090 Heat Pumps since its inception in 2020.</p>
<p>Low Income Assistance Plan (LIAP) The Maine Public Utilities Commission’s Low Income Assistance Plan helps low-income homeowners and renters with their electric utility bills by providing a credit on their electric bills. MaineHousing, through Community Action Agencies, accepts customer applications for LIAP as part of the HEAP application process.</p>	<p>To assist eligible households with a reduction to their electric bill.</p>	<p>In federal fiscal year 2023, 38,201 households were assisted with an average benefit of \$221.</p> <p>In federal fiscal year 2022, 29,869 households were assisted with an average benefit of \$346.</p>
<p>Emergency Crisis Intervention Program (ECIP) This HEAP-funded program provides additional help if a household has less than a 7-day supply of heating fuel or is in danger of having utility services disconnected, and has no means to pay their energy company.</p>	<p>Provide additional fuel to a household who is experiencing an energy crisis.</p>	<p>4,136 households; total of \$2,749,935 in federal fiscal year 2023. Average benefit of \$665 with an annual max benefit of \$800.</p> <p>5,485 households; total of \$4,725,401 in federal fiscal year 2022. Average benefit of \$862 with an annual max benefit of \$1,400.</p>

Program	Goal/Priority	Assessment
Home Repair Programs:		
<p>Home Accessibility and Repair Program (HARP) Provides professional home repair services to eligible homeowners who cannot afford necessary home repairs.</p>	<p>To make Maine homes warmer, drier, less costly to operate, and more energy efficient.</p>	<p>PY2022 Production/Cost:</p> <ul style="list-style-type: none"> • 16 Home Repair - \$513,329 • 30 Elderly Home Repair - \$827,870 • 20 Accessibility - \$319,562 • 104 Emergency Home Repairs - \$1,433,657 • Emergency Manufactured Home Repair - \$537,750 <p>PY2021 Production/Cost:</p> <ul style="list-style-type: none"> • 27 Home Repair - \$527,137 • 25 Elderly Home Repair - \$496,445 • 32 Accessibility - \$362,321 • 93 Emergency Home Repairs - \$1,452,668 • 57 Emergency Manufactured Home Repair - \$653,855
<p>Community Aging in Place (CAIP) Provides low cost, high impact home modifications to eligible older adult homeowners to ensure homeowners' safety and success as they age in their home.</p>	<p>Provide low cost repairs to a home to allow homeowners to age in place.</p>	<p>PY2022, 121 households received assistance at an average cost of \$900.</p> <p>PY2021, 201 households received assistance at an average cost of \$875.</p>
<p>Lead Program MaineHousing's Lead Hazard Control Program provides grants to eligible landlords and lower-income single-family households in an effort to make lower-income homes in Maine lead safe. Making homes lead safe may involve paint removal or stabilization, and window and door replacement.</p>		<p>PY2022, 106 units were abated at an average cost of \$17,500 per unit.</p>
<p>Well Water Abatement Program In 2022, MaineHousing received a \$500,000 appropriation to assist low-income households address high levels of contaminants in their water supply.</p>		<p>PY 2022, 4 households; average cost of \$3,500.</p> <p>PY2021, 12 households; average cost of \$3,621.</p>

Homes Repaired, Weatherized and Fuel Assisted



Finance

The Finance Department is responsible for overseeing and managing the agency’s loan servicing functions. These include all loan processing activities, default management and loss mitigation functions, and other general loan administration functions.

MaineHousing provides assistance to its first-time home borrowers who are unable to pay their loan obligation and are at risk of losing their home to foreclosure. The borrower’s loan servicer or lender will explain the option that is best based on the borrower’s financial situation and the type of mortgage insurance they carry.

Program	Goal/Priority	Assessment
<p>MaineHousing Home Affordable Modification Program (MaineHousing HAMP) A MaineHousing borrower who is delinquent on their mortgage loan payment or at risk of foreclosure may be eligible for this program. MaineHousing reduces the outstanding loan balance on the existing mortgage loan, thereby lowering the monthly mortgage payment to an affordable payment. The amount of the loan reduction becomes a junior mortgage lien, with no interest and no monthly payments due. The lien is repaid when the MaineHousing First Home Loan mortgage is paid or the borrower stops using the home as a primary residence.</p>	<p>To provide assistance to MaineHousing first-time homebuyers that are unable to pay their loan obligation and are at risk of losing their home to foreclosure.</p>	<p>During the 2016 – 2022 evaluation period, 20 borrowers were assisted through MaineHousing HAMP.</p> <p>Our goals for this program are being met.</p> <p>We monitor and measure the MaineHousing HAMP’s success rate, which is currently at 70%. This rate represents the amount of borrowers who used the program and were able to resume making their newly reduced monthly mortgage payment amount.</p>
<p>MaineHousing HomeOwnership Protection for unEmployment Program (Maine HOPE) A MaineHousing borrower who cannot make their loan payments because they have lost their job may qualify for this program. It assists borrowers by making four of their MaineHousing mortgage payments, including taxes and homeowners insurance. The amount paid becomes a junior mortgage lien, with no interest. The lien is repaid when the MaineHousing First Home Loan mortgage is paid or the borrower stops using the home as a primary residence.</p>	<p>To provide assistance to MaineHousing first-time homebuyers that are unable to pay their loan obligation and are at risk of losing their home to foreclosure.</p>	<p>During the 2016 – 2022 evaluation period, 84 borrowers were assisted through Maine HOPE.</p> <p>Our goals for this program are being met.</p> <p>We monitor and measure the HOPE program’s success rate, which has consistently been about 81%. This rate represents the amount of borrowers who used the program and were able to resume making their mortgage payments at the end of the program period.</p>

Maine HOPE (Home Ownership Protection for unEmployment) Program

Serves MaineHousing’s First Home borrowers who become involuntarily unemployed by providing one-time assistance of 4 payments (PITI) to clients who become involuntary unemployed. The assistance is in the form of a 0%, deferred, subordinate mortgage loan with no monthly payments. The loan is due upon sale, transfer, refinance, or payoff of MaineHousing’s First Home loan or if the client ceases to use the property as a primary residence.

	# Served	Subsidy	Servicing Cost	Program Costs	Maine's Unemployment Rate	MaineHousing Delinquency Rate	Success Rate
2022	4	\$12,967	\$4,117	\$17,084	3.10%	2.75%	81%
2021	2	\$7,603	\$4,583	\$12,186	3.90%	3.00%	81%
2020	44	\$167,128	\$4,956	\$172,084	4.20%	4.26%	81%
2019	8	\$35,920	\$4,747	\$40,667	3.20%	2.46%	80%
2018	3	\$9,746	\$4,973	\$14,719	3.20%	3.07%	78%
2017	8	\$28,379	\$2,167	\$30,546	3.10%	3.72%	78%
2016	15	\$45,230	\$9,382	\$54,612	3.50%	5.34%	80%

MaineHousing HAMP (Home Affordable Modification Program)

Serves MaineHousing’s First Home borrowers who are currently in default and at risk of foreclosure by modifying their First Home mortgage to an affordable payment by deferring up to thirty percent (30%) of the current unpaid principal balance, requiring a 0%, deferred, subordinate mortgage loan with no monthly payments that becomes due upon the sale, transfer, refinance or payoff of the First Home loan or if the client ceases to use the property as a primary residence. Clients who receive the benefit of this program have their monthly mortgage payment reduced to an affordable level (industry standard payment ratio is 31% or less).

	# Served	Subsidy	Servicing Cost	Program Costs	MaineHousing Delinquency Rate	MaineHousing Foreclosure Rate	Success Rate
2022	0	\$0	\$0	\$329	2.75%	0.54%	70%
2021	0	\$0	\$0	\$374	3.00%	0.54%	70%
2020	2	\$20,841	\$423	\$21,264	4.64%	0.47%	57%
2019	1	\$15,289	\$481	\$15,770	2.46%	0.83%	63%
2018	3	\$22,860	\$456	\$23,316	3.07%	1.27%	54%
2017	5	\$70,586	\$534	\$71,119	3.72%	1.43%	63%
2016	9	\$150,231	\$0	\$150,231	5.34%	1.70%	47%

Homeless Initiatives

MaineHousing’s homeless assistance programs support emergency shelters and other service providers who assist people experiencing homelessness in working toward self-sufficiency. We support emergency shelter providers by leveraging state and federal funds, including the Maine General Fund, federal Emergency Solutions Grants, and federal Home Partnership Program funds, to help cover shelter operating expenses and staffing, as well as incentivize shelters to reach successful housing exits and outcomes.

The funding of emergency shelters is spelled out in MaineHousing rules. The allocation of funding has changed over the years to put increased emphasis on providing housing assistance and housing stability to shelter clients and on measuring performance. The goal is to get people out of the shelter and into housing as fast as possible.

MaineHousing funded a number of COVID response programs during the public health emergency and continued to fund successful rapid rehousing and diversion/rapid exit programming after COVID response funds had been expended. These programs were designed based on best practices in the field and have allowed providers to explore new approaches to addressing homelessness and housing insecurity. In addition, homeless assistance programs were funded with state recovery funds as providers worked to address the long term effects of the global health emergency.

Program	Goal/Priority	Assessment
<p>The Emergency Shelter and Housing Assistance Program MaineHousing provides grants to 38 emergency shelters and 2 homeless service providers without shelters statewide that are serving individuals and families who are homeless.</p> <p>The Emergency Shelter and Housing Assistance Program consists of three integral funding components. These components are: the Shelter Operations Share, which may be used for operations, maintenance, shelter services, and staffing costs; the Stabilization Share, which may be used to fund housing relocation and stabilization services for persons experiencing homelessness; and the Performance Share, which provides an incentive for keeping housed clients permanently housed.</p>	<p>Homeless programs are designed to reduce the number of people who are homeless. The funding for homeless shelters is reviewed regularly by MaineHousing and our partners to accomplish several objectives:</p> <ul style="list-style-type: none"> • Provide a base subsidy for the operation of the shelter. • Provide funding for services that assist shelter clients in finding permanent housing and help them achieve self-sufficiency. • Provide incentives to homeless shelters that demonstrate reductions in the number of people who return to homelessness. 	<p>The most recent homeless solutions rule was approved by MaineHousing’s Board of Commissioners in 2022. The Homeless Initiatives Department, with the support of its partners, tracks clients served with the funds as well as performance metrics and outcomes through our Homeless Management Information System.</p> <p>In 2022, MaineHousing assisted 38 homeless service providers with 1,130 beds and provided housing relocation and stability services to over 1,700 clients each quarter.</p>

Program	Goal/Priority	Assessment
Homeless Management Information System (HMIS) The Homeless Management Information System (HMIS) is a shared, statewide data collection system to serve a wide range of homeless service providers. The HMIS is a requirement of the federal Continuum of Care grant.		HMIS is one of the key resources to understanding the population of persons experiencing homelessness in the state. Achieving quality, statewide data is integral to the success of preventing, reducing, and solving homelessness. The HMIS system currently has 276 users entering data on programs throughout Maine.
Temporary Rapid Rehousing (TRRP)	Quickly house persons experiencing sheltered and unsheltered homelessness.	In 2022, TRRP served 291 clients and successfully housed 130 of those clients in 2022.
Diversion	Divert persons at risk of homelessness from entering the homeless system.	In 2022, the Diversion program served 330 clients.
Hub Coordinators	Support the regional homeless system redesign by funding local supports.	Beginning in 2022, MaineHousing funded a full time coordinator position in each of the 9 regional service hubs.
Non Congregate Sheltering and Services	Reduce the risk of COVID-19 transmission by sheltering clients in non-congregate shelters.	Over the course of the pandemic, more than 10 non-congregate shelters were stood up throughout the state.
State ARPA Funds for Shelters	Support shelters experiencing increased costs and pressures as a result of the COVID-19 pandemic.	\$10 million in state funds was disbursed to shelters receiving ESHAP funds to support operations, maintenance, and capital improvements.
Homeless Provider Grants	Support shelter operations during the COVID-19 pandemic.	Funds were distributed to ESHAP funded shelters to assist with the impacts of the pandemic. In 2022, 5,029 clients were served by these shelters.
Shelter Renovations	Fund renovations for new shelters to create a shelter space that reduces risk of transmission of infectious diseases.	2 new shelters, totaling 46 beds, were renovated to serve clients in a space designed to reduce the risk of infectious disease spread.

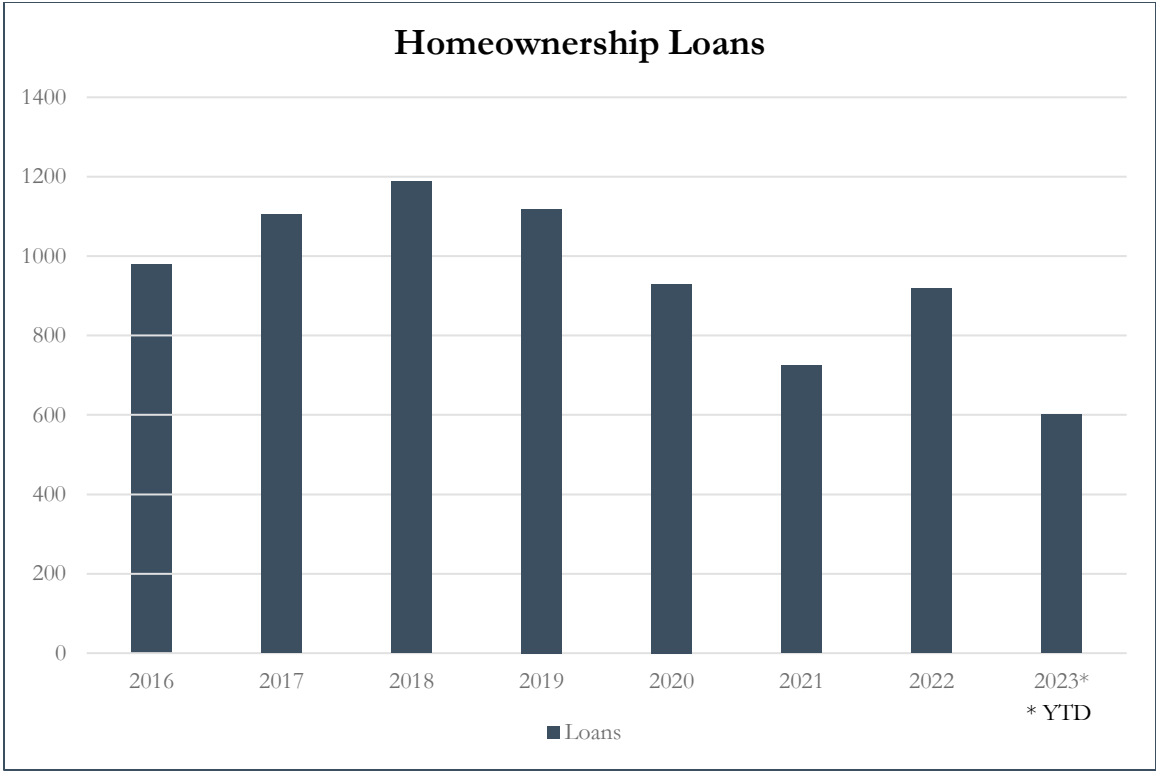
Homeownership

MaineHousing provides low-interest rate mortgage loans and other assistance to help make homeownership affordable and sustainable for low to moderate-income homebuyers. Our programs include below-market interest rate mortgages, down payment assistance, grants to assist with the replacement of pre-1976 manufactured housing, and mortgage insurance on hard-to-insure properties. These programs are substantially financed through MaineHousing bonds supplemented by MaineHousing’s discretionary resources, such as the HOME Fund.

