

2014 Entry Form
(Complete one for each entry.)

Fill out the entry name *exactly* as you want it listed in the program.

Entry Name _____

HFA _____

Submission Contact _____

Phone _____ **Email** _____

Qualified Entries must be received by **Tuesday, July 1, 2014.**

For more information about Qualified Entries, [click here to access the 2014 Entry Rules.](#)

Use this header on the upper right corner of each page.

HFA _____

Entry Name _____

Communications	Homeownership	Rental Housing	Special Needs Housing
<input type="checkbox"/> Annual Report <input type="checkbox"/> Promotional Materials and Newsletters <input type="checkbox"/> Creative Media	<input type="checkbox"/> Empowering New Buyers <input type="checkbox"/> Home Improvement and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Multifamily Management <input type="checkbox"/> Preservation and Rehabilitation <input type="checkbox"/> Encouraging New Production	<input type="checkbox"/> Combating Homelessness <input type="checkbox"/> Housing for Persons with Special Needs
Legislative Advocacy	Management Innovation	Special Achievement	Are you providing visual aids?
<input type="checkbox"/> State Advocacy <input type="checkbox"/> Federal Advocacy	<input type="checkbox"/> Financial <input type="checkbox"/> Human Resources <input type="checkbox"/> Operations <input type="checkbox"/> Technology	<input type="checkbox"/> Special Achievement	<input type="checkbox"/> YES <input type="checkbox"/> NO

Overview

When a public housing authority welcomes a new director, optimism and new ideas arrive as well. When a new director walks into an agency, a toolbox filled with promise and goals comes too.

That's what's supposed to happen. And it did, but it wasn't easy.

Director John Gallagher arrived in October 2012 when MaineHousing was winding up audits of its weatherization program, computer systems, and expenditures – all of which came back with positive results. The agency's 157 employees were exhausted as they had steadfastly worked for months to fulfill the needs of MaineHousing's more than 90,000 customers and partners while also participating in the audit process.

It could be said that Mr. Gallagher's primary objective was to bring calm to the agency, its partners in the affordable housing and development sectors, and the customers who are served annually. His message: MaineHousing will continue to honor its mission to assist Maine people in obtaining and maintaining quality affordable housing and services suitable to their needs.

Mr. Gallagher and MaineHousing, however, would address other major challenges in his first year:

- Three back-to-back arson fires in low-income apartments left 200 people homeless, 29 of whom were residents of Project-Based Voucher units.
- Closure of the only homeless shelter on coastal Maine, with 22 beds visible behind locked doors. Attempts to re-open it would take financial creativity and dedicated individuals who appreciated its need.
- MaineHousing's First Home Mortgage Program numbers at a near record low due to market interest rates in which the agency could not compete. Mortgage interest helps fund the agency's operations.
- MaineHousing's mortgage foreclosure rate for the first time at a higher rate than the state's.
- Sequestration (a 10% reduction in federal funds) and a federal government shutdown in October that threatened MaineHousing's administration of the Section 8 Housing Choice Voucher Program as well as the Low Income Home Energy Assistance Program just as Maine was entering what became one of the coldest winters on record.

Would you walk through that door? Mr. Gallagher never questioned why he took the job.

MaineHousing's 2013 Annual Report reflects all that was accomplished, from meeting the above challenges to embracing Mr. Gallagher's goals, primarily a two-year strategic plan and improved communications with partners.

Theme and Design

When MaineHousing's Communications and Planning Unit sat down to discuss a theme for the 2013 Annual Report, it became clear to all of us -- we did it. We survived the challenges -- and accomplished even more than was asked.

On the cover and throughout the report are two outstretched hands. They do not depict a "hand out" or even a "hand up." Instead, to us they symbolize support, comfort, and openness to the ideas from within and outside the agency. The hands are appropriately placed by our statistics to show positive outcomes.

The MaineHousing Annual Report contains short stories about what made 2013 different from other years, and each story includes statistics or vignettes about why the work we accomplished mattered. We did not want this document to be a staid reflection of routine program performance and financials, but rather a yearbook displaying hard work and success.

The report is designed to be easy to read. We realize people are busy and, because of mobile devices, are used to viewing things quickly. We made a conscious effort to ensure that the report was not page upon page of blocks of type that would force the reader to have to work at getting through it. Each page is designed using the same format, column widths, headers, and other elements.

Knowing that annual reports typically contain numbers, we were selective in what numbers we used. Before-and-after results of new initiatives or the challenges we faced are shown, as are numbers that reflect targeted client groups we serve, such as veterans and the elderly. Each of MaineHousing's "production" departments is represented. Annual audited financial statements are available through a Q-code or by going directly to our website.

Annual reports, too, reflect appreciation from people who have been helped. Ours is not without those. The most extraordinary story is of a veteran who was homeless and living year round in Maine's outdoors -- including its harsh winters -- for more than 12 years and now is living in supportive housing. Also pictured is a boy who is homeless and now living in the coastal shelter that was once closed. A longtime supporter of the shelter took his picture and shares why she and her husband will still make donations.

Production

In an effort to save money, MaineHousing produced its annual report in house. The data, articles, layout and design, and most of the pictures were the work of MaineHousing's Communications and Planning Unit of four people: the CPU Manager, Public Information Manager, Communications Technician, and Webmaster.

The annual report is posted online for easy viewing. An email from Director John Gallagher with links to the report and financial statements was sent to 1,300 partners in the development, financial, affordable housing, and governmental sectors. Two hundred copies were printed for distribution.

Response

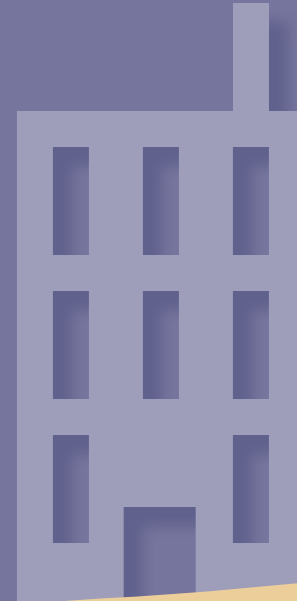
While 2013 was a challenging year for MaineHousing, through hindsight we can call it a year of great accomplishment. Innovation and collaboration were key elements in every program change, crisis response, or goal plan that was undertaken.

