

CEDS COMMITTEE MEETING

Thursday, May 16, 2024

10:00 a.m.

In person at KVCOG- 17 Main Street, Fairfield, ME 04927

[Zoom Link](#) for those unable to attend in person

AGENDA

1. Introductions
2. Guest Speaker: Dan Brennan, Maine Housing Authority
(Housing was identified at the 02/15/24 meeting as a barrier)
3. Approval of Minutes: 02/15/24
4. Consideration of adding a significant “Transformative Project” to the Action Plan within Chapter 4, Entrepreneurship and Innovation (pg. 33-34) of the [2022-2027 Kennebec Valley CEDS](#).
5. Round Table Discussion-CEDS Action Plan
What do you see in your respective industries that are moving in the right direction and what is being met with roadblocks?
[Link](#) to CEDS Document and The 8 Action Items
 - a. Industry Clusters (page 30)
 - b. Entrepreneurship and Innovation (page 33)
 - c. Workforce Development and Higher Education (page 35)
 - d. Access to Capital (page 37)
 - e. Infrastructure (page 39)
 - f. Environment (page 41)
 - g. Leadership (page 44)
 - h. Resiliency (page 45)
6. Next Meeting Agenda Items/Topics/Guest
7. Other Business
8. Adjournment

MaineHousing and Our Programs

Daniel Brennan, Director

May 16, 2024



MaineHousing
MAINE STATE HOUSING AUTHORITY

MaineHousing – Who We Are

- Independent, quasi-state agency
- MaineHousing’s mission is to assist Maine people in obtaining and maintaining quality affordable housing and services suitable to their housing needs



What is “Affordable”?



30%

or less of
income
on housing
costs



30% = \$12,000

\$1,000/month



Tools to Create Affordable Housing



Multifamily Development

- Low-Income Housing Tax Credit
- MaineHousing allocates credits
- Developer then sells to investors for cash
- Cash (equity) = 30% to 70% total development costs
- Result = low/no mortgage = lower rents



Non-Tax Credit Development Programs



Rural Affordable Rental Housing Program

- For projects 5 to 18 units
- Rents restricted to 80% AMI
- Incomes limited to 80% AMI
- For new construction, acquisition rehabilitation and adaptive re-use
- Affordability covenants for 45 years
- Genesis Community Loan Fund technical assistance



Short-Term Real Estate Acquisition Program

- For public housing authorities, community action agencies and non-profit housing developers
- To provide flexible, short-term capital to quickly purchase real estate
- Giving MaineHousing partners up to 24 months to close with permanent financing that will fully develop the property into affordable housing
- Short-term rate of 5% (as of December 28, 2022)



Single Family Programs



Affordable Homeownership Program

- For a minimum of 5 homes
- Up to \$70,000 per unit in York, Cumberland and Sagadahoc counties (max 20 homes); up to \$60,000 per unit in remaining 13 counties (max 23 homes); **amounts to be revised**
- Maximum of \$1,400,000 per project
- Purchaser incomes governed by MaineHousing's First Home Loan Program (approximately 120% AMI)
- Maximum home price of \$325,000 in York, Cumberland and Sagadahoc counties
- Maximum home price of \$287,000 in remaining 13 counties
- Affordability covenants for 15 years



Single Family Programs

- First Home Loan Program
 - Advantage (down payment/closing costs)
 - 2 to 4-unit option available

- First Generation Program
 - Down payment and closing cost assistance
 - Low-fixed interest rates
 - Financing for mobile homes



Single Family Programs

- Mobile Home Replacement Program
- Community Aging in Place/Older Adult Modification
 - Delivered by 8 local public housing authorities, 4 community action agencies, 3 Habitat for Humanity agencies
- Home Accessibility and Repair Program
 - Grants for more substantial repairs and emergency life/safety measures
 - Delivered by Maine's community action agencies



Subsidized Housing



Housing Choice Voucher (HCV) Program

- Section 8 federal program administered on behalf of HUD
- MaineHousing administers approximately one-third of Maine's housing choice vouchers; the remainder are administered by Maine's 25 local public housing authorities
- 60% of MaineHousing's vouchers go to people who are homeless
- About 3,800 households currently served



HUD Section 8 Project Based Housing

- HUD Section 8 Project Based Housing (1974 to 1983)
 - 7,806 unit
 - 226 properties
- 40-year housing assistance payment contracts tied directly to property
- Vast majority of owners renew their contracts – Maine is lucky!