Program	Goal/Priority	Assessment
<p>First Home Loan Program The First Home Loan Program provides low-interest rate mortgages and other assistance to help make homeownership affordable for low-to moderate-income first-time homebuyers, including those who have not owned a home in the past three years. Qualification also is based on credit score and lender criteria.</p> <p>Options:</p> <ul style="list-style-type: none"> The Advantage option provides down payment and closing cost assistance to eligible buyers. 	<p>To provide and expand financial opportunities to help Maine people become successful homeowners.</p> <p>Provide at least 850 First Home Loan mortgages to first-time homebuyers in 2023.</p> <p>To offer below-market mortgage interest rates.</p> <p>To offer low or no down payment mortgage options to increase affordability.</p> <p>To retain and expand a geographically diverse network of participating lender partners to reach consumers statewide.</p> <p>To increase consumer awareness of program benefits.</p> <p>To provide a no cost financial assistance option to buyers needing help with down payment and closing costs.</p>	<p>Despite the lack of supply, high home prices, and rising rates, we are on track to meet our goal.</p> <p>918 households in 2022; more than 560 thus far in 2023.</p> <p>Down payment and closing cost assistance, called Advantage, are being offered at no cost and the amount has been increased from \$3,500 to \$5,000.</p> <p>First Home Loans are available through more than 40 participating lenders statewide.</p> <p>Social media, digital ads, and an improved website are now employed, in addition to traditional advertising, to increase consumer awareness of and access to program information.</p> <p>MaineHousing’s Advantage down payment and closing cost assistance program to help purchase their home.</p>
<p>First Generation Pilot Program is a new program launched in March 2023 to provide further assistance to those first-time homebuyers whose parents/legal guardians never owned a home, or were in foster care at some point during their childhood.</p>	<p>To break the cycle of generational poverty by assisting first-time homebuyers affected by the inability for families to build wealth.</p>	<p>This new program has been met with much excitement. With additional down payment assistance, a lower interest rate, and additional education, it is projected to improve the homeownership rate for Maine individuals and families that otherwise have not had the ability to build wealth.</p>

Program	Goal/Priority	Assessment
<p>The Purchase Plus Improvement option allows buyers to roll the cost of home repairs into their mortgages, up to \$35,000.</p>	<p>To allow purchasers the ability to make repairs when purchasing their first home.</p>	<p>This program has limitations due to the federal regulations, but in 2022, eight purchasers borrowed a total of \$146,000 to make needed repairs.</p>
<p>Mobile Home Replacement Initiative provides a \$35,000 grant paired with a First Home Loan (with first-time homebuyer requirement waived) to assist in replacing unsafe pre-1976 manufactured homes.</p>	<p>To assist owners with replacing sub-standard, energy inefficient, and unsafe pre-1976 manufactured homes.</p>	<p>This program provided over \$500,000 in grants and \$1.2 million in loans to 17 families allowing them to replace their homes with warm, safe, and dry modern manufactured homes.</p>
<p>The Mobile Home Self-Insured option provides mortgage insurance for manufactured homes on leased land.</p>	<p>To provide purchasers of manufactured homes, who do not qualify for mortgage insurance, with an equivalent to mortgage insurance, making homeownership possible.</p>	<p>The mobile home self-insured program is performing well and is addressing the limited financial options available to manufactured home purchasers.</p> <p>In 2022, 47 manufactured home purchasers used this option totaling \$5.65 million.</p>
<p>Salute ME The Salute ME Program offers low, fixed-rate mortgages to eligible veterans or active duty military. It is similar to our First Home Loan Program but waives the first-time homebuyer requirement. Qualification also is based on credit score and lender criteria.</p>	<p>To assist veterans with purchasing a home.</p>	<p>In 2022, 49 veterans purchased homes using Salute ME.</p>
<p>Homebuyer Education MaineHousing encourages all first-time homebuyers to take a homebuyer education course before purchasing a home. Courses are offered in a classroom setting or online and explain how the buying process works to help buyers choose the best mortgage option, learn about credit and debt management, budgeting, and other information relevant to owning a home.</p>	<p>To provide easy access to homebuyer education to ensure that borrowers achieve long term success as homeowners.</p> <p>MaineHousing believes face-to-face homebuyer education is the best opportunity for an interactive learning experience, and attending a local class should always be the first choice. MaineHousing partners with hoMEworks, which offers a 10-hour class taught by industry professionals (lenders, home inspectors, real estate agents) in an educational, non-sales oriented environment. HoMEworks partners with eHome America to offer a fee-based online certification course as well.</p>	<p>A homebuyer education course is required if a homebuyer is using MaineHousing’s Advantage Program.</p> <p>Attendance in homebuyer education classes has increased, and an on-line option also is available.</p> <p>97% of MaineHousing’s first-time homebuyers participate in homebuyer education.</p>

Program	Goal/Priority	Assessment
<p>Disaster Assistance Loan Program The Disaster Assistance Loan Program offers low-interest rate home repair and home replacement mortgages to Mainers whose primary residences have been damaged or destroyed in a declared natural disaster. It is funded through MaineHousing bonds and available through designated lenders.</p>		<p>This program is available if the need arises.</p>
<p>Indian Housing Mortgage Program The Indian Housing Mortgage Insurance Program is a mortgage insurance program for homes located on tribal land. It was established in the Maine Constitution and provides a loan guarantee to lenders who finance homes on tribal land where the restrictions on ownership prevent lenders from holding a mortgage on the property. The program provides lender loan guarantees for up to 30 years, and enables Native Americans who are building or buying homes on tribal lands to qualify for mortgage loans.</p>		<p>The program is available.</p>

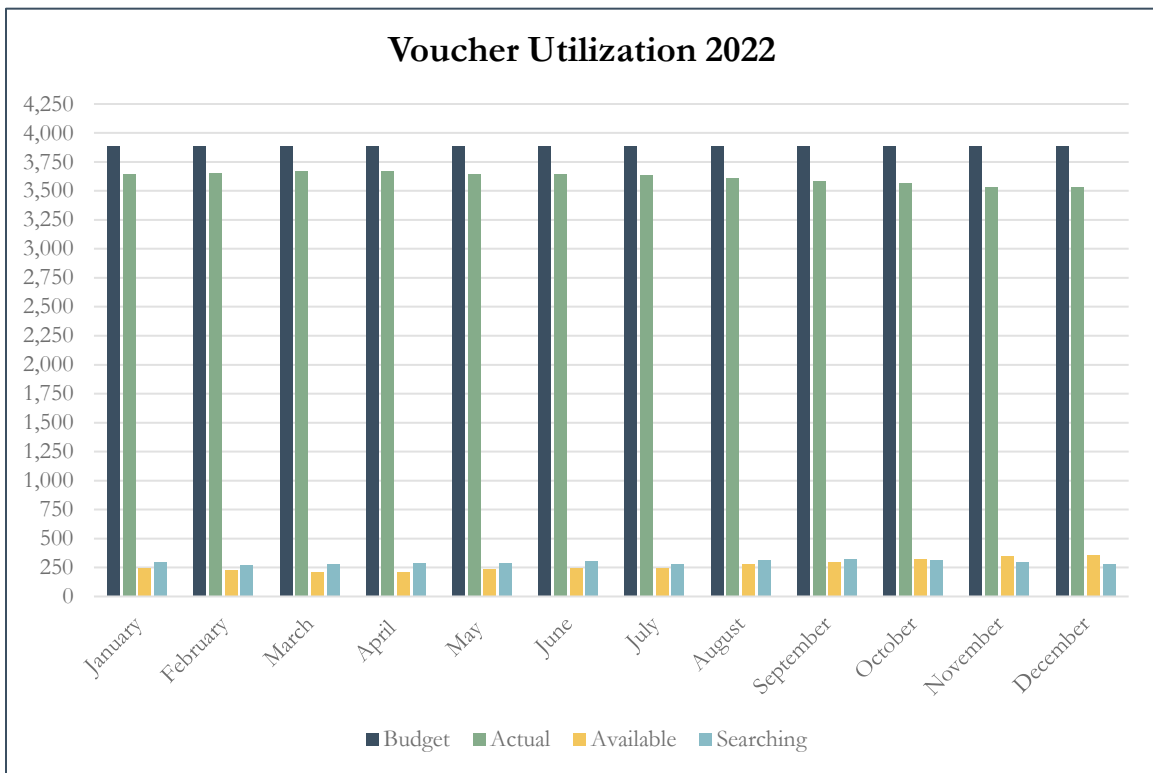


Housing Choice Voucher (HCV)

With rents rising faster than incomes, rental housing costs are increasingly out of reach for many lower income Maine people. Rental assistance, either in the form of housing choice vouchers or subsidized apartments, can help. Vouchers can help pay rent in the apartment of their choice. Subsidized apartments provide qualified tenants affordable (usually below market) rents. Waiting lists, however, can be long.

Program	Goal/Priority	Assessment
<p>Housing Choice Vouchers assist very low income individuals and families to choose and lease decent, safe, and affordable privately owned rental housing and to achieve and maintain housing stability and self-sufficiency. The HCV program achieves its mission by providing rental assistance to eligible families.</p> <p>The program is a partnership with HUD, MaineHousing, the family and the owner/landlord. The program is limited primarily to households earning 30% or less of median family income; 75% of the program must serve this income category, 25% of the program may serve households between 30 and 50% of median family income.</p> <p>MaineHousing assistance is directed to families who live or wish to move to a community not served by a local housing authority (balance of state).</p> <p>The program is funded entirely with federal funding through the U.S. Department of Housing and Urban Development and is subject to HUD rules and requirements.</p>	<p>To increase voucher utilization to 3,750 vouchers each month. We are at 3,535, down from 3,600 in January 2022.</p>	<p>Federal administrative fees do not fully support program administrative costs.</p> <p>Waiting lists are very long for very low income seniors and families who are not homeless. The challenge is that it is difficult to maximize the use of all possible vouchers at any given time because of the barriers that many clients face (e.g. poor tenant references, lack of security deposits, and little available housing in our jurisdiction).</p> <p>The program is complicated and can be difficult to explain to clients. This is largely a function of federal requirements, but MaineHousing continues to do everything it can to simplify and streamline those aspects. Streamlining processes and highlighting sections of required forms are steps we have taken to better serve clients and partners and help them understand the program.</p>
<p>Landlord Incentives The Landlord Incentive Program is intended to provide financial assistance to eligible landlords to make necessary unit repairs in order to pass the HCV inspection required for landlords who agree to lease an HCV participant.</p>	<p>Continue to offer the Landlord Incentive Programs statewide.</p>	<p>MaineHousing and the 23 PHA's in Maine have fully utilized the funding allocated to this initiative and it has assisted in housing over 3,000 households in 2023.</p>

Program	Goal/Priority	Assessment
<p>Security Deposit Program On a limited basis, MaineHousing offers up to one month's rent for a security deposit to new program participants or those who have moved because the apartment failed an HCV inspection.</p>		<p>Up to one month's rent per tenant for tenants new to the program and those who have had to move due to inspection failures.</p> <p>In 2023, we have distributed over \$390,000.</p>
<p>Family Self-Sufficiency Program (ReStart) This program is available to eligible households with a Housing Choice Voucher who want assistance with attaining a certain goal, such as saving for education, transportation, homeownership, and many others. Participants who are eligible for employment are able to join the ReStart program.</p>	<p>Goals for 2023 include:</p> <ul style="list-style-type: none"> • Increase participation to 75 tenants. • Distribute forfeited escrow funds to current enrollees to assist with obtaining their ReStart goals. 	<p>Currently assisting 54 participants.</p>



Organizational Chart

MaineHousing is supported by 191 full-time positions and no part-time positions. Organizational authority flows from the Board of Commissioners to the Director and then to a team of four senior directors, each responsible for their own area of agency operations. Ten departments report to one of the senior directors, while the remaining three departments report directly to the Board or to the Director.

Senior Director of Finance & Lending:

The Senior Director of Finance and Lending oversees the financial planning of the agency itself, as well as all finance and lending operations from MaineHousing's banking arm. These include the activities of the following five departments:

- **Asset Management**
- **Development**
- **Finance**
- **Homeownership**
- **Treasury**

Senior Director of Homeless Initiatives:

The Senior Director of Homeless Initiatives oversees agency partnership with community agencies and the Statewide Homeless Council to combat homelessness and support those experiencing homelessness. They also oversee administration of the federal Housing Choice Voucher program. Those activities are collected into the following two departments:

- **Homeless Initiatives**
- **Housing Choice Voucher**

Senior Director of Operations:

The Senior Director of Operations oversees the agency's inward-facing support and coordination of operations, such as IT support, marketing, and data analysis. They coordinate the agency's LEAN process improvement functions as well as other quality and efficiency focused initiatives. They also oversee the suite of smaller programs represented in the Energy & Housing Services department. Altogether, those activities fall among the following three departments:

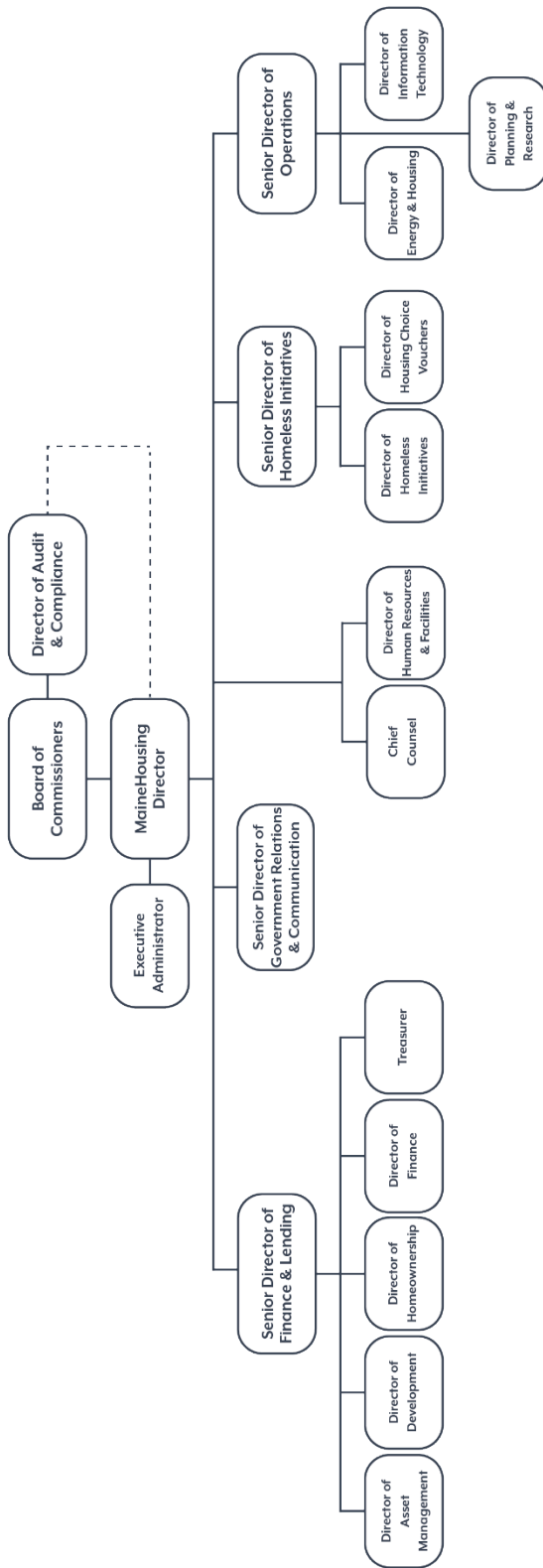
- **Energy and Housing Services**
- **Information Technology**
- **Planning and Research**

Senior Director of Government Relations & Communication:

This Senior Director focuses on MaineHousing’s outward-facing aspects, including the agency’s relationship with the legislature, the executive branch, and Maine’s federal Congressional delegation. This position works closely with the communications staff in Research and Planning, and coordinates with every MaineHousing department on governmental affairs, constituent services, and public communications issues.

The remaining three departments are Legal Services, Human Resources & Facilities, and Audit & Compliance. The first two report directly to the Director and the last to the Board.