MaineHousing has received positive comments from its partners for the way its efforts are presented in the annual report. The words “simple” and “strong” have been used to describe the design. The size makes for easy reading. The pictures draw people into the articles. The columns of statistics complement the articles. Each element catches the reader’s eye, makes them stop and want to stay on the page.

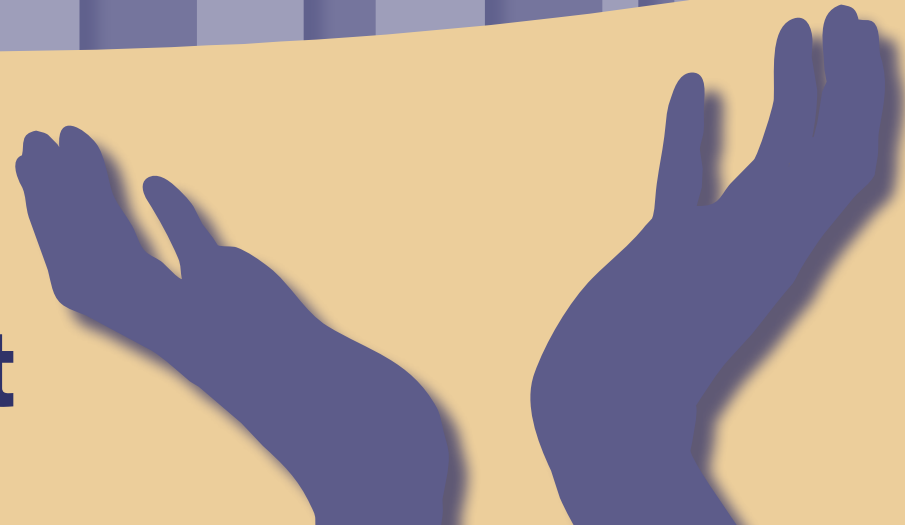
And the boy at the homeless shelter melts their hearts.



MaineHousing
Maine State Housing Authority



2013 Annual Report



Administration

Board of Commissioners

Peter Anastos

Co-founder and Principal of Maine Course Hospitality Group

Adam Bradstreet

Field manager in the construction sector

Neria Douglass

Treasurer of the State of Maine

John Gallagher

Director of Maine State Housing Authority

Sheryl Gregory

Real estate broker with Homestead Realty in Winthrop

Lincoln J. Merrill, Jr.

President and Chief Executive Officer of Patriot Insurance Co. in Yarmouth

Donna Talarico

Senior Vice President and Marketing Manager for Residential Lending at GuaranteedRate.com in Portland

Touring MaineHousing-funded housing complexes



MaineHousing Director John Gallagher chats with Board Commissioners Donna Talarico, Sheryl Gregory, and Board Chairman Peter Anastos during a tour of The Inn at City Hall in Augusta. The historic Augusta City Hall building was restored and renovated into 31 assisted-living apartments with its unique features preserved throughout the building.

Message from Board Chairman and Director

Planning a solid strategy for increased success

It takes a solid strategy to accomplish the greatest good; a strategy developed through the hard work of introspection and the promotion of teamwork.

MaineHousing spent 2013 creating that strategy, a blueprint that focuses on improving the quality and preserving the inventory of affordable housing in Maine. Our new, ambitious two-year plan is the result of discussions with partners, clients, and employees who strongly support the agency's mission to help low-income individuals have a home.

Our strategy contains major challenges, and it will push us to achieve them.

We created this plan taking into account that Maine is a state with flat population growth, an aging population, and an older housing stock. The plan includes a leadership component in which we will analyze Maine's changing demographics and help lead the state to appropriate solutions.

Other highlights of our plan include:

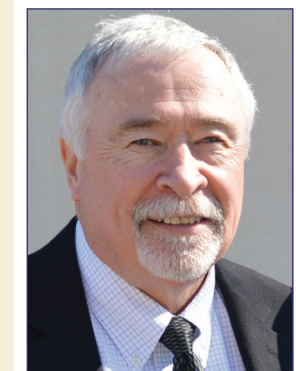
- Examining our rehabilitation and refinancing options.

- Analyzing the financial and physical conditions of our supportive housing portfolio to ensure lasting tenancy.
- Increasing the number of first-time homebuyers through competitive mortgage products as well as access to education classes that will help people succeed in their quest for affordable and stable homeownership.
- Improving the quality of existing housing.
- Helping Maine people attain stability in their housing.
- Working with homeless shelter providers to give them stable and consistent operation subsidy while creating an incentive-based approach for the reduction of time people stay in shelters.

For our efforts to be successful, our relationships with partners, clients, and other stakeholders are vital. We'll continue to set policies and design programs to best meet the needs of the marketplace. We hope these changes will enhance our ability to accomplish our mission.



Peter Anastos
Board Chairman



John Gallagher
Director

Aging in Maine Conference

Housing in Maine

77.9%

Houses built 1980 or earlier
Maine is No. 3 of all states
with the oldest housing stock

27%

Houses built 1939 or earlier

\$175,000

Median price of houses sold
in 2013

33%

Increase in home sales
since 2011

Aging in Maine

21%

Population 60 years old or older
Maine is one of the oldest states in
the nation

25%

Maine population that will be
65 years old or older in 2030

Finding community-based solutions for senior housing

As MaineHousing continues to provide leadership in Maine's housing field, we realize that this role requires identifying priority housing needs within the state and focusing resources on addressing those concerns.

Maine has one of the fastest growing aging populations in the nation and one of the oldest housing inventories as well, with almost 30 percent of the homes built before 1939. As Mainers age, they may be living in these older homes and need assistance with home repairs to save energy costs, or they may want to move closer to health care services and public transportation options.

We recognize that to tackle this likely demand, it takes partnerships with social services agencies, legislators, town offices, and businesses to ensure the needs of our older adult population are met.

In 2013, MaineHousing participated in a series of forums on aging in Maine. The result was a Blueprint for Action on Aging, which included housing action items in line with our Strategic Plan goals.

According to the report, "it became clear that

Maine employers, health and education systems, municipalities, and state leaders must discover and implement innovative ways to attract and retain workers, create housing and transportation options for older adults, and deliver supports and services to keep people healthy and thriving in their homes."

The "community-based solutions" for housing and energy include:

- Creating and promoting safe and affordable housing, including exploring rezoning of housing stock and development of housing in close proximity to transportation and services.
- Creating a best practice database for transportation strategies and housing models.
- Supporting programs that provide resources or tools to increase energy efficiency and reduce energy costs.

