

MAINE STATE LEGISLATURE

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Housing Opportunities for Maine (HOME) Fund



A report to the Maine State Legislature on the uses
of the HOME Fund during the Year 2023

MaineHousing

Submitted April, 2024

The HOME Fund is Key

About the HOME Fund

This 2023 report provides data and information on MaineHousing's use of the Housing Opportunities for Maine (HOME) Fund.

The HOME Fund was created in 1982 to provide MaineHousing with a flexible financial resource to address the State's affordable housing needs. The fund is capitalized using 45% of the state's Real Estate Transfer Tax. MaineHousing applies these funds directly to a range of affordable housing challenges. HOME Fund resources are entirely allocated to programming: the agency does not use money from the HOME Fund for salaries or administrative costs.

Title 36, Section 4641-N of the Maine Revised Statutes requires MaineHousing to submit an annual report to the joint standing committee of the Legislature having jurisdiction over housing.

The key characteristic of this fund is its flexibility. The HOME Fund supports down payment assistance for first-time and first-generation homebuyers, home modifications and repairs for low-income households, support for shelters and supportive housing, and the development of new housing units.

MaineHousing can use the HOME Fund for a wide variety of housing initiatives that might not otherwise have adequate funding to provide access to clean water, foreclosure avoidance, and mobile home replacement.

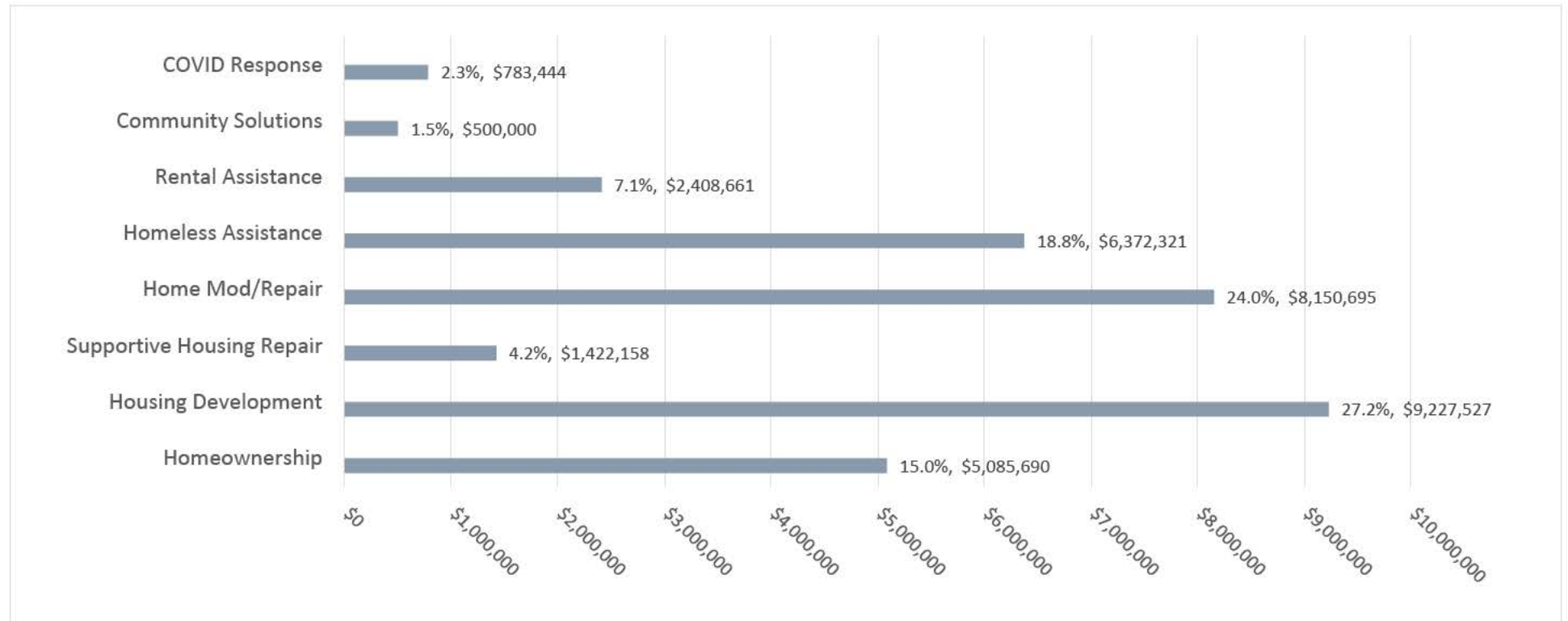


Blake & Walnut, two identical apartment buildings built in the style of the classic New England triple decker, located in the Tree Street Neighborhood of Lewiston. The buildings contain 18 new construction units for families, funded in part by the State HOME Fund.

