

Seasons Greetings *from the*  
**Maine Real Estate Managers Association**



[WWW.MREMA.ORG](http://WWW.MREMA.ORG)

Winter, 2008

**MREMA Quarterly Meeting Reminder**  
Friday, December 5  
Holiday Inn West - Portland

Come meet your new Board members at the next quarterly meeting. Arrive at 9 for coffee and networking. The agency updates will start at 9:30, then the business meeting at 11.

After lunch, stay for the afternoon program, **Rent Increases 101**:

1:15 P.M.: Jim Otis, CPA (Otis|Atwell): Types of projects and rent increases; brief overview of the rent increase formulas for Sec. 8 projects (both not in renewal and in renewal); AAFs vs. OCAF; introduction of panelists; session goals

1:30 P.M.: Laura Burns (President, Signal Group): Understanding the Rent Comparability Study (RCS) and process, relationship of Section 8 comparable market rents to HUD's Existing FMRs, how to increase your project's comparable market rents, costs of studies (initial and annual)

1:50 P.M.: HUD: Various issues such as rent comp notice, background of Initial Differences and possibility for increases, termination of HAP and election of MAHRA to obtain new contract and OCAF or budget-based, etc.

2:10 P.M.: Maine Housing: Various issues such as AAF submissions, special rent increases, etc.

2:40 P.M.: Break for 20 minutes.

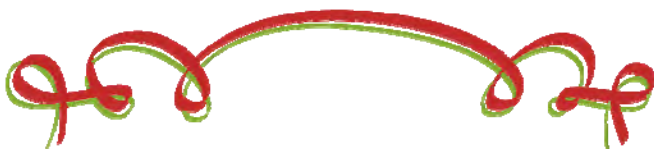
3:00 P.M.: Questions and (hopefully) answers on Sec. 8 Rent Increases

3:20 P.M.: RD: budget process comments

3:30 P.M.: Questions and (hopefully) answers on RD budget issues

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We are no longer mailing the newsletter except upon request. If you have comments, ideas, or suggestions, please email [WWard@midmaine.com](mailto:WWard@midmaine.com).

## From the President's Corner by Susan Michaud-Bosse

I am pleased to announce that I will remain President of MREMA for another two years and am looking forward to working with the new board of directors. Our direction is to still to provide training at a reasonable cost for our members and continue to keep you informed on legislative issues.

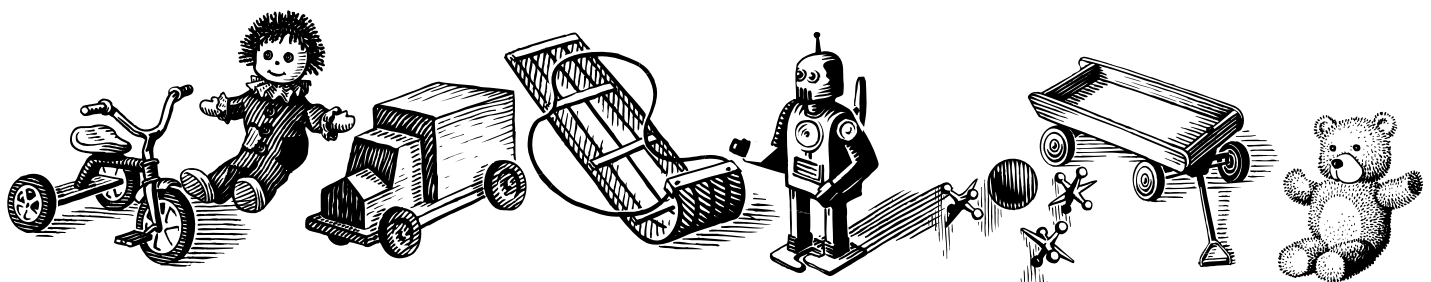
The Tri-State conference was held at Lake Morey Resort on October 27-29 and was a great success. We raised over \$ 14,000 from our vendors and sponsors, who helped keep the registration fees low. There were over 90 attendees from Maine, which was more than Vermont or New Hampshire. We want to thank you for your continued support of our conferences.

The Tots for Tots fundraising is underway and we have a lot of great silent and live auction items. If you have not planned on attending on Thursday evening, please do. It is a lot of fun and it is for a worthy cause.