MaineHousing will have a seat at the table as discussions continue among developers, financiers, and municipal leaders to capitalize on the shared interest to analyze and implement aging-friendly ideas.



Strategic Plan

Setting a course to achieve agency's mission, goals

MaineHousing, like other state housing finance agencies, is facing considerable challenges. The future of federal and state funding is uncertain. Nationally, there are ongoing unresolved debates about the basic structures to finance both rental and ownership housing.

In Maine, housing needs are changing as a result of demographic shifts and economic conditions. The state's population is older, population growth is flat, and the housing stock is aged.

Challenges? Yes. Road blocks? No.

In 2013, MaineHousing developed a two-year Strategic Plan with broad input from the agency's partners, constituents, employees, and board members. It balances the desire to achieve major and far-reaching goals with the reality of limited and diminishing resources.

Because the plan was written during uncertain times, a two-year time frame was incorporated instead of a typical five-year plan so that the agency could adapt easily to changes we may face. The goals are important, on target, and reasonable to achieve in this time period.

MaineHousing's Strategic Plan rests on four mission goals and a supporting set of operational priorities.



Kathryn Hunt, principal and senior consultant with Starboard Leadership Consulting, served as facilitator for the development of MaineHousing's Strategic Plan. Here she chats with Director John Gallagher at the plan's launch to MaineHousing staff.

Overall, its focus is to provide housing stability and program resources to individuals and families of lower income, and work closely with housing partners and community action agencies to achieve these objectives. This effort required a big-picture evaluation of our programs to ensure that resources are being spent where they do the most good, including whether to align two or more department initiatives into one to save resources and better assist the people we serve.

Each MaineHousing employee has set goals to not only advance the plan, but to inspire professional development, too.

Mission

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

Program goals

- Improve Housing Quality
 - Expand the Supply of Affordable Housing
- Help Maine People Attain Housing Stability
 - Provide Leadership in the Housing Field

Core values

- Passionate and Committed
- Thoughtful and Caring
 - Professional
 - Accountable
 - Responsive
 - Innovative

2013 Maine Affordable Housing Conference

Conference numbers

517

Attendees

59

Speakers

12

Workshops

4

Program tracks:

Homelessness,
Homeownership and Banking,
Policy and Research
in Multi-family Development,
Property Management

2

Specialty Workshops:

Island Housing Initiative,
and Sustainable Homes,
Sustainable Communities
by Steve Thomas, former host
of “This Old House”

Promoting collaboration during uncertain funding times

After a three-year absence, MaineHousing partnered with the Maine Affordable Housing Coalition to present the Maine Affordable Housing Conference, the state’s premiere industry forum. The timing was perfect.

The late October event took place two weeks after a 16-day federal government shutdown officially ended but was still being discussed as another example of a lack of budget compromise coming from Washington, D.C. Short-term continuing resolutions to fund the federal government were commonplace. Also, a sequestration measure that brought with it a 10 percent program-wide funding reduction was having an impact on program delivery. That sequestration measure was set to decrease funding levels by another 10 percent at the start of 2014.

The Maine Affordable Housing Conference was the place to regroup and refocus on what was important: helping individuals and families of lower incomes secure an affordable place to call home.

MaineHousing’s role as the go-to leader for state affordable housing resources was emphasized at the conference as Director John Gallagher set the tone for the event and issued a directive to the more than 500 attendees. Instead of just complaining about federal funding reductions, Maine has to step up and evaluate whether separate programs with similar goals

can combine resources to become more efficient and innovative in delivering housing stability initiatives and other assistance.

“The tone in Washington has led me to believe that while we are being asked to do less with less, we can do better than that—we can form stronger teams among ourselves to do more with less,” he said. “Please, be energized. Stay energized. Think about what you can do to help another person. Do it. Try it. Pass on the good.”

Not all was negative. Five years after the 2007 collapse of the nation’s housing market, Maine is demonstrating signs of recovery, the director said. Home sales are up, MaineHousing is selling more first-home mortgages, and bonds are being issued to fund affordable housing tax credit projects.

Experts from all sectors of the affordable housing industry provided insight or education on affordable housing development, the state’s housing market and where it’s headed, foreclosure prevention, homeless prevention initiatives, and property management.

Former Congressman Barney Frank of Massachusetts gave his insights on the Congressional environment, and Barbara Poppe, executive director of the U.S. Interagency Council on Homelessness, emphasized that public-private partnerships will reduce and end homelessness.





MaineHousing Director John Gallagher (left) and Greg Payne of the Maine Affordable Housing Coalition thank Barbara Poppe, executive director of the U.S. Interagency Council on Homelessness, for participating in the Maine Affordable Housing Conference.



*Former Congressman
Barney Frank of Massachusetts*



*University of Southern Maine
Economics Professor
Charlie Colgan*



*Maine Attorney General
Janet T. Mills*

Affordable Housing Development



Photo by Alexandria Duncanson

Pearl Place II, a 54-unit family affordable housing complex, opened in January 2013 in Portland.

Bringing down per-unit costs to create more housing

Lowering the costs of developing or rehabilitating affordable housing units in Maine remains a priority as MaineHousing continually works with developers on ways to reduce expenses while meeting the needs of the lower-income communities they serve.

In 2012, the MaineHousing Board of Commissioners approved a Qualified Allocation Plan (QAP) that included a scoring category that specifically awarded points to developers who brought in plans with lower per-unit costs. The QAP is a federally required competitive scoring system in which projects receive points for meeting cost, construction, and needs criteria. The highest scores receive a portion of the Low Income Housing Tax Credits (LIHTC).

In 2012, six projects received a share of the \$2.9 million tax credits that leveraged approximately \$25 million in private investment. Combined, the development projects, which were in varying stages of construction in 2013, totaled nearly \$43 million. Because of QAP changes, total development costs were reduced by 36 percent and resulted in 148 more units being assisted. The developers are rehabilitating 184 housing units and creating 130 new affordable housing and 11 market-rate units.

In 2013, another six new projects were selected in the LIHTC allocation round, which will create 160 new units and preserve 100 units. At year's end, these six projects joined the five projects in the pipeline from previous rounds and the eight projects already under construction.

In late summer, Governor Paul R. LePage notified MaineHousing that he supports our efforts to boost Maine's construction and affordable housing sectors through the agency's issuance of moral obligation, tax-exempt private equity bonds. That authority to sell bonds sparked significant interest from developers who have projects primarily in need of rehabilitation.

