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**Maine Community Action Partnership Presents the State's
Community Action Agencies Commitment to
Appropriate, Affordable Housing**
January 31, 2023

Senator Pierce, Representative Gere, members of the Special Committee on Housing, I am Megan Hannan, Executive Director of the Maine Community Action Partnership. We are the membership organization of the ten Community Action Agencies in Maine.

Let me begin with a word about Community Action. Community Action comes out of President Lyndon B. Johnson's *War on Poverty* and from the advocacy of Dr. Martin Luther King, Jr. *The Economic Opportunity Act of 1964* created the Community Action Network of national and locally-focused organizations that connect millions of children and families to greater opportunity.

In practice, we administer many programs and services you probably know about.

Historically, the largest in terms of funding and households served has been the Home Energy Assistance Program, or HEAP. This is a supplemental program for households with incomes that do not exceed the greater of: 150% of the poverty level; or 60% of the State Median Income. You may remember that last fiscal year, the Federal COVID supports allowed MaineHousing, which is the direct grantee, to give supplemental benefits to all 2021 HEAP recipients; this year, thanks to your votes on LD 3, the same sort of supplemental benefit will happen again for those enrolled in the 2022 program.

Another program you have heard a lot about, which very quickly became our largest program, is the COVID Emergency Rental Assistance (ERA) program, which, for all intents and purposes, has now ended. In fact, we offered assistance in several areas of COVID response, including social supports, helping people to isolate or quarantine, delivering meals and other necessities, etc., and we also held testing and vaccine clinics across the state.

We administer Head Start programs for children pre-birth to four years old and, building off that, we are united in providing a Whole Family, or a multi-generation approach to our customers. Studies have proven that to improve the lives of low-income families in the present and future, we need to address the needs of the entire family, addressing the parents or caregivers with their educational and/or employment needs, while also ensuring the children have high quality early care and education. We are doing this with a variety of funds the agencies braid and blend to ensure households have access to this service if they want it. Unlike State and Federal programs, in our Whole Family work, the customer drives the program. In many cases, this work also provides for shared savings accounts and budgeting assistance to build household wealth.

We have many more programs and services, and each Agency has some unique programs of their own. We work with local governments, other nonprofits and businesses to improve our communities as a whole, in addition to working directly with households.

The timing for this conversation is good, even if all of us wished we were better planning and responding to the issue before it became the crisis we face today. Last week, the White House issued its *Blueprint for a Renter's Bill of Rights*¹, which does not ease the housing crunch directly, but does outline what fair and equitable rental housing should look like. The Blueprint provides principles and best practices for tenant protections that are important for a well-functioning housing market and for the larger society. The Blueprint sets out five common-sense principles that create a shared baseline for fairness for renters in the housing market, which include the need for renters to have access to:

- Safe, Quality, Accessible and Affordable Housing
- Clear and Fair Leases
- Education, Enforcement, and Enhancement of Renter Rights
- The Right to Organize and
- Eviction Prevention, Diversion, and Relief

Unfortunately, we have seen a degradation of these types of protections in Maine recently, including during the pandemic and even with rules disallowing evictions. In the US, there was a 17.2 percent increase in average rents in just one year, between February 2021 and 2022². I do not have the same data for Maine, but I can tell you that all the agencies have heard from renters who have seen unexpected double digit rent hikes and know of an apartment that is new to the market at a significant increase in rent. While there was an eviction moratorium, we saw the cause for eviction change as some landlords saw the opportunity to raise their rents to take advantage of the in-migration from larger cities to Maine or because of the government paying for rents. As you likely know, the Emergency Rental Assistance program was set up to help keep renters in their homes during the pandemic, when many were either unable to work due to the nature of their employment, such as the hospitality industry, or needed unpaid time off while they or a loved one were sick with COVID. Unfortunately, for some it was seen as free rent for any- and everyone for more than two years. Fortunately, it did keep many individuals and families safely housed during that time, which is what is more important to us.

Our work goes beyond short term programs, though, and I will pivot to those solutions right now.