USDA Rural Development Housing

- USDA Rural Development Housing
 - 6,813 units
 - 290 properties
- Many coming up on end of 50-year 1% mortgage
- Definite risk of going “market” if not preserved



Supportive Housing

- Supportive Housing
 - 1,822 units
 - 277 properties
- Provides housing to Maine's most vulnerable citizens (mentally disabled, physically disabled, homeless)
- Mostly owned by non-profit service providers
- Attempting to encourage more development



Questions?

Contact Information

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CEDS COMMITTEE MEETING
DRAFT MINUTES
Thursday, February 15, 2024
10:00 a.m.
17 Main Street, Fairfield, ME 04927

1. Attendance

In person:

Jessie Cyr, KVCOG · Joel Greenwood, KVCOG ·
Timothy Curtis, Somerset County Administrator
Kimberly Lindlof, Central Maine Growth Council
Tenley Skolfield, Main Street Skowhegan
Stephanie Thibodeau, Town of Fairfield

Via Zoom:

Erin Benson, Central Western Maine Workforce Development Board
Kristina Cannon, Main Street Skowhegan
Jeff Hewett, Town of Skowhegan
Katie Doherty, Kennebec Valley Chamber of Commerce
Christian Savage, Somerset Economic Development Corporation
Courtney Yeager, United Way of Kennebec Valley
Celeste Banda, Main Street Skowhegan
Brian Eng, Developer

Presenters from Kennebec Valley Community College:

Elizabeth Fortin, Dean of Workforce Training and Professional Development
Joe Musumeci, Director of Workforce Training and Professional Development
Kimberly Cole, Workforce Development Coordinator

2. Presentation by Kennebec Valley Community College, Workforce Development

Elizabeth Fortin, Joe Musumeci and Kimberly Cole, from Kennebec Valley Community College discussed the [Workforce Development Program](#) offered at KVCC and encouraged reaching out to them should anyone have a workforce development need that is not already being offered. They reviewed the available courses and training, the financial assistance to eligible individuals, highlighted customized training, and other resources available to employees and employers. The contact information for the Workforce Development Department at KVCC is: workforce@kvcc.me.edu or 207-453-5083

3. Approval Of Minutes

K. Lindlof MOVED, S. Thibodeau SECONDED, to approve the 8/17/23 and 11/15/23 minutes as written. MOTION PASSED UNANIMOUSLY.

4. Review and Discussion Regarding the Status of Identified Projects

The eight drivers of success that are identified in the CEDS are the foundation of our regions economy. The success of the projects identified by the Committee under each driver is what will help us meet our 5-year goals. These are: Industry Clusters, Entrepreneurship and Innovation, Workforce Development and Higher Education, Access to Capital, Infrastructure, Environment, Leadership, and Resiliency. Housing was identified as currently having many barriers to the growth and success of our region.

5. Round Table discussion

A round table discussion began about the barriers members are seeing in the area of housing, noting that this is not just in our region. Members spoke about the growing industries and trends in our region and the lack of housing to support the growth. Members noted that all price ranges of housing are needed to accommodate the growth, noting that this ties to everything in our CEDS. Industry clusters, job markets, workforce and infrastructure are all growing in our region and there isn't adequate multi price point housing to accommodate the growth, deterring out of the area job seekers from moving to our region. Barriers to housing and what we can do in our communities to begin removing them, was suggested as a topic for the next meeting.

6. Next Meeting Agenda Items/Topics/Guests

Our next meeting will be held on May 16, 2024 at 10am. In person at KVCOG or via Zoom.

7. Other Business

None.

8. Adjournment

The meeting adjourned at 11:45 p.m.

Respectfully Submitted,

Jessie L. Cyr
Economic and Community Development Director
Kennebec Valley Council of Governments

Project Name: Head of Falls Village ("HoFV")

Development Team: North Land Renewal LLC, a Maine-based company with ties to Waterville and extensive local and national experience leading mission-driven commercial and residential development projects involving distressed properties, underserved communities and public-private partnerships.

Head of Falls Village development, Downtown Waterville:

A diverse mix of commercial, residential, civic and public spaces creating an inclusive neighborhood offering a broad spectrum of housing choices, within Waterville's reawakening downtown. Head of Falls Village will foster and catalyze economic development, entrepreneurial incubation, and business acceleration for the region, leveraging local talent and resources to shepherd mid-maine into a tech & innovation based economy positioned for future sustainability, growth and regional attraction.