With the Governor's signature, MaineHousing expects to finance approximately \$40 million in affordable rental housing efforts going into 2014, and could issue up to \$120 million in coming years.

"We're ready to put the bonds to work," exclaimed MaineHousing Director John Gallagher.

In 2013, MaineHousing also witnessed the completion of 17 development projects which added or preserved 333 affordable housing units throughout Maine.



Photo by Penquis Community Action Agency

Stephen B. Mooers, director of housing development services for Penquis Community Action Agency, presents an artist's rendition of Chamberlain Place, a senior housing complex in Brewer, to MaineHousing Director John Gallagher during an open house ceremony in August 2013.

Rental Housing Development

2013

17/415

Projects/units completed

13/302

Projects/units committed

38/931

Projects/units in pipeline

2012

18/435

Projects/units completed

15/422

Projects/units committed

39/780

Projects/units in pipeline



Emergency Housing Responsiveness

Thank you

“On behalf of the City Council and our citizens, I would like to express our appreciation to you and your personnel who assisted or offered to assist the City of Lewiston and those affected by our recent downtown structure fires and major brush fire ...

“While it will take time for the scars to disappear, each and every cooperating agency was essential to responding to these emergencies.”

*Robert E. Macdonald
Mayor, City of Lewiston*

Securing homes quickly for those displaced by arson



At a housing fair in Lewiston, Housing Choice Voucher Program Housing Counselor Louise Patenaude answers questions from people displaced from their homes as the result of three arson fires.

In late April and early May 2013, three Lewiston apartment complexes were flattened by arson, leaving close to 200 people without housing. Numerous residents in two of the buildings held Section 8 vouchers. But one of the structures—Pierce Park—included 27 project-based assistance units that were homes to 27 families (almost 100 individuals) who found themselves without a portable voucher to secure a new place to live.

MaineHousing took a leadership role in helping the individuals and families by coordinating with Lewiston Housing Authority, the U.S. Department of Health and Human Services, the U.S. Department of Housing and Urban Development, the City of Lewiston, and other agencies to ensure that displaced people could move from shelters to temporary or permanent housing.

It's a complicated process to assist displaced tenants who had unit-based rental assistance primarily because of the rules that apply to that program. But we needed to do something to help. Through negotiations with HUD, MaineHousing was able to secure a waiver that would transfer the rental assistance from the destroyed building to other project-based housing units in the

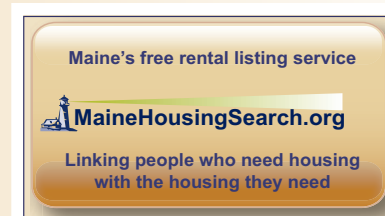
area. The process included securing commitments from the affected landlord, new landlords, and others to provide housing for a period of time until a new building is constructed on the site.

Also, it required developing a rental payment plan that included partial payments for one month because tenants were moving into new homes after the scheduled first-of-the-month payment cycle.

To find available apartments, MaineHousing publicly asked landlords with vacancies to list their units on a free housing website, www.mainehousingsearch.org, and attend a housing fair to meet prospective tenants. This call increased the number of listings on the site, not only in Lewiston but throughout Maine.

On May 8, MaineHousing co-hosted a housing fair in Lewiston that was supported by service agencies and attended by more than 100 individuals. Interpreters were available to help translate for Somali refugees who lost their homes due to the fires.

The result was 100 percent tenancy within a few weeks of the fires.



2013

97,750

Total searches

17,764

Units

789

Landlords

2012

77,042

Total searches

17,523

Units

745

Landlords



Hospitality House

Open Shelter

2013

“Shelter without walls”

105

Unique clients

4,690

Bednights

45

Average nights per client

2012

“Shelter with walls”

76

Unique clients

4,671

Bednights

62

Average nights per client

Reopening a homeless shelter with community support

It was an unexpected telephone call from a stranger at the beginning of December 2012. Hospitality House, the only homeless shelter in coastal Maine, had closed its doors after more than 20 years. MaineHousing, which reimburses shelters for bednights, had not been notified by the owners of their plans. The agency needed to find the individuals who were finding a “closed” sign on the shelter’s door and get them a place to stay.

The plan: Create and run a “shelter without walls” program while a parallel effort to re-open the shelter under new ownership is undertaken.

With the generous help from New Hope for Women, a shelter for victims of domestic violence, the Knox County Homeless Coalition, and Penquis Community Action Agency, the plan was launched within days of that initial phone call. And with the added community support in the form of handiwork, donations, money, and time, the shelter now is open.

It wasn’t easy as there were hurdles to overcome. MaineHousing held the mortgage on the shelter building, and worked with the previous owners to relinquish the property and bring in the keys. They agreed that the shelter needed to re-open.

Through agreements with two area motels, 105



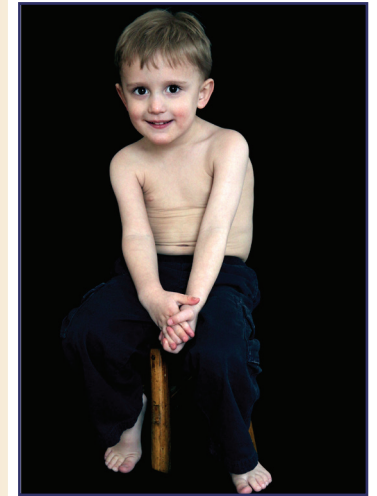
individuals who were homeless at any time throughout the year—including children—had a place to stay, even during the busy coastal tourist season. Bednight reimbursement funds were used to pay the costs.

At the building, a new water well was dug. Bedbugs were eradicated. Generous donors answered calls for help to fund shelter operations. And work was completed to make the building safe and comfortable.

Under previous owners, the shelter served its intended purpose as a place for people to stay the night. The new Hospitality House is that—plus more. MaineHousing’s Home to Stay program is in place there. This effort connects resource navigators with people whose goal is to be on a path to stable and permanent housing. Also, counseling and support services will be offered.



One Face of Homelessness



Logan, 2, Hospitality House guest

Through their foundation, Patrisha and Don McLean contribute funds to help support Hospitality House. Patrisha, a photographer, wants to do more. "Over the next year, I would like to photograph at every shelter in Maine. My goal is to put a face on the homeless in our state, and show that, as someone at the Hospitality House said, 'You'd be surprised who walks in the door. It's everybody!'"

