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CAPITAL AREA HOUSING ASSOCIATION

Landlords Working Together

APRIL 2007 - NEWSLETTER

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PRESIDENT'S MESSAGE

The public hearing for the bill, LD 383, which would significantly improve our lot as landlords by providing an expedited procedure for a 7-day notice eviction and make causing substantial damage to rental property by a tenant a criminal offense, is likely to happen some time during the next month.

The passage of this legislation is likely to be a difficult struggle. This is a place where we can help ourselves - and each other - by preparing testimony [one page or less] to help make the case in favor of this legislation. You don't actually have to testify - the committee can accept written testimony - but you should prepare at least 15 copies [there are 13 members of the committee, plus the clerk, etc.].

Below is an outline you can use to help you prepare your testimony. The object is to convince the legislators that there is a problem, so specific examples are best. Keep it short and specific - highlighting those things that the legislation would help with. Facts, not emotion.

If you can and will testify, so much the better. It would be good to have many people do this - and / or prepare your testimony and get it to Hal Booth and I so that we can have it in-hand when the hearing is scheduled. Note: Abby Holman [one of our 'area legislators'] is on this committee. There is always the chance of changes to the legislation - Hal suggested making non-payment of rent a 'theft of services' crime - so hitting that point too wouldn't hurt.

CAHA members should also contact their individual legislators [House and Senate] and urge their support of LD 383. Do it NOW. (For ideas on how you might write your letter, or effectively express your opinions, email Hal or I.)

Ernie Clark, President

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APRIL 10TH MEETING - 7:00 P.M.

KV Federal Credit Union - 316 Northern Avenue - Augusta

Speaker: Denis Bergeron, PUC Energy Director,

speaking on Energy Efficiency Bill and he will have materials that they developed that will be useful to landlords.

Next Meeting: MAY 8, 2007 - 7:00 P.M. - KV Federal Credit Union

ASK THE LAWYER

QUESTION:

Please explain the Section 8 Subsidized Housing Program, and comment on renting to subsidized tenants.

ANSWER: Section 8 Subsidized Housing - Part I of III - An Overview

In last month's column I addressed State and Local General Assistance Vouchers which must be accepted as a cash payment even though paid later, and which are issued only in response to an immediate emergency, not on an ongoing basis. Section 8 Vouchers, on the other hand, represent the Federal Government's promise to pay a portion of the tenant's rent each month, typically under a year long lease.

These next three columns will provide an abbreviated overview of subsidized housing programs. The emphasis will be upon the Section 8 Housing Choice Voucher Program sponsored by the Federal Government which is administered by State or Local Housing Authorities, the subsidies most likely to be encountered by CAHA members. I will also identify some of the pros and cons of the landlords' participation in the program and touch upon the unsettled legal issue of whether a landlord must participate in the Section 8 program.

The U.S. Department of Housing and Urban Development (HUD) sponsors a number of programs intended to provide safe, decent housing to elderly, disabled or low income tenants. Some programs provide for the direct operation of a public housing complex by a State or Local Housing Authority. Other programs provide low interest loans and tax incentives to private developers who provide housing to specific categories of elderly, disabled or low income tenants. However, the primary program is the "Housing Choice Voucher Program".

Housing Choice Vouchers are administered at the local level by Public Housing Agencies/Authorities (PHA). The Maine State Housing Authority (MSHA) is primarily responsible for administering these federal funds throughout the State, and MSHA, in turn, sponsors and funds the local housing authorities in those cities large enough to need a separate local agency. For example, the Augusta Housing Authority (AHA) administers the Section 8 program on behalf of qualified tenants in Augusta and its surrounding communities. The MSHA directly administers the program in areas not serviced by a local public housing authority. A tenant or family that qualifies is issued a Housing Voucher and is free to choose any housing available in the open market that meets the requirements of the program.

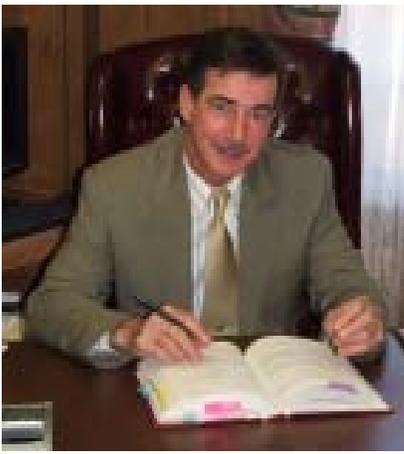
The Housing Voucher is a promise of the Housing Authority to pay a specific sum directly to the landlord each month toward the tenant's rent, and the tenant is obligated to pay the remaining rent. The amount of the monthly voucher is based primarily upon the number of persons in the tenant's household, and the total household income. If the tenant's qualification change, the amount of the voucher can increase or decrease, but the tenant must continue to pay the remainder of the full monthly rent to the landlord.