A SNAPSHOT OF MAINEHOUSING'S USE OF THE HOME FUND

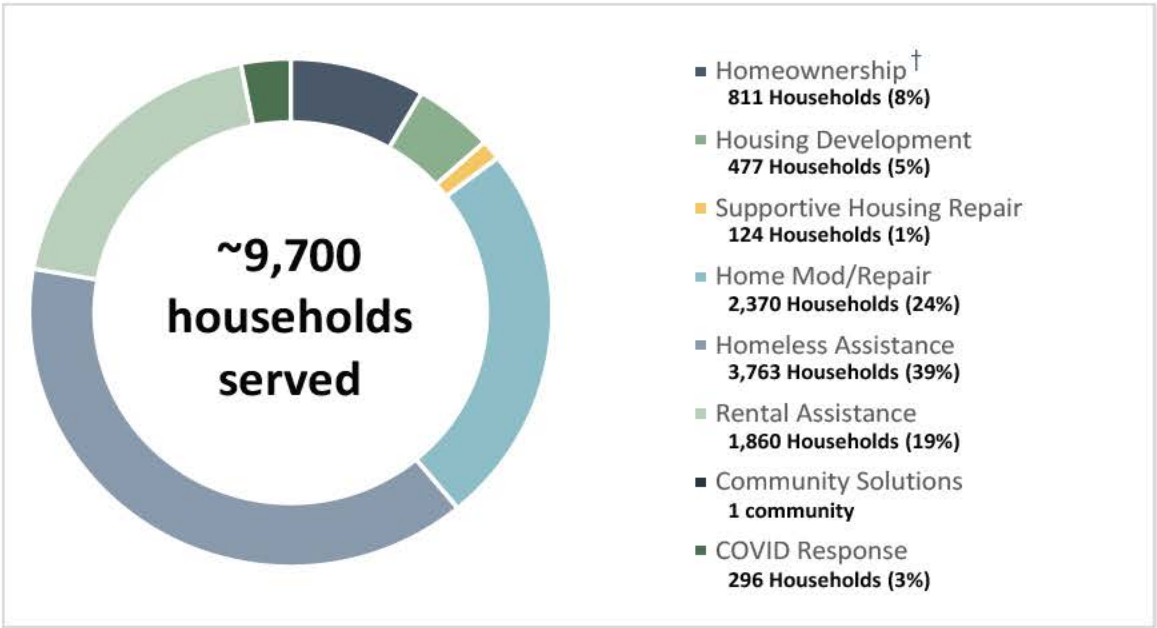
In 2023, MaineHousing invested \$33,950,496 of HOME Funds to serve low- and moderate-income homeowners, homebuyers, and renters across Maine.

Assistance by Type of Program Area



By the Numbers (continued)

Households Assisted with HOME Funds



[†] Homeownership households served are comprised of the sum of those that benefited from down payment assistance (794), Mobile Home Replacement (14), or mortgage payment protection (3) programs in 2023.

Median homeowner income*	
Lowest	Highest
\$58,507	\$105,183

Median renter income*	
Lowest	Highest
\$24,363	\$53,840

*by county

Helping Maine Expand Affordable Housing Opportunities

2023

Of 820 First Home Loans Issued, 794 included HOME Funds for Down Payment Assistance
Of 751 Affordable Rental Units Created/Preserved, 477 included HOME Funds



794 Down Payment Assistance Grants Provided
\$3.4 million from the HOME Fund

Loans with Down Payment and Closing Cost Assistance	Average Loan with Closing Cost Assistance	Average Age of Homeowner with Closing Cost Assistance	Average Household Size with Closing Cost Assistance
97%	\$212,258	34	2.1

MaineHousing offers mortgage products that meet the needs of first-time homebuyers. Through its First Home Loan Advantage option, MaineHousing helps Maine households purchase their first home by providing down payment and closing cost assistance funded by State HOME Funds. The Advantage option currently offers \$5,000 to MaineHousing borrowers, with completion of a hoMEworks-approved homebuyer education class as the only requirement. First Generation and multi-family buyers can qualify for even more.



