Aroostook County Action Program (ACAP) and community leaders join a Littleton family for a Homeownership Celebration on June 30. The family’s pre-1976 mobile home was replaced with a new stick-built, two bedroom home through funds allocated to ACAP through a statewide Maine Energy, Housing and Economic Recovery Program.
ABOUT MAINEHOUSING

CONTACTING MAINEHOUSING

Office:

353 Water Street
Augusta, ME 04330

Telephone:

(207) 626-4600
(800) 452-4668
Maine Relay 711

WWW.MAINEHOUSING.ORG

Find out about MaineHousing’s programs, access housing data, learn about Board of Commissioners’ meetings, and keep up with public notices and career and business opportunities – www.mainehousing.org serves as the central information location for customers and partners.

MaineHousing’s website traffic increased 24% during 2018 to 320,000 visits during the year. The most frequently visited pages are homeownership, subsidized housing, and energy.

Follow us on Facebook…

Facebook is one of five social media platforms that MaineHousing uses to communicate with our customers and partners. With more than 3,900 fans, viewers learn about our services and program promotions.

Where to Refer

Constituent concerns can be addressed by mail to:
353 Water Street
Augusta, ME 04330

By phone to:
(800) 452-4668

Or by e-mail:
constituentmail
@mainehousing.org

SAVE THE DATE

February 20, 2019
Affordable Housing in the Hall of Flags
Come help us celebrate MaineHousing’s 50th Anniversary

October 1, 2019
Maine Affordable Housing Conference
Augusta Civic Center
# ABOUT MAINEHOUSING

## ADMINISTRATION

<table>
<thead>
<tr>
<th>Role</th>
<th>Name</th>
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<tbody>
<tr>
<td>Board Chairman</td>
<td>Lincoln Merrill, Jr.</td>
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<tr>
<td>Director</td>
<td>Dan Brennan</td>
</tr>
<tr>
<td>Deputy Director</td>
<td>Peter Merrill</td>
</tr>
<tr>
<td>Senior Director</td>
<td>Denise Lord</td>
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<tr>
<td>Senior Director</td>
<td>Lauren Bustard</td>
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</tbody>
</table>

## ORGANIZATION CHART

![Organization Chart](attachment:organization_chart.png)
ABOUT MAINEHOUSING

OUR MISSION

The Maine State Housing Authority (MaineHousing) is an independent authority created by the Legislature to address the problems of unsafe, unsuitable, overcrowded, and unaffordable housing.

Established as a self-supporting quasi-public housing agency charged with expanding affordable housing opportunities for the state's low and moderate income families and individuals, MaineHousing has been helping Maine people own, rent, or heat their homes since 1969.

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

STRATEGIC DIRECTION

Our priorities and goals are:

- Expand affordable housing opportunities
  - Increase the number and quality of First Home Loans
  - Increase affordable housing development to respond to housing need and policy objectives
- Improve and preserve the quality of housing
  - Ensure the long term sustainability of MaineHousing’s multifamily portfolio
  - Help Maine people stay safe and warm in their homes and apartments
- Help Maine people attain housing stability
  - Reduce the length of time and the number of Maine people experiencing homelessness using best practice methods of Housing First and Rapid Rehousing
  - Improve housing stability for Maine people at risk
- Provide leadership in the housing field
  - Promote inclusive, sustainable communities that support viable affordable housing
  - Lead and support collaborative efforts to address Maine’s housing needs
- Ensure MaineHousing continues to be a viable organization capable of meeting the state’s housing needs
  - Ensure the long term financial viability of MaineHousing
  - Become an efficient, effective organization that people want to work for and do business with


GOVERNANCE

We are governed by a 10-member Board of Commissioners appointed by the Governor and confirmed by the Senate upon the recommendation of the Labor and Housing Committee. The Director also is 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 serves as both Maine’s housing finance agency and as a statewide public housing authority for those areas without one.