~ Photo courtesy of Patrisha McLean



Bunk beds await guests at Hospitality House, a homeless shelter in coastal Maine.

Energy and Housing Services

Energy and Home Improvement Programs

Households assisted/
average subsidy:

33/\$16,471

Home repair

54/\$5,347

Elderly hardship grants

25/\$10,100

Home retrofit

373/\$12,983

Weatherization

864/\$2,179

Central heating improvement

102/\$491

CTE

88/\$10,649

Lead hazard control

46,007/\$583

LIHEAP (2012/13 heating season)

Creating warm, safe efficient homes for those in need

In Maine, the start of a new calendar year also is the beginning of the coldest weeks of winter. For individuals and families with lower incomes, it's a scary time especially if they cannot afford to pay for heat or whatever heat they do buy escapes through inadequately insulated walls or windows.

Because of a federal sequestration measure in place that reduced program funding by 10 percent, the Energy and Housing Services (EHS) Department entered 2013 with its budget set to first provide heating assistance through the Low Income Home Energy Assistance Program (LIHEAP) before tackling home weatherization projects. More than 46,000 households received an average benefit of \$583. While for many the benefit was not enough to cover the full cost of a tank of heating oil, it helped bring warmth on sub-zero days.

Additional programs managed by EHS also aided families:

- More than 370 lower-income homes were

weatherized, helping to reduce future fuel costs;

- More than 30 homes received much-needed repairs;
- Almost 900 households received upgraded central home heating systems;
- And, 88 households now have homes that are safe for children because of lead paint abatements.

Near the end of the year, LIHEAP funding again was uncertain—and Maine was beginning to experience what shaped up to be one of the coldest years on record. Emergency heating assistance requests were up as LIHEAP applications for seasonal benefits were being processed. The focus of MaineHousing and our partners at community action agencies remained on helping individuals and families.

Fortunately, in December, the sequestration measure was lifted and MaineHousing was to be made whole on program funding for the 2014 heating season.



Homeownership

Lowering interest rate prompts mortgage activity

In 2013, MaineHousing experienced what we're calling a "bounce back year" for mortgage production. After a year of historic low rates in which the agency could not offer a competitive loan product, the tide changed and the agency resumed our traditional marketplace position of offering below-market interest rates.

Prior to the start of Maine's 2013 home-buying season, a strategic decision was made to offer a limited-time base interest rate of 2.99% as a way to stimulate program activity. This proved to be highly successful, given that interest rates elsewhere were slowly rising from their all-time lows the previous year.

Also, MaineHousing removed what was perceived as a long-standing impediment to borrowers considering a MaineHousing mortgage: we would pay the federal recapture tax, if applicable. Few borrowers have ever met the requirements that would result in having to pay the tax, but the thought of it was enough for mortgage seekers to say no to a MaineHousing loan.

MaineHousing ended the year with a 92 percent increase in the number of mortgages and a 122 percent



Using the theme "Welcome Home," MaineHousing markets its mortgages on social media and with a Q-Code for cellular phones.

increase in total dollar volume over the previous year.

While MaineHousing's volume numbers are impressive, greater program volume now is the goal. In 2013, the agency captured 4 percent of all home loans purchased in Maine, and 5.1 percent of all eligible loans.

MaineHousing mortgages are available through more than 30 lending partners statewide. We'd like first-time homebuyers to visit banks and say, "I'd like a MaineHousing mortgage!"

Single Family Mortgages

2013

610

Loans purchased

\$72.3M

Total loan value

159

Loans in pipeline

\$18.1M

Total loan value

2012

318

Loans purchased

\$32.5M

Total loan value

93

Loans in pipeline

\$9.4M

Total loan value

Foreclosure Prevention

Foreclosure Process

2013

5.34%

585 of 10,952 loans

Number of loans in foreclosure

146 loans

Foreclosures approved

43

Foreclosures prevented

86 classes; 1,542 attendees
hoMEworks classes

2012

2.76%

319 of 11,571 loans

Number of loans in foreclosure

60 loans

Foreclosures approved

16

Foreclosures prevented

72 classes; 1,502 attendees
hoMEworks classes

Encouraging struggling homeowners to call for help

For the first time since the housing market collapse of 2007, MaineHousing's percentage of mortgages in foreclosure was greater than the overall percentage rate for all mortgages in Maine.

First-time homebuyers make up the majority of MaineHousing mortgage loan borrowers, but we wondered how many of them are aware of their options if they got into a financial bind. MaineHousing is improving our outreach to households that are at least 30 days late on their payments to explain what they can do to save their home.

A "past due notice" is not sufficient. Education is key.

MaineHousing designed an informational flier that is included in all past-due statements. It gently informs people to call their lender or a housing counselor for advice and warns them to avoid third-party "mortgage help" businesses. Also, it lists payment or loan modification options they may want to consider.

MaineHousing's Loan Servicing Department instituted the Maine Home Affordable Modification Program for borrowers who are at risk for foreclosure. It reduces

the outstanding loan balance on an existing mortgage, and the amount of the loan reduction becomes a junior mortgage lien that is to be paid when the mortgage is paid off or the home is no longer the borrower's primary residence.

Also, MaineHousing has established a steering committee that meets to review our foreclosure prevention strategies and make recommendations for enhancements. The committee includes representatives from Pine Tree Legal Assistance, housing counselors, loan servicers, and MaineHousing homeownership and loan servicing staff.

While the percentage of loans in foreclosure was up in 2013, MaineHousing saw a nearly three-fold increase in the number of foreclosures prevented as compared to the previous year, and a decline in the percentage of borrowers who were more than 60 days delinquent on their payments.

While a number of the new initiatives are less than a year old, MaineHousing anticipates a reduction in foreclosures in the coming years because of the outreach and education that will be provided by staff, housing counselors, and lenders.



**WHAT TO DO
If You Can't Make Your
Mortgage Payment**

A guide for
MaineHousing borrowers

MaineHousing
Maine State Housing Authority

www.mainehousing.org

**WHAT TO DO
If You Can't Make Your
MaineHousing Mortgage Payment**

MaineHousing, its lender partners, and housing counselors are available to discuss payment and budget options.

The most important thing to do is to make a call for help.