477 Rental Units Created/Preserved Using HOME Funds
\$9.2 million from the HOME Fund

Units with HOME Funds	Total Units Created/Preserved*	HOME Funding Allocated	Total Funding Allocated*
477	751	\$9.2 million	\$199 million

*All Funding Sources

MaineHousing offers several programs to encourage private development of affordable rental housing for families, seniors, and persons with special needs. Low income housing tax credits, development loans, direct development subsidies, affordable housing tax increment financing, and options to restructure debt are available. Developers are required to ensure that housing developed with MaineHousing financing remains affordable.

Working to Improve and Preserve the Quality of Housing

Home Improvements 2023 *Warm, Safe, and Dry Housing*



\$17,985/home
(192 homes)

MaineHousing's home repair programs provide help to low-income homeowners who cannot afford necessary home repairs. MaineHousing spent \$3.5 million in HOME funds to provide needed home repairs.



\$16,331/home
(66 homes)

Lead in homes is a public health issue. It causes learning disabilities and behavior disorders in children as well as nerve damage in adults. MaineHousing spent \$1,077,873 in HOME funds for lead abatement assistance.



\$4,773/home
(161 homes)

Older adults value their independence and a fall can significantly reduce their ability to remain self-sufficient. MaineHousing spent \$768,469 in HOME funds to modify homes to make them safer for older adults in Maine.



\$35,357/home
(14 homes)

Mainers who own and occupy mobile homes built prior to 1976 may be spending too much money on inefficient upkeep and energy expenses. MaineHousing spent \$495,000 in HOME funds to assist with the replacement of pre-1976 mobile homes.



Upgrading properties to support aging in place, accessibility, and energy efficiency

Maine has an older, less energy efficient, and often unsafe housing stock. Many Maine homes have significant repair needs and low-income residents are not able to afford necessary repairs. To address these issues, MaineHousing has implemented several programs funded through the HOME Fund. These programs are offered to low-income homeowners by Community Action Agencies and local Public Housing Authorities to improve and preserve the quality of housing in Maine.

Innovative Efforts to Reduce Homelessness

As of January 2023, Maine had an estimated 4,258 people experiencing homelessness on a given day¹.

What is MaineHousing doing?

Through the Emergency Shelter and Housing Assistance Program (ESHAP), MaineHousing spent \$3.5 million in 2023 to assist 42 Maine providers operate and assist an estimated 2,948 homeless individuals.

Physical Plant Operations

Support continued operation of the homeless shelter facilities with assistance in staffing, physical plant maintenance, and operational costs.

Stabilization

Support shelter navigators to conduct housing search and placement activities, assist with basic needs, and other services needed to ensure housing stability.

Performance

An incentive for shelters to achieve performance outcomes focused on the percentage of clients finding and maintaining permanent housing.