Additional economic development impacts for the region include, but are not limited to:

- Vertical integration and increased density of business development and incubation resources for entrepreneurs and established businesses.
- Public Private Partnership initiative
 - Increased local Main st business support, regional recruitment initiatives
 - Leverage new institutional and philanthropic investment into downtown infrastructure and local businesses.
- Vertical integration and increased density of business development and incubation resources for entrepreneurs and established businesses, *including colocation of Bricks Coworking & Innovation Space*
- Increased access to capital
 - On-site resources will provide technical assistance, financial guidance, and incentive deployment to regional businesses.

Community development benefits and goals of the Head of Falls Village project:

- Improved sense of place and community connection with the creation of new third spaces
- A physical link between Main Street and RiverWalk Park
 - turning Waterville back to the River
- A Welcoming build environment that is human scale and pedestrian friendly
- Project development team are statewide leaders in sustainable development
- Revitalization of vacant and abandoned buildings currently presenting physical and environmental hazards.
- Additional public parking in the Downtown

The HoFV development will include the following construction elements in Phase I:

- Building A | Mixed Use Commercial and Residential
 - Total SF: 34,000+/-
 - Approximately : 10,000+/-sf of mixed use commercial space providing PPP local development resources, coworking spaces, private offices, and other commercial/retail space.
 - Residential: approximately 16 units
- Building B | Mixed Use Commercial and Residential
 - Total SF: 50,000 +/-
 - Retail SF: 7,000 +/-
 - Residential: 45 units

Total Phase I Investment: estimated at \$35MM

The State of Maine's CONNECTIVITY

2023 Progress Report



MAINE
CONNECTIVITY
AUTHORITY

BRINGING AFFORDABLE, HIGH-SPEED CONNECTIVITY TO ALL MAINE PEOPLE

We cannot afford for anyone in Maine to be stranded in the digital dark. The **77,000 high-speed internet connections that the Maine Connectivity Authority (MCA) has enabled across the state** have reduced the number of Maine homes and businesses with no modern internet connection to 35,000, or just over 5% of the locations in the state. Facilitating internet connections for all Maine people remains the MCA's top priority. We can get there from here!

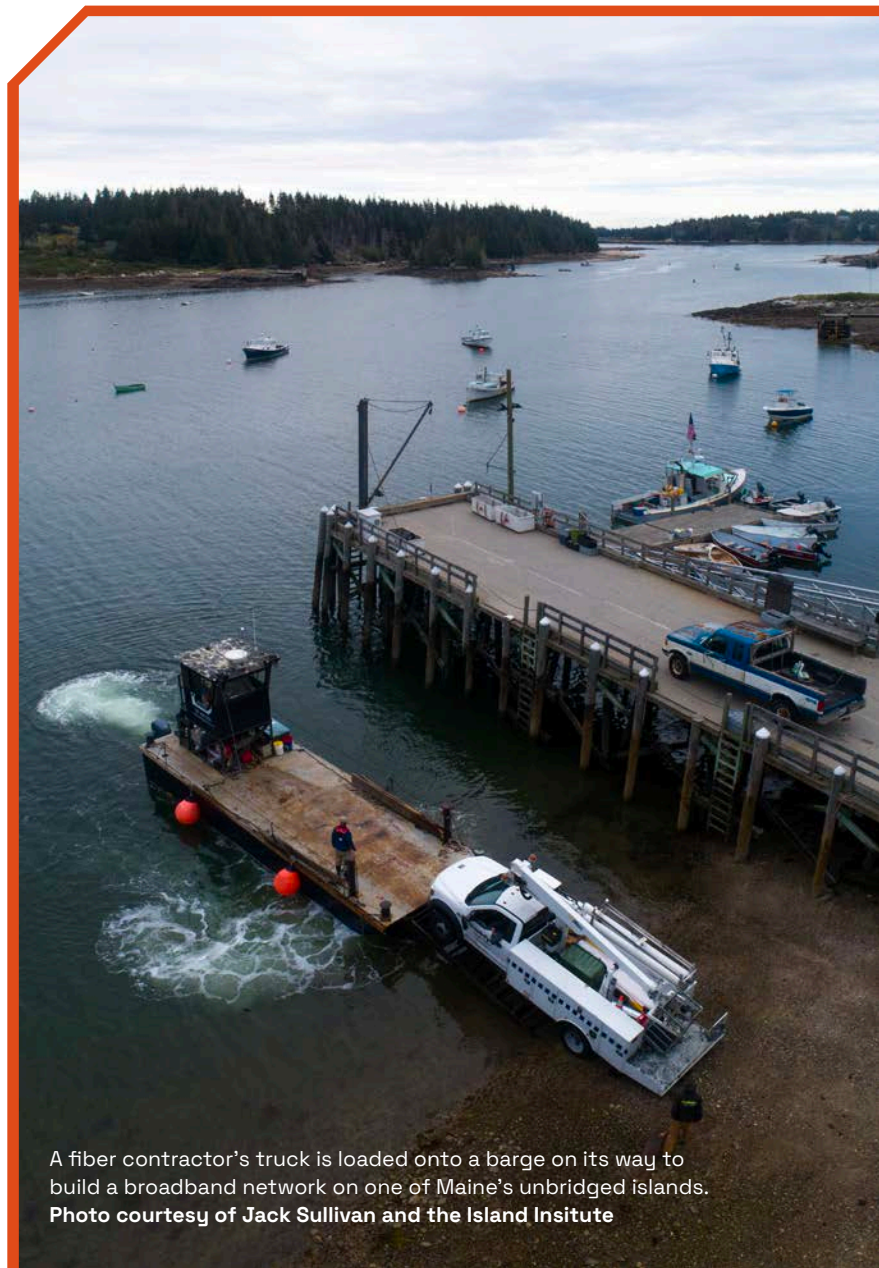
We also need to expand our collective definition of success beyond simply who has access to a connection and who doesn't. **Even when the digital broadband infrastructure exists, it's only part of the solution.** To ensure everyone is truly connected, service must be affordable, and Maine people must have the confidence, tools, skills and devices to make the most of that connection. Only when we have enabled all of these conditions, will we truly **unlock the potential for every person in the state to take full advantage of the opportunities the internet can provide.**