Delegation of Authority / Organizational Chart



CLASSIFICATION LEVELS & POSITIONS 2023

Full Time Staff: 191

Part Time Staff: 0

JOB TITLE	SALARY BAND
	A11
	A12
Office Assistant	
	A13
Asset Operations Assistant	
	B21
Administrative Assistant (HEAP)	
Housing & Weatherization Assistant	
Development Program Assistant	
Loan Administration Assistant	
Loan Admin Asst. (Default)	
HCV Intake Assistant	
Inspection Program Assistant	
Mortgage Lending Assistant	
	B22
Financial Escrow Specialist	
Financial Contracts Specialist	
AP Accountant	
Helpdesk Analyst I	
HQS Inspector	
HCV Financial Specialist	
Homeless Initiatives Support Specialist	

JOB TITLE	SALARY BAND
	B23
Asset Financial Specialist	
Financial Officer	
Asset Operations Office Coordinator	
HEAP Program Officer-C	
HEAP Program Officer	
HEAP Program Officer-V	
Weatherization Program Officer	
Housing Program Officer	
Technical Services Specialist	
Lead & Housing Rehab Compliance Specialist	
HCV Occupancy Specialist	
HCV FSS Specialist	
HCV Housing Navigator	
Program Support & Monitoring Specialist	
Homeless Program Officer – Data	
HMIS Application Specialist	
Fiscal Operations Specialist	
Mortgage Compliance Officer	
Office Coordinator	
Paralegal	
Fiscal Officer	
Financial Reporting Specialist	
Loan Servicing Operations Specialist	
HMIS Training & Support Specialist	
	B24
Application Specialist	
Helpdesk Analyst II	
HEAP Program Specialist	
Weatherization Program Specialist	
HMIS Project Specialist	
Data & Graphic Design Specialist	
Mortgage System Specialist	

JOB TITLE	SALARY BAND
	B31
	B32
HCV Occupancy Specialist – Team Leader	
	C41
Asset Manager	
Multi-Family Building Analyst	
Policy Analyst	
Data Analyst	
Fiscal Compliance Specialist	
Payroll Accountant	
Mortgage Accounting Officer – SF	
Mortgage Accounting Officer – MF	
Program Accountant	
Webmaster	
Financial Risk Officer	
Lead Paint & Housing Rehab Coordinator	
FSS Coordinator	
Outreach & Education Coordinator	
Mortgage Compliance Specialist	
Homeless Program Coordinator	
Compliance Officer I	
	C42
Compliance Officer II	
Senior Supportive Housing Loan Officer	
Program Training & Quality Control Coordinator	
Construction Analyst – Dev	
Foreclosure Specialist	
Loss Mitigation Specialist	
Federal Programs Accountant	
Accountant (Bond Fund Group)	
REO Asset Manager	
Investment Officer I	
CoC Planning & Grants Coordinator	
CoC Project Coordinator	
Homeless Response System Coordinator	
Executive Administrator	

JOB TITLE	SALARY BAND
	C43
Portfolio Loan Originator	
Senior Accountant	
HCV Housing Manager	
Inspection Services Manager	
Information Security Engineer	
Systems Engineer	
Investment Officer II	
	C44
Operations Manager – Building & Grounds	
Fraud Prevention Specialist	
Multifamily Loan Officer	
LIHTC Programs Manager	
Communications Director	
Business Systems Manager	
	C51
Homeless Response System Manager	
Homeless Partner Support Manager	
Financial Risk Manager	
Operations Manager	
Governmental Accounting Manager	
Business Accounting Manager	
Special Assets Manager	
Loan Operations Manager	
Manager of Housing Services	
Manager of Home Energy Programs	
Manager of Weatherization	
Homeownership Manager	
	C52
Portfolio Manager	
PBCA Manager	
Construction Services Manager	
Multifamily Underwriting Manager	
	C53
Loan Administration Manager	
	C61
Counsel	
Director of Audit & Compliance	

JOB TITLE	SALARY BAND
	C62
Director of Asset Management	
Director of Development	
Director of Energy & Housing Services	
Director of Housing Choice Vouchers	
Director of Homeownership	
Director of Homeless	
Director of Information Technology	
Director of Human Resources & Facilities	
Director of Planning & Research	
	C71
Director of Finance	
Chief Counsel	
	C81
Senior Director of Government Relations & Communications	
Senior Director of Homeless Initiatives	
Senior Director of Finance & Lending	
Senior Director of Operations	
Treasurer	
	C82
	C91
Director	

Our Operations

MaineHousing Financial Summary

MaineHousing uses a variety of financial resources to carry out its many diverse functions and has delivered over \$3.9 billion in funds through its programs over the past ten years. MaineHousing's financial resources consist of proceeds generated from selling tax-exempt housing bonds, federal and state block grants, and pass-through programs received from both the federal and state government. MaineHousing is a mortgage bank with over \$2.2 billion in assets. These assets consist mostly of mortgages – both first-time homebuyer single family mortgages and mortgages on multifamily rental properties and supportive housing developments for people with special needs.

Using its various financing sources, MaineHousing is able to allocate funds in different combinations to the housing and energy needs of the State as those needs arise. MaineHousing receives no operating or personnel funding from the State and therefore can shift staff resources with current need. This flexibility allows MaineHousing to efficiently and quickly direct its resources in order to provide assistance to low-income Maine citizens where it is needed most. Approximately one-third of MaineHousing staff positions are covered by fees received from federal programs and the remaining two-thirds are paid by resources generated from in-house lending activities.

State government allocates fifty percent of the Real Estate Transfer Tax revenues to the Housing Opportunities for Maine Fund, better known as the HOME Fund. The flexibility of the HOME Fund is critical to MaineHousing. As financial markets shift from favoring one of MaineHousing's financing mechanisms to another, HOME funds allow MaineHousing to address temporary shortfalls and maintain stable program availability.

Bonds

MaineHousing's most significant financial resource is its ability to sell bonds that are exempt from state and federal income taxes. MaineHousing sells tax-exempt housing bonds to fund single family mortgages, commonly known as Mortgage Revenue Bonds (MRBs) and multifamily housing bonds, and uses the proceeds to finance low-cost mortgages for lower income first-time homebuyers or the production of apartments at rents affordable to lower income families.

MaineHousing has issued a total of approximately \$10 billion in bonds since its inception and currently has \$1.9 billion in bonds outstanding. Over the past ten years, MaineHousing has issued approximately \$2.9 billion in bonds. \$1.8 billion has made first-time homeownership possible for over 8,800 Maine families. In addition, \$1.1 billion of multifamily housing bonds have provided financing to produce affordable rental apartments and supportive housing units for over 25,000 Maine citizens. MaineHousing prudently manages its bond obligations and, when market rates are favorable, will retire and/or restructure outstanding bonds to lower interest expense and to generate additional public-purpose benefits to Maine citizens. Over the past ten years, MaineHousing has retired approximately \$2.5 billion of its outstanding bonds.

Block Grants

Oftentimes MaineHousing uses the proceeds from the sale of bonds in conjunction with federal and state block grants. Block grants are flexible funding sources over which MaineHousing has some discretion regarding their use to meet affordable housing needs in Maine. Block grants, unlike bonds, do not have to be repaid to the source provider.

Because these financial resources do not have to be repaid and we have flexibility regarding their use, they enable MaineHousing to serve a wide range of Maine's population. MaineHousing uses these financial resources in a variety of ways in most of its programs. MaineHousing's block grants consist of:

U.S. Department of Housing and Urban Development Programs

- *HOME Investment Partnership Program* – This federal block grant is designed to provide states with a flexible funding source to meet their diverse affordable housing needs. Over the past ten years, MaineHousing has received \$37.7 million from the federal HOME Investment Partnership Program. This grant requires a 25% match from MaineHousing. State HOME funds are used for about half of the match.
- *National Housing Trust Fund* – This federal block grant was created under the Housing and Economic Recovery Act of 2008 and provides states with a resource to produce and preserve affordable housing for extremely low- and very low-income households. Since the inception of the program, MaineHousing has received \$21.1 million and disbursed \$12.7 million. There is no match requirement for this program.
- *Financing Adjustment Factor (FAF) Program* – Funds from this program are generated from HUD-authorized refunding of bonds issued by MaineHousing. HUD and MaineHousing share monies realized from these refundings on an equal basis. Funds can only be used to provide housing assistance for individuals and families of very low income. The McKinney Act-FAF Program ended in 2014 and from 2013 through 2014 MaineHousing disbursed a total of \$936,000.

State Sources

- *State HOME Fund* – MaineHousing receives from the State of Maine a portion of real estate transfer tax revenues generated from the sale of real property. Over the past ten years, approximately \$159.7 million was received from the state.
- *State Affordable Housing Tax Credit* – MaineHousing is authorized to allocate \$8 million annually in tax credits to provide additional equity for multifamily rental affordable housing. MaineHousing has currently allocated \$35 million and has financed 376 units of rental housing with this source.
- *State General Obligation Bonds* – MaineHousing occasionally receives from the State proceeds from the issuance of General Obligation (G.O.) Bonds. These funds are oftentimes used in the same fashion as block grants and are used in conjunction with MaineHousing bonds. In the past ten years, MaineHousing used through a variety of programs \$7.1 million from State G.O. Bonds.

At times, State G.O. Bonds are used on a revolving loan basis, which means funds can be recycled and used multiple times. MaineHousing’s most recent funding came from the 2020 issuance of the Senior Housing bond.

- *Maine Energy, Housing & Economic Recovery Fund* – In 2009, MaineHousing was authorized to issue a limited amount of governmental bonds to create capital funding for affordable housing and energy efficiency improvements of housing. Unlike MRB and multifamily housing bonds that are securitized and repaid from mortgage loans, these bonds are paid from a portion of collected real estate transfer taxes. MaineHousing originally issued \$49.6 million of governmental bonds with \$4.3 million of annual debt service. In 2021, MaineHousing refunded the original bonds and was able to issue an additional \$38.9 million in governmental bonds while keeping the debt service paid by the State at \$4.3 million annually. *Each year, MaineHousing reports to the Legislature on the uses and benefits of these investments. Known as Maine Energy, Housing & Economic Recovery Bonds, these investments have resulted in the creation of over 850 affordable housing units to date with an additional 560 units in the development process.*
- *Maine Jobs and Recovery Program* – In 2021, the State allocated \$50 million for housing development and \$10 million for homeless shelter operations to MaineHousing from the State’s American Recovery Plan Act funding. \$10 million was allocated to the construction of new, affordable single family homes; \$40 million was allocated to the construction of new, affordable multifamily rental properties; and \$10 million was allocated to the homeless shelters that receive operating support from the State and MaineHousing. In total, it is estimated that 134 single family homes and 394 rental units will be constructed with this funding.

Low Income Housing Tax Credits

Low Income Housing Tax Credits (LIHTC) are another financial resource that MaineHousing uses in concert with both its bonds and block grants. LIHTC are a federal resource that MaineHousing allocates in Maine. The credits are allocated to developers, who sell them to corporate investors; the credits reduce the investors tax liability for ten years. Money raised from the sale is used in the construction and rehabilitation of apartments affordable to low-income families. Over the past ten years MaineHousing has allocated tax credits that have provided approximately \$508.65 million in equity for the development of affordable apartments.

Pass-Through Programs

MaineHousing administers numerous federal and state pass-through programs. These programs provide financial resources that must be spent on a specific population because of the restrictions dictated by their source. Over the past ten years, MaineHousing has disbursed over \$1.9 billion through various federal programs. The large federal pass-through programs that MaineHousing administered in the past ten years include the following:

U.S. Department of Housing and Urban Development Programs

- *Section 8 Rental Assistance Programs* – MaineHousing administers a number of federal Section 8 programs that provide rent subsidies to Maine citizens. Over the past ten years, MaineHousing

has disbursed over \$1 billion in rent subsidies.

- *Emergency Solutions Grant Program* – This program provides homeless persons with basic shelter and essential supportive services. MaineHousing has disbursed over \$13.4 million through this program in the past ten years.
- *Lead-Based Paint Hazard Control Program* – This program provides funding to make lower income homes in Maine lead safe. MaineHousing has disbursed approximately \$9.4 million in the past ten years. This requires a match from MaineHousing. For the last grant, we contributed \$1 million to HUD's \$3 million.
- *Homeless Management Information System* – This program provides funding for a computerized data collection tool designed to gather data on homelessness and service interventions. Data collected is used to improve the effectiveness of homeless shelter and service delivery systems in Maine. MaineHousing has received approximately \$3.6 million through this program in the past ten year.
- *Continuum of Care Program* – This program provides funding for efforts to end homelessness and aims to quickly rehouse homeless individuals and families, promote access to mainstream programs, and optimize self-sufficiency. MaineHousing has disbursed over \$4.6 million between 2016 and 2022.

U.S. Department of Energy

- *Weatherization Program* – This program provides grants to low income homeowners and renters to improve home energy performance. MaineHousing has disbursed \$25.9 million through this program over the past ten years.

U.S. Department of Health and Human Services

- *Low Income Home Energy Assistance Program (LIHEAP)* – This program provides money to help low-income homeowners and renters pay for heating costs. MaineHousing has disbursed over \$401.8 million through this program over the past ten years.
- *Temporary Assistance for Needy Families (TANF)* – MaineHousing receives federal TANF funds through the state's Department of Health and Human Services and uses these funds to supplement the federal Low Income Home Energy Assistance Program. MaineHousing has received and disbursed a total of \$9.4 million between 2018 and 2022.
- *State Opioid Response Grants* – The purpose of this program is to address the opioid overdose crisis by providing resources to state for supporting prevention, harm reduction, treatment, and recovery support services for opioid use disorder. MaineHousing received and disbursed a total of \$1.4 million between 2020 and 2022.

Coronavirus Aid, Relief, and Economic Security Act (CARES) and the Consolidation Appropriations Act and the American Rescue Plan Act Programs

In response to the COVID-19 pandemic, the federal government enacted the *Coronavirus Aid, Relief, and Economic Security Act (CARES)* and the *Consolidation Appropriations Act* in 2020, and the *American Rescue Plan Act* in 2021. These acts contained federal spending provisions for housing and related energy programs and MaineHousing administered a number of relief programs. Between 2020 and 2022 MaineHousing disbursed funds totaling \$405.7 million through the following programs:

- Rent Relief Program – CARES Act
- Emergency Solutions Grant – CARES Act
- FEMA COVID-19 Homeless Initiatives – CARES Act
- Emergency Rental Assistance Program 1.0 – CAA Act
- Low-Income Water and Wastewater Emergency Assistance Program - CAA Act
- Emergency Rental Assistance Program 2.0 – ARP Act
- Homeowners Assistance Fund – ARP Act
- Low Income Home Energy Assistance – ARP Act
- Home Investment Partnership Program – ARP Act
- Community Development Block Grant – ARP Act
- Coronavirus State and Local Fiscal Recovery Funds – ARP

State and Other Pass-Through Programs

MaineHousing also administers other pass-through programs that are funded by the state and other organizations. These programs include the following:

- *Shelter Operating Subsidy Program* – This program provides funding for the emergency shelters that serve people who are homeless in Maine. MaineHousing has received and disbursed approximately \$19.5 million over the past ten years.
- *Low Income Assistance Plan (LIAP)* – This program helps low-income homeowners and renters pay for electricity costs by providing a credit on their electric bills. The program is funded by Maine’s transmission and distribution utilities. MaineHousing has disbursed over \$14.2 million through this program over the past ten years.
- *Emergency Housing Relief Funds* – Starting in 2022, the state provided MaineHousing with funding to support various short-term emergency housing initiatives. MaineHousing has disbursed a total of \$5 million.
- *Lead Abatement Fund* – These funds provides assistance, including grants, for the abatement of lead paint hazards in residential housing and supplemented the federal lead abatement program. MaineHousing disbursed over \$3.6 million through this program between 2018 and 2022.
- *Arsenic Remediation Program* – These funds assist households with the purchase and associated costs of well water treatment systems. MaineHousing has disbursed approximately \$672,000 through this program between 2016 and 2022.

Over the past ten years, MaineHousing has disbursed over \$3.9 billion through its various programs to address the state's housing needs.

Interagency Coordination

Many of MaineHousing's programs work in concert with programs offered by other federal, state, and local agencies. Coordination and collaboration are important in ensuring efficient and cost-effective program operations. As will be evident below, partnerships are central to our work at MaineHousing, making communication and coordination with those partners an essential element of nearly everything we do.

Working with State Agencies

MaineHousing's leadership meets regularly with a broad range of government and non-government leaders in the realms of housing, human services, and energy. Additionally, key MaineHousing staff members, particularly the agency's Director and members of the Director's Team, participate and serve in leadership roles with several different inter-agency and jointly established commissions, councils, and task forces. Some recent examples of collaborative approaches include:

- Work with the Governor's Office of Policy, Innovation and the Future and the state's Department of Economic and Community Development to commission the state's first statewide housing needs assessment.
- Participation in the working group to establishment the state's Office of New Americans.
- Participation and administrative support for the Maine Statewide Homeless Council.
- Participation in the state's Economic Strategic Plan in 2019 and its amended effort after COVID.
- The agency's Director serves in an ex-officio role on the board of the Efficiency Maine Trust and as a member of the Statewide Climate Council.