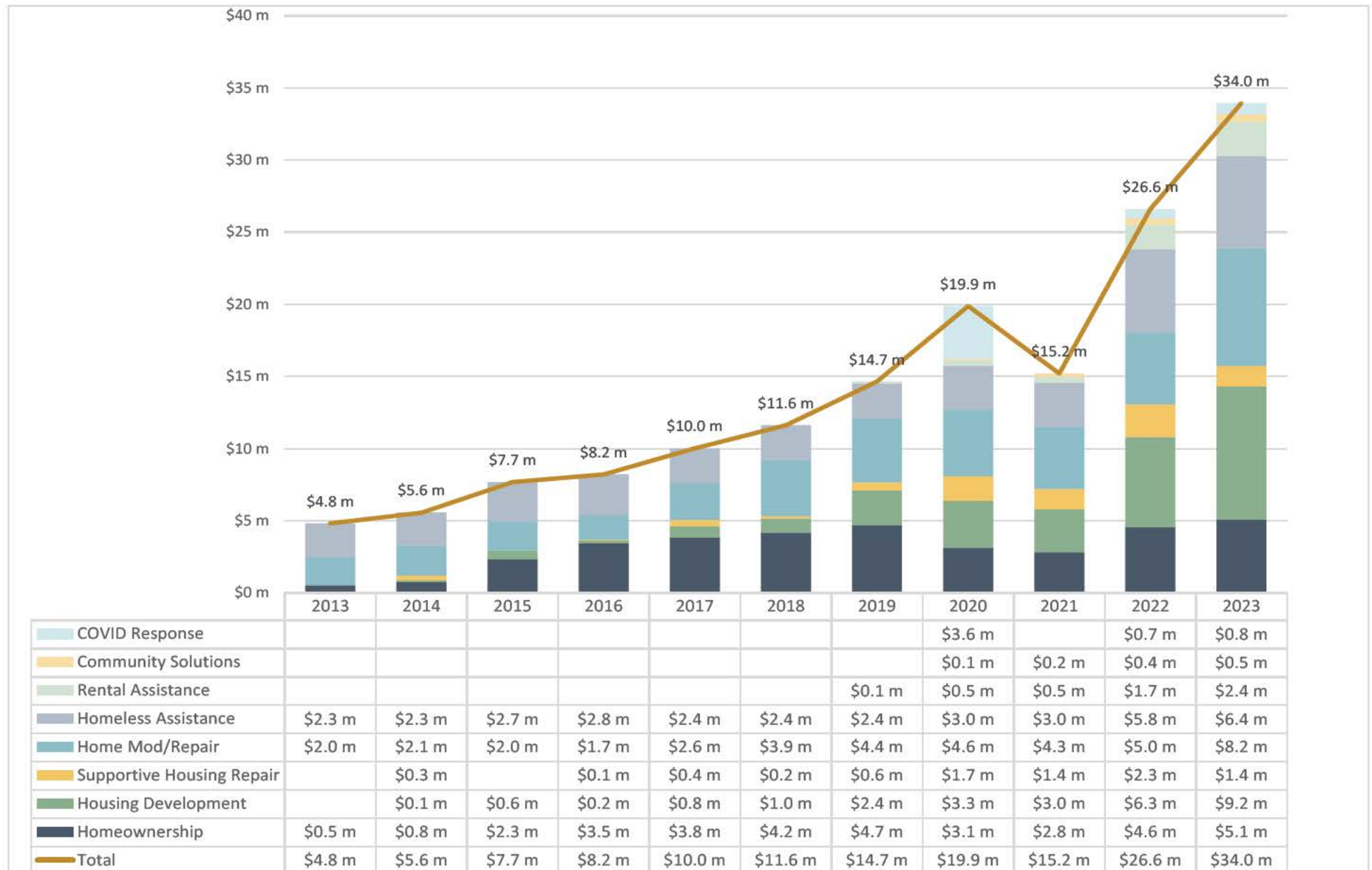
¹U.S. Department of Housing and Urban Development, 2023 Annual Homelessness Assessment Report (AHAR) to Congress

HOME Fund Investments: 2023

HOME Fund Program Area	2023 Investment	Households/Individuals Served	Programs
Homeownership	\$5,085,690	811	Single Family Advantage Program Multi Unit Advantage Program First Generation Program Mobile Home Replacement Program Financial Literacy Classes HomeOwnership Protection for unEmployment (HOPE) Program Home Affordable Modification Program (HAMP)
Housing Development	\$9,227,527	477	LIHTC Developments Supportive Housing Recovery Housing Multifamily Loan Workouts/Preservation
Supportive Housing Repair	\$1,422,158	124	Supportive Housing Repair Program
Home Mod/Repair	\$8,150,695	2,370	Home Repair Program Lead Hazard Program Well Water Abatement Landlord Repair Program Central Heating and Improvement Program Comfortably Home Community Aging in Place
Homeless Assistance	\$6,372,321	3,763	Emergency Shelter and Housing Assistance Program Homeless System Hub Coordinators Rapid Re-Housing Program Housing Problem Solving Community Solutions (Built for Zero)
Rental Assistance	\$2,408,661	1,860	Security Deposit Family Development Accounts Landlord Incentive Programs
Community Solutions	\$500,000	1 community	Community Solutions Grant
COVID Response	\$783,444	296	Eviction Prevention
Totals	\$33,950,406	9,701	

Historical Look: State HOME Fund Expenditures 2013-2023

MaineHousing operates on a calendar year, so figures may not exactly correspond to state fiscal year revenue reports.