The 2008 Presidents Award was given to Wendy Ward for her service to the organization. She gives of herself unselfishly no matter what is asked of her. She has served in many capacities helping with quarterly meetings, annual trainings and the Tots for Tots fundraising event. She has also chaired the web-site/newsletter committee and has done an excellent job while never expecting recognition. Her positive attitude and great spirit are an example for all of us.



MREMA is proud to sponsor our annual Toys for Tots and Teens Fundraiser on Thursday, December 4th at the Holiday Inn West in Portland. The festivities begin at 6 PM with a silent auction throughout the evening and a live auction from 8 – 10 PM. Thanks to the many MREMA members, friends, family and vendors, MREMA has raised more than \$212,000 over the past 13 years for the Toys for Tots program. Please join us for an evening of fun and entertainment. There will be hors d'oeuvres, a cash bar, and lots of wonderful items to bid on, including overnight getaways, sports tickets, and jewelry. Admission is one unwrapped gift for a child or a cash donation. Tell a friend, the more the merrier!



## MREMA Board Members and Committee Chairs Elected for 2008-2010 Term

Susan Michaud-Bosse - President, Convention Chair ([smbosse@midmaine.com](mailto:smbosse@midmaine.com))

Gary Crowell - Vice-President ([gcrowell@stanfordmanagement.com](mailto:gcrowell@stanfordmanagement.com))

Sherrin Vail - Secretary ([svail@avestahousing.org](mailto:svail@avestahousing.org))

Diane MacDonald - Treasurer ([macdonaldd@emeraldmanagement.biz](mailto:macdonaldd@emeraldmanagement.biz))

Cathie Whitney - Membership Chair ([cwhitney@ccrealtymanagement.com](mailto:cwhitney@ccrealtymanagement.com))

Sheila Malynowski - Education Chair ([smalynowski@presmgmt.com](mailto:smalynowski@presmgmt.com))

Rosemary Moeykens - Legislative Updates ([rmoeykens@avestahousing.org](mailto:rmoeykens@avestahousing.org))

Wendy Ward - Newsletter/Web-Site Chair ([wward@midmaine.com](mailto:wward@midmaine.com))

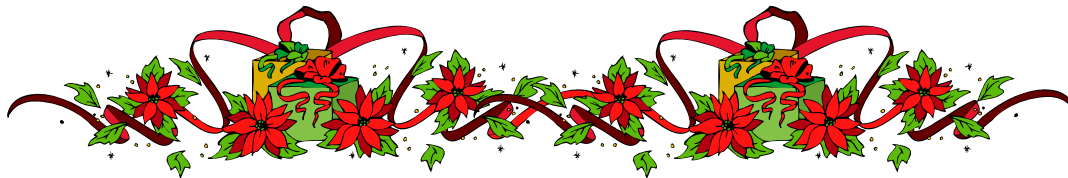
Sara LaBrecque ([lpm375@verizon.net](mailto:lpm375@verizon.net))

Sharon Pray ([spray@shpmanagement.com](mailto:spray@shpmanagement.com))

Denise Paradis ([dparadis@hallkeen.com](mailto:dparadis@hallkeen.com))

Kelly Campbell ([kcampbell@housinginvestmentfund.org](mailto:kcampbell@housinginvestmentfund.org))

*Do you have questions or suggestions? Would you like to volunteer for an upcoming event or find out more about how you can help (or how MREMA can help you)? Please send us an e-mail and let us know!*



### MREMA Membership News by Cathie Whitney

MREMA Membership now totals 100 member organizations! Please welcome new Associate Member USI New England.

### Spotlight on the MREMA Web-Site

Anyone who has checked out the website lately has read about the \$1500 donation that MREMA made to the Good Shepherd Food Bank. If you missed it on the home page, you can still check it out on the News & Events section under Other News, [http://www.mrema.org/other\\_events.cfm](http://www.mrema.org/other_events.cfm).