- Talk to your mortgage servicer/lender**
Your servicer/lender will discuss payment options that may help you stay in your home and avoid foreclosure.
- Call a housing counselor**
A HUD-approved housing counselor will help you assess your financial situation and offer specific suggestions on what you should do, free of charge. Beware of scams! Do not pay a third party provider a fee for foreclosure prevention services.
- Contact MaineHousing**
Please contact MaineHousing today and speak with one of our representatives or visit our website for more information related to avoiding foreclosure.

Options that will be considered when you call your servicer/lender:

<p>How to help you stay in your home</p> <p>Your lender will discuss the following options with you:</p> <ul style="list-style-type: none"> Maine HOPE Program for unemployed MaineHousing borrowers MaineHousing Home Affordable Modification Program Payment plans Special forbearance Loan modifications 	<p>How to exit your home gracefully</p> <p>After reviewing your options, you may decide that homeownership is no longer right for you. You may be able to get out from under your mortgage debt without foreclosure through:</p> <ul style="list-style-type: none"> Pre-foreclosure sale/short sale - If approved, you may sell your home for less than your current loan amount. Deed-in-lieu - If approved, you can transfer your property back to MaineHousing.
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ASK FOR HELP

DO NOT MOVE OUT of your home without first talking to your loan servicer/lender.

Call your servicer/lender's telephone number found on your billing statement.

Call MaineHousing at 1-800-452-4668 (Maine Relay 711) or visit www.mainehousing.org/counselors

Visit MaineHousing's website at www.mainehousing.org/MortgageHelp

MaineHousing
Maine State Housing Authority

353 Water Street
Augusta, ME 04330-4633
1-800-452-4668
Maine Relay 711
www.mainehousing.org/MortgageHelp

MaineHousing and its lender partners distribute brochures (left) or mail an informational flyer (top) to borrowers who may be falling behind on their mortgages. It encourages people to call for help as early as 30 days behind on a payment.

MaineHOPE

The HomeOwnership Protection for unEmployment plan assists MaineHousing borrowers who cannot make their payments because of a job loss. MaineHousing makes four of the mortgage payments, and that amount becomes a junior mortgage lien with no interest that's repaid when the mortgage is paid.

MaineHAMP

The Home Affordable Modification Program reduces the outstanding loan balance on an existing mortgage. The amount of the loan reduction becomes a junior mortgage lien with no interest that's repaid when the mortgage is paid.

Housing Choice Voucher and Asset Management Programs

Housing Choice Voucher Portfolio

3,844
Vouchers

\$25,653,659
Total subsidy

\$556
Average monthly subsidy

Asset Management Portfolio

796
Properties

18,600
Units

\$67,146,675
Total subsidy

\$694
Average monthly subsidy

Helping tenants, landlords through communications

After a hectic year in which the Section 8 Housing Choice Voucher (HCV) Program's inspection and counseling services were consolidated into one location, in 2013 the department settled into a routine of focusing on customer service and providing stable housing.

HCV received a "100 percent, high performer" score for its fast response to Section 8 deficiencies, particularly in housing unit inspections, which were identified in a 2012 HUD Office of Inspector General audit.

"Congratulations on a job well done," said Marilyn B. O'Sullivan, director of HUD's Office of Public Housing, in a letter announcing the results of a Section 8 Management Assessment Program (SEMAP) review.

Faced with being unable to reissue about 150 Section 8 vouchers due to a federal funds reduction, MaineHousing prioritized its housing services so they would provide the most good over a long period of time. The HCV Administrative Plan now includes preferences for Section 8 voucher applicants who are homeless, victims of domestic violence, or veterans. All 7,000 individuals on the waiting list were notified to update their applications if the preferences were applicable.

Combined, HCV and the Homeless Initiatives Department rolled out Home To Stay, a program

to decrease the length of stay for shelter guests by providing them with necessary services to learn how to find a job, secure permanent housing, and maintain a home. Program navigators at 16 agencies statewide work with participants for up to a year on their housing stability plans. A total of 362 individuals were being served beginning June 2013.

MaineHousing, too, reached out to landlords for their input on the Section 8 program. Three landlord forums were conducted statewide, and the comments ranged from inspection processes to tenant responsibilities.

To streamline operations, and to keep applicants, tenants, and landlords informed, MaineHousing produced a refrigerator magnet that reminds tenants of their responsibilities, moved online the Section 8 application for ease of submission, moved landlord rental payments to direct deposit, and distributed quarterly Mainely Landlords newsletters filled with important safety and other information.

In the Asset Management Department, retaining properties participating in the Project-Based Voucher (PBV) Program was a priority.

A new contract administration initiative now offers non-MaineHousing financed properties with a PBV contract a financing option to make property improvements.





Your Housing Choice Voucher

Rules and Responsibilities

Your agreement

- Do not move in until after the unit passes inspection. If you do, you are responsible for the full rent.
- You are required to stay at least one year. If you plan to move after the first year, you must give the landlord a 30-day written notice and mail a copy to MaineHousing.
- Do not abandon the unit. Give a 30-day written notice. Remove your belongings when you move.
- Comply with the terms of the lease. It's a contract with your landlord.
- Pay rent and utilities on time. You are responsible for your share of the rent.
- Take good care of the rental unit.
- Respond to information inquiries and complete paperwork on time.
- Allow unit entry for repairs and inspections.

Keeping your voucher

- Get written permission from your landlord and MaineHousing before you allow anyone over 18 to move in even if the person used to be part of your household and is moving back in.
- Send MaineHousing a written notice within 14 days if the income of *anyone* in your household changes; if anyone moves out; or if anyone under 18 moves in.

Reminder:

Drugs and criminal activities are **NOT ALLOWED.** You could lose your voucher.

Fair Housing

- Persons with disabilities have a right to reasonable accommodation.
- We will provide an interpreter for any client who requests help understanding the English language.

This magnet does not take the place of a contract between you, your landlord and MaineHousing.

353 Water Street, Augusta, ME 04330-4633
207-624-5789 / 1-866-357-4853
Fax 207-624-5713 / TTY 1-800-452-4603/ 711 (Maine relay)
www.mainehousing.org



MaineHousing
Maine State Housing Authority
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Questions?
1-866-357-4853
(tollfree)

A refrigerator magnet reminds Section 8 Housing Choice Voucher holders of their rights and responsibilities.

Connections

Mainely Landlords
For landlords with tenants who have Housing Choice Vouchers from MaineHousing

Winter 2013 www.mainehousing.org

FIRE SAFETY

A review of smoke and CO detectors, egress and heating system laws

Structures fire are not common this winter with the heat of the homes and property damage increasing. The sheer number of them has caught our attention. As the wind force the Maine State Fire Marshal the most of the fire could have been prevented.