We work very closely with MaineHousing, the Governor's Office on Policy, Innovation and Finance's senior advisor on housing policy, the State Homeless Advisory Council, Maine Affordable Housing Coalition, and ad hoc housing security groups. Some of our agencies act as the lead for the State Homeless Hubs. We are involved in many groups focused on housing and the current housing crisis, which as you know is years in the making and exacerbated by the pandemic and an unexpected in-migration of people from other states. Community Action Agencies will not solve this problem alone, but we are united and focused on working with our partners to find a solution.

To that end, we work in at least four distinct lanes:

- Using HEAP referrals for weatherization and the Home Accessibility and Repair Program, we are able to work on homes to meet what we call "Warm, Safe and Dry" standards
- We build and staff affordable rental housing
- Since the COVID pandemic, we have become more involved in homelessness solutions
- And we are very actively engaged in policy advocacy and working toward shared solutions

Warm, Safe and Dry

Nine of the ten Community Action Agencies are grant subrecipients to MaineHousing's funding for heating, weatherization, home repair, central heating improvement and other programs that allow us to work with low- and moderate-income Mainers to make repairs to their homes to improve safety, energy efficiency and basic comforts to living. These programs can assist with such things as:

- Well repairs or replacements
- Heating and electrical system repairs
- Roof and chimney repairs
- Structural repairs
- Lead paint mitigation
- Repair or replacement of windows and doors
- Wheelchair ramps
- Gripping bars in bathrooms, kitchens etc. to avert falls
- And other modifications that allow individuals and families to stay in their homes, rather than trying to afford a new home or new rental unit.

Sometimes, we enter a home that is no longer safe to live in, and this is especially true for mobile homes. I had the opportunity to see a new mobile home build in northern Maine, the old home had cracked siding, gaps in the walls and was clearly neither warm nor dry. The new home is gorgeous – with modern amenities that not only keep the family safe but also keeps down electric bills by using EnergyStar appliances and heat pump technology.

In western Maine, our staff worked with funders and a local vocational school to replace a home with one built by students, a very replicable model given the time and nearly free labor. I have included a very short video about that project below.

We also work with Efficiency Maine to help homeowners weatherize, upgrade and afford the price of heating (and cooling) their homes. With our older housing stock heavily dependent on fuel oil and kerosene, these home improvements can mean families can afford their mortgage and winter heating bills.

Building and Staffing Appropriate, Affordable Rental Housing

MeCAP members are involved in several forms of housing, including residential treatment housing, which I am calling out but not including as part of the solution for generally available housing. Presently, our agencies have 800 units, most of which have onsite supportive services at least once per week. Over 100 units will be available to renters within the next 12 months, in Aroostook County, central and western Maine.

Penquis, our largest housing provider, currently owns twelve rental properties in eastern Maine, providing housing for seniors, families, and individuals making 60% or less of the Area Median Income. A very exciting recent development I am happy to share with you is their BioHomes 3D Printed Homes Project. The project, using UMaine's BioHome3D technology, is a collaborative effort involving Penquis, the University of Maine's Advanced Structures and Composites Center and MaineHousing. Nine homes will be printed using a mix of recycled plastic and wood fiber waste to create a bio-based 3D-printed neighborhood. The neighborhood will be located in the Greater Bangor area and provide housing for individuals experiencing or at risk of homelessness. The project has secured public and private funding, including congressionally directed spending, a grant from KeyBank Foundation and support from NeighborWorks America, a congressionally chartered nonprofit organization that supports community development throughout the US.

Community Concepts, Inc. headquartered in Lewiston and serving Androscoggin and Oxford Counties, owns and operates just over 200 units and is currently building more. Western Maine Community Action, covering Franklin County, recently bought a vacant hotel and is converting it to 32 standard units and three short-term shelter units. Our agencies that have not been directly involved in producing housing, for whatever reason, are now working with partners like MaineHousing and Community Development Financial Institutions (CDFIs) to fund purchases, remodeling and/or building workforce housing.

