

Action Plan

Grantee: Maine

Grant: B-11-DN-23-0001

LOCCS Authorized Amount:	\$ 5,000,000.00
Grant Award Amount:	\$ 5,000,000.00
Status:	Reviewed and Approved
Estimated PI/RL Funds:	\$ 0.00
Total Budget:	\$ 5,000,000.00

Funding Sources

No Funding Sources Found

Narratives

Summary of Distribution and Uses of NSP Funds:

The approach used for determining neighborhoods of greatest need was a winnowing process. The process included all entitlement communities, since no Maine entitlement communities received their own NSP3 allocation. Four tests were used which we identified as variables and key contributing factors in the areas of greatest need.

The first test was eligibility. Under HUD rules, a tract in Maine must have score 11 or more in NSP Need to be eligible to receive funds (column I). The NSP foreclosure need score is calculated by considering serious delinquent loans (column s), foreclosures (columns t and u), high cost mortgages (column r), and unemployment rates (columns x and y). Areas of greatest need -- with high rates of foreclosure, high rates of subprime mortgage loans, and likely to face significant rise in the rate of foreclosures -- have high NSP3 need scores. Of the 1,912 block group areas in Maine, 405 have scores of at least 11.

The second test was whether there are enough housing units in the block group area to provide a good chance of having units to rehabilitate. Of the 405 areas, 147 had at least 100 housing units (column K) and 10 vacant units (column O).

The third test was whether the real estate market was active enough to ensure buyers for the rehabilitated units. Of the remaining block group areas, 117 had 50 or more real estate transactions between 2004 and 2007 (column Q).

The fourth test was whether there are low income residents in the area who would be eligible to benefit from the project. Indirectly, this measure also would be a good indication of the prevalence of rental housing in an area, another of the NSP3 program's priorities. Of the 117 block group areas, 51 had areas with at least 50% of resident households with incomes below 80% of the area median (column L).

The 51 block group areas that had sufficient needs, available vacant units, real estate activity, and low income households, were then ranked in order of the percentage of low income households (column L), the highest percentage coming first. The top nine block group areas were in the municipalities of Lewiston, Auburn, Sanford, Waterville, and Bangor. Two of these five communities (Lewiston and Auburn) are entitlements. These were determined to be the most promising communities for the identification of viable and successful projects for NSP3.

These municipalities and developers within these municipalities were invited to submit proposals for the use of the limited NSP3 funds in Maine. The determination was made by the Maine Office of Community Development that the two projects contained in this application, from two of the five eligible communities, have the greatest prospects for a positive neighborhood impact; building resale and occupancy; and low income benefit.

How Fund Use Addresses Market Conditions:

The second test was whether there are enough housing units in the block group area to provide a good chance of having units to rehabilitate. Of the 405 areas, 147 had at least 100 housing units (column K) and 10 vacant units (column O).



The third test was whether the real estate market was active enough to ensure buyers for the rehabilitated units. Of the remaining block group areas, 117 had 50 or more real estate transactions between 2004 and 2007 (column Q).

Ensuring Continued Affordability:

All grantees in the Maine NSP3 program must, at a minimum, meet HOME standards for continued affordability. Individual projects may either impose a deed restriction to ensure continued affordability, or require subsidy recapture and/or mortgage repayment in the case of failure to complete the minimum term of affordability.

Definition of Blighted Structure:

Maine law does not define the term “blighted structure.” Therefore, as in the State of Maine CDBG program, a “blighted structure” for the NSP3 program will have to meet the HUD definition. That definition is: “A structure is blighted when it exhibits objectively determinable signs of deterioration sufficient to constitute a threat to human health, safety and public welfare.” As in the State of Maine CDBG program, the Maine NSP3 program will require a formal written declaration by the municipality that a structure is “blighted,” a declaration which must be supported by photographic documentation and signed by municipal code enforcement officer or building inspector.

