HOUSING & COMMITTEE
DATE: January 27, 2016
TIME: 5:30 pm – 7:30 pm
LOCATION: Council Chambers, 2nd Floor, City Hall

1. 1-27-2016 Agenda

   Documents: 01.27.2016 HOUSING COMMITTEE AGENDA.PDF

2. Housing Committee Meeting Memo And Attachments - 1.22.2016 .Pdf

   Documents: HOUSING COMMITTEE MEETING MEMO AND ATTACHMENTS - 1.22.2016 .PDF

   2.I. Housing Committee Staff Presentation - Existing Conditions 01.27.2016

   Documents: HOUSING COMMITTEE STAFF PRESENTATION - EXISTING CONDITIONS 1.27.2016.PDF

3. Brief Presentations By Stakeholders On The Issue Of Housing In Portland
   No packet for this item.

Public Comment will be accepted on action items. **Councilor Jill Duson, Chair**

Next Meeting Date: February 10, 2016

HOUSING COMMITTEE

DATE: **January 27, 2016 (Wednesday)**
TIME: **5:30 p.m. – 7:30 p.m.**
LOCATION: **City Council Chambers, Second Floor**
Portland City Hall

A G E N D A

1. Welcome and Introductions

2. Overview of current City tools and funding resources for addressing affordable housing issues in Portland – See enclosed Memorandum from Jeff Levine, Mary Davis and Tyler Norod.

3. Brief presentations by the following stakeholders presenting on the issue of housing in Portland:

   a) Dr. Christopher Hebert, Joint Center for Housing Studies of Harvard University
   b) Dana Totman, Avesta Housing Inc.
      Mark Adelson, Portland Housing Authority
   c) Chris Hall, Portland Regional Chamber of Commerce
      Brit Vitalius, Southern Maine Landlord Association
   d) Joe Malone, Malone Commercial Brokers
      Jonathan Culley, Redfern Properties
   e) Mark Swann, Preble Street
      Portland Tenants Union

Public Comment will be accepted on action items.

Councilor Jill Duson, Chair

Next Meeting Date: February 10, 2016

Portland, Maine Yes. Life's good here.

Planning & Urban Development Department

Memorandum

To: **Councilor Duson, Chair**
Members of the Housing Committee

From: **Jeff Levine, Planning & Urban Development Director**
Mary Davis, Division Director, Housing & Community Development
Tyler Norod, Housing Planner

Date: **January 22, 2016**

Re: **Housing Tools and Financial Resources Employed by the City of Portland**

In recent years, Portland has been experiencing rising housing costs as the City becomes increasingly attractive for a diverse range of households. This phenomenon is not unique to Portland. Cities across the nation have been experiencing renewed investment and shifting demographics as demand for living in close proximity to urban centers continues to grow. Given market limitations, the development of new housing affordable to current Portland residents has been limited. Increasingly, stories of displacement and household instability are becoming more common as residents struggle to find decent, safe, and affordable housing.

The City has worked hard to confront these issues with the goal of encouraging a diverse and equitable housing stock for its citizenry. At the request of the City Manager, the Planning Department recently formed an internal interdepartmental Working Group to examine pressures facing Portland's housing market. The Working Group is comprised of representatives from the Planning Department, Economic Development Department, Health & Human Services Department, and the City Manager's Office. The Group will gather information from each members' unique perspectives to better inform the Housing Committee on potential policies and impacts as they relate to housing.

With the recent reorganization of City Council subcommittees to form Portland's Housing Committee staff thought it would be helpful at its initial meeting to provide an overview of tools and financial resources already being employed by the City to address housing issues in Portland. With a shared understanding of what the City is currently doing the Housing Committee will be able to better formulate additional actions that may further strengthen Portland's response its housing concerns.

Outlined below are a series of policies, funding sources, and subsidized housing projects that the City has been utilizing or involved in since 2000. Attachment A of this memo outlines brief descriptions of each tool and financial resource at the City's disposal. Attachment B summarizes the various housing developments that have received financial support from the City over the last decade and a half. Attachment C provides several charts and spreadsheets examining recent funding levels for the various financial resources available to the City for addressing housing issues. Attachment D is a map highlighting the location of housing units in Portland that have received assistance from public funding sources.