It was not difficult, based on the fact that you that claimed the lives of six people, a father and his three children as a teenager and two friends in Chino, that brought to the frontiers state and federal fire safety laws.

The common thread of these fires and several others on working smoke detectors.

While many people often the Christmas fire checked their detectors and battery back up, questioned whether they had enough detectors in their homes, and practical their own escape plans, it was a Bangor Daily News article on Maine laws preventing or smolder detectors in single-family homes that initiated a different type of response: "They're not in the living room!"

Maine's building safety laws for single-family non-wood frame require that they have smoke detectors, but the laws do not require them to be on, according to the Maine State Fire Marshal. Maine follows rules from what's called the "Life Safety Code," adopted by the National Fire Protection Agency, considered the authority on fire safety.

For multi-family residences, including those that are federally funded through subsidies, Maine and the federal government have laws regarding the use and placement of smoke and carbon monoxide detectors, which type of smoke detector (there are two) is the best to use in that location, and whether they can be.

Maine's laws changed in 2009, and any new construction must meet new requirements on smoke and carbon monoxide detectors, and any older units also must meet new standards for carbon monoxide detectors. Property owners and landlords are reminded that it's their responsibility to know the law. Please see specific on Page 3.

In this newsletter, Mainely Landlords is focusing on fire safety by highlighting what is required under Maine law and what is required during a Housing Quality Standards inspection.

Getting Out – Egress

Egress is a second means of exit of a building, it is important in a smoke detector. Landlord and tenants have a responsibility for safety.

What's important is egress routes, including fire escapes or other non-easily movable objects that are on the inside or outside of the building.

Windows that: Each bedroom should have an operable window, with the exception of rooms with more windows or another door to the outside of the building.

The windows must meet minimum requirements to ensure a safe exit in case of a fire.

Continued on Page 2

Maine State Housing Authority | 353 Water Street Augusta, Maine 04330 | (207) 624-5789 | (866) 357-4853 | TTY (800) 452-4603

Mainely Landlords newsletter

1st Size 2 x 2.5 language/Format: English

FREE APPLICATIONS FOR MAINE STATE HOUSING AUTHORITY HOUSING CHOICE VOUCHER ASSISTANCE PROGRAMS

Online Website 1-800-Application

IMPORTANT NOTICE: The persons with disabilities or persons needing reasonable accommodations to access our program please contact Maine State Housing Authority Office (Disability/Religious). Call toll free 1-800-452-4603 or 1-800-452-4603

Before you begin the application process, please have available your social security card, names and dates of birth of all family members, then we will send you a list of all family members. Make sure you have correct information, NAME, PAGES AND FULLY READY TO WRITE DOWN YOUR CONFIRMATION NUMBER.

Submit only ONE application to the MainelyLandlords. Duplicate forms will not be accepted.

Disability: Applications can be received online anytime during the next 60 days. Applicants will receive a confirmation number to acknowledge successful registration of the application. In submitting the application information you are not guaranteeing registration and you are not guaranteed the date, but based on the major preliminary application there will be an application for a voucher. Be notified by email on the status of the other waiting requests to address concerns relating to your application and your application.

Maintaining Your Status on the Waiting List

If you are placed on the waiting list, you will be notified by mail if you appear come to the top of the waiting list if you are getting on the list, if you do not receive an offer of a voucher, or your letter is returned unaddressed, your name will be removed from the waiting list. If you are placed on the waiting list, please include your social security number, name and date of birth of all family members, and ALL CHANGES MUST BE WRITTEN. No changes will be taken over the phone. Please include your social security number on any correspondence.

Eligibility:

- An applicant must qualify as an individual or family as defined by the regulations.
- Household must be at least 18 years of age at the time of the application or an emancipated minor by a court of competent jurisdiction.
- Family must have annual income at the time of admission that does not exceed the established income limits at the time of admission according to the program income by family size specified by the U.S. Department of Housing and Urban Development (HUD).
- Applicant or any member of the family must have not been convicted of a felony involving an act of violence, or a conviction of any other crime that would disqualify the applicant or any member of the family from receiving a voucher.
- Applicant must be a U.S. citizen or a permanent resident of the United States.
- Applicant and all members of the family must meet HUD requirements on identifying an identifying or immigration status.
- Applicant and all members of the family are currently receiving any other public housing assistance or other housing assistance will not be eligible for admission to the program.

Send the program you wish to apply to:

Online application

Supportive Housing

Veterans in Emergency Shelters

499

Unique clients

348/185

Disabled/not disabled

452/23

Male/female

56.1%

Served in

York and Cumberland counties

46.9%

Served in

balance of state

Having a home after 12 years of living in the woods

For more than 12 years, Steve McFarland lived in the woods about a mile outside Bangor. An industrial park was his back yard; a raised railroad track was his roof. He'd walk to the YMCA to shower, visit a shelter for a meal. Sometimes he'd pick up a sleeping bag or whatever he needed to stay warm at night, especially during the winter months. He'd go to a shelter on sub-zero nights.

The former Marine used to work at a shoe factory until it was shut down, and then for a cleaning service until he was severely injured in a car accident on the way to a job. After a stay in a rehabilitation center, Steve was discharged, but had no place to go. He went to a shelter and didn't like it: the noise, the crowds, and the barracks feel of it all. Plus his injuries made it difficult to move around there. After a month, Steve borrowed a sleeping bag and left. It was his first night in the woods.

"I'm pretty much a survivor anyway," Steve said. "I'm an ex-Marine."

Steve kept himself clean because he didn't want to appear "homeless." He networked with people, and was offered odd jobs. He was ashamed, however, to tell people how he really lived.

In 2011, during a snowstorm, Steve woke up with the worst pain in his leg. He tried to walk to the hospital for help, but stopped at the Bangor Community Based Outpatient Clinic, part of the VA Maine Healthcare Systems. A doctor diagnosed an inflamed sciatic nerve—caused from sleeping on the ground—and put Steve in touch with other VA services.

"I sometimes think that if I didn't get out of the woods, if I didn't walk out, I'd probably still be in the woods and no one would know," he said.

Steve moved to Bread of Life Shelter in Waterville, and after a period of time a new apartment opened up at a four-unit home with supportive services for veterans. He moved in February 2013, and while it's tighter living quarters than the woods, it's now home – with a garden. Operated by Community Housing of Maine, the building's rehabilitation was financed by MaineHousing.