Definition of Affordable Rents:

The State of Maine will adopt, at a minimum, the HOME definition of affordable rents, which is provided at 24 CFR 92.252 (a), (c), and (f). <http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/rent/index.cfm>

Housing Rehabilitation/New Construction Standards:

All rehabilitation activities assisted under the NSP3 program shall address health and safety violations, correct substandard conditions and make essential improvements. Such improvements shall include but are not limited to: performing energy related repairs or improvements including the installation of Energy Star appliances and energy efficient windows; meeting ASHRAE Standard 90.1-2004, Appendix G, plus 20%; providing for handicapped accessibility under reasonable accommodation and reasonable modification standards; the abatement of lead-based paint hazards; and the repair or replacement of major housing systems in danger of failure. All rehabilitation must meet applicable local standards, codes and ordinances. Lead Based Paint standards apply to housing built prior to 1978.

- o All gut rehabilitation or new construction (i.e., general replacement of the interior of a building that may or may not include changes to structural elements such as flooring systems, columns or load bearing interior or exterior walls) of residential buildings up to three stories must be designed to meet the standard for Energy Star Qualified New Homes.

- o All gut rehabilitation or new construction of mid -or high-rise multifamily housing must be designed to meet American Society of Heating, Refrigerating, and Air-Conditioning Engineers (ASHRAE) Standard 90.1-2004, Appendix G plus 20 percent (which is the Energy Star standard for multifamily buildings piloted by the Environmental Protection Agency and the Department of Energy).

- o Other rehabilitation must meet these standards to the extent applicable to the rehabilitation work undertaken, e.g., replace older obsolete products and appliances (such as windows, doors, lighting, hot water heaters, furnaces, boilers, air conditioning units, refrigerators, clothes washers and dishwashers) with Energy Star-46 labeled products.

Water efficient toilets, showers, and faucets, such as those with the WaterSense label, must be installed.

Vicinity Hiring:

Implementation of a Local Hiring Initiative with a goal to have at least one-third of all construction contracts awarded to local vendors, or to contractors whose workforce is comprised primarily of Sanford residents, will ensure that NSP3 funds have the greatest possible economic impact in the target area.

Procedures for Preferences for Affordable Rental Dev.:

Grantee Contact Information:

Baran, Michael
Mike.Baran@maine.gov
207-624-9816
Maine Office of Community Development
Maine Department of Economic and Community Development
111 Sewall Street
59 State House Station
Augusta, ME 04333-0059

Project Summary

Project #	Project Title	Grantee Activity #	Activity Title
9999	Restricted Balance		<i>No activities in this project</i>



AUB-NSP-03	Auburn	AUB-E	Auburn Homes
SAN-NSP-03	Sanford	SAN-E	SAN-25%
		SAN-E2	SANFORD MILL REDEVELOPMENT
SOM-NSP-03	SOM-ADMIN	SOM-F	administration



Activities

Project # / Title: AUB-NSP-03 / Auburn

Grantee Activity Number: AUB-E
Activity Title: Auburn Homes

Activity Type:

Construction of new housing

Project Number:

AUB-NSP-03

Projected Start Date:

05/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Environmental Assessment:

UNDERWAY

Benefit Report Type:

Direct (Households)

Activity Status:

Under Way

Project Title:

Auburn

Projected End Date:

03/12/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 969,765.97

Other Funds Total: \$ 0.00

Total Funds Amount: \$ 969,765.97

Proposed Beneficiaries

Owner Households

Total

Low

Mod

Low/Mod%

4

4

100.00

of Households

4

4

100.00

Proposed Accomplishments

of Singlefamily Units

Total

4

of Housing Units

4

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

City of Auburn

Proposed budgets for organizations carrying out Activity:

Responsible Organization

City of Auburn

Organization Type

Local Government

Proposed

\$ 850,000.00



Location Description:

City of Auburn area of greatest need.

Activity Description:

Acquisition, Demolition of vacant blighted structure. Construction of 4 homeownership units.