Solutions to Homelessness

States like Maine have long depended on stand alone privately run homeless shelters like Preble Street or faith-based shelters in several location and public, city run shelters like Oxford Street in Portland. But how can an issue that exists statewide be solved, or even helped by so few resources and while some cities and towns try to relegate the reality of their homeless individuals and families to something “over there,” by calling it “a Portland” or “southern Maine problem” as they completely disengage from the problems close at hand. This is not an accusation but an observation, one that I know anyone who reads or watches local news has seen.

In early 2022, MaineHousing announced a new state-wide strategy to address homelessness³. The state committed to implement a scalable approach that has proven necessary and catalytic to helping many cities and counties in other states make progress in ending homelessness. In the initial stage of this process, contracts for nine Service Hub Coordinators have been awarded to local partners across the state, including some headed by community action agencies: Aroostook County Action Program, Western Maine Community Action and York County Community Action Corporation. Although our other agencies are not leading the initiative, most are involved in their local Hubs.

My understanding is that those Hubs are still being staffed and have not yet had the ability to move their agenda forward in all cases. There are also statewide organizations working on the issue, including the Statewide Homeless Council, on which the President of MeCAP is also a board member. MaineHousing just released two Notices of Funding Availability for *Winter Overnight Warming Shelters* and *Long-Term Solutions to Assist People Experiencing Homelessness*, both of which I hope receive well thought out, forward looking proposals.

Within MeCAP, we have been working to find local solutions all along. In Presque Isle, ACAP worked to set up a warming shelter for people who needed to isolate and quarantine during the pandemic, and they are now working on another to take in overflow for the local, small shelter. In Bath, Midcoast Community Action Association is using Congressionally Directed Funds and more to upgrade their building and to include a warming shelter, complimenting the one in Brunswick and adding much needed capacity in the Midcoast area. Community Concepts, Inc. and The Opportunity Alliance partnered with local agencies and municipalities to open and staff shelters during the pandemic, and they are working with current and new partners to find a more permanent solution.

The Opportunity Alliance also runs the Cumberland County Homelessness Prevention Program, which addresses the needs of the community’s growing homeless population by helping families and individuals in Cumberland County find, secure, and/or maintain housing. This program provides comprehensive and adaptive support to those who are homeless or at risk of homelessness. Through this work, TOA prevents families from falling into homelessness through several strategies:

- Short-term case management services
- Financial support to address the crisis
- Financial counseling for long-term success

In fact, these strategies and more intense case management interventions are followed by all of the Community Action Agencies in their Whole Family programs, as described earlier. We are resolute in our commitment to ending homelessness, and generational poverty, in this state and country.

Policy Solutions

Homelessness is the result of a failure of structure and public policy, not one of individual failings. While certainly there are people living with the disease of addiction who are homeless, there are more living with addiction who are housed; there are people living with severe and persistent mental illness who are homeless, and there are many who are safely at home or in treatment; and there are those who have lived their entire lifetime in the crisis of poverty, but for too many, policy and structure make it more difficult for those individuals and families to find their way out of it. That is why governments constructed a safety net

with programs, services and housing for those who cannot afford it on their own. But, in general, we do not make them easy to access.

Our Whole Family Approach, mentioned above, is one program we use to simplify things for families that work many jobs, go to school, care for family – often children and their parents – while trying to navigate the programs and services for which they are eligible. This is one policy area that we are doubling down on now and in the foreseeable future – people with enough money can usually find housing; we help them to navigate the journey that will make that a reality.