List of Tools

- Inclusionary Zoning
- Selling City Owned Land for Housing Development
- Amended Zoning to Allow for Additional Housing Development
    - B-1, B-2, B-6, R-6
    - Up to 25% Density Bonus, Section 14-484
    - Increased Allowable Heights
- ADU Amendments encouraging Workforce Housing in R-5, IR-1, and IR-2 Zones
- Reduced Parking Requirements & Fee-In Lieu Option
- Amended Housing Replacement Ordinance
- Reduced Fee's for Affordable Housing Development
- Transportation Improvements to Allow for Greater Density
- Housing First Model
- India Street Form Based Code
- Housing Investment Policy
- Housing Trust Fund Annual Plan

Financial Resources

- HOME Funds for Housing Development
- CDBG Funds
- Housing Development Funds – CDBG Housing Program Income
- Housing Trust Fund
- Affordable Housing Tax Increment Financing (AHTIF's)
- Affordable Housing Revolving Loan Fund
- Selling City Owned Land at Less Than Market Value
- Tenant Based Rental Assistance Vouchers
- Residential Rehab Program
- Lead Safe Program
- Neighborhood Stabilization Program (NSP) – No Longer Available

Subsidized Housing Development Projects

A list providing all projects since 2000 that have received some form of financial subsidy is attached to this memo as Attachment B. The list breaks down each project by the number of units and the type of funding the project received. Since 2000 the City has contributed approximately $13.5 million dollars to aid in the construction of 999 affordable housing in Portland. Of these affordable units, two projects, consisting of 24 units, were built as homeownership. The remainder of the units have all been developed as rental properties. When accounting for all of its various subsidies, the City of Portland contributes, on average, approximately $13,600 per unit to support the development of housing.

Attachment A

Implementation Tools & Financial Resource Descriptions

Attachment A

Implementation Tools

Inclusionary Zoning

In October, the City Council approved amendments to Division 30 of the City's zoning ordinance to mandate inclusionary zoning within all residential development projects proposing ten (10) or more units. Projects will be required to make available 10% of their units as Workforce Housing to eligible households who earn up to 100% of Area Median Income (AMI) for rental units and 120% AMI for homeownership units. Developers will also have the option of building the units off-site within the same census block or paying a fee-in lieu of $100,000 towards the City's Housing Trust Fund.

Selling City Owned Land

The City owns a significant number of parcels within Portland. In 2013, after excluding parks, cemeteries, and other properties designated as recreation/open space (ROS) or resource protection zones (RPZ), the City owned approximately 250 properties. Of course not all of these sites would be appropriate for housing development. However, selling City owned property to encourage housing development is another flexible tool in the City's arsenal for addressing housing issues in Portland. Portland is in a unique financial situation for selling land in comparison to other private landowners. In addition to the sale price of the land the City would also profit from returning the soon to be improved property to the tax rolls. The increase in tax revenue and potential incentivize restrictions on the affordability levels of future units on the site may allow the City to consider selling property at reduced rates compared to the private landowners.

Amendments to Zoning for Greater Density

The City has revised its zoning ordinance to allow for greater density to encourage the development of additional housing. Recent revisions within the ordinance include amendments to the B-1, B-2, B-6, R-6 zones, wider applicability of a 25% density bonus as laid out in Section 14-484 and 14-488, and increased allowable heights in some sections of downtown. The chart below outlines the density bonus available to development projects based on their level of affordability for low-income and workforce households:

Percentage of new units that are low-income or workforce units	**Percentage increase in maximum number of units allowed**
5% up to but not including 10%	5% Increase
10% up to but not including 15%	10% Increase
15% up to but not including 20%	15% Increase
20% up to but not including 25%	20% Increase
25% or more	25% Increase
Projects under Section 14-487: Inclusionary Zoning	25% Increase

Accessory Dwelling Unit Amendments

The City recently approved revisions to allow for the construction of new accessory dwelling units (ADU's) on non-conforming lots within the R-5, IR-1, and IR-2 zones as long as they are rented as affordable to eligible households earning up to 80% and 100% AMI.

Reduced Parking Requirements & Fee-In Lieu Option

The cost of providing parking in new residential development projects can often be substantial and encourage inefficient land use patterns. The City has reduced some parking requirements to help decrease parking related costs and incentivize residential development. Developments providing low-income or workforce housing units will be required to provide no more than one parking space per affordable unit. The Planning Board may reduce these parking requirements further for projects offering affordable units.