"Without the whole program, I don't know what I'd be doing," Steve said, mentioning that he thinks about that often. "I'd be in the woods, I guess.

"I'm happy to be here."





Steve McFarland

- Photo by David Leaming, Waterville Morning Sentinel. Reprinted with permission.

Supportive Housing

2013

5/25

Projects/units completed

7/42

Projects/units committed

15/109

Projects/units in pipeline

2012

3/18

Projects/units completed

0/0

Projects/units committed

12/87

Projects/Units in pipeline



Homeless Initiatives

Homeless in Maine

2013

41/947

Emergency shelters assisted/beds

7,765

Unique clients

358,284

Bednights

\$2,711,150

Total subsidy

2012

42/962

Emergency shelters assisted/beds

7,745

Unique clients

318,808

Bednights

\$3,469,205

Total subsidy

Providing programs to teach stable housing skills

A “Letter to the Editor” by a middle-schooler for a class project caught the eye of Director John Gallagher and prompted more attention towards helping rapidly rehouse individuals who are homeless.

“Homelessness in Maine is a solvable problem,” the seventh-grader wrote. “The most effective way to end this problem is to make more supported housing and put people in those instead of shelters.”

The number of individuals who were homeless and sought shelter in Maine did not increase significantly in 2013, but their length of stay in shelters was longer.

More than 7,760 individuals were homeless in 2013, and the length of stay in homeless shelters was 10 percent longer than the previous year, signifying that it is taking longer for people to find stable housing.

During the annual Point in Time Survey, which was conducted on January 30, 2013, 1,175 people were homeless, up from the previous year. The PIT is

required annually by the U.S. Department of Housing and Urban Development as a measure to allocate homeless prevention funding.

At MaineHousing, the Homeless Initiatives Department pushed efforts to help people who are homeless—individuals, families, veterans, and victims of domestic violence—learn the skills they need to find a job, budget their income, and find services that can assist them to secure and maintain stable housing.

The department partnered with the Housing Choice Voucher Program to create Home To Stay, an initiative that combines rapid rehousing efforts with a limited number of housing vouchers. Participants work with a program navigator to develop plans to move from homelessness to secure housing.

The Home To Stay initiative is proving successful, as 16 agencies statewide helped 342 individuals last year. Other programs that include partnerships and a pooling of resources with other statewide agencies are in the works.



Appreciations

Stabilization Through Engagement Program

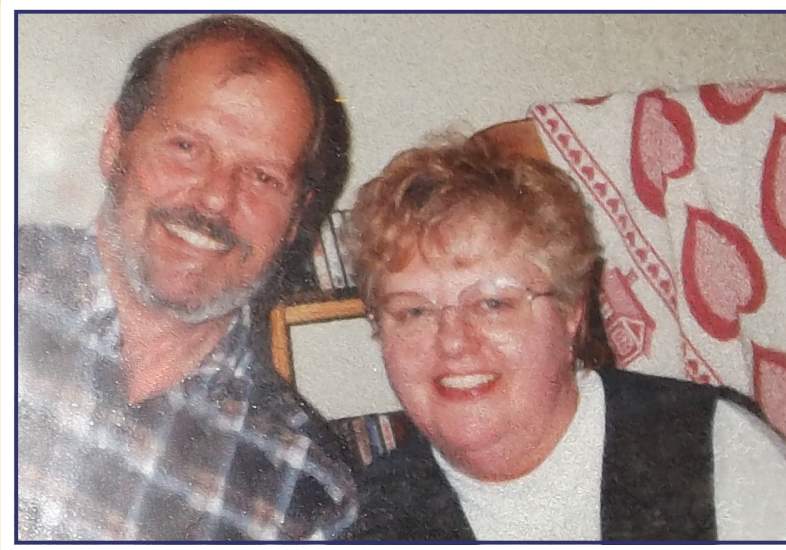
“This is one of many that STEP has helped stabilize their lives:

“Andrea built up enough courage to leave her abuser and was homeless for one year before I met her. Andrea, desperate to keep her family together, found a job. She still needed a safe, affordable place to lay her children’s heads at night. (She filled out the STEP application.)

“Even though I tried to convince her (MaineHousing) saw how much she wanted to stabilize her life, she just didn’t dare to believe it. When Case Manager Wayne Russell said, ‘I am giving you a housing voucher,’ it still didn’t sink in until she walked out of the office into the parking lot and wept in my arms. She said, ‘Is this really happening?’ My answer was, ‘Yes. We believe in you.’

-Linda Janson
Targeted Case Manager,
Stepping Stones in Portland

Low Income Home Improvement Program



David and Nadine Belliveau

When her husband became sick and money became limited, Nadine Belliveau turned to Kennebec Valley Community Action Program (KVCAP) for heating assistance and weatherization and home repair services.

“He took sick about seven years before passing away, and things became very difficult financially and as far as taking care of things in our home,” Nadine said. “In 2012, we had an electrical fire that brought the fire department to our home. Knowing that it was unsafe, we reached out to the home repair program...and before long we were going through the process of receiving an elderly hardship grant.

“A huge thank you to KVCAP, the staff and the providers for programs such as these. Since my husband passed in the fall (2013), I have continued to reach out to KVCAP for assistance since they have been great to lean on when help is needed.”

Home To Stay Program

“I finally have my own place to live, and feel thanks to MaineHousing for changes they have made to their program. I now have the opportunity to thrive not just survive. My hope is that the community, consumers, and landlords will see that this program is beneficial and helpful to those who want to recover and reintegrate from whatever challenges that have held them back.”

-Lisa Dailey

“This program is good for people that really want to help themselves. From where I have come from to where I am now, I have learned so much. This program has been everything. Financially it helped me help myself and give [my child] a better life.”

-Ada Santiago



MaineHousing
Maine State Housing Authority

353 Water Street, Augusta, Maine 04330

1-800-452-4668, Maine Relay 711

www.mainehousing.org

A Self-Supporting Public Agency

For more information,
contact Director John Gallagher
or Deputy Director Peter Merrill
at 207-626-4608

MaineHousing does not discriminate on the basis of race, color, religion, sex, sexual orientation, 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, 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.



2013 Audited Financial Statements



To view MaineHousing's
complete financial statements,
scan the code above or visit
www.mainehousing.org