MaineHousing's staff regularly participate with, or provide detailed, location-specific information to other key organizations and entities focused on housing, economic and community development, and energy efficiency including:

- State and local business organizations like the chambers of commerce and councils of government.
- Local governing bodies including town and city councils and municipal and regional planning boards.
- Entities specially focused on housing and economic development like the Maine Affordable Housing Coalition and GrowSmart Maine.

These efforts are duplicated with numerous other agencies including: close collaboration with staff at the Office of Adult and Disability Services, related to housing for older Mainers and assisted

living property development; carefully coordinated homeless efforts through work with the Statewide and Regional Homeless Councils; and networking coordinated housing and service options offered through the Departments of Health and Human Services, homeless shelter providers, domestic violence service providers, and municipal housing and welfare directors. These services in concert with housing options are fundamental to providing a stable environment for individuals who are experiencing homelessness, are in transitional housing, or are victims of abuse or neglect.

Statewide Planning

MaineHousing works with the Maine Department of Economic and Community Development (DECD) every year to prepare a Consolidated Housing and Community Development Plan. That plan is then submitted to the U.S. Dept. of Housing and Urban Development (HUD) to apply for federal grant funds. Annually, Maine DECD and MaineHousing hold or participate in forums and community meetings to gather input from communities on what housing issues are important to them and what elements should be included in the Consolidated Plan. This joint effort has led to opportunities to combine Community Development Block Grant funds and MaineHousing Federal HOME funds to assist in the housing development and redevelopment efforts in numerous communities across the state.

We also joined with DECD, U.S. Department of Agriculture Rural Development, and the statewide community action agency network to provide a combined, one-stop home repair program. This extraordinary effort combines different funding programs with different rules and regulations into a seamless statewide network.

Energy Efficiency and Climate Change Mitigation

MaineHousing continues to improve energy efficiency and contribute to the statewide climate goals in several ways, including:

- A U.S. Department of Health and Human Services grant funds the Low Income Home Energy Assistance Program (LIHEAP), providing money to help low income consumers pay heating costs. This program is administered in close cooperation with the Department of Health and Human Services. This program also helps fund several areas of assistance including the Central Heating Improvement Program (CHIP) and the Emergency Crisis Intervention Program (ECIP), for those experiencing a heating emergency or crisis.
- The award of grants from the U.S. Department of Energy for ongoing home weatherization efforts, heat pump installations, and other home repairs that improve home efficiency, affordability, and safety.
- MaineHousing is an ex officio member of the Efficiency Maine Trust and closely coordinates our weatherization and low income energy assistance programs with the energy efficiency tools and programs offered by Efficiency Maine.

- MaineHousing has long been a leader in requiring strict construction standards that promote greater energy efficiency, and reduce our reliance on fossil fuels. Our design requirements create buildings that are far more energy efficient than those that simply meet the Maine Uniform Building and Energy Code (MUBEC) requirements. We continue to lead the way as the state moves to a fossil fuel free future.

Addressing Homelessness

MaineHousing supports efforts to reduce homelessness in Maine by working with many partners.

- MaineHousing works in collaboration with the nine Homeless Service Hubs that were created in the state to connect with community efforts to improve data collection and quality, address emergent issues on homelessness and housing, and strategize on system level initiatives. These partnerships seek to improve communication on both local and state levels and to honor the expertise that communities have around the issues that are present in their service areas. Beginning in 2021, MaineHousing set out to redesign the homeless services structure in the state, using the Built for Zero program with national consultant Community Solutions.
- MaineHousing is a member of and provides administrative support to the Statewide Homeless Council.

The Statewide Homeless Council is responsible for creating and executing Maine’s Plan to End and Prevent Homelessness and played a crucial role in the re-design of Maine’s Homeless Response System to better incorporate Coordinated Entry, prevention, and diversion efforts through the development of local Homeless Service Hubs throughout the state.

- MaineHousing is the Collaborative Applicant on behalf of the Maine Continuum of Care (MCoC), as well as the Homeless Management Information System (HMIS) Lead and Emergency Solutions Grant (ESG) recipient for the State. Through these efforts, MaineHousing is directly connected to all of the state’s CoC and ESG funded housing, shelter, and service providers, as well as dozens of related homeless service providers who voluntarily participate in the MCoC and/or contribute data to Maine’s HMIS.
- In addition to these broader efforts, MaineHousing also partners directly with a number of agencies and entities who focus more directly on specific aspects of homelessness, including: the Maine DHHS Office of Substance Abuse and Mental Health; The Maine Coalition to End Domestic Violence, Maine’s Homeless Veteran’s Action Committee and the Veterans Administration; Maine’s Youth Advisory Board, Youth Provider Group, Homeless Youth Demonstration Program Participants, and Maine Department of Education McKinney-Vento School Liaisons.

Constituents Served

MaineHousing identifies six major constituent groups served by our programs. Our needs assessment, resource allocation, and goal setting processes focus on serving these six population groups within the framework of our Program Goals.

The constituent groups include:

- First-time homebuyers;
- Owners of substandard housing;
- People experiencing homelessness;
- People with special needs;
- Renters needing assistance; and
- Landlords participating in the Housing Choice Voucher Program

These constituency groups may receive overlapping services within two or more program goals. For example, people experiencing homelessness may receive services from programs designed to improve housing stability and/or expand the supply of affordable housing. And a program goal may address the needs of multiple constituencies. Again, as an example, expanding the supply of affordable housing offers programs for both first-time homebuyers and renters needing assistance.

MaineHousing programs and the benefits to our constituents are described in greater detail in Program Descriptions on Page 20.

Alternative Delivery Systems

MaineHousing works with two major groups: our clients and our partners. MaineHousing clients include those experiencing homelessness, struggling with the affordability of housing and housing-related expenses, in need of home repair, or interested in purchasing their first home. MaineHousing does not generally provide direct services, instead relying on a diverse network of intermediate agencies and private institutions to provide those services to people living in Maine. These partners engage in contractual relationships with MaineHousing, receive primary and/or pass-through funds from MaineHousing, and provide the contracted services or resources to our clients. The exception is the Housing Choice Voucher program, which is directly administered by MaineHousing in those communities that are without a local housing authority to administer the program. At present, the HCV program is the only case in which MaineHousing provides direct service to clients. All other methods of delivery employed by the agency could reasonably be considered alternative. Below we focus attention on a few of the more recent or distinctive approaches that have been adopted.

Sheltering People Who Are Homeless

To serve those who are experiencing homelessness, MaineHousing works with existing shelters and other service providers around the state. At present, those include 38 providers with physical shelters and two providers offering homeless services without shelter options. Funding and oversight of these service providers is coordinated between MaineHousing, the Statewide Homeless Council, and the Maine CoC (Continuum of Care). The new development in this area, that truly is an alternative mode of delivery, is the establishment of a regional hub system for service delivery as part of our Homeless Response System Redesign that began in 2019. This provides each of 9 regions with a Hub Coordinator dedicated to establishing a command center approach for coordinating resources and tracking system wide outcomes, as opposed to the historic focus on individual program-level outcomes.

Community Action Agencies

For many years, Maine's ten Community Action Agencies have served as our primary partners in delivering programs that assist owners of substandard single-family housing with weatherization, fuel assistance, home repair, and a variety of other community services to meet their needs. Their local expertise in outreach and specific knowledge of the needs of low-income residents makes these community-based service agencies highly efficient conduits for targeted program delivery. Each of the Community Action Agencies is a licensed lending institution, allowing them to use our resources to provide loans, grants, or direct services to improve the homes of Maine residents.

Assistance to Older Mainers

MaineHousing is always looking for new approaches to serving our clients. This often takes the form of creative partnerships with organizations that can more efficiently target and deliver the services we want to provide. One such example is our partnership with Habitat for Humanity, Maine's Public Housing Authorities, and Community Action Agencies to deliver home modification services as part of our Community Aging in Place program. Through this partnership we harness

both the technical expertise and the community trust fostered by these organizations to better deliver the modifications needed for older homeowners to remain safe in their homes.

Media Matters

MaineHousing's approach to media and technology for increasing public awareness of our programs and services has evolved significantly in the past seven years. We have increased the number of social media platforms on which we have active accounts pushing out information, as well as taking advantage of ad space on those platforms for our marketing campaigns. Through the RFP process, we contracted with Rinck Advertising to increase public awareness of MaineHousing programs through marketing campaigns that take full advantage of E-advertising and programmatic search. The returns on this investment are evident both in the flow of new visits to our website and in the tracking of how often those who visit our website via an ad for one program will then be diverted to other program applications.

Homeowners Assistance Fund

Lastly, MaineHousing was asked to take over the administration of the Homeowners Assistance Fund (HAF), a COVID-19 relief program for distressed homeowners, which was struggling to identify recipients and thus allocate the funds to those in need. We are now on track to distribute the full amount of the grant by early 2024. We accomplished this largely via our partnership with the aforementioned Community Action Agencies and an aggressive marketing campaign to ensure homeowners were made aware of eligibility. However, we also expanded the slate of partners we worked with to deliver this program beyond our usual suspects. We partnered with AARP for targeted marketing to older homeowners. Even more importantly, we brought in the Immigrant Resource Center of Maine, Coastal Enterprises, Inc., and Prosperity Maine to serve in much the same role as our Community Action Agencies. This successfully turned around what had been a faltering program to achieve the desired program outcome.

We are satisfied with past innovations in program delivery. We take pride in our ongoing vigilance for more effective means to further our mission of ensuring safe, warm, and affordable housing for all Maine people.

Emerging Issues

Many of the emerging issues that have an impact on our agency’s work are the same ones that we have discussed in earlier Government Evaluation Act reports. Maine’s range of issues has not fundamentally changed, though in many cases they have grown more acute over the past seven years. The aging population, limits to Federal funding, and challenges around homelessness were outlined in earlier reports and have not diminished as challenges. Given the nature of our business, MaineHousing is especially affected by macroeconomic forces, such as interest rates, the broader real estate market, and construction costs, all of which are out of our control and which have added to our challenges.

The emerging issues are not, however, all negative. Thanks to the efforts of the Legislature and the executive branch, Maine has, since 2019, made a greater public commitment to affordable housing than ever before, resulting in both a significant uptick in production and the longest production pipeline in MaineHousing’s history.

This section contains a discussion of these and other emerging issues that are prominent, and which we expect to see dominate Maine’s housing sector in the coming years.

Supply and Affordability of Housing

Ask anyone in Maine to describe the current supply of available housing and, at least for people who do not already own their homes, the answers will probably be either “not enough” or “too expensive”. These concerns reflect the hard truth faced by both homebuyers and renters. As in most other states, housing production in Maine has seriously lagged since the Great Recession, resulting in a shortage of units and soaring prices that are reflective of that scarcity.

In order to better understand and quantify the depth of this housing shortage across Maine, a major housing supply and production goal study was commissioned by MaineHousing, the Governor’s office of Policy Innovation and the Future, and the Department of Economic Community Development. The report was released in October 2023³. This new research, conducted by HR&A Advisors, Inc., determined a need for around 80,000 new units by 2030 if the state is to remedy historic underproduction and create enough new housing of all types to accommodate the anticipated workforce and population growth needs of the next several years.

While intensity varies by region, the study confirmed that homes are becoming less affordable and harder to find all across Maine. Demand-side drivers, including sudden in-migration during the height of the COVID-19 pandemic and a declining labor force from aging households, are impacting the number of homes Maine needs. Maine experienced increased in-migration from out of state in recent years, concentrated in York and Cumberland Counties but distributed across the state. These in-migrants have higher incomes on average than existing Mainers and are able to pay more

³ [State of Maine Housing Production Needs Study \(mainehousing.org\)](https://mainehousing.org)

for homes. Maine has also experienced a surge in households seeking asylum, who generally have very low incomes in the short-term as they await federal work authorization.

At the same time, Maine's population is aging, resulting in a declining labor force. This impacts both the types of homes needed to accommodate a retiring population, as well as homes needed to enable employers to attract more workers to the state to fill open job positions. Over the past decade, Mainers 55 and over have grown as a share of the population, and labor force participation among this group has significantly dropped.

These demand-side drivers are exacerbated by supply-side challenges, namely Maine's aging housing stock and low housing production over the past decade. As the housing stock ages, the share of homes that are unavailable to be occupied due to poor condition has increased. The percentage of substandard homes also has implications for energy efficiency.

Maine has had low housing production relative to job growth across all regions, but the problem is particularly acute in the Coastal Region, which is a key measure of housing supply issues. Both the Central Western and Northeastern regions have seen total housing inventory decline slightly since 2016. The state has also seen a decline in rental homes across all regions, which runs counter to the trend in almost every other housing market in America and is likely exacerbating Maine's workforce challenges, as workers in entry-level and lower wage positions often require rental housing options. Finally, the consistently high demand for seasonal homes means that Maine has historically required a higher number of homes relative to the number of year-round residents and available jobs than in states with lower seasonal demand.

Homelessness

Housing affordability and consequent rates of homelessness remain an ongoing challenge in Maine and were noted in earlier GEA reports. This, however, is also an emerging issue in the sense that the homeless crisis has continued to expand despite unprecedented levels of new investment and support for programmatic solutions. This is not a situation unique to Maine, but it has recently become far more visible in our communities and public discourse.

Ongoing pressure on housing availability and affordability has been dramatically compounded by pandemic-related relocations to Maine of households with resources beyond those of the average Mainer. This has contributed to rapid inflation of market-rate rents. Meanwhile the home buying power of Mainers earning at or near area median incomes has been undercut by the influx of more affluent in-migrant homebuyers, who in recent years have been able to outbid, often in cash, lower income residents who may have previously found a pathway to homeownership via MaineHousing's First Home loan products.

This inflow of domestic migration is compounded by increasing numbers of asylum-seeking immigrants, largely fleeing persecution and violence in their native countries in central Africa. This inflow of migrants puts particular pressure on the already strained shelter resources and long-term supportive housing infrastructure in Maine. Most migrants have, at least until they receive work authorization, extremely low incomes, as well unique cultural and language needs. While there is no question that the arrival of these families offers a major opportunity for Maine in the long run, the short term challenges of unpredictable and sizeable numbers of people coming to the state are

substantial. This is a population that is generally ineligible for federally-funded housing benefits, so while they are largely unrepresented in MaineHousing's programs, supporting new Mainers is a growing challenge for communities and state government.

Numbers in our most recent Point In Time count (PIT), a HUD-required annual count of all homeless individuals conducted each January, showed an alarming increase from 2022 to 2023. However, ongoing pandemic conditions, related programming, and questions about how to measure outcomes consistently put caveats on that contrast. In 2023, people staying in hotels funded by General Assistance and the Emergency Rental Assistance Program were again included in the PIT, representing 2,124 of the sheltered total in 2023. The 2023 PIT also reflects the aforementioned influx of asylum-seeking immigrants, who very often must rely on shelter resources until they receive work authorization. The flow of asylum-seekers, as represented by court notices to appear, has increased dramatically in each of the previous two years. Even if the flow stabilizes, it represents a significant new development in the demand for shelter resources and housing infrastructure.

Some portion of the upward trending homeless numbers in Maine may be an unintended consequence of an improved capability to accurately identify and count those that are without permanent housing. For example, one aspect of our improving data practices and technology is the construction of a by-name list as part of the Homeless Response System redesign that began in 2019. In 2023, for the first time, those conducting the count in the field had access to a mobile application that not only enhanced the accuracy of the count by preventing duplication, but also improved processing and turn-around times for the final tally.

The implementation of quicker and more detailed data access will offer an expanded and more urgent understanding of where the resources to combat homelessness can be best applied, helping us guide both emergency response and long-term investment.

Threats to the HOME Fund

The Housing Opportunities for Maine (HOME) Fund has been the state's primary contribution to MaineHousing's programs since it was established. The fund is capitalized by a transfer of resources from the Real Estate Transfer Tax, and was created in 1982 to provide MaineHousing with a flexible financial resource to address various affordable housing needs. MaineHousing applies these funds directly to Maine's affordable housing challenges. The agency does not use any money from the HOME Fund for salaries or administrative costs – 100% of the proceeds go to programming.