LOOKING AHEAD

2024 promises to be another exciting year for the MCA. The BEAD State-Led Challenge Process and Subgrantee Selection Process, Maine's Digital Equity Act funding allocation, MCA's Connectivity Hubs grant program, and standing up MOOSE Net will be among the many highlights that individuals, partners, and policymakers can look forward to.

We appreciate the many people and partners who laid the groundwork, and continue to contribute to our collaborative progress. We look forward to many more connections (both technological and personal) and encourage you to continue to follow along through our website, email newsletter, public Board meetings, and social media for timely MCA news and updates.

Andrew Butcher
President, Maine Connectivity Authority



A fiber contractor's truck is loaded onto a barge on its way to build a broadband network on one of Maine's unbridged islands. Photo courtesy of Jack Sullivan and the Island Insitute



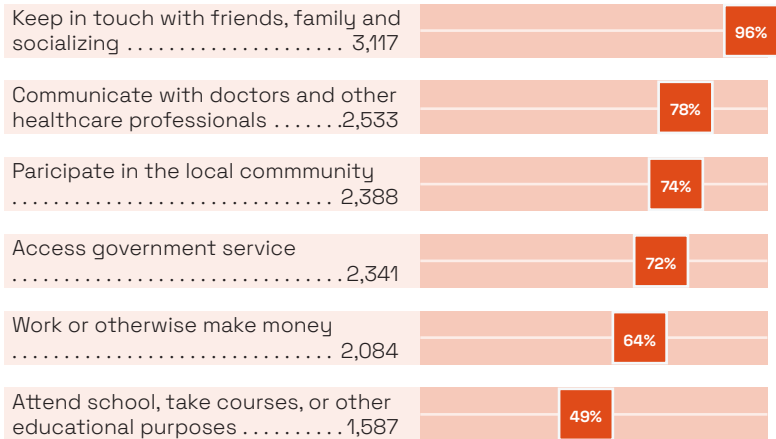
MCA deployed programs, reached places, and mobilized people toward our goal of universal high-speed internet for all Maine people. **In 2023, MCA awarded over \$130 million to deploy broadband infrastructure through our All-In Programs.** These efforts were bolstered by **an additional \$9 million awarded to MCA's Regional & Tribal Broadband Partners** created to sustain and maximize the benefits of infrastructure investments in all Maine regions. In 2023, MCA:

- ▶ Enabled **50,000 internet connections** through MCA's All-In Programs, and an **additional 27,000 connections** through ConnectMaine Bond Fund projects and the National Telecommunications & Information Administration (NTIA)'s Broadband Infrastructure Program projects.
- ▶ Engaged approximately **30,000 Maine people from every county** to shape Maine's 5-year Broadband Action Plan (BAP) and Maine's first Digital Equity Plan through the Maine Broadband Survey, committees, partnerships, working groups, focus groups, and more.
- ▶ Gathered **120 constituents at Maine's first statewide Digital Equity Workshop** to develop 13 Regional and Tribal Digital Equity Plans reaching every town and municipality in Maine, and to collectively develop Maine's statewide vision for Digital Equity.