## MaineHousing Update

by Bob Conroy, Director of Asset Management

### Veteran's Affairs Supportive Housing (VASH) Vouchers

The Housing Choice Voucher Program was awarded 35 VASH Vouchers to administer on behalf of homeless veterans in Maine. This unique partnership between HUD and the Veterans Administration allows MaineHousing and the VA Center in Togus to collaborate in an effort to provide eligible veterans with needed housing and services. MaineHousing administers the vouchers and the VA Center provides case management. Initially the goal was to have the first nine VASH vouchers issued by November 7<sup>th</sup> however we were able to place eleven in service by November 4<sup>th</sup>. The VA intends to have half the allotted vouchers in place by the end of December and all 35 in service by June of 2009.

### Consolidated State Plan Submitted

MaineHousing submitted Maine's Consolidated Housing and Economic Development Plan to the Department of Housing and Urban Development (HUD). Once approved by HUD, which is anticipated by the end of 2008, the plan will generate approximately \$20,000,000 in federal housing and economic development funds for Maine. These funds will be primarily used in the Community Development Block Grant program, the Federal HOME program, and the Emergency Shelter Grant program. The state plan outlines Maine's housing and economic development needs and how the funds will be used to address those needs. As a result of four public forums held in conjunction with the Department of Economic and Community Development, the primary needs that were identified were housing rehab and replacement, more emergency shelters and affordable housing to help people who were homeless, and assistance with the cost of home heating and making homes more energy efficient.

### Keep Me Warm Kit Distribution

The distribution of Keep Me Warm Kits and the installation of weatherization materials were very successful. Volunteer teams through the state picked the kits up on Saturday, October 25<sup>th</sup> and most kits were installed the following weekend. As a result, 2,000 Maine low-income homeowners will cut their energy use this winter, be safer and be warmer.

### Homelessness in Maine Annual Report

MaineHousing completed an annual report on homelessness in Maine. The report examines the extent of homelessness in Maine in 2007 and will be used as a baseline to measure progress on Maine's Plan to Prevent Homelessness. In 2007, 7,083 people stayed in homeless shelters. The plan was adopted by the Statewide Homeless Council in March of this year. The annual report provides data on three different groups of people experiencing homelessness: homeless adult individuals; homeless families; and homeless youth (age 23 or younger). The report is available on MaineHousing's website at [www.mainehousing.org](http://www.mainehousing.org).

### MaineHousing's Annual Report

The National Council of State Housing Agencies (NCSHA) has recognized MaineHousing's most recent annual report (2007) as the top annual report produced by state housing finance agencies. This distinction was shared with New Jersey. NCSHA made this aware at its recent national housing conference as part of its Annual Awards for Program Excellence. The report is on MaineHousing's website at [www.mainehousing.org](http://www.mainehousing.org).

## Rural Development Update

by Robert Nadeau, Multi-Family Housing Specialist

### Funding Updates

Rural Development, like most Federal agencies, is currently operating under a continuing resolution. This means that a final budget has not been approved. Until such time a budget is approved, congress utilizes continuing resolutions to facilitate the continuation of program activities so they do not come to a halt. Typically funding continues at prior year levels until such time the pending budget is approved. For example, expiring or depleted rental assistance contracts will be renewed based on fiscal year 2008 funding levels. The present continuing resolution extends to March 9, 2009, or until a permanent budget is approved or the continuing resolution is extended.

### Non-Performing Projects/Owners and Managers in Non-Compliance

In fiscal year 2009 Rural Development (RD) will focus on identifying non-performing properties, owners, and management entities. This has been an evolving process. In 2004 Rural Development conducted a nationwide study of the revitalization needs of the section 515 portfolio. This report revealed that nearly 100% of the reserve accounts were inadequately funded based on current funding levels and could not meet the projected capital needs. As a result, the Multi-Family Preservation and Revitalization (MPR) demonstration program was created to increase funding assistance and provide debt restructuring tools. The section 538 Guaranteed Rural Rental Housing loan program was expanded to allow existing section 515 owners to apply for section 538 funding. Again, this was done to increase funding for rehab/repair needs. Additionally, MaineHousing has set aside a portion of the 4% tax credits for RD properties that are in need of revitalization. Many property owners have applied under these various programs to complete much needed rehab and repair. However, there are many owners that, despite the available resources, have ignored deferred maintenance issues. When property managers and/or owners do not act proactively to address property physical needs, RD will take the necessary servicing steps to enforce corrective actions as authorized under the real estate mortgage and Loan Agreement. We will first focus on those projects that contain health and safety deficiencies. As always, when owners/managers are actively pursuing funding options and proposing solutions to address deferred maintenance issues in a cooperative manner, we will continue to work with them to revitalize viable properties.