FUNDING

TAX EXEMPT BONDS

MaineHousing couples the methods and efficiencies of the private financial markets with the federal tax incentives of tax-exempt bonds to achieve our public purpose goals to provide affordable rental and ownership housing. Today, the combined mortgage financing for MaineHousing’s single and multifamily housing programs exceeds $1.8 billion.

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 take greater risks to achieve our public purpose. 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 bulk of our assets are in mortgages, primarily from first time home buyers. 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 is quite literally 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.

STATE AND FEDERAL FUNDS

Federal and state funds allow us to further reduce the costs of affordable multifamily and single family programs and to offer other housing programs.

MaineHousing’s primary source of state revenue is the Real Estate Transfer Tax. In 1988 with the support of the real estate industry, the tax doubled to provide a dedicated source of revenue for the Housing Opportunities for Maine (HOME) Fund. Of the total tax, 10% of revenue is retained by the county. The remaining 90% is forwarded to the State of which 50% is credited to the HOME Fund.

MaineHousing allocates HOME funds to various housing programs with the primary use as subsidy for the multifamily and single family loan programs. Other uses of HOME funds include home repair, lead abatement, and homelessness assistance. The HOME Fund allows MaineHousing to be adaptable and responsive in meeting the state’s housing needs.

Federal funds include the funds received from the U.S. Department of Housing and Urban Development either as grants or management contracts; Department of Health and Human Services for home energy assistance; and Department of Energy for home weatherization.
In addition to programs funded by the HOME Fund, MaineHousing administers a number of federal and state housing-related programs on behalf of the state. They include:

- Federal HOME Investment Partnership program;
- Low Income Housing Tax Credit Program;
- Section 8 Housing Choice Voucher programs;
- Emergency Solutions Grant Program;
- Emergency Shelter and Housing Assessment Program;
- Homeless Management Information System;
- Lead-Based Paint Hazard Control Program;
- Housing Counseling Program;
- Weatherization Program;
- Home Energy Assistance Program;
- Arsenic Abatement Program;
- AccessAble home modification tax credit

**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. Our operating budget for 2019 is $18 million.
EXPAND AFFORDABLE HOUSING OPPORTUNITIES

MULTIFAMILY AFFORDABLE RENTAL HOUSING DEVELOPMENT

Senior Housing Bond
Governor Mills recently signed the Senior Housing Bond approved by Maine voters. Of the $15M available, $14.5M will be used to leverage private and other funds for low-income households headed by persons 55 years of age or older for the new construction of energy-efficient units and the adaptive reuse of structures or homes. Preference will be given to projects located with access to healthcare services and other essential goods and services. At least four projects must be located in counties having populations under 100,000. MaineHousing has a program ready that is based largely on the previous development program for older adults.

Walk-in 4% LIHTC Program
MaineHousing will offer a walk-in program to create new affordable housing for both families and older adults. With a potential increase in funds from sources such as bond refunding, increased HOME funds, Capital Magnet Funds, and a State Tax Credit, we believe we can maintain an ongoing walk-in program for the foreseeable future. Applicants would have to meet minimum threshold requirements and can bring projects for consideration when they are ready and not have to wait for funding.

Subdivision Program
Our single-family subdivision program will be revamped and $1,000,000 has been dedicated to assisting developers with land and infrastructure costs for housing that will be sold to individuals purchasing through MaineHousing’s First Home Loan Program, or through other programs with comparable requirements.

HOMEOWNERSHIP

To help first-time home buyers achieve the dream of homeownership, MaineHousing’s First Home Loan program provides a below market interest rate and up to $3,500 to assist with down payment and closing costs. A requirement of receiving this assistance is that home buyers complete a hoMEworks approved homebuyer education class prior to closing. The value of homebuyer education has been clearly proven and MaineHousing encourages all hopeful homebuyers to take the class, even those who are not seeking a MaineHousing mortgage.