MeCAP also works with policy partners, many of whom you will hear from in the coming days, toward overarching our commitment to end poverty, and with it, homelessness, in Maine. My agency colleagues and I are members of several coalitions that prioritize increasing income, equity and the ability to access safety net programs as individuals and families work their way out of poverty. To name a few that are relevant to this discussion:

- *Maine Affordable Housing Coalition* advocates for the creation and preservation of affordable housing so all people in Maine have a place to call home.
- *The Statewide Homeless Council* serves as an advisory committee on homeless matters to the Maine State Housing Authority, the Governor, the Legislature, the Maine Department of Health and Human Services and the Maine Department of Corrections. The SHC is charged with providing leadership to end homelessness and providing support to the three Regional Homeless Councils; educating people on homeless issues; serving as a coordinator of information; assessing statewide needs; identifying potential resources and improving access to them; and reviewing, monitoring and implementing plans to end homelessness in Maine.
- *Invest in Tomorrow* is an initiative undertaken by Maine organizations, businesses, and individuals to cut Maine's child poverty rate in half over the next ten years as a step toward eradicating child poverty in a generation. We are supporting a sustained commitment to ending child poverty in Maine.
- And we work in other ad hoc, regional groups as well as national and New England workgroups.

When it comes to policy and structural changes needed to lift more families out of poverty and to provide adequate housing, we now find ourselves in a “chicken and egg” scenario. We need affordable housing for people to move to areas with the jobs they need; we need easily accessible transportation to take workers who live further to those jobs; we need access to credential focused education for people to be ready for those jobs; we need childcare so adults can go to school or training; and we need the jobs people can access to pay enough for individuals and families to afford childcare, food, housing, transportation, etc. We need all of these things and more to leverage our people to create an economy that works for everyone. We can do hard things. We can do more than one thing at a time. And we can prioritize helping individuals and families who are having the hardest time reaching their potential.

Housing and homelessness and poverty are not separate problems, they are fully intersected and require an intersected response. Community Action is working on many of those responses, and we are partnering to respond to those things we cannot address alone.

I look forward to working with all of you over the next two years. My contact information is here, please feel free to call, write or grab me in the halls any time.

Thank you.

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Endnotes:

1. <https://www.whitehouse.gov/wp-content/uploads/2023/01/White-House-Blueprint-for-a-Renters-Bill-of-Rights-1.pdf>
2. <https://www.zillow.com/research/zillow-rent-report-october-2022-31676/>
3. <https://www.mainehousing.org/news/news-detail/2022/02/11/new-strategy-to-reduce-and-end-homelessness-moves-forward-with-hub-contracts>

You might also be interested in:

Homelessness as a Housing Supply Problem February 9, 2023 1 – 2 EST

<https://www.eventbrite.com/e/homelessness-as-a-housing-supply-problem-tickets-519705552297>

For decades, homelessness has been a challenging policy issue across all levels of government—as well as a contentious political one. While some scholars and researchers emphasize the structural determinants of homelessness and its relation to housing markets, others frame the issue primarily in terms of safety and individual risk factors such as drug use and mental health.

As states and local communities develop new policies to address homelessness, it is imperative that key decision makers understand the interplay between homelessness and affordable housing supply. In this event, panelists will discuss the root causes of homelessness, share insights from recent policy interventions, and identify common-sense solutions that can help inform federal action.

President Biden Announces New Actions to Ease the Burden of Housing Costs

<https://www.whitehouse.gov/briefing-room/statements-releases/2022/05/16/president-biden-announces-new-actions-to-ease-the-burden-of-housing-costs/>

President Biden [released] a Housing Supply Action Plan to ease the burden of housing costs over time, by boosting the supply of quality housing in every community. His plan includes legislative and administrative actions that will help close America's housing supply shortfall in 5 years, starting with the creation and preservation of hundreds of thousands of affordable housing units in the next three years. When aligned with other policies to reduce housing costs and ensure affordability, such as rental assistance and down payment assistance, closing the gap will mean more affordable rents and more attainable homeownership for Americans in every community. This is the most comprehensive all of government effort to close the housing supply shortfall in history.

National Poverty in America Awareness Month: January 2023

<https://www.census.gov/newsroom/stories/poverty-awareness-month.html>

Western Maine Community Action Home Replacement

www.youtube.com/watch?v=Mol3G9_R4dY&t=4s

Students from the Foster Career and Technical Education Center in Farmington, Maine, work through snow and cold to build a replacement home for an older couple. The Western Maine Community Action project was funded in part by a grant from the Western Mountains Fund of the Maine Community Foundation.