We have also seen increases in non-compliance issues relating to the failure to provide annual budget packages, *properly prepared* budget packages, annual financial and management reports, properly funded tax and insurance escrow accounts, etc. In fiscal year 2009 RD will implement a performance based management fee structure. Penalties will be assessed for the failure to maintain a property in program compliance. Likewise, incentives will be provided when management efforts exceed basic program compliance requirements. Much of what we see that will result in penalties under the new management fee system can easily be avoided. Often deficiencies relate to failure to review the appropriate regulation, to thoroughly review the submittal for completeness, to properly complete the necessary paperwork and/or forms. In short, we are hopeful that penalties, and thus reductions in the management fee, can be avoided simply by taking time and paying attention to detail. The performance based management fee program is currently being piloted in several states. As soon as more detailed information is available we will be sure to share it.

## Maine Resident Services Coordinators Association (MRSCA) Annual Meeting

Submitted By Daniel Drost, Asset Operations Manager, MaineHousing

On November 13, 2008 the Annual Meeting of the Maine Resident Services Coordinators Association (MRSCA) was held at the Good Shepherd Food-Bank in Auburn. Although the intended guest speaker was unable to attend the meeting, the morning was filled with state and regional updates, a rousing game of RSC Jeopardy, an open forum discussion about best practices and successful RSC programs at various properties.

Following lunch, attendees were given a tour of the facility which is extremely impressive and run like a well-oiled machine. The warehouse is enormous and reminiscent of an ant farm with volunteers and staff busily sorting, packing and loading boxes of food to be distributed through its statewide network of over 500 agencies. These agencies are qualified non-profit organizations that directly feed hungry Mainers free of charge. Among these agencies are food pantries, soup kitchens, homeless shelters, after school programs, group homes and other agencies that provide support and services to people in need. MRSCA made a donation of \$5.00 per person to cover the meal provided, and donated food and money provided by the attendees. Additional information about The Good Shepherd Food-Bank can be found on the Asset Management bulletin board.

The afternoon business session of the meeting included the election of a new slate of officers and board members. The 2009 MRSCA officers and board members are:

### Officers:

- President, Patti Wilson, Phoenix Management
- Vice-President, Bethany Tisdale, Tisdale Property Management
- Treasurer, Deneige Blaisdell, EHDOC
- Secretary, Kami Mace, York Housing Authority
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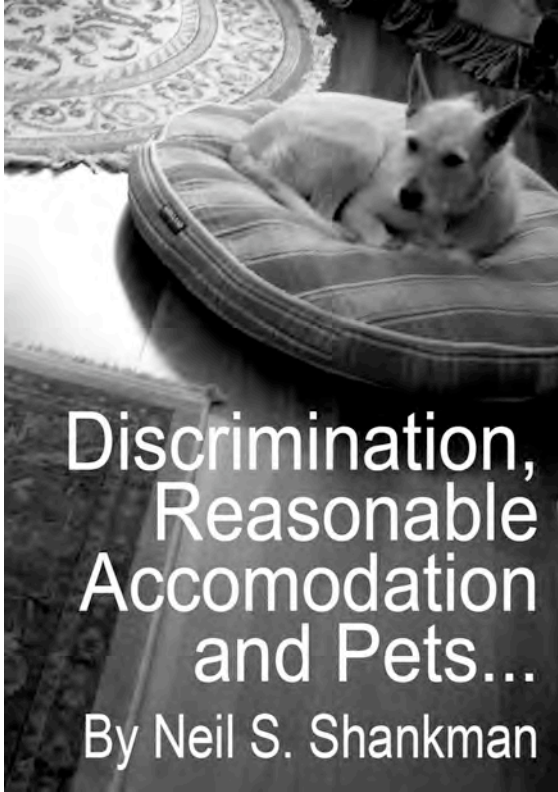
### Board Members:

- Dodie Vasiliaskas , Auburn Housing Authority
- Paula Hirschhorn, Preservation Management
- Kit Monroe-Myers, Preservation Management
- Kristen Allaire, Spear Management
- Peg Brown, Brewer and Bangor Housing Authorities
- Alveine Laliberte, Old Town Housing Authority
- Marie Bronn, EHDOC
- Richard Blouin, Tisdale Property Management

Sheri Letourneau, Past-President, will provide ongoing support and guidance for the Association. Many thanks to Sheri for her years of support and leadership!