From October 1, 2017 to September 30, 2018, 125 “live” hoMEworks approved homebuyer education classes were held in Maine with 2249 people attending. An additional 1,191 people completed the online hoMEworks approved home buyer education class.

In 2018, MaineHousing exceeded its 1125 loan goal by purchasing 1189 loans equaling a total loan volume of $160M. The loan purchase goal for 2019 is 1,200 mortgages and $160M in total loan volume.

MaineHousing’s Salute ME option reduces its already competitive First Home Loan interest rate by .25% for veterans, active duty military, and retirees. The program option helped 62 veterans purchase a home in 2018.

IMPROVE AND PRESERVE THE QUALITY OF HOUSING

As our existing affordable housing ages, we are increasing our focus on its preservation. MaineHousing offers renovation and repair funding for supportive housing projects and homeless shelters; we support the transition of mobile home parks to cooperative ownership; and we offer refinancing and workout arrangements for multifamily housing projects to reduce their operating costs.

We are working with the U.S. Department of Agriculture on rural multifamily housing projects that are nearing the end of their loans. A recent example is the Quarry Ridge housing development in Freeport. We purchased the project and offered its sale to owners who would maintain its affordability. MaineHousing received strong proposals from several interested parties and selected Freeport Housing Trust. The Trust is not requesting any MaineHousing subsidy, will invest over $1,500,000 of their equity and fees in the property and offered to provide deeper income targeting.
ACCOMPLISHMENTS and INNOVATION

HEALTHY AND SAFE HOMES

MaineHousing has established several new programs to improve housing quality, resident health and a greater focus on safe and accessible homes. Recent legislation created the AccessAble Home Tax Credit program, and arsenic abatement and lead remediation programs. The Housing Accessibility and Repair Program is an updated home repair and accessibility improvement program. Working with partner organizations, we market, promote and deliver these home repair services to Maine households. Our inspections of subsidized apartments has improved with better trained inspectors, better educated landlords and an efficient scheduling and inspections process.

In 2018, we re-established two Mobile Home Replacement programs – a loan program for homeowners comparable to our First Home Loan program and a grant program offered through Community Action Agencies.

HELP MAINE PEOPLE ATTAIN HOUSING STABILITY

BUILDING SELF-SUFFICIENCY

ReStart
MaineHousing’s ReStart program, a HUD funded Family Self-Sufficiency (FSS) program, has doubled the participant rate in a two years’ time. The program provides resources to help lower-income individuals in the Section 8 Housing Choice Voucher Program learn skills to become self-sufficient and eventually not need a rental assistance voucher.

MaineHousing has established an interactive website for participants, formed partnerships with statewide government and nonprofit agencies whose services will benefit participants, and has become a part of the Compass National Family Self-Sufficiency Network which provides best practices for all FSS programs nationwide.

Building Family Futures
Building Family Futures, a pilot program aimed at preventing homelessness and increasing opportunity for working families, is the result of one of the recommendations of the 2015 Maine Affordable Housing Working Group, which was established by the Maine Legislature to study and recommend ways to improve housing affordability in Maine.

Building Family Futures pairs rental assistance with the ReStart–Family Self-Sufficiency Program as well as community services aimed at providing resources to families.

Building Family Futures is currently administered in partnership with Aroostook Community Action Program and Family Futures Downeast in Machias.

Building Youth Futures
Building Youth Futures is a pilot program aimed at successfully transitioning homeless young adults who have aged out of the foster care system towards self-sufficiency. Participants have the opportunity to obtain a housing voucher, get help in finding safe housing, complete educational programs, find and maintain employment, and other needed services.

The pilot is part of a national U.S. Department of Housing and Urban Development effort, and is being offered in the Bangor area through a collaboration of MaineHousing, the Office of Child and Family Services, and Shaw House Youth Shelter and Community Care.
CENTRALIZED WAIT LIST

Also a recommendation of the Affordable Housing Working Group accepted by the Legislature, MaineHousing and local public housing authorities (PHAs) are now using a centralized waiting list for applicants seeking rental assistance.

