

Federal recovery act will create jobs in housing sector
Maine will get federal funds for weatherization, rental housing developments, and preventing homelessness

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AUGUSTA – Federal recovery funds coming to Maine through MaineHousing will create and retain housing jobs, but it is impossible to determine how much employment will be created until more federal guidelines are provided, MaineHousing Director Dale McCormick told a meeting of about 300 housing professionals Monday.

McCormick said she expects virtually all of the money MaineHousing receives through the American Recovery and Reinvestment Act will be used directly or indirectly to support job creation or retention, and will provide an economic benefit to Maine people and businesses.

She told the audience that all employers involved in receiving federal recovery funds for housing must list employment opportunities with the Maine Job Bank, and encouraged job seekers to check that on-line service for employment.

Monday's meeting at the Augusta Civic Center provided MaineHousing an opportunity to outline what funding it will receive from the recovery act, and to gather input from housing professionals on the most effective way to use the funds in areas where MaineHousing has discretion on spending.

MaineHousing anticipates receiving about \$59 million in federal recovery funds in three areas.

Nearly \$42 million of the recovery act funding will go to expanding the existing federal weatherization program that finances basic energy improvements to homes of low-income citizens. That program runs through the state's network of nine Community Action Program (CAP) agencies, and MaineHousing has little discretion on how the funds are used, McCormick said.

MaineHousing expects to weatherize up to 4,400 homes over the next three years with the recovery funds. Some of the money also will be used for training additional people to perform weatherization work and energy audits, including the possibility of on-the-job training for the professions.

McCormick noted Maine has been seeking additional weatherization funding. Under the recovery act, Department of Energy weatherization funding for the state is increasing from about \$3 million a year to \$15 million.

"We are the dog that caught the car," she said. "Now we need to get the money out as fast as possible."

MaineHousing will receive another \$10.6 million in recovery funds to help develop affordable rental housing funded through the federal Low Income Housing Tax Credit program. The added funds are intended to fill financing shortfalls created by the drop in value of the tax credits and the higher interest rates on housing bonds used to finance the housing.

Priority for these funds will be developments that are ready to start construction, but are being held up because of the funding gap.

MaineHousing also anticipates receiving \$6.5 million to prevent homelessness or to rapidly re-house people who become homeless. Funds may be used for such purposes as security deposits, rental assistance, and hiring caseworkers to prevent homelessness.

Ryan Low, Commissioner of Finance for Governor John E. Baldacci, told the crowd that unprecedented levels of transparency and accountability will be required in the spending of the recovery money.

"These are not ordinary federal dollars," Low cautioned. "It's not business as usual."

Low, who also is charged with tracking the federal recovery money, said the funding, spending, and job creation numbers may be seen at Maine government's website at <http://www.maine.gov/recovery/>.

Also present to answer questions and assist those looking for employment opportunities was John Christie, manager of the Augusta Career Center for the Maine Department of Labor.

The mission of the Maine State Housing Authority is to assist Maine people to obtain and maintain decent, safe, affordable housing and services suitable to their unique housing needs