The voucher payment is also based upon the local market cost of housing; a Portland apartment will be far more expensive than a similar apartment in Augusta. The MSHA surveys local housing markets on an ongoing basis to determine typical rents, and periodically issues "Rent Reasonableness Guidelines" to the local Housing Agencies. The Guidelines establish the upper limit of rent that can be paid for a particular type of apartment. For example, the upper limit of a 1-bedroom apartment in market "x" may be \$500 per month, and any such apartment listed for a higher rent would not be eligible. As an aside, some landlords who do not wish to accept subsidized tenants have been known to set their rents just above the allowable limit (\$505.00 monthly rent in market "x" in this example).

Importantly, the Voucher issued by the Housing Authority is a promise to pay toward the rent of that particular tenant/household on an ongoing basis. This promise to pay differs from a General Assistance Voucher in that the Housing Authority will issue a check to the landlord to pay a share of the rent on a timely basis at the beginning of each month, for so long as the subsidy and the tenancy continue. The certainty of prompt, dependable payment of the voucher is one of the most appealing aspects of the landlord's participation in the Section 8 Program.

Next month I will address some of the ways in which the Housing Program Contracts regulate the landlord and overlaps with the landlord's lease, and has the effect of modifying that lease, sometimes to the landlord's surprise.

Disclaimer: For general information of CAHA members; not intended as legal advice. Consult a lawyer for your specific situation © 2007 Eric S. Dick, Esq., Augusta, Maine (207) 622-5872.



**Minutes of Regular Meeting - Capital Area Housing Association (CAHA)
Held at KV Federal Credit Union - March 13, 2007**

President Ernie Clark called the meeting to order at 7:00 pm. Unfortunately, none of the invited legislators were able to attend the meeting.

Harold Booth moved, Ramona Venskus seconded, to approve the Annual Meeting minutes as printed in the newsletter. Motion passed. Ratna Don gave the Treasurer's report, announcing that CAHA currently has 536 members. Checking and savings accounts at KV FCC, Gardiner Savings and Kennebec Savings have a total of \$19,615.41, plus \$15,300.79 in a CD at KV FCC, and the \$10,000 bond. Harold Booth moved, Rick Gilbert seconded, to approve the Treasurer's report as presented. Motion passed.

Harold Booth moved, John Gwazdosky seconded, to stop providing refreshments at the regular CAHA meetings. The cost is approximately \$15 per meeting. The vote was 7 in favor, 7 opposed. The President voted to break the tie, in favor. Motion passed.

In the absence of Don Gasink and Don Gilbert, Rick Gilbert gave a brief report for the Oil Committee. Only one vendor (Webber Oil) provided what the committee had hoped for (with 23.49 cents above NY price). The Committee is still working, and will have more details later.

A reminder that the Board will be reviewing the By-Laws at the March Board meeting, and encourage member input.

Board member Harold Booth gave a brief explanation of LD 383, An Act to Amend the Landlord-Tenant Laws, sponsored by Senator John Courtney. He had spoken briefly with the Senator, and had scheduled a meeting with him for March 14th, to discuss how CAHA can best support the bill. It calls for an expedited eviction process in certain situations, and makes intentional substantial property damage a Class D crime. A public hearing before the Legal and Veterans Affairs Committee has not yet been scheduled, but CAHA and individual landlords should be prepared to offer testimony, either in person or in writing. ALL members should contact their own local legislators and ask them to support this bill! It was also suggested that CAHA get in touch with other landlord associations in Maine, and garner more interest and support.

A speaker from the Public Utilities Commission is scheduled to attend the April meeting. He will discuss energy efficiency in general, but also talk about the Energy Efficiency bill which was passed last session which requires landlords to fill out an energy efficiency form for each unit that is being shown. At the January meeting, it was recommended that CAHA let both the PUC staff and members of the Legislature's Public Utilities Committee know that the reporting form is not very useful, is rarely being used, is not needed if the landlord is paying the utilities, and raises liability concerns. Plus, if the goal is to increase residential energy efficiency, the law should not be targeted just at rental units.