In addition to providing greater customer service through a single application that can be submitted at any PHA or completed online, the centralized wait list offers a better picture of applicants and the need for rental assistance. As of December 2018, there were 17,000 applicants on the wait list.

IMPROVING HOMELESSNESS DATA

The Maine Homeless Management Information System (HMIS) is an online database used to collect client-level data and data on the provision of housing and services to individuals and families experiencing homelessness. HMIS provides unduplicated counts of clients served, tracks services used by homeless persons, captures information from multiple agencies, and gauges community progress towards ending homelessness.

The Maine HMIS website has been redesigned to be user friendly and appealing. The website features important information and updates on homeless data collection efforts, analysis of the data, and training opportunities.

The State of Maine HMIS is a collaborative effort between MaineHousing, the dedicated lead agency, and the Maine Continuum of Care (MCoC).

The website can be found at: http://www.mainehmis.org/

HOMELESS NAVIGATORS

MaineHousing’s navigation program, available through homeless shelters, identifies individuals and families in need and introduces them to educational and other available services to help them learn how to maintain a home. The clients do the work of attending classes and meetings in order to learn job search, budgeting, and other helpful skills.

HUMAN TRAFFICKING

MaineHousing donated a home to the vendor selected by the Maine Department of Health and Human Services to use as a safe house for victims of human trafficking. The home opened in October of 2018. MaineHousing was asked to present the multiagency collaborative to our peers at the National Conference of State Housing Agencies annual meeting.

HOME ENERGY ASSISTANCE PROGRAM (HEAP)

As of January 7, HEAP fuel assistance benefits are up almost 13 percent compared to this time last year. MaineHousing and its partners at nine community action agencies statewide already have assisted 36,500 households, up almost 3 percent from that time the previous year. HEAP applications are accepted through April 30.

OWNER EXCELLENCE PROGRAM

MaineHousing recognizes exceptional property owners and managers who are participating in the Section 8 Housing Choice Voucher Program by inviting them to participate in the Owner Excellence Program. Almost 40 take part, representing more than 140 properties. These property owners and managers consistently meet or exceed program guidelines and Maine laws pertaining to rental housing, and receive benefits for their efforts.
PROVIDE LEADERSHIP IN THE FIELD

AFFORDABLE HOUSING CONFERENCE

Every two years, MaineHousing sponsors an Affordable Housing Conference which brings together more than 450 partners in affordable housing development, rental assistance, finance, homelessness prevention, and policy to discuss pressing issues and share information. This year’s conference will be held on October 1, 2019 at the Augusta Civic Center.

IMPROVED DATA FOR COMMUNITY PLANNING

Housing Characteristics is an interactive tool that provides Census data on the financial and structural characteristics of residential housing in Maine, counties and towns. The data includes but is not limited to:

- The number of owned, rented, and vacant housing units statewide, by county or by town
- Units by type
- Bedroom counts and age of the housing stock

This data, used in conjunction with the Housing and Affordability Index, provides some basic understanding of housing in the selected community, its affordability, and need. Housing Characteristics can be found at http://www.mainehousing.org/policy-research/housing-data.

NEW AFFORDABLE HOUSING MODELS DEMONSTRATION

MaineHousing is looking at opportunities to provide affordable housing to more Maine people who need it. One opportunity is a recent partnership with Midcoast Habitat for Humanity and Knox County Homeless Coalition to develop affordable housing of varying types in the Midcoast Maine area.

The model demonstration will be an opportunity to develop a mixed income, rental and ownership affordable housing model. Specific aspects of the model demonstration include:

- 6 “Tiny Equity Builders” – small housing units (about 400 SF) for tenants to rent at low cost, while building equity over a 5 year period;
- 4 Affordable Family Rentals – 2 two-bedroom units at about 800 SF, and 2 three-bedroom units at about 1,000 SF;
- 6 house lots for the traditional Habitat for Humanity model; and
- Supporting infrastructure for all units.