Developers in some zones may also have the option of paying a fee-in lieu to meet their project's parking requirements. The fees will be used to fund a Sustainable Transportation Fund to support the transportation needs of the City.

Amendments to the Housing Replacement Ordinance

Section 14-483 of the City's Zoning Ordinance establishes a Housing Replacement requirement intended to promote and facilitate the adequate supply of housing to all residents and limit the loss of housing stock within the City. The Ordinance requires the payment of a fee per unit for anyone wishing to impose a net loss of housing as a result of demolition of an existing residential property or through conversion of residential space to another use. The fees received by the City are contributed to the Housing Trust Fund to be used to help support maintaining and developing housing in the City.

The City recently amended the Housing Replacement Ordinance to further clarify when payments are due and to require off-site replacement units to be built within the same census block or within 1500 feet of the property that triggers the provision.

Reduced Fees for Developing Affordable Housing

Fees associated with the development of eligible residential real estate projects may be reduced in accordance with the following table:

Percentage of new units that are low-income or workforce housing units	**Percentage discount of development fees**
5% to but not including 10%	5% reduction
10% to but not including 15%	10% reduction
15% to but not including 20%	15% reduction
20% to but not including 25%	20% reduction
25% or more	25% reduction

Priority Review

The Planning Department performs its review of an eligible project that includes low-income or workforce housing units in an expedited manner as practical. The Planning Board makes its best effort to hear, review, conditionally approve or deny within one workshop and one public hearing any proposed plans or applications for eligible housing projects containing some low-income or workforce units.

Transportation Improvements to Allow for Greater Density

The Planning Department has been working to make improvements to the City's transportation infrastructure both on- and off-peninsula in part to better accommodate greater housing density. Examples of these efforts are seen in the work to redesign Franklin Street and the Forest Avenue Corridor to allow for additional development and multi-modal transportation by current and future residents.

Housing First Model

The Housing First Model is part of a national trend to confront homelessness. The model is based on the concept that homeless individuals or households first need housing as part of their stabilization process. The City currently has two buildings, Logan Place and Florence House, which meet the goals of the Housing First Model. In 2014, Portland released a $50,000 RFP to help incentivize the development of three (3) additional supportive housing development projects in the City. Avesta recently gained approval for a new supportive housing development on Bishop Street to construct approximately 30 units of housing for the chronically homeless.

India Street Form Based Code

The rezoning of India Street to a form based code is designed to control development through a more spatial approach as it relates to the relationships between buildings, streets, open space, walkability, and urban uses. By implementing this new zoning method the City helps to create a more predictable development environment for the private sector and the public alike. Hopefully less uncertainty will translate to less perceived risk to help incentivize much needed housing projects while easing frequent community concerns related to height and massing.

Financial Resources

HOME Funds for Housing Development

The City receives an annual allocation of funds from the federal HOME program to in part help support the development and preservation of affordable housing in Portland. In recent years the typical housing development allocation has been approximately $500,000 but it can vary widely depending on federal priorities and funding. Since 2000, HOME has been the largest funding source for the City helping to develop approximately 813 units of housing through the allocation of approximately $7.1 million in funds.

CDBG Funds

Community Development Block Grant (CDBG) funds are another versatile set of federal funds that can be used to support a wide variety of local initiatives. The CDBG program works to ensure decent affordable housing, to provide services to the most vulnerable in our communities, and to create jobs through the expansion and retention of businesses. Since 2000, CDBG funding has helped fund development of approximately 103 units of housing through the allocation of approximately $500,000 in funds. CDBG funds have also historically been used to help fund social services for housing related causes such as supporting salaries and improvements to the local emergency shelters in Portland.

Housing Development Funds

The City's Housing Development Funds (HDF) are sourced through the CDBG Housing Program Income. The Funds are reallocated to help address other housing concerns after being repaid through CDBG funded loans and grants such as the Residential Rehab Program. Since 2000, the City has utilized approximately $1.4 million in HDF resources to help subsidize the creation of approximately 224 housing units.

Housing Trust Fund

The Planning Department drafts an annual plan for the City's Housing Trust Fund (HTF) to help guide the best allocation of resources for the coming year. The HTF is perhaps the most flexible financial resource at the City's disposal to address housing affordability issues. There are typically less restrictions associated with the allocation of HTF funds in comparison to federal funding sources.