On January 7<sup>th</sup>, the Board will meet to plan the 2009 schedule of trainings and other MRSCA business.

Also of note, Kathy Morin, RSC with C&C Realty Management recently received a Community Partners award from Seniors Plus. Congratulations Kathy!



## Discrimination, Reasonable Accomodation and Pets... By Neil S. Shankman

After over thirty years of practicing law, I can think of very few individuals who thought that discrimination against particular classes of tenants was a good idea or a wise business move. However, I have known hundreds of landlords who have gotten in trouble for discriminating ... and in virtually every case the discrimination was inadvertent rather than purposeful. Your intent does not get you off the hook with the Maine Human Rights Commission or with HUD.

The law is quite clear that no one has the right to discriminate against an individual seeking housing based on that individual's race, color, sex, sexual orientation, physical or mental disability, religion, ancestry, national origin, or familial status.

Our focus is on the "flavor of the day" defense that is being offered in virtually

every eviction in which Pine Tree Legal Assistance or other knowledgeable counsel is involved. If you are evicting a tenant for unruly behavior, you can virtually guarantee that on the day of the hearing someone is going to come in and demand a "reasonable accommodation" because the tenant was off her meds temporarily, or her doctor switched her to a new prescription or she just started counseling. "Give her one more chance and you won't have this problem again". The fallacy of the argument is that you have undoubtedly given this tenant multiple warnings. You have served them with a Notice of Termination. Somehow it is only on the day of the eviction hearing that the reasonable accommodation is being sought.

Even such simple things as evicting someone for nonpayment of rent can become the focus for a demand for a reasonable accommodation. "The tenant needed this month's rent to take care of the unanticipated medical condition of his child". My favorite is that the tenant has now made arrangements for a designated "payor" to handle payment of their monthly bills. Here we are at the day of trial and that is the reasonable accommodation that they are seeking.

Experienced staff accompanied by a lawyer knowledgeable in State and Federal discrimination law is an absolute must in these cases. All Notices of Violation, all Notices of Terminations, and all Complaint and Summons for Forcible Entry and Detainer must be clear, definitive and strictly complied with the applicable laws.

In a Rural Development project, a Notice of Termination must include language advising the tenant that they have the right to review their file and copy any

documents. They must be told that if a judicial proceeding is instituted, they have the right to present a defense.

In a HUD project the Notice of Termination must include language advising the tenant that they have the right to discuss the proposed termination of the tenancy with the landlord at any time within ten (10) days of the notice. They need to be informed that if a judicial proceeding is instituted, the tenant has the right to present a defense.

We have recently seen two cases in which tenants have argued that Notices of Termination are inadequate in project based Section 8 housing unless there is strict compliance with the Federal Regulations found at 24 CFR Section 247 and the HUD Handbook, "Occupancy Requirements of Subsidized Multifamily Housing Programs". Any notice terminating a tenancy must "advise that persons with disabilities have the right to request reasonable accommodations to participate in the hearing process". The Handbook also requires that the notice must: "advise the tenant that he/she has ten (10) days in which to discuss the termination of tenancy with the owner. The ten day period begins on the day that the notice is deemed effective."

If your notices are technically inadequate the Court cannot proceed with the eviction. It is imperative that each of you review with your lawyer the notices that you are currently using in order to make sure that they are legally sufficient for the type of housing with which you are dealing.

Last, but not least, please note that the Legislature enacted changes to the Maine Human Rights Act. The MHRC issued revised guidelines regarding service animals in housing and public accommodations. This guidance is "must reading" for any landlord or any property manager. The new information can be located at their website at <http://www.state.me.us/mhrc/>. Simply put, the new law added a definition of "service animal" to make it far more expansive. We are no longer talking of only dogs and cats. Furthermore, the law has now reached the point where there is a virtual presumption that any doctor or counselor can essentially give a tenant enough "support" to essentially force a landlord to make the reasonable accommodation of allowing a service animal.

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