Each of the three partners has agreed to provide resources to accomplish the development and management of the model demonstration.

MaineHousing’s contributions are to provide:

- Up to $500,000 in funding towards the construction of 6 “tiny” homes and 4 affordable rental units.
- Up to 10 tenant-based Housing Choice Vouchers.
- Project consultation and guidance.
- Financial underwriting assistance.

Midcoast Habitat for Humanity will provide:

- Overall responsibility for the design, construction, and project management.
- Written proposal outlining all costs and sources.
- Management, development, and sales of all Habitat for Humanity homes.
- Volunteer labor and licensed contractors for project construction.

And Knox County Homeless Coalition will provide:

- Ownership of all rental units.
- Supportive services and property management for all rental units.
AGING IN PLACE: HOME MODIFICATIONS

Following the example set by Bath Housing Authority, and after two years of piloting the program with public housing authorities, MaineHousing is expanding an aging-in-place home modification program that brings basic, quality home safety improvements to the residences of income-eligible older adults. The program is based on a best practice model: CAPABLE.

Five public housing authorities took part in the first year of the pilot: Bath, South Portland, Old Town, Westbrook, and Fort Fairfield. This year, we expect to expand the program. Under the program, individuals 60 years old or older, or who have a disability, and own their own homes or live in a house owned by their family can ask the housing authority to inspect and make suggestions on how to make their living environment safer for them.

Bath Housing trains the other housing authorities on how to operate the program. A safety check of each home, including smoke and CO detectors, is conducted, and installs, if needed, of grab bars, shower wands and seats, handrails, raised toilet seats, drawer pulls, faucet levers, and other improvements are made. Minor repairs to flooring, gutters, storm and screen doors, and existing steps and ramps also may be done.

No major home renovations are part of the program, but referrals to agencies that may help are given.

To date, the program has assisted 119 older adults and the average amount spent per house is $1,600.

The program received an Innovations award from the National Association of Housing and Redevelopment Officials in 2018.

PUBLIC HOUSING AUTHORITY LENDER

MaineHousing has expanded its lending capabilities to include permanent and short-term financing to Maine’s public housing authorities. The funds can be used to provide permanent financing or flexible, short-term capital for housing development-related costs, including acquisition and rehabilitation costs.

Eligible activities for permanent financing include real estate acquisition, rehabilitation, adaptive re-use, and new construction, while rental housing, single-family homeownership, condominium, or manufactured housing are eligible uses for short-term financing.

POLICY FORUMS

MaineHousing organizes policy forums to discuss emerging issues, changing housing needs, and potential solutions. In 2018 we held three policy forums to discuss MaineHousing’s role in creating Recovery Housing, the housing needs of older adults, and how to assist small, private landlords develop affordable housing.

PROPERTY MANAGEMENT CLASSES

For two years, MaineHousing has worked with Southern Maine Community College to create and offer a property management certification class for students interested in pursuing careers at affordable housing projects. Most of the graduates have been placed in jobs, and SMCC now is offering its third class.
ACCOMPLISHMENTS and INNOVATION

A GREAT PLACE TO WORK AND DO BUSINESS WITH

STAFF AND LEADERSHIP DEVELOPMENT

MaineHousing’s First Leadership Development Program Graduates
Our first leadership development class participated in 10 day-long sessions creating relationships, sharing experiences, and exploring a range of topics such as emotional intelligence, systems thinking and collaborative leadership. In addition to the classwork, three teams worked on projects of benefit to MaineHousing. The results of the program will be felt for years to come, but already we can point to several promotions, the establishment of a volunteer program for MaineHousing, and a strong bond between the members of the first class.

Evaluation of the program has begun, and we hope to offer another opportunity in 2020.

STAFF DEVELOPMENT OPPORTUNITIES

MaineHousing is committed to making training opportunities available to all staff to help them develop their individual skills and competencies.