Historical Look: State HOME Fund Expenditures 2013-2023

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Homeownership											
Maine HOPE Program	\$6,837	\$17,115	\$19,208	\$165,468	\$40,678	\$14,733	\$36,146	\$51,202	\$77,215	\$167,131	\$166,239
H.A.M.P. Program	\$9,540	\$331	\$380	\$21,278	\$15,771	\$61,362	\$74,599	\$109,128	\$230,573	\$238,972	
Single Family Advantage Program	\$3,398,500	\$3,572,500	\$2,360,500	\$2,643,000	\$3,752,000	\$4,053,000	\$3,703,000	\$3,297,000	\$2,012,500	\$368,000	\$356,953
First Generation Program	\$746,000										
Foreclosure Prevention											\$14,410
Mobile Home Program	\$495,000	\$557,750	\$430,500	\$276,750	\$861,000	\$30,750					
Multi Unit Advantage Program	\$379,000	\$413,500									
Housing Counseling Program/ Financial Literacy Classes	\$30,599	\$1,389	\$9,059	\$21,259	\$30,145	\$25,917	\$23,271				
Recapture Tax Reimbursement Program	\$20,214	\$4,408	\$4,540	\$9,413							
	\$5,085,690	\$4,566,993	\$2,824,187	\$3,137,168	\$4,699,594	\$4,185,762	\$3,837,016	\$3,457,330	\$2,320,288	\$774,103	\$537,602
Housing Development											
9% Tax Credit	\$1,923,757	\$2,377,251	\$503,362	\$1,169,401	\$1,292,902	\$655,394					
4% Tax Credit	\$6,759,843	\$2,189,861	\$1,027,387	\$664,500							
New Housing Models demo		\$300,000		\$200,000							
Subdivision Program			\$585,000	\$112,500							
Supportive Housing	\$68,250	\$1,176,068	\$694,769								
Recovery Housing Program	\$69,925										
HOUSE - Pilot Recovery Housing	\$211,934		\$173,920								
TA Consultant	\$100,000										
MF Workouts	\$93,818	\$210,720		\$1,108,435	\$1,111,860	\$327,000	\$800,000	\$194,747	\$630,486	\$113,435	
	\$9,227,527	\$6,253,900	\$2,984,438	\$3,254,836	\$2,404,762	\$982,394	\$800,000	\$194,747	\$630,486	\$113,435	
Supportive Housing Repair											
SHP - Repair Program	\$1,422,158	\$2,260,971	\$1,401,581	\$1,697,258	\$562,959	\$160,420	\$429,152	\$65,000		\$306,679	
	\$1,422,158	\$2,260,971	\$1,401,581	\$1,697,258	\$562,959	\$160,420	\$429,152	\$65,000		\$306,679	

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Historical Look: State HOME Fund Expenditures 2013-2023 *(continued)*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Home Mod/Repair											
Home Repair Program (HARP)	\$3,453,148	\$3,473,266	\$3,632,102	\$3,796,423	\$3,598,728	\$2,771,670	\$1,915,843	\$844,360	\$1,619,818	\$76,666	\$75,049
Well Water Abatement	\$250	\$26,331									
Drought Relief Program							\$278,631	\$223,080			
Elderly Hardship Grants/ Community Aging in Place	\$768,469	\$628,377	\$150,277	\$340,438	\$340,288		\$257,500		\$15,198	\$293,854	\$284,534
HomeRetro Program							\$14,536	\$120,328	\$55,328	\$232,679	\$245,495
State Weatherization											
Weatherization Supplemental Repair Program								\$464,520		\$1,219,108	\$1,199,542
Lead Program	\$1,077,873	\$640,196	\$112,858	\$119,674	\$273,784	\$198,175	\$84,508	\$20,473	\$328,158	\$243,519	\$158,178
Home Replacement Program			\$3,550	\$76,100	\$76,280	\$461,293					
Central Heating Improvement Program	\$2,628,342										
Comfortably Home		\$20,000	\$365,089			\$349,000					
Landlord Repair	\$222,613	\$198,277	\$59,724	\$293,174	\$131,555	\$110,182					
	\$8,150,695	\$4,986,447	\$4,323,600	\$4,625,809	\$4,420,635	\$3,890,320	\$2,551,018	\$1,672,761	\$2,018,502	\$2,065,826	\$1,962,798
Rental Assistance											
Security Deposit	\$411,461	\$238,216	\$20,994	\$197,145	\$134,508						
Maine TBRA Assistance/ Landlord Incentive STEP/TBRA	\$68,950	\$36,800	\$52,112		\$12,876						
Asylum Families Rental Assistance			\$303,735	\$205,050							
Family Development Accounts	\$50,000	\$50,000		\$50,000							
Landlord Incentive Fees	\$1,878,250	\$1,373,500	\$80,015								
	\$2,408,661	\$1,698,516	\$456,856	\$452,195	\$147,384						