Jim Carter, from BugBeaters Pest Control, spoke briefly about insect problems, and passed out flyers re services. BugBeaters will be providing a 10% discount to CAHA members. He mentioned that, when pest control services have been scheduled, an informational statement must be hand-delivered to each tenant. A member also mentioned that the standards for permissible radon levels were recently changed (lower amount allowed), so anyone buying or selling should be aware of remediation costs.

Rick Gilbert won the monthly Chamber gift certificate drawing. Sign in sheet indicated 20 members attending, with 153 units, and 13 vacancies.

Meeting adjourned at 7:45 pm.

Respectfully submitted, *Louise Hinkley, Secretary*

CERTA PROPAINTERS * Painting (Exterior & Interior) * Pressure Washing * Plaster / Drywall repair Andy Mann - 622-6065 10% off for CAHA Members	Aubuchon Hardware 623-9844 20% off Glidden Paint - 10% off all other regular price items Aaron Feldmus	SHOP FROM HOME FLOORING 626-3100 10% off any regular price Sales & Installations Sam Macmaster	Sherwin Williams 622-6818 Paint, Wallcovering and Accessories 10-20% off all products Aaron Smith
Central Maine Wall to Wall 582-1526 - email: info@cleaningmainescarpets.com Carpet and upholstery cleaning Rick Bonenfant	Hammond Lumber Co. 495-3303 Full Service Lumber & Building Materials 10% off Retail and Free Delivery Dale Tobey	Major Appliance 622-5859 Free Delivery Farmingdale, Maine Ken Martin	Steve's Appliance Service & Sales, Inc. 621-0520 - Fax:547-4083 Heaters - Mattresses New & used appliance sales / service
Farris, Foley & Dick, P.A. Eric Dick, Esq. 88 Winthrop Street, Augusta LEGAL SERVICES • 622-5872 \$ 25.00 off standard hourly rate on landlord/tenant matters	DOWNEAST ENERGY. Oil • Propane Equipment Sales & Service 191 Water Street - Hallowell 622-7521	Central Maine Property Management Property Mgmt - Maintenance Lawn care - Bookkeeping - Snow removal 20% discount to CAHA members Devon L. Dobbins • 622-7691	D.R. Struck Landscape Nursery 395-4112 15% discount on your purchase Robin Struck
Rick's Downeast Building & Property Maintenance 923-4054 & 623-7535 10% discount on property maintenance excluding the new Depo-section. Ricky Bradstreet	<i>Bayleigh Flooring</i> Flooring & Lighting Sales Essence Wilkins (207) 620-8888 - FAX 620-7024 ewilkins@bayleighflooring.com	Moody & Company Office Supplies, Inc. 622-6616 25% off list and Free Delivery	TC & Company Cellular: 242-8499 or Phone: 621-8090 Handyman jobs at a 10% discount No jobs too small Tim Dennett
POULIN PROPANE Propane Appliance Installation & Service Edward Poulin 441-1574 Discount on Labor	Moreau Home Improvement Property Management & Maintenance (207) 215-7500 - (207) 549-5724 10% off - \$45.00 hr.	O&P Glass (the clear choice) 622-3652 Fax: 622-3268 Auto, residential commercial, stained glass	Winslow Aluminum 873-0412 • 1-800-924-0412 Windows, Doors, Siding, etc. 35% off Replacement Windows Rick Heffernan Sales Representative
Big Daddy's Handyman Service Painting & Lawn maintenance Apartment clean-ups - Odd jobs big or small Discounted rates for CAHA members Sean Fritz 441-2490 93 Green Street - Augusta, ME	R&R Property Management Rob Jordan (207) 485-1237 Tenant Relations - Handyman service Landscaping & Odd Jobs Discount on Labor for CAHA members	NEWCOMER RELOCATION SERVICES "Upscale Rentals" Phone/Fax 622-4312 - Cell: 446-4312 email: ramona@NewcomerRelocation.com www.NewcomerRelocation.com No application fee for CAHA Members	Dave Labbe Plumbing 622-2566 DISCOUNT ON LABOR

ADDRESS SERVICE REQUESTED

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