The key characteristic of this fund is its flexibility. MaineHousing can use the revenues for a wide variety of housing initiatives that might not otherwise have adequate funding. Funds are also used to meet emergency housing needs, from down payment assistance for first-time homebuyers, assistance to shelters, home repairs for low income households, replacement of outdated and distressed mobile homes, lead abatement, and emergencies.

The HOME Fund is the agency's only source of flexible revenue. The Legislature has, on different occasions (prior to the 130th Legislature), regularly diverted funds from the HOME Fund for various needs. While these de-appropriations are difficult to absorb, they have always been one-time diversions. Recently, however, two legislative measures were enacted in the 130th Legislature over

MaineHousing’s vocal objections, that we see as serious threats to the fund: the State Property Tax Deferral Program and LD 484.

1. The State Property Tax Deferral Program⁴ allows “certain individuals to defer (postpone) payment of the property taxes on their homesteads until they pass away, move, or sell their property. During the period when the taxes are being deferred, the State reimburses the municipality for the deferred taxes. The deferred tax, plus interest, is then required to be repaid to the State by the individual or their estate when they pass away, move, sell the property, or move the property (if mobile or floating home) out of Maine.”

While this program was initially funded using resources from the Maine Jobs and Recovery Plan, it is scheduled to be supported in the coming years by funds diverted from the HOME Fund. And while this is ultimately designed to be a revolving fund, we are greatly concerned about what might happen if this program starts to grow. We are concerned that this program will reduce funds available for other HOME Fund purposes. We are concerned that with the end of Senator Stewart’s property tax relief program, this fund will receive additional pressure.

2. LD 484 “An Act to Change Maine’s Tax Laws” was a bill that proposed to increase the HOME Fund’s share of the Real Estate Transfer Tax by 25%, and then to designate the increased revenue to directly support housing production. The bill was ultimately funded off the table but with a critical difference: overall HOME Fund revenue was not increased, yet the requirement that 25% of the Fund be used for production was maintained, resulting in a new mandate that 25% of the HOME Fund be permanently designated for housing construction.

The Agency has used HOME Fund resources for production at various times in the past, but only after the other critical programs were funded. We often have many sources for production subsidy, but only one unrestricted source – the HOME Fund. As we work on our current resource allocation for 2025, the HOME Fund is projected to be around \$8 million lower than it was last year. By forcing 25% of these flexible funds to be used for production, we have found that other programs, from our community solutions grants, to our lead program, will need to be cut back.

These two legislative measures both present long-term threats to the HOME Fund, and though they support important programs, we would urge the Legislature to explore alternative ways of funding them, simply because of the critical programming and irreplaceable funding for MaineHousing’s work that is provided by the HOME Fund.

Need for Continued State Support

The State of Maine has made an unprecedented public investment in affordable housing since the last GEA Report. Amounting to nearly \$250,000,000 this has led to a very high level of housing

⁴ [State Property Tax Deferral Program](#) | [Maine Revenue Services](#)

production since 2019 alone, as well as the agency's deepest pipeline ever. As of October 2023, there are close to 4,000 affordable units in underwriting or construction.

Major sources of new affordable housing investment from the State of Maine:

- Release of Senior Affordable Housing Bond (2019): \$14.5m (plus \$500k for weatherization)
- Creation of State Affordable Housing Tax Credit: \$72m (plus \$8m for preservation)
- Creation of Affordable Homeownership (Construction) Program (MJRP): \$10m
- Creation of Rural Affordable Rental Housing Program (MJRP): \$10m
- Funds to leverage federal low-income housing tax credits (MJRP): \$30m
- Refinance of 2009 housing bonds: \$38.3m
- New funding for Rural Affordable Rental Housing Program in current biennium: \$35m
- New funding to leverage federal low-income housing tax credits in current biennium: \$35m

This extraordinary level of new production funding has transformed MaineHousing's ability to create units. At the same time, it is critical to note that *all* of these new funds (with the exception of the new program established by the 131st Legislature for Housing First) are strictly one-time or short-term in nature. The State Affordable Housing Tax Credit has the longest horizon of all of these sources and will be exhausted in 2028, and most of the rest of the funding outlined above will have been used or allocated by the end of the current biennium.

We see this as a critical issue. The Legislature has been clear in its desire to see more affordable housing. In order for that to happen after this biennium, it will be necessary to continue to focus on finding sources of subsidy to create it.

In summary, while steady headway is being made on both increasing the supply of affordable homes and increasing resources for those experiencing homelessness, MaineHousing anticipates the state's attractive quality of life, its advantages from a climate perspective and relative affordability, compared to other rural localities within New England, will continue to drive domestic migration into Maine. This means that Maine will continue to see high prices and scarcity of available housing, unless the impressive investments of the past five years are taken as no more than a good first step.

Other Requested Information

No additional information has been requested by the Committee.

Rules and Compliance

MaineHousing Privacy Policies

Agency Policies for Collecting, Managing, and using Personal Information over the Internet

The state and federal laws governing MaineHousing deem confidential:

- tenant application information,
- individual financial information statements submitted in connection with mortgage applications,
- applicant information or statements of financial condition or information provided for services related to the weatherization, energy conservation, homeless assistance, or fuel assistance programs,
- the address of a shelter or other living accommodations for victims of domestic violence, and
- certain employee information and information for individuals applying for jobs at MaineHousing.

MaineHousing complies with the federal Privacy Act of 1974 and the privacy policies of federal agencies that provide funding for our programs. Those policies are incorporated into the various forms and applications we use. They are not included here but are available if the Committee would like to see them.

Included in this section are MaineHousing's policies for collecting, managing, and using personal information over the internet and non-electronically:

- Acceptable Use Policy and Procedures

While acting to protect the privacy of those we serve, MaineHousing also complies with the spirit, as well as the letter, of Maine's disclosure laws.

MaineHousing Website Privacy Policy

This policy pertains exclusively to the collection of personal information on the MaineHousing web site, which is controlled, operated, and maintained by MaineHousing personnel. MaineHousing understands the importance of protecting the privacy of visitors to our web site, and therefore does not collect personally identifying information about you, such as your name, address or telephone number, unless you voluntarily provide the information to us.

Public Disclosure

The information you provide voluntarily will be treated in the same manner as information provided in written form and is subject to the general confidentiality, public inspection, and legal discovery provisions of 1 MRSA Chapter 13.

Cookies

MaineHousing's web site does not use cookies to track your visits to our web site.

Information We Collect

MaineHousing may collect some or all of the following information from server logs about visitors who view or download information from our web site. This information does not identify you personally. Below are definitions of the information that we collect.

- **Date:** Date the visit occurred.
- **Time:** Time the visit occurred
- **Client IP:** Unique Internet Protocol (IP) address of the web site visitor. The IP address is normally that of the visitor's Internet service provider.
- **Server IP:** Unique Internet Protocol (IP) address of the web server that was accessed.
- **HTTP Request URL:** Identifies the web page or file requested by the web site visitor during that connection.
- **Bytes Sent:** Amount of data send from the web server to the web site visitor during that connection.
- **Bytes Received:** Amount of data sent from the web site visitor to the web server.
- **User Agent:** Type of web browser or other client software that made the request to the web server.
- **Referrer:** Uniform Resource Locator (URL) that referred to the requested file.
- **Protocol Version:** Version of HTTP used by the visitor's web browser software.

MaineHousing collects this information to help us analyze trends and make our site more useful to visitors. The information on the web site logs is not personally identifiable, and we make no attempt to link it with the individuals that browse our web site.

Personally Identifiable Information

Personally identifiable information is information about a natural person that is readily identifiable to that specific individual. It includes, for example, a person's name, street address, email address, fax number, or telephone number. We will not collect any personally identifiable information about you through our web site, unless you voluntarily use our site to send us an e-mail message, participate in a survey, or fill out and send an on-line form. Your choice not to engage in these activities will not impair your ability to browse our web, read, or download any information provided on the site.

If You Send Us an Email

You may choose to provide us with personally identifiable information in an email message. Your email message and address may be forwarded to another agency for response or other action if appropriate. We strongly discourage visitors from including identifying information, such as Social Security numbers, federal employer identification numbers, or bank account numbers. Email addresses obtained as a result of making a request to our site will not be sold or given to private companies for marketing purposes.

Security

While MaineHousing has instituted security measures to protect the information and systems that we maintain, it cannot guarantee that all transmissions to and from the MaineHousing web site are secure. Emails that you send to MaineHousing may be subject to interception. If your communication includes personal information that you do not wish to provide electronically, please contact MaineHousing by postal mail or telephone.

Disclaimer for External Links

Our web site contains links to other web sites that are not owned, operated, controlled, or reviewed by MaineHousing. When you link to another site, you are no longer on our site and are subject to the data collection activities and private policies of that web site. We encourage you to read the privacy policies of web sites reached through the use of links from the MaineHousing site. Specific questions regarding information on off-site pages should be directed to the appropriate organization. Links from MaineHousing web site to other web sites do not constitute or imply an endorsement or recommendation by MaineHousing.

Disclaimer and Liability Notice

This web site is intended to provide general information to the public. The information in this web site is dynamic and will change over time. Portions of such information may be incorrect or not current.

MaineHousing shall not be held liable for improper or incorrect use of the information contained in this web site. Neither MaineHousing nor any of its employees makes any warranty, expressed or implied, including the warranties of merchantability and fitness for a particular purpose, or assumes any legal liability or responsibility for the accuracy, completeness, or usefulness of any information, apparatus, product, or process disclosed, or represents that its use would in infringe on privately owned rights.

Any person or entity that relies on any information obtained from this site does so at his or her own risk.

Changes to Privacy Statement

Advances in technology, legal developments, and new policies and practices may necessitate the need to change or update this privacy statement from time to time. We reserve the right to change this statement without notice. It is the responsibility of the user to check this page for any changes.

Questions or Complaints

If you have specific questions about this privacy statement or complaints about the MaineHousing web site, please contact:

Webmaster
MaineHousing
26 Edison Drive
Augusta, Maine 04330
Voice: (207) 626-4605
Email: webmaster@mainehousing.org



Information Resources Acceptable Use Policy

INTRODUCTION

MaineHousing relies on computer technology that is powerful and far-reaching to facilitate our ability to serve clients throughout the state of Maine. Every day, our information systems process, store, and transmit confidential client information and sensitive data. Securing this data and using care when it is accessed reduce the chances of harm.

Everyone at MaineHousing, as well as MaineHousing agents and contractors, shares in the responsibility for maintaining the security of our information systems, data, equipment, and processes. The purpose of this document is to help you understand what you need to do in order to comply with MaineHousing's expectations for protecting our computer technology as well as our client's information.

For future reference, a copy of this Acceptable Use Policy can be found on the MaineHousing intranet site.

WHAT ARE "INFORMATION RESOURCES"?

The Information Resources covered under this Acceptable Use Policy include both computer technology and confidential information.

Computer Technology: the equipment, systems and networks used to acquire, process, transmit, and manage the information required to accomplish MaineHousing's mission, programs and services. This includes all MaineHousing-managed:

- computers, servers, and networking equipment,
- hardware and software,
- desktop computers and desk phones,
- portable data storage devices, such as CD's, DVD's, USB drives, and mobile devices, such as laptops, tablets and smart phones.
- **Confidential Information:** protected or proprietary knowledge regarding MaineHousing's clients, staff and business.
- **Protected information** is any data that can be used to distinguish or trace an individual's identity. Maine State Statute specifically defines confidential information regarding applicants and clients participating in MaineHousing programs. MaineHousing must comply with other laws and agreements which govern management of confidential employee and/or financial information.
- **Proprietary information** is data about MaineHousing's operation that could lead to breaches of security or degradation of services, such as network diagrams, server configurations, or account access information (e.g. passwords).

MAINEHOUSING'S RESPONSIBILITY

In most organizations, an Information Security Officer (ISO) is responsible for coordinating information security programs and activities to ensure that compliance is maintained. Because no one person at MaineHousing performs all of the responsibilities of the ISO, an Information Security Committee (ISC) has been formed. Membership of the Committee includes the Director of Audit and Compliance (chair), the Information Technology (IT) Director, the IT Manager, and the Systems Engineer. The responsibilities of the Information Security Committee include:

- ensuring that appropriate processes are implemented to identify, measure, monitor, and control information security risks, and
- implementing security recommendations and changes resulting from compliance reviews, information technology audits, and third-party vulnerability assessments and penetration tests.

YOUR RESPONSIBILITY

It is your responsibility to read, understand, and comply with the Information Resources Acceptable Use Policy. Misuse of these Information Resources can result in damage to the reputation of MaineHousing, lead to legal liability, and trigger excessive support costs. Violation of these policies may result in disciplinary action up to and including termination of employment. Additionally, violators may be subject to civil and criminal prosecution.

Keeping confidential information secure is an obligation mandated by state and federal laws, along with contractual agreements between MaineHousing and its partners – and it's the right thing to do.

If you have any doubt or questions on any aspect of the security of our computer resources or confidential information, don't hesitate to ask your manager, the IT HelpDesk (helpdesk@mainehousing.org), the IT Director, or any member of the Information Security Committee.

In a constantly changing technical environment, it is critical that everyone understands and follows the rules for utilizing technology and handling information.

INFORMATION PROTECTION

Personally Identifiable Information (PII) is any information about an individual that can be used to distinguish or trace an individual's identity. PII is also any other information that is linked (or linkable) to an individual, such as medical or financial information.

Examples of PII include, but are not limited to:

- any information provided by applicants or participants in MaineHousing programs (including information provided by third parties working on behalf of an applicant/participant),
- personal identification numbers, such as social security number (SSN), passport number, driver's license number,
- financial account or credit card information, including account numbers, card numbers, expiration dates, cardholder name, or service codes,
- healthcare / medical information disclosed to MaineHousing,
- names and addresses of clients participating in MaineHousing programs or on waiting lists, or
- the address of a shelter or other living accommodations for victims of domestic violence.

The format that the information is in **does not** matter! Paper records, electronic files, voice mail messages and email can all contain confidential information.

INFORMATION PROTECTION EXPECTATIONS

Any confidential information that leaves the premises must be encrypted or be handled by a secure delivery process. This includes emails, email attachments, CDs, USB drives, laptop drives, cell phones and other portable devices that contain files and emails with confidential information.

Do not disclose or discuss any confidential information about clients or employees to anyone outside of MaineHousing unless specifically authorized by your manager.

WAYS TO PROTECT PERSONALLY IDENTIFIABLE INFORMATION

- Access only the confidential information that relates directly to your job responsibilities. You must have a business justification when accessing any confidential information.
- Do not discuss client information with others unless it is required for you to perform your job responsibilities.
- Do not send confidential information via e-mail unless the data is encrypted using a secure method.
- Never take confidential information off premises unless specifically authorized to do so by your manager. If you are authorized to take confidential information off premises, you must use encrypted media (e.g. encrypted flash drives, CD's or DVD's) provided by Information Technology.
- Never record, take pictures of, or capture screen-shots of confidential information.
- Paper copies of confidential data are just as important to protect as electronic versions:
 - Remove all documents that contain confidential information from printers and fax machines immediately.
 - Do not leave confidential files or paperwork on your desk or work area unattended, and do not leave confidential information out in the open during non-working hours.
 - Lock up or secure all files at the end of the day.
 - Shred (or place in a secure container for shredding at a later time) all paper documents containing confidential information that are no longer needed. Locked shredding bins are located on all floors of MaineHousing.
- Confidential information must be transported only by an employee, the US Postal Service, an authorized courier, or other "track-able" delivery services.

Reporting: If you suspect or become aware of a failure to protect personally identifiable information, notify your manager or a member of the Information Security Committee immediately. MaineHousing has strict reporting requirements to appropriate state and federal regulators if we believe a breach or potential breach has occurred.

E-MAIL

Regular email is NOT a secure way to transmit confidential information!

- Regular (non-secure) email should never be used to send or transmit confidential data – contained within the body of the message or within attachments – outside of MaineHousing.
- If a client or partner sends you an unsecure e-mail containing confidential information, DO NOT "reply" or "forward," as this action will re-send the information over the Internet. Compose a new email in response, and request that the sender find an alternative method of sending confidential data. If the sender repeatedly sends email insecurely, notify your manager and/or a member of the Information Security Committee to identify alternative ways of sharing information.