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Historical Look: State HOME Fund Expenditures 2013-2023 *(continued)*

	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
Homeless Assistance											
Shelter Operating	\$3,500,000	\$3,500,000	\$3,000,000	\$3,000,000	\$2,400,000	\$2,407,196	\$2,400,000	\$2,000,000	\$2,085,214	\$2,004,262	\$2,274,568
Shelter Operating - Incentive								\$825,005	\$624,995	\$300,000	
Homeless Advocacy Program											\$45,000
Youth Homeless Demo			\$14,490	\$13,072	\$7,439						
Family and Children Together					\$9,807						
Homeless System Hub Coordinators	\$590,509	\$726,188									
Expanded Rapid Re-Housing Program	\$1,416,081	\$585,442									
Supplemental to ARP Navigator Prog.		\$750,000									
Housing Problem Solving	\$731,878	\$208,777									
Community Solutions (Built for Zero Consultant)	\$87,000										
Partial Year Funding to Preble Street	\$46,853										
	\$6,372,321	\$5,770,407	\$3,014,490	\$3,013,072	\$2,417,246	\$2,407,196	\$2,400,000	\$2,825,005	\$2,710,209	\$2,304,262	\$2,319,568
Community Solutions											
Building Community Together				\$75,000							
Community Solutions	\$500,000	\$410,000	\$211,000								
	\$500,000	\$410,000	\$211,000	\$75,000							
COVID Response											
Eviction Prevention	\$780,000	\$654,560									
C-19 Provider Hotel/shelter	\$3,444			\$53,200							
C-19 Rent relief				\$3,578,360							
	\$783,444	\$654,560		\$3,631,560							
Total Expenditures	\$33,950,496	\$26,601,794	\$15,216,152	\$19,886,898	\$14,652,580	\$11,626,092	\$10,017,186	\$8,214,843	\$7,679,485	\$5,564,305	\$4,819,968



Contact MaineHousing

26 Edison Drive, Augusta, Maine 04330

207-626-4600, 1-800-452-4668, Maine Relay 711

mainehousing.org

MaineHousing Administration

- ◆ Daniel Brennan, Director
dbrennan@mainehousing.org
- ◆ Lauren Bustard, Senior Director of Homeless Initiatives
lbustard@mainehousing.org
- ◆ Jamie Johnson, Senior Director of Operations
jjohnson@mainehousing.org
- ◆ Erik Jorgensen, Senior Director of Government Relations & Communications
ejorgensen@mainehousing.org
- ◆ Adam Krea, Senior Director of Finance & Lending
akrea@mainehousing.org

Mission

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

Vision of Success

All Maine people have the opportunity to live in quality affordable housing.

Board of Commissioners 2023

- ◆ **Henry Beck**, Treasurer of the State of Maine
- ◆ **Noël Bonam**, AARP Maine's State Director
- ◆ **Daniel Brennan**, Director of MaineHousing
- ◆ **Laura Buxbaum**, Senior Vice President, Public Policy and Resource Development for Coastal Enterprises, Inc.
- ◆ **Elizabeth Dietz**, former Finance Manager for the Bangor Area Homeless Shelter
- ◆ **Nancy Harrison**, Vice President and Regional Sales Manager for Bangor Savings Bank
- ◆ **Deb Ibonwa**, Attorney and a Housing and Legal Advocate for Maine Equal Justice
- ◆ **Renee Lewis**, Principal and Managing Partner of Bloomfield Capital
- ◆ **Frank O'Hara**, Chair, Independent Public Policy Consultant
- ◆ **Paul Shepherd**, Co-owner of Penobscot Home Performance

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