Low-income respondents are 18% more likely to lack devices to fit their needs compared to the overall survey population, and their affordable price point for devices and service is much lower.

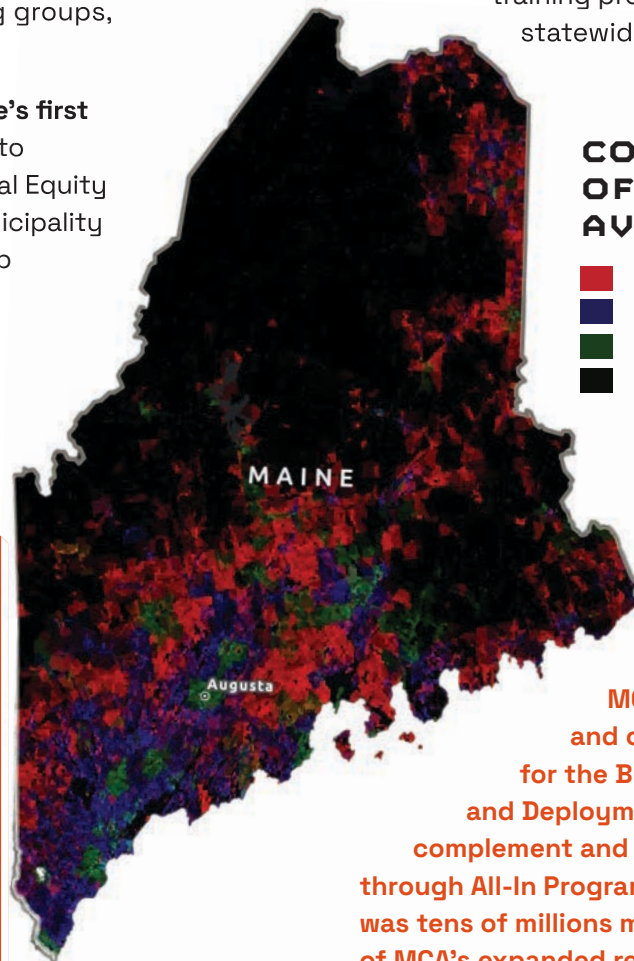
Top Reasons for Using the Internet

TOTAL RESPONDENTS: ~ 3,250



SOURCE: MAINE BROADBAND SURVEY - SUMMER 2023

- ▶ **MCA's engagement with Tribal communities strengthened** during formal consultations with three Tribal leaders, and with Four Directions Development Corporation supporting four tribal Digital Navigator positions, developing a tech support specialist training program, and informing our statewide Digital Equity Plan.



CONCENTRATION OF BROADBAND AVAILABILITY

- Slow & Unreliable Internet Service
- Average Internet Service
- Fast & Reliable Internet Service
- No service

MCA's continued planning and outreach in preparation for the Broadband Equity, Access, and Deployment (BEAD) Program will complement and amplify MCA's success through All-In Programs. Maine's BEAD allocation was tens of millions more than anticipated because of MCA's expanded reach and constant focus on bringing as many organizations, companies, and individuals into this process with us.



STRENGTHENING OUR CORE

MCA strengthened our organizational core through continued dedication to being a responsible steward of public and private investments. MCA was built to be agile, to move quickly, and to produce results. Simultaneously, MCA must uphold rigorous federal funding compliance and guidelines so that today's efforts are sustained long into the future. In 2023, we:

- ▶ **Grew the MCA staff to 20 employees, creating a talented, diverse and dedicated team.** Not only did this capable team develop and administer MCA's full suite of programming, but they also represent the foundation of talent in Maine that will continue to serve the state long into the future.
- ▶ Redesigned MCA's grants administration process that **ensures effective support, oversight and accountability** across all projects. MCA's current projects include some of **the first ARPA Capital Projects Fund deployments across the country**. Lessons learned from these informed **critical elements of MCA's upcoming BEAD Program implementation**.
- ▶ Produced a **3-year Financial Projection** that outlines how MCA expects to deploy an average of \$88 million of funds while utilizing \$6 million of administrative expenses, **representing a 7% overhead rate**, and absorbed the administration of over **\$27 million of projects previously funded through ConnectMaine**.

MCA is built on a strong history of connectivity efforts rooted in the work of the ConnectMaine Authority that proved to be crucial in our readiness for the next phase of our work: the BEAD Program. This evolution requires MCA to invest in its organizational infrastructure, systems, and skills to responsibly manage this shift in the state's broadband ecosystem and to maximize long-term impacts for the people of Maine.

MCA expects to deploy an average of \$88 million of funds while utilizing \$6 million of administrative expenses.