OTHER E-MAIL CONSIDERATIONS

The use of the MaineHousing's email system is intended for conducting business and as such, business email will be given first priority. Furthermore,

- Never use email to share confidential information with other users who are not authorized to access such information.
- Unless specifically authorized by MaineHousing management, you may not make any attempt to intercept, read, or access emails not specifically addressed to you.
- Always use your official MaineHousing email address when emailing yourself or others in the organization.
- You may not for any reason create anonymous or disguised email messages.
- Email to clients and other parties associated with the MaineHousing (such as vendors, partners) should be written professionally and courteously. You may not use email to harass, stalk, abuse, or otherwise violate the legal rights of others. You may not use email to make offensive statements based on race, color, religion, sex, sexual orientation, national origin, ancestry, age, disability, or familial status, or receipt of public assistance.
- You may not use your "name@mainehousing.org" email address as your contact information on internet sites used for personal purposes, such as shopping web sites, social media, or free/paid applications.
- You may not use MaineHousing's email system for the transmission of funding solicitations, requests for donations, or similar non-MaineHousing business purposes (whether initiated by you or forwarded from another source.)
- You may not send or forward bulk ("spam") emails or chain letters.

All messages created, sent, or received on the MaineHousing.org mail server are the property of MaineHousing and *may be regarded as public information*, based on MaineHousing's obligations under the Freedom of Information Act. MaineHousing has the right to review, examine, archive, retrieve, restore, investigate, and delete all email messages.

All communications, including text and images, can be disclosed to law enforcement or other third parties without prior consent of the sender or the receiver.

Do NOT put anything into your e-mail message that you would not want to see on the front page of the newspaper or be required to explain in a court of law.

RESOURCE PROTECTION

Information Technology Resources are designed and engineered to meet the business needs of MaineHousing. Careful use of the existing configurations and care in introducing new elements is essential to maintaining the productivity of the resources and of the staff who use them.

LOGGING IN AND LOGGING OUT

- You must log in under your assigned username and password regardless of the workstation you are using.
- When leaving your desk, even for short periods of time such as to go to the copy machine, lock your PC. When you return, enter your Microsoft Windows password to regain access to your work station.
- If you will be away from your desk for an extended period, such as lunch or to attend a meeting, exit active programs that access client information and then lock your workstation as indicated above.

PASSWORDS

- Never disclose or discuss your passwords, or anything about your passwords, with anyone, including clients, co-workers, friends, and family.
- When selecting a password, do not use familiar names, your name, the company name, a season, your child's name, or any terms that relate to you personally.
- Passwords must be at least 12 characters in length.
- You must use three of the four following requirements for creating a password:
 - English uppercase characters (A through Z)
 - English lowercase characters (a through z)
 - Numerals (0 through 9)
 - Special characters (such as % * \$ # @ = &c)
- Never write down a password and leave it in or on your desk, under your keyboard, or posted on your computer or wall.
- When you change your password, don't use a modified version of the previous password. Create a completely new one.
- You are required to change passwords when prompted, and you are not allowed to re-use the past several passwords that have expired.
- Unless special need is demonstrated and permission granted by MaineHousing management, no user will have more than one account to any system.
- If you think your password may have been compromised, notify the Information Technology Department immediately.

INSTALLATION OF HARDWARE AND SOFTWARE

Only equipment and software that has been approved by the Information Technology department may be installed or attached to MaineHousing's system.

- Installing software (via download from the internet or from removable media such as a DVD, CD, or USB sticks) can interfere with the business use of the device. Installation can also introduce destructive malware capable of compromising or destroying confidential information. Web browser add-on installations can be solicited by web sites, and updates can be solicited by software already installed via the use of pop-ups or banners. Any installation is prohibited. If you need specific software installed for business purposes, contact IT at helpdesk@mainehousing.org.
- Hardware and software configuration settings on equipment provided to you should not be changed without the approval of IT.
- Attaching any new peripheral devices (such as a mouse or keyboard) requires prior approval by IT.
- Protection tools /scanners implemented by IT may not be disabled. Information Resource systems are furnished with software and processes intended to prevent and mitigate intrusion by malware, viruses and other destructive applications which attack to damage systems or to steal information. These protection tools may result in diminished system performance, but are an important tool in protecting us against attacks.
- Never, under any circumstance, test suspected security weaknesses on MaineHousing computer systems.

ACCESS RESTRICTIONS

MaineHousing employees, as well as agents and contractors, are only permitted access to areas of Information Resources appropriate to their job requirements. Requests for initial access to MaineHousing-managed systems, as well as adjustments to that access, will be made by your manager. Access to resources is then achieved based on assigned user credentials, such as a username, password and optionally, a hardware security token.

- The sharing of credentials is not permitted. You may not use the user name / password assigned to someone else. In addition, leaving your credentials visible in plain sight or “hidden” in an obvious place is prohibited.
- You are prohibited from accessing or attempting to access Information Resources that are not specifically required to perform your job functions. If you inadvertently enter an unauthorized site or access unauthorized information (such as a folder, document, or database), end the access immediately, and report the event to your manager or a member of IT.

PIRATED, STOLEN, UNLICENSED SOFTWARE

As stated above, equipment and software must be approved by IT before they may be installed or attached to MaineHousing Information Resources.

- You are forbidden from copying software in violation of the software’s license agreement.
- Always assume that all software on computer systems is subject to a licensing agreement which prohibits copies. Licensing offered as “free” may apply only to personal, non-business use on home computers.
- The installation or copying of software (including backup copies expressly allowed in the license agreement) may only be performed by Information Technology staff or individuals given specific authorization by Information Technology.
- You are not allowed to use or install any software on MaineHousing equipment that has been stolen, unlawfully copied, or is not properly licensed.

CARE AND SAFETY OF PORTABLE ELECTRONIC DEVICES

Be extremely careful how you handle Laptop computers, CDs, DVD’s and USBs (thumb drives, memory cards, memory sticks) or any other media that contains confidential information.

- Portable storage devices should always be secured and properly stored when outside MaineHousing. Never take portable data storage devices home with you unless you are specifically authorized to do so by your manager, and you have a secure place at home to store them. If you are authorized to take confidential information off premises, you must use encrypted media (e.g. encrypted flash drives, CD’s or DVD’s) provided by Information Technology.
- Never dispose of portable data storage devices by putting them in the trash. Turn them over to the IT Department for safe disposal.
- Always consult with IT staff to ensure proper safeguards are installed and configured on portable storage devices. Only equipment and software that has been approved by IT may be attached to or installed on MaineHousing Information Resources.
- Make sure CD drives and USB ports are not easily accessible to clients. For example, if clients sit in your office or near your desk, they shouldn’t be able to easily reach your drives or ports. If your PC screen is situated so that clients can easily view it, relocate the screen to a less visible place.
- Portable data storage devices must be secured and kept out of sight, even if you work in an area that is closed to the public.
- Portable devices are to be returned to MaineHousing and secured when you are on leave or on other extended absences.

OTHER INFORMATION AND RESOURCE PROTECTION CONSIDERATIONS

- Name your computer files with clear, concise, and descriptive names.
- Always save your work to the file server which is backed up daily. Do not save to your local hard drive.
- Save your work frequently. For example, spreadsheets and word processing documents should be saved every five minutes or so, or more often if an important calculation or process has occurred.
- Exercise care to prevent physical damage. Make reasonable efforts not to spill food or drink on keyboards, monitors, pointing devices, and other computer components.
- Avoid piling materials such as paper or books on or around the system, especially near ventilation fans.

THE INTERNET

All of us are connected to the Internet, and in order to protect our information resources, MaineHousing:

- blocks access to Internet sites deemed to contain materials inappropriate for the workplace, and
- prevents electronic mail transmission or receipt of inappropriate materials.

Determination of what is inappropriate for the workplace is at the discretion of MaineHousing's Director and subject to change without notice. If a blocked site is needed for business reasons, you may request access by sending an e-mail to helpdesk@mainehousing.org with the business justification for accessing the site. Approval by the Director may also be required.

INTERNET CONNECTIONS

Even though IT has implemented a strong system perimeter, it is important that you exercise caution when accessing the Internet from your PC or company issued cell phone

- When visiting a website, be cautious about entering MaineHousing, client, or personal information.
- Similar to email, Internet access utilizing MaineHousing Information Resources is for business purposes. Activities on the Internet that are clearly offensive are prohibited. You may not:
 - engage in non-professional chat groups,
 - use social networking sites, except for approved MaineHousing business use,
 - download or post any material, documents, or files of any sort that are pornographic, sexually-oriented, violent, racist, threatening, unlawful, or contrary to MaineHousing's policies,
 - violate copyrights or intellectual property laws,
 - harass, stalk, abuse, or otherwise violate the legal rights of others,
 - make offensive statements based on race, color, religion, sex, sexual orientation, national origin, ancestry, age, disability, familial status, or receipt of public assistance,
 - violate the privacy and confidentiality of others, including clients,
 - disguise your identity or forge the identity of others,
 - attempt to circumvent any controls implemented by MaineHousing,
 - use another person's password or account without the permission of that employee's manager,
 - gamble, or
 - engage in any activities which violate local, state, or federal laws.

If your PC or company issued cell phone performance noticeably degrades over the course of the day, it may be an indication that spyware or some other software agent has been downloaded from the Internet to your workstation. Immediately contact the IT Department.

CYBER CRIME PREVENTION

Phishing is a form of fraud in which the attacker masquerades as a trustworthy entity or person. The attacker uses phishing emails to distribute malicious links or attachments, or directs users to enter personal information at a fake website which matches the look and feel of a legitimate site.

Consider these **Red Flags** each time you receive an email, and do not open or click on the link if:

- The sender is not someone I know or normally communicate with.
- I know the sender, but the message has an unusual “from” or “reply to” address.
- The sender is requesting I take urgent action, such as clicking on a link or opening a file. But when I hover over the link, the destination looks odd or doesn’t match the link text.
- The message is sent to a random group of people.
- If they’re sending me a file, they use a file transfer service they don’t normally use.
- The message has files attached that the sender would not usually send to me. Look for words like “payment form” or “verify account.”
- The message contains only links with very little other information.
- The message was sent outside of normal business hours.
- I have an uncomfortable sense or feeling that something doesn’t seem right.

Social Engineering is another form of fraud and is defined as the act of tricking someone into divulging information or taking some action, usually through technology.

- You get a phone call from someone claiming they are from the IT Department and they need your password to fix a malfunction.
- A visitor to your work area observes you when you enter your password.
- A co-worker casually requests your password for what appears to be a legitimate business reason.
- Someone you know engages you in a seemingly innocent conversation about MaineHousing’s security.
- Be aware of anyone who voluntarily offers their password to you; this could be part of an elaborate scheme to gain fraudulent access to information or systems.
- If you receive a suspicious phone call, verify the validity of the request before taking any action.

Immediately report all instances of suspected phishing and social engineering attempts to your manager or to a member of the Information Security Committee.

VIRUS PREVENTION & REPORTING

You are MaineHousing’s first line of defense in preventing the spread of viruses!

- NEVER open email attachments that arrive from an unknown or unrecognizable source.
- Do not reply to a suspicious email, and do not call any phone numbers listed in the email. Instead, pick up the phone and call the sender using a trusted phone number to verify validity of the email.
- Never attach or install electronic media that has not been scanned for viruses and approved by Information Technology. This media includes, but is not limited to, demo software from vendors or other portable media received in the mail as part of a promotion or with product sales information.
- In the event you click on a malicious link or believe your computer has been infected:
 - Leave the system in exactly the state it was in when the apparent virus event occurred in order to preserve any evidence of the effects of the virus; make no attempt to remove the virus.
 - Notify the IT Department *immediately*. Pick up the phone and call any member of IT. If no answer, do not leave a message. Keep calling different IT staff members until you are able to speak with someone personally. The MaineHousing switchboard can also help connect you if needed.

OTHER EXPECTATIONS

ADDITIONAL CONSIDERATIONS FOR TELEWORKING

This Acceptable Use Policy is also applicable when you telework or conduct MaineHousing business from your home computer system. If you are not able to comply with any of the teleworking policy items below contact the IT Helpdesk to identify a resolution that will ensure compliance.

- All remote access sessions must be conducted via the MaineHousing Citrix Secure Gateway by using <https://portal.mainehousing.org/vpn/index.html>
- Do not send emails containing PII to or from your personal email account, or to another person's personal email account.
- Do not use email or cloud storage services to transfer any MaineHousing document or business files to or from your home computer.
- Do not print confidential agency records on your home printer.
- Never use your personal email to conduct official business.
- Confidential data may not be sent by regular (unencrypted) email or transported on an unencrypted portable device.
- Lock before you walk, just like in the office. If you will not be using your telework session for an extended time, close out of the Citrix session.
- MaineHousing will only assign one set of IT equipment to an employee, this may include a PC or laptop/docking station, keyboard, mouse, webcam, headset or monitor(s). The equipment provided will be based on each employee's unique business need.
- Family members and friends of teleworkers are not authorized to use MaineHousing equipment.
- If you have been issued a MaineHousing cell phone, you should establish auto connect to your home Wi-Fi when teleworking to minimize cellular data charges.
- If you use personally owned equipment to telework, you have a responsibility to maintain security on your home computer or laptop used to access MaineHousing resources. You must:
 - Use a currently supported operating system.
 - Apply current security patches to your home computers.
 - Always have virus protection software running with the latest version installed.
- You are responsible for any additional costs associated with teleworking (e.g. internet access fee, desk or chair). MaineHousing's Information Technology Department will not provide support for teleworking equipment owned by employees.
- If you must take paper files home or off-site:
 - Obtain authorization from your manager to remove electronic or hard copy documents containing PII from the workplace.
 - Maintain an inventory of information to be removed that allows for data breach reporting or notification of affected individuals or regulators should a compromise or loss occur.
 - During transport to and from your home: place files in a closed container (for example, in a sealed envelope, locked brief case) with a clearly visible and distinct MaineHousing return address. Place materials in a locked trunk if possible.
 - Secure hard copy PII while working off-site (for example, in a locked home office, file cabinet, drawer, or hotel safe.) Ensure that other household members cannot access them.
 - Shred any printed materials containing Personally Identifiable Information at home, or they must be brought back to MaineHousing for disposal in the appropriate shredding bins. Never dispose of confidential materials in your household trash.

PERSONAL USE OF INFORMATION RESOURCES

Although employees have no expressed or implied right to use MaineHousing's Information Resources for personal use, **limited** personal use of MaineHousing's Information Resources is permitted. However, MaineHousing expects personal use to be reasonable and reserves the right to limit personal use, with or without cause or notice at any time.

Personal use may be terminated or restricted when such use:

- conflicts with the employee's ability to perform his or her job,
- puts MaineHousing Information Resources at risk in any way,
- hinders the performance of the systems,
- does not conform to MaineHousing mission/values, or
- is considered by MaineHousing management to be in violation of any portion of this agreement.

All storage of personal information, files, photos, etc. within MaineHousing's Information Resources will be managed as MaineHousing deems appropriate. If it is considered necessary by Information Technology personnel for the safe and secure operation of the information resource system, MaineHousing may delete any stored personal information at its discretion and without notification to the employee.

MaineHousing is not responsible for ensuring the confidentiality of personal information stored on its Information Resources by employees for their personal use. MaineHousing does not imply or express any warranty regarding its Information Resources used for personal purposes and is not liable for any damages, consequential or otherwise, incurred by any employee in their personal use of the computer systems.

MONITORING AND PRIVACY

- **Monitoring of Computer Resources and Internet Usage.** MaineHousing has the right to monitor and log any and all aspects of usage of its Information Resources and Internet connections, including but not limited to Internet web sites, chat rooms, forums, social site and newsgroup visits, file downloads, application use, and sent or received communications.
- **No Expectation of Privacy.** Employees and other authorized users are provided Information Resources, including Internet access, to assist them in the performance of their assigned duties. Users should have no expectation of privacy in anything they create, store, view, send, or receive using MaineHousing's Information Resources.
Information Resources are the property of MaineHousing and may be used only for MaineHousing purposes. Anything stored on Information Resources is subject to legal discovery and freedom of information processes.
- **Waiver of privacy rights.** Users waive any right of privacy in anything they create, store, execute, view, send, or receive using MaineHousing's Information Resources (including Internet access). Users consent to MaineHousing's access to and audit of all:
 - Information Resources and MaineHousing-provided equipment, software, and network connections wherever they may be located.
 - Information Resources settings for hardware and software.
 - Applications loaded and executed on Information Resources, and
 - All materials created, stored, viewed, sent, or received by users through any Information Resource or through any Internet (or other network) connection provided by MaineHousing.