Our staff development program conducted 12 unique courses in the areas of group development, workflow, communications, and leadership. To date, 84 or half of our employees have attended at least one course.

CONTINUOUS IMPROVEMENT

MaineHousing’s House of Lean
MaineHousing is fostering a culture of Continuous Process Improvement by empowering staff to assess, evaluate, and streamline processes to enhance internal and external customer experience.

MaineHousing accomplishments:

- Appointed two internal lean champions to facilitate and cultivate the continuous process improvement vision throughout the agency.
- Developed a Community of Practice group to facilitate and share Lean successes and challenges within each department.
- Increased employee engagement through the introduction of Key Performance Indicators (KPI) – a way to connect daily work to the organization’s strategic goals and mission.
- Established a Lean 101 training within our Learning and Development program.
- A Leadership and Development cohort value stream mapped a process within the Energy and Housing Services Department.
- The Asset Management Department completed a Kaizen Blitz (a strategy where employees work together proactively to achieve regular, incremental improvements to a process).
- The Asset Management Department collaborated with a workgroup, including external partners, to introduce value stream mapping and continuous process improvement.
- Held an All-Staff Day dedicated to Lean which included several external presenters and breakout groups focusing on continuous process improvement.
- A cadre of staff have received training on Lean principles at the annual Lean Systems Summit.
MaineHousing Gives Back
2018 Volunteer Theme: People First
MaineHousing has launched a coordinated group volunteer initiative. Created by four employees as a learning project for MaineHousing’s Leadership Development Program, the volunteer initiative offers our employees opportunities to contribute to the communities that surround us.

Six coordinated volunteer events have been identified and employees are given the option to participate in one or all. Organizations benefitting from MaineHousing employee volunteers are

- Travis Mills Foundation Fall Cleanup and Retreat
- Bread of Live Soup Kitchen
- Good Shepard Food Bank
- Habitat for Humanity
- MaineHousing Supportive Housing
- School Supply/Food Drive for Kids
- Furry Friends Food Bank Community Partners

For first volunteer event, School Supply/Food Drive, MaineHousing collected enough school supplies and monetary donations to fill 64 backpacks. The backpacks filled with supplies were donated to a multi-family project, a shelter and area schools.

Five MaineHousing volunteers contributed 20 hours on to assist the Travis Mills Foundation in some fall cleanup of the grounds at the Foundation’s site.

MaineHousing has a volunteer time policy which provides each full-time employee 8 hours of paid leave to dedicate to volunteer activities.

OFFICE SPACE
The lease for our office at 353 Water Street in Augusta expires at the end of June 2020. We have purchased a building on Edison Drive and are in the process of renovating it for an estimated move in date of March 2020.

Our current building is approximately 38,000 square feet and falls short of providing an up-to-date center of operations. A cost analysis identified greater long-term savings of owning a facility compared to leasing one. The Board of Commissioners approved a multi-step process to locate a new site that is suitable to the agency’s needs. The existing building located on Edison Drive in Augusta was identified as the best option and MaineHousing purchased it in 2018. A building committee oversees the project.
Maine State Housing Authority ("MaineHousing") does not discriminate on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, marital status, national origin, ancestry, physical or mental disability, age, familial status or receipt of public assistance in the admission or access to or treatment in its programs and activities. In employment, MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, gender identity or expression, national origin, ancestry, age, physical or mental disability or genetic information. MaineHousing will provide appropriate communication auxiliary aids and services upon sufficient notice. MaineHousing will also provide this document in alternative formats upon sufficient notice. MaineHousing has designated the following person responsible for coordinating compliance with applicable federal and state nondiscrimination requirements and addressing grievances:

Louise Patenaude, Maine State Housing Authority, 353 Water Street, Augusta, Maine 04330-4633, Telephone Number 1-800-452-4668 (voice in state only), (207) 626-4600 (voice) or Maine Relay 711.