Project # / Title: SAN-NSP-03 / Sanford

Grantee Activity Number: SAN-E
Activity Title: SAN-25%

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

SAN-NSP-03

Projected Start Date:

05/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LH25: Funds targeted for housing for households whose incomes are at or under 50% Area Median Income.

Environmental Assessment:

UNDERWAY

Benefit Report Type:

Direct (Households)

Activity Status:

Planned

Project Title:

Sanford

Projected End Date:

03/12/2013

Project Draw Block Date by HUD:**Activity Draw Block Date by HUD:**

Total Budget: \$ 1,250,000.00

Other Funds Total: \$ 0.00

Total Funds Amount: \$ 1,250,000.00

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Renter Households	10	10		100.00
# of Households	10	10		100.00

Proposed Accomplishments

	Total
# of Multifamily Units	10
# of Housing Units	10



ELI Households (0-30% AMI)

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Town of Sanford

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Town of Sanford

Organization Type

Local Government

Proposed

\$ 1,250,000.00

Location Description:

Town of Sanford area of greatest need.

Activity Description:

Redevelopment of Sanford Mill into 40 units of affordable housing, 10 of which will be occupied by households below 50% of area median income

Grantee Activity Number: SAN-E2
Activity Title: SANFORD MILL REDEVELOPMENT

Activity Type:

Rehabilitation/reconstruction of residential structures

Project Number:

SAN-NSP-03

Projected Start Date:

05/01/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMMI: Low, Moderate and Middle Income National Objective for NSP Only

Environmental Assessment:

UNDERWAY

Benefit Report Type:

Direct (Households)

Activity Status:

Under Way

Project Title:

Sanford

Projected End Date:

03/12/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 2,735,000.00

Other Funds Total: \$ 0.00

Total Funds Amount: \$ 2,735,000.00

Proposed Beneficiaries

	Total	Low	Mod	Low/Mod%
# Renter Households	30		30	100.00
# of Households	30		30	100.00

Proposed Accomplishments

	Total
# of Multifamily Units	30
# of Housing Units	30

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

Town of Sanford

Proposed budgets for organizations carrying out Activity:

Responsible Organization

Town of Sanford

Organization Type

Local Government

Proposed

\$ 2,450,000.00

Location Description:

Town of Sanford area of greatest need.

Activity Description:



Redevelopment of Sanford Mill into 40 units of housing of which 30 will be occupied by households below 120% of area median income.

Project # / Title: SOM-NSP-03 / SOM-ADMIN

Grantee Activity Number: SOM-F
Activity Title: administration

Activity Type:

Administration

Project Number:

SOM-NSP-03

Projected Start Date:

03/12/2011

Project Draw Block by HUD:

Not Blocked

Activity Draw Block by HUD:

Not Blocked

Block Drawdown By Grantee:

Not Blocked

National Objective:

LMML: Low, Moderate and Middle Income National Objective for NSP Only

Environmental Assessment:

EXEMPT

Benefit Report Type:

NA

Activity Status:

Under Way

Project Title:

SOM-ADMIN

Projected End Date:

03/12/2013

Project Draw Block Date by HUD:

Activity Draw Block Date by HUD:

Total Budget: \$ 45,234.03

Other Funds Total: \$ 0.00

Total Funds Amount: \$ 45,234.03

Activity is being carried out by Grantee:

No

Activity is being carried out through:

Organization carrying out Activity:

State of Maine2

Proposed budgets for organizations carrying out Activity:

Responsible Organization	Organization Type	Proposed
State of Maine2	State	\$ 450,000.00

Location Description:

State of Maine

Activity Description:

state of maine nsp 3 administration.

Action Plan Comments:**Action Plan History****Version**

B-11-DN-23-0001 AP#1

B-11-DN-23-0001 AP#2

B-11-DN-23-0001 AP#3

Date

04/25/2014

10/29/2013

04/26/2013