I hereby state that I have received and read a copy of the Acceptable Use Policy for Information Resources and that I fully understand all of the provisions therein.

- I understand and acknowledge my personal obligations and responsibilities.
- I agree that I will not engage in any activity that may compromise the security of personally identifiable information.
- I agree that I will not engage in activity that may:
 - ✓ degrade the performance of Information Resources;
 - ✓ deprive an authorized MaineHousing user access to a company resource;
 - ✓ obtain extra resources beyond those allocated; or
 - ✓ in any way circumvent Information Resource security measures.
- I understand that MaineHousing reserves the right to monitor Information Resource activity and usage. My signature (electronic or physical) on this document signifies that I have consented to this monitoring.
- I further understand that violation of these policies will be handled in accordance with MaineHousing’s Employee Handbook. Additionally, I understand that I may be subject to civil and/or criminal prosecution if I violate these policies.

Acknowledged and agreed to by:

Printed Name: _____

Signature: _____

Date: _____

Required Reports, Applications, and Paperwork

Participation in all of MaineHousing's programs is voluntary. However, participation in any of those programs requires submission of specific applications, paperwork, and/or reports. Below is a brief description of the types of documentation that our departments require to participate in their respective programs.

Energy and Housing Programs

Energy and Housing Services administers income based programs for low- to moderate-income Mainers. The Energy Assistance Application is a single application which determines eligibility for the Low Income Home Energy Assistance Program, the Emergency Crisis Intervention Program, and the Low Income Assistance Plan. This application can also be used for the Central Heating Improvement Program (CHIP), the Heat Pump Program (HPP), and the HEAP Funded Weatherization Assistance Program (HEAP WAP).

Although the programs are streamlined into a single application, they carry a variety of different income qualifications. For most, the household must be at, or below, 150% of the Federal Poverty Level or 60% of State Median income, whichever is larger. However, for the Heat Pump Program and Department of Energy Weatherization assistance Programs, a homeowner may be considered income eligible if they are at or below 200% of the Federal Poverty Level. Our Home Accessibility and Repair program is available to homeowners who are at, or below, 80% of Area Median Income (AMI). Households seeking services from the Community Aging in Place program may be income eligible if they are at or below 100% of AMI and are 55+, but if utilizing HUD Older Adult Home Modification funding then the homeowner's income eligibility requirement is 80% AMI or less. Finally, the income requirement for assistance from our Lead Abatement programs is broad that the homeowner's income is 100% of AMI or less, with some additional restrictions possible if the residence is not owner occupied.

Housing Choice Voucher Program

Our rental assistance programs require applications and annual income certifications pursuant to federal law and regulation. Applicants for Housing Choice Vouchers are required to submit an application if they want to participate and respond to periodic requests for updates. We partner with Maine Public Housing Authorities to provide a centralized online application option so applicants only have to apply once and will be placed on each housing authority's Housing Choice Voucher waitlist.

Homeless Initiatives

Homeless Initiatives administers a variety of programming based on current funding levels and emergent need. Applicants to the Emergency Shelter and Housing Assistance Program (ESHAP) must meet requirements outlined in the Homeless Solutions Rule and specific program guide for that program. Providers applying for other funding through the Homeless Initiatives department must meet requirements set forth in RFPs and program guides for each respective program. These requirements are drawn from federal and state requirements, based on funding source, with frequent

additions imposed by MaineHousing. The totality of these requirements may necessitate a variety of reports and other documentation be submitted by participants in any given program.

Homeownership Programs

For our first-time homebuyer loans, a borrower applies to a participating lender on their forms and provides all of the routine paperwork required of any homebuyer. In addition, we require a borrower affidavit and a seller affidavit. For our First Generation homebuyer program we also require an attestation that the borrower's parents or guardians did not own a home or they were in foster care at some point during childhood. For our mobile home loans we require a security agreement, and, for a home in a park, a copy of the lease, and a lien notice. For our homebuyer loans with a home improvement loan included, we require an additional certification and escrow agreement.

Multifamily Development Programs

MaineHousing offers financing programs for the creation and preservation of multifamily affordable rental properties and supportive housing. Nonprofit and for-profit developers can use funds for the new construction and rehabilitation of rental units, or the adaptive reuse of properties used for other purposes to be converted to rental housing. All properties using our funding sources will be required to meet certain physical design, management, maintenance, and affordability standards. These projects often have very complex funding structures, having to comply with requirements of multiple sources. Developers apply directly to MaineHousing for tax credits, loans, and subsidy, and often have affordability obligations lasting as long as 45 years. MaineHousing will periodically review their operations, administration, and finances, and their projects must comply with our standards throughout the period of affordability.

Affordable Housing Tax Increment Financing Program

Municipalities that have an approved affordable housing tax increment financing program must annually certify that the purpose of the district is being met and that the housing units remain affordable.

Asset Management Reporting Requirements

Audited Financial Reports (AFRs) – Required by MaineHousing financed properties, usually with 20 or more units – MaineHousing reserves the right to require these submissions if it deems necessary for the well-being of the property.

Frequency – Annually, due 60 days after the close of the property's fiscal year. Compliance with this reporting requirement, in most cases, is coterminous with the loan discharge.

Statutory Authority & Implementation – This reporting requirement is driven by the funding source used to develop the property. In the case of tax-exempt bonds, the official statement provides assurance that MaineHousing will monitor the fiscal viability of the property. This requirement commences at the time of the permanent loan closing.

Filings Received –

- 2018 - 272
- 2019 - 259
- 2020 - 282
- 2021 - 290
- 2022 - 303

Actions To Reduce Redundancy – MaineHousing has established a method by which AFRs can be electronically submitted for review. This reduces the consumption of paper.

Property Operating Budgets – Required by MaineHousing financed properties, usually with 20 or more units – MaineHousing reserves the right to require these submissions if necessary.

Frequency – Annually, due 30 or 60 days prior to the commencement of the property’s fiscal year. Compliance with this reporting requirement is coterminous with the loan discharge.

Statutory Authority & Implementation – This reporting requirement is driven by the funding source used to develop the property. In the case of tax-exempt bonds, the official statement provides assurance that MaineHousing will monitor the fiscal viability of the property. This reporting requirement commences at the time of permanent loan closing.

Filings Received –

- 2018 - 261
- 2019 - 266
- 2020 - 274
- 2021 - 283
- 2022 - 289

Actions To Reduce Redundancy – MaineHousing has established a method by which Operation Budgets can be electronically submitted for review. This reduces the consumption of paper.

Owner/Tenant Certifications (Non-LIHTC Financed) – For those properties in this category that have a project-based Sec. 8 Housing Assistance Payment Contract, the occupancy information submitted through TRACS (see below) is sufficient to meet the reporting requirement. For LIHTC properties (see below), a single submission for both programs is acceptable if the submission contains the additional bond required information.

Frequency – Annually, due on the first day of the month represented by the last digit of the property number (e.g. 1 = January, 2 = February, etc.). This reporting requirement remains in place through the Qualified Project Period (QPP) of the property, which may exceed the maturity or discharge of the loan.

Statutory Authority & Implementation – This reporting requirement commences at the time of permanent loan closing and after full or an established percentage of occupancy at the property has been attained. This reporting requirement is driven by the funding source used to develop the property. In the case of tax-exempt bonds, the official statement provides assurance that MaineHousing will monitor the fiscal viability of the property. FedHOME funds precipitate the requirements for this reporting as described in the FedHOME Final Rule.

Filings Received –

- 2018 - 317
- 2019 - 323
- 2020 - 339
- 2021 - 345
- 2022 – 361

Actions To Reduce Redundancy – For those properties in this category that have a project-based Sec. 8 Housing Assistance Payment Contract, the occupancy information submitted through TRACS (see below) is sufficient to meet the reporting requirement. For LIHTC properties (see below) a single submission for both programs is acceptable if the submission contains the additional bond required information.

Statements Of Continued Use – Supportive Housing properties that do not have FedHome funding and are “usually” beds.

Frequency – Annually, due on the first day of the month represented by the last digit of the property number (e.g. 1 = January, 2 = February, etc.). This reporting requirement remains in place through the QPP of the property, which may exceed the maturity or discharge of the loan.

Statutory Authority & Implementation – This reporting requirement is driven by the funding source used to develop the property. In the case of tax-exempt bonds, the official statement provides assurance that MaineHousing will monitor the fiscal viability of the property. This reporting requirement commences at the time of permanent loan closing and after full or an established percentage of occupancy at the property has been attained.

Filings Received –

- 2018 - 141
- 2019 - 141
- 2020 - 144
- 2021 - 145
- 2022 - 144

Actions To Reduce Redundancy – None

Owner/Tenant Certifications (Low-Income Housing Tax Credit - LIHTC) – MaineHousing is the state allocating agency for LIHTC and requires submissions from all properties with LIHTC, regardless of funding source.

Frequency – Annually, due the first day of May each year. This reporting requirement remains in place through the QPP of the property, which may extend beyond the initial 15 year compliance period if an Extended Use Agreement was executed at closing. This reporting requirement commences after permanent loan closing and after the property is placed in service, which may either be the year of the closing or the following year, depending upon the election of the developer.

Statutory Authority & Implementation – This reporting requirement is mandated by Section 42 of the Internal Revenue Code (IRC). This reporting requirement commences after permanent loan closing and after the property is placed in service, which may either be the year of the closing or the following year, depending upon the election of the developer.

Filings Received –

- 2018 - 216
- 2019 - 216
- 2020 - 232
- 2021 - 241
- 2022 - 252

Actions To Reduce Redundancy – For MaineHousing financed properties which require Owner/Tenant Certifications (see above) a single submission for both programs is acceptable provided that the submission contains the additional bond required information.

Tenant Rental Assistance Certification System (TRACS) – All properties that have a project-based, Sec. 8 Housing Assistance Payment (HAP) Contract for which MaineHousing is either the Traditional Contract Administrator (TCA) or the Performance-Based Contract Administrator (PBCA).

Frequency – Electronic submissions are to be received in the TRACS mailbox no later than the 10th of each month. For submissions after the 10th of each month, MaineHousing has 20 days in which to process the voucher payment.

Statutory Authority & Implementation – This reporting requirement is based on regulations of the Department of Housing and Urban Development (HUD) as found in CFR 24 and as described in HUD Handbook 4350.3, Rev. 1, Change 2 – *Occupancy Requirements of Subsidized Multifamily Housing Programs*. This reporting requirement commences at the effective date of the Housing Assistance Payment (HAP) Contract and continues through the life of the contract which is not necessarily coterminous with the loan if financed by MaineHousing, HUD, Rural Development, or a conventional lender.

Filings Received –

- 2018 - 239
- 2019 - 238
- 2020 - 238
- 2021 - 238
- 2022 - 236

Actions To Reduce Redundancy – None

Legislatively Required Reports

The following pages contain an accounting of Maine State Housing Authority's legislatively required reports as outlined in statute. These requirements have evolved since our last Government Evaluation Act Report: in 2017 when the Legislature passed an overhaul of Title 30-A Section 201 to make corrections and updates. This resulted in some changes to the ongoing reporting requirements shown here, and the elimination of certain no-longer-necessary reports.

We have provided interpretive comments and recommendations for changes to particular reports in the column to the right on the table.

In addition to annual reporting for both the state and federal governments, MaineHousing frequently undertakes one-time or short-term reporting at the direction of the Legislature on topics relating to bills and resolves that have been passed. Recent examples of these reports include:

- Report on how PHA's can create rental registries (130th – LD 1397)
- Report to Legislature on federal ERA disbursements (130th – LD 1546)
- A report on MaineHousing's Analysis of Impediments to Fair Housing (130th – LD 1269)
- A report on potential "fair chance" housing policy options (130th – LD 1201)
- A program design to promote home ownership while minimizing student loan debt. (130th – LD 1709)
- A report on housing best practices
- A report on MaineHousing's safe drinking water program to abate well water contamination
- A program design for an initiative to provide housing to certain high-need constituents (FUSE)
- A report on home modification needs for aging in place (129th – LD 1131)

Report	Recommendation
<p>5 §12023. REPORTS TO THE LEGISLATURE</p> <p>1. Adoption and implementation. By February 1, 2013, a governing body shall submit a report to the Legislature on the adoption and implementation status of written policies and procedures required by section 12022 and describing the measures the governing body intends to use to monitor compliance with those policies and procedures. The report must be submitted to the Executive Director of the Legislative Council in a manner established by the executive director, who shall refer it to the appropriate joint standing committee or committees of the Legislature for review.</p> <p>2. Ongoing reports. By February 1, 2014, and annually thereafter, a governing body shall submit a report to the Legislature containing the following information:</p> <p>A. A list of all procurements exceeding \$10,000 in the preceding year for which competitive procurement was waived under the policies adopted pursuant to section 12022, subsection 3, including procurements exceeding \$10,000 that were made under contracts previously entered into for which competitive procurement was not required. The list must include the names of the vendors and costs associated with those procurements;</p> <p>B. A list of all persons to which the entity made contributions greater than \$1,000 in the preceding year and the total amount contributed to each; and</p> <p>C. A description of changes made in the preceding year to the written policies and procedures required by section 12022 or to the procedures used by the governing body to monitor compliance with those policies and procedures.</p> <p>For the purpose of this subsection, "the preceding year" means either the most recent January 1st to December 31st budget cycle or the most recent July 1st to June 30th budget cycle, depending on the fiscal year that the entity uses.</p> <p>Reports to the Legislature required by this subsection must be submitted to the Clerk of the House, the Secretary of the Senate and the Executive Director of the Legislative Council in a manner determined by the Executive Director of the Legislative Council. The Executive Director of the Legislative Council shall refer each report to the appropriate joint standing committee or committees of the Legislature.</p> <p>3. Committee review and report. By March 1st of every second regular session, beginning in 2016, a joint standing committee of the Legislature receiving reports pursuant to subsection 2 shall review the reports received within the past 2 calendar years, and gather additional information as necessary from the submitting entities, to assess whether policies and procedures adopted by a governing body in accordance with section 12022, subsections 3 to 5 are consistent with expectations established in those subsections and whether all reported waivers of competitive procurement and reported contributions made are in compliance with the adopted policies and procedures, including proper justification and documentation. The joint standing committee shall report the results of its review, including any areas that should be reviewed in more depth, to the joint legislative committee established to oversee program evaluation and government accountability matters.</p>	<p>This is MaineHousing's standard state procurement report. We have no recommendations on this.</p>

Report	Recommendation
<p>30-A §4754-A. FIRST OPTION TO PURCHASE SURPLUS LANDS</p> <p>All state agencies shall offer the Maine State Housing Authority the opportunity to purchase or otherwise acquire any land and improvements on the land or any structures determined to be surplus before the property may be offered for sale or transfer to any other state agency, community or other buyer or transferee. Notice of availability must be provided in writing to the Director of the Maine State Housing Authority. [1989, c. 914, §5 (NEW).]</p> <p>1. Notification of interest. The Maine State Housing Authority shall advise the owner agency in writing of its interest in purchasing or otherwise acquiring the surplus land and any improvements on the land or surplus structures or of its decision not to purchase or otherwise acquire any such surplus property within 30 days of receipt of the notification by the Director of the Maine State Housing Authority.</p> <p>2. Purchase price. If the Maine State Housing Authority offers to purchase the property, the purchase price must be determined as follows.</p> <p>A. The current market value must be determined by an independent appraiser or by agreement between the Maine State Housing Authority and the owner agency. The Maine State Housing Authority and the owner agency then shall negotiate the ultimate purchase price in good faith in order to achieve the respective goals and mandates of the Maine State Housing Authority and the owner agency.</p> <p>B. The purchase price may not exceed the current market value of the property as determined in paragraph A.</p> <p>C. If title to the land or improvements carries a requirement that the property be sold at fair market value, then this requirement prevails over the terms of this subsection.</p> <p>3. Report. The Maine State Housing Authority shall report to the joint standing committee of the Legislature having jurisdiction over housing and economic development matters 90 days after the 2nd anniversary of the effective date of this section on state surplus land purchased under this section together with any recommendations for improvements.</p>	<p>This provision is operating smoothly. Relevant State agencies have, from time to time, notified MSHA of the availability of surplus properties. We have not, however, acquired any of these properties, and so have not reported thereon. We have no recommendations on this.</p>
<p>30-A §4863. MAINE ENERGY, HOUSING AND ECONOMIC RECOVERY FUND</p> <p>Reporting. Not later than March 1, 2011 and March 1st of each year thereafter, the director of the authority shall report to the joint standing committee of the Legislature having jurisdiction over affordable housing matters on the status of the fund. The report must include, but is not limited to, the amount of revenue bonds issued under this subchapter, the type, location and cost of projects receiving bond proceeds, the number of housing units created by each project, the number of direct construction jobs created or maintained by each project, the amount of direct construction wages paid in creating or maintaining those jobs and the total amount of building materials purchased in the development of each project.</p>	<p>This report requirement was modified in 2017 to only be required in years where there has been new activity since the previous report. We have no recommendations on this.</p>

Report	Recommendation
<p>30-A §4910. ANNUAL REPORT</p> <p>The director of the Maine State Housing Authority shall prepare and submit to the Governor and the bank superintendent annually a complete report and a complete financial report duly audited and certified by the Office of the State Auditor or a qualified public accountant to be distributed in the same way as state departmental reports.</p>	<p>MSHA publishes and distributes a “hard copy” annual report to the Governor’s office and members of the Legislature. This report contains summary financial information derived from audited statements, which are published and available in full at www.mainehousing.org.</p> <p>We have no recommendations on this.</p>
<p>30-A §4934-A. HOUSING MORTGAGE INSURANCE FUND</p> <p>4. Maintenance of fund. To ensure the maintenance of the fund at an amount equal to the required minimum insurance reserve, there shall be annually appropriated and paid for deposit in the fund the sum, if any, that is certified by the Director of the Maine State Housing Authority, or the director's designee, to the Governor as necessary to restore any such fund to an amount equal to its required minimum insurance reserve. The director, or the director's designee, shall annually, by December 1st, make and deliver to the Governor a certificate stating the sum, if any, required to restore the fund to an amount equal to its required minimum insurance reserve, and the sum so certified shall be appropriated and paid during the current state fiscal year.</p>	<p>This fund was established by the legislature in 1989 but the referendum to capitalize it failed, and so this fund was never established and does not currently exist. We would recommend eliminating this report.</p>
<p>30-A §4961. ELECTRIC ASSISTANCE PROGRAM</p> <p>3. Reporting requirements. The authority shall report annually to the commission information to determine the amount of funding necessary for the program, including the amount of electric assistance paid on behalf of each eligible household, the total amount of electric assistance paid on behalf of eligible households, the number of eligible households served and other reasonably necessary information required by the commission in connection with the program.</p>	<p>This is a report that is filed annually with the PUC concerning the LIAP program. We have no recommendations on this.</p>

Report	Recommendation
<p>30-A §4994. HEATING OIL PRICE INCREASES</p> <p>1. Initial trigger. If home heating oil prices increase more than 40% in any 14-day period during the home heating season, the authority shall immediately:</p> <p>A. Estimate funds needed to provide adequate assistance to residents eligible at that time to receive fuel assistance under this subchapter; and</p> <p>B. Notify the Governor, the joint standing committee of the Legislature having jurisdiction over utilities and energy matters, the joint standing committee of the Legislature having jurisdiction over business and economic development matters and the joint standing committee of the Legislature having jurisdiction over appropriations and financial affairs of the estimated funding need.</p> <p>2. Higher trigger. If home heating oil prices increase more than 50% in any 14-day period during the home heating season, the authority shall immediately:</p> <p>A. Estimate funds needed to provide adequate assistance:</p> <p>(1) To residents eligible at that time to receive fuel assistance under this subchapter; and</p> <p>(2) To residents not eligible at that time to receive fuel assistance under this subchapter but who, as a result of the oil price increase, require fuel assistance under this subchapter; and</p> <p>B. Notify the Governor, the joint standing committee of the Legislature having jurisdiction over utilities and energy matters, the joint standing committee of the Legislature having jurisdiction over business and economic development matters and the joint standing committee of the Legislature having jurisdiction.</p>	<p>We have not experienced a 40% heating oil price increase over 14 days at any point since the last Government Evaluation Act report, so have no experience with these trigger reports.</p> <p>In its monitoring of fuel prices, MSHA looks to price reports published by the Governor’s Energy Office. We would recommend removing this reporting requirement from MSHA simply because it does not seem efficient for MSHA to report data generated <i>in</i> the Governor’s office <i>to</i> the Governor’s office.</p>
<p>36 §4641-N. REVIEW</p> <p>REAL ESTATE TRANSFERS</p> <p>The Maine State Housing Authority shall submit a report to the joint standing committee of the Legislature having jurisdiction over taxation by April 1, 1987, and each 2 years thereafter. The report shall cover the 2 prior fiscal years of the authority and shall identify the amount of revenues under this chapter that have been credited to the Housing Opportunities for Maine Fund and the manner in which those funds have been used. The committee shall review that report by May 1st of the year in which it is received.</p>	<p>This is known colloquially as “The HOME Fund Report”. It has been filed biennially. The 131st Legislature (LD 774) made this report annual instead of biennial, and so going forward this report will be submitted annually. We have no recommendations on this.</p>

Report	Recommendation
<p>30-A MRSA §4911(2) Operating Expenses</p> <p>2. Budget; preparation and approval; limitation. No later than January 1st in each year, the Maine State Housing Authority shall prepare and file in the office of the Bureau of the Budget a budget of its expenses of operation and administration for any mortgage purchase program for the fiscal year then commencing. This budget shall also set forth service fees relating to mortgages purchased. The budget may be amended at any time, and the amended budget shall also be filed with the office of the Bureau of the Budget. The commissioners must approve the budget and any amendments to it before it is filed in the office of the Bureau of the Budget.</p> <p>The expenses of operation and administration set forth in each budget under this subsection may not exceed the amount of money available and estimated to be available from the sources listed in subsection 1, after deducting from that money the aggregate amount of principal and interest accrued and to accrue during the fiscal year on all bonds outstanding issued to finance the program authorized by this subchapter, all as set forth in each budget. The Maine State Housing Authority may not incur expenses of operation and administration for the program in excess of the amounts provided for those expenses in the budget.</p>	<p>This is a report filed annually outlining the approved budget of MSHA. We have no recommendations on this.</p>
<p>30-A MRSA §4722 (4)b Maine State Housing Authority established; powers, duties and restrictions</p> <p>Certify affordable housing projects for the purpose of the income tax credit increase under <u>Title 36, section 5219-BB, subsection 3</u>; administer and enforce the affordability requirements set forth in this paragraph; and perform other functions described in this paragraph and necessary to the powers and duties described in this paragraph.</p> <p>(4) Annually by every August 1st until and including August 1, 2030, the Maine State Housing Authority shall review the report issued pursuant to Title 27, section 511, subsection 5, paragraph A to determine the percentage of the total aggregate square feet of completed projects that constitutes new affordable housing, rehabilitated and developed using:</p> <p>(a) Either of the income tax credits under Title 36, section 5219-BB, subsection 2; and</p> <p>(b) The income tax credit increase under Title 36, section 5219-BB, subsection 3.</p> <p>If the total aggregate square feet of new affordable housing does not equal or exceed 30% of the total aggregate square feet of rehabilitated and developed completed projects eligible for a credit under Title 36, section 5219-BB, the Maine State Housing Authority and Maine Historic Preservation Commission shall notify the State Tax Assessor of this fact; [PL 2021, c. 671, §1 (AMD).]</p>	<p>This is a certification filed annually with the Maine Historic Preservation Commission regarding the State Historic Property Rehabilitation Tax Credit. We have no recommendations on this.</p>
<p>36 MRSA 5219 WW 9 Credit For Affordable Housing</p> <p>9. Reporting. Beginning in 2022, by March 1st annually the director of the authority shall report to the bureau, to the Office of Program Evaluation and Government Accountability and to the joint standing committee of the Legislature having jurisdiction over taxation matters on the status of the credit if there has been new activity since the previous report. The report must include, but is not limited to, the amount of the credits allocated under this section, the location and cost of projects receiving credits, the number and type of residential units created or improved by each project, the number and type of units allocated credits in qualified rural development preservation projects and senior housing projects and the amount of other investment leveraged by each project, including federal low-income housing tax credits.</p>	<p>This is an annual report on the status of the State Low Income Housing Tax Credit. We have no recommendations on this.</p>

Comparison of Federal Laws and Regulations to State Laws and MaineHousing Rules

MaineHousing runs several programs established under federal law. Federal statutes and regulations create and govern the programs. State law gives MaineHousing specific authorization as the entity within Maine to administer the federal programs and in some cases imposes additional requirements on the program. MaineHousing has adopted rules regarding its administration of the federal programs. The following is a summary of the federal laws establishing MaineHousing programs, the Maine statutory provisions concerning MaineHousing's administration of the programs, and MaineHousing rules governing the programs.

Tax Exempt Bonds

Federal law: Sections 141-148 of the Internal Revenue Code of 1986, 26 U.S.C. §§ 141-148, and applicable regulations govern MaineHousing's issuance of tax exempt bonds for (1) qualified residential rental projects, (2) first time homebuyers, and (3) properties owned by 501(c)(3) corporations.

State law: MaineHousing has the authority to issue housing-related tax exempt bonds in the State of Maine. 10 M.R.S. § 363. MaineHousing has the authority to issue bonds for its corporate purposes. 30-A M.R.S. 4871, *et seq.* MaineHousing has the power to invest funds, deal in mortgage credits, allocate MaineHousing's share of the tax-exempt bond ceiling, and certify bonds. 30-A M.R.S. 4741. MaineHousing may use bond proceeds make or purchase mortgage loans for housing for persons with low incomes. 30-A M.R.S. § 4905. MaineHousing is required to maintain minimum reserves to secure its bonds; there is annually appropriated to MaineHousing any amount required to meet the minimum reserve requirements as certified by the director of MaineHousing to the Governor (the "moral obligation"). 30-A M.R.S. § 4906.

MaineHousing Rules: Chapter 1 of MaineHousing's rules (single family) primarily sets forth the requirements of 26 U.S.C. §§ 141-148 regarding single family loans. Chapter 29 of MaineHousing's rules (multi-family and supportive housing) sets forth general parameters for MaineHousing's programs for multi-family and supportive housing.

Home Energy Assistance Program

Federal law. Pub. L. 97-35, Title XXVI and applicable regulations govern MaineHousing's low income home energy assistance program.

State law: MaineHousing has the authority to act as the weatherization, energy conservation, and fuel assistance agency for the State. 30-A M.R.S. § 4741(15). MaineHousing must administer a fuel assistance program for eligible households. 30-A M.R.S. § 4991. MaineHousing may select local program operators as long as they comply with the program operating standards established in rule by MaineHousing. 30-A M.R.S. § 4992. The State Controller, upon recommendation of the State budget Officer and approval of the Governor, may advance up to \$10,000,000 from the General Fund unappropriated surplus to a Fuel Assistance Reserve Fund to ensure that fuel assistance

benefits for the State’s eligible elderly and low-income residents are available prior to the beginning of the heating season. 30-A M.R.S. § 4992-A.

MaineHousing Rules: Chapter 24 of MaineHousing’s rules establishes standards for the Home Energy Assistance Program for the State of Maine as administered by the Maine State Housing Authority.

Weatherization

Federal Law: Part A of the Energy Conservation in Existing Buildings Act of 1976, 42 U.S.C. § 6861 *et seq.*, 10 C.F.R. § 440.1 *et seq.*, 2 C.F.R. Part 200, and applicable regulations govern MaineHousing’s weatherization programs.

State law: MaineHousing has the authority to act as the weatherization, energy conservation, and fuel assistance agency for the State. 30-A M.R.S. 4741(15).

MaineHousing Rules: Chapter 25 of MaineHousing’s rules establishes the weatherization assistance program for low-income households for the State of Maine.

Low Income Housing Tax Credit

Federal law: Section 42 of the Internal Revenue Code of 1986, 26 U.S.C. § 42, and applicable regulations govern MaineHousing’s low income housing tax credits program. Section 42 of the Code requires housing credit agencies to adopt a qualified allocation plan for allocating and administering the federal low-income housing tax credit, including the annual ceiling of federal low-income housing tax credits allocated to housing credit agencies.

State law: MaineHousing is designated the housing credit agency for the State of Maine. 30-A M.R.S. 4741(14).

MaineHousing Rule: Chapter 16 of MaineHousing’s rules is the qualified allocation plan for the State of Maine. It establishes the policies, selection criteria and procedures for allocating and administering the federal low-income housing tax credit in the State of Maine.

Section 8 Rental Assistance and Federal Aid

Federal law: Chapter 8 of the United States Housing Act of 1937, 42 U.S.C. §1437 *et seq.*, 24 C.F.R. Parts 5, 8, 35, 982, 983 and 985 and applicable regulations govern MaineHousing’s Housing Choice Voucher and Project Based Voucher programs and MaineHousing’s mod-rehab program.

State law: A municipal housing authority has exclusive jurisdiction within the municipal boundaries of the municipality for which it was organized to administer regular tenant-based housing choice vouchers under the United States Housing Act of 1937. This does not limit the authority of MaineHousing to administer project-based vouchers or to administer specialty vouchers that are associated with services. 30-A M.R.S. § 4702(1)(C-1). MaineHousing and the municipal housing authorities are required to establish a single, streamlined application and centralized waitlist for tenant-based rental assistance under the United States Housing Act of 1937 by which families may

apply for housing assistance in any geographical area of the State and be placed on a centralized wait list.

MaineHousing may do all things necessary or desirable to secure financial aid or cooperation of the Federal Government in the undertaking, construction, maintenance or operation of any project. Approval of the municipality may be necessary. 30-A M.R.S. § 4771, *et seq.*

MaineHousing Rule: There is no MaineHousing Rule that governs Section 8 Rental Assistance and Federal Aid. Section 8 Rental Assistance is governed by MaineHousing's Housing Choice Voucher Administrative Plan as required by the U.S. Department of Housing and Urban Development.

Homelessness Assistance

Federal law: The Stewart B. McKinney Homeless Assistance Act, 42 U.S.C. § 11301, *et seq.*, including the amendments pursuant to the Homeless Emergency Assistance and Rapid Transition to Housing Act of 2009, the U.S. Department of Housing and Urban Development's implementing regulations at 24 C.F.R. Part 576, as amended, and applicable regulations govern some of MaineHousing's funds for homeless programs, transitional housing and shelter plus care.

State law: MaineHousing has the authority to coordinate homeless programs for the State and administer federal funds for homeless persons under 30-A M.R.S. 4741(18).

MaineHousing Rules: MaineHousing uses funds from certain federal and state resources to give grants to agencies for a variety of activities to assist people who are experiencing homelessness or the risk of being homeless. Chapter 19 of MaineHousing's rules governs MaineHousing's allocation of resources for such programs, program design, the publication and distribution of program guides, basic criteria for determining eligible recipients, and potential selection criteria. Some resources are distributed according to a funding formula set forth in the rule. Other resources are distributed according to programs designed by MaineHousing.

HOME Investment Partnerships Act

Federal law: The HOME Investment Partnerships Act, Title II of the Cranston-Gonzales National Affordable Housing Act, as amended, 42 U.S.C. 12701 *et seq.*, and applicable regulations govern some MaineHousing programs for single family purchase, single family repair, multifamily development, and tenant based rental assistance.

State law: MaineHousing has the authority to carry out the program under 30-A M.R.S. 4741(17).

MaineHousing Rules: MaineHousing uses the funds for programs authorized under Chapter 1 of MaineHousing's Rules (single family), Chapter 19 of MaineHousing's Rules (homelessness solutions programs), and Chapter 29 of MaineHousing's Rules (multi-family and supportive housing).

Recommended Legislative Review of State Laws

MaineHousing has no recommendations, at this time, of amendments necessary to align Maine Housing statutes with federal law, other state law or decisions of the Court. Any identified technical amendments will be submitted for legislative consideration.