The HTF has historically been funded by fees triggered by the City's Housing Replacement Ordinance that requires developers to pay a fee for any housing unit that is removed from the City's housing stock.
The HTF currently has approximately $450,000 available to fund housing development activities. The

City recently awarded an allocation of $175,000 towards the development of eight (8) workforce homeownership units at 65 Munjoy Street.

The recent approval of Portland's Inclusionary Zoning Ordinance has opened another potential revenue stream for the HTF. Developers will have the option to pay a fee-in lieu of an on-site unit at a rate of $100,000 per unit. This fee will be directed into the HTF to help further support housing development in Portland.

Affordable Housing Tax Increment Financing

Affordable Housing Tax Increment Finance (AHTIF) is a tool used by municipalities in Maine to assist in the development of affordable housing projects and support related infrastructure and facilities, including local schools. The AHTIF revenue can be used to help make the housing affordable and to pay for related infrastructure and facilities (including local schools). Community benefits include avoiding decreases in state revenue sharing and increases in county taxes that might occur as a result of increased property values. MaineHousing administers this program.

AHTIF district revenue can be used to pay for housing related costs both within and outside of the district. Up to 100% of the tax increment can be used for approved project costs. Eligible project costs within the district include capital costs, financing costs, project operating costs, professional service costs, administrative and start-up expenses, costs of recreational and child care facilities. Eligible project costs outside of the district include costs "related to or made necessary by creation or operation of the district" including infrastructure and public safety improvements; costs to mitigate adverse impacts on the community (including costs to local schools) and costs to establish permanent housing development revolving loan or investment funds.

Eligible projects must meet the following requirements:

- At least 25% of the district area must be suitable for residential use; development within the district must be primarily residential;
- Must address identified community housing needs and comply with Maine law;
- At least 1/3 of the housing units must be for households earning no more than 120% AMI;
- Affordability for rental units must be for not less than 30 years;
- Homeownership affordability must be for not less than 10 years.
- Size of district must not exceed 2% of municipal acreage; total of all TIF districts (including commercial) must not exceed 5% of municipal acreage;
- Original assessed value of all affordable housing development districts cannot exceed 5% of total municipal value;

Affordable Housing Revolving Loan Fund

The City recently established an Affordable Housing Revolving Loan Fund which works in conjunction with AHTIF projects to capture a portion of the increased property values to be used in support of affordable housing goals. The first project to utilize this new funding mechanism was the 409 Cumberland project. Based on the project's AHTIF deal, 50% of the increased tax revenue is allocated to support the development and 50% is allocated to the City's Affordable Housing Revolving Loan

Fund. By the end of 2016, it is estimated that this fund will contain approximately $60,000. The AHTIF lasts for 22 years and by its completion is anticipated to generate approximately $800,000 in revenue for the fund.

Selling City Owned Land Below Market Value

The City may make available City owned land for housing development. The City may choose to offer the land below market prices to encourage housing development or support greater affordability. Selling City owned land provides the City with unique control over the timing, location, and affordability of housing development in Portland. It also has the added benefit of turning land with no tax liability into an income generating property for the City's tax rolls. This new tax revenue may help off-set any reduction in sale price.

Tenant Based Rental Assistance Vouchers

To be eligible for the HOME funded Tenant Based Rental Assistance Vouchers (TBRA Vouchers) an applicant must meet certain standards (per HUD definition) and have an annual income of less than 80% of AMI. Portland's has chosen to implement its TBRA voucher program at a lower AMI to pay for security deposits and short term rental assistance for individuals and families residing in homeless shelters. The program is operated by the City's Social Services Division. The program is designed to be part of a rapid rehousing strategy targeting chronic homelessness with a particular focus on reducing recidivism.

In 2015, the City had access to approximately $130,000 in TBRA Vouchers. The average cost per household was $1,200. Since 2013, approximately 300 households have been helped using the TBRA Voucher program.

Residential Rehab Program

The Residential Rehab Program is funded through both HOME and CDBG resources. The program helps homeowners, owner occupied landlords, and private landlords who rent to income eligible households access funding to make major repairs to their buildings to keep them decent, safe, and liveable. To qualify, owners or the tenants they serve must earn 80% of AMI or less.

Lead Safe Program

The Lead Safe Program is funded through both HOME and CDBG resources. The Program is designed to raise awareness about lead poisoning and to help fund the renovation of lead safe housing in Portland. Since 1998, the program has helped to fund over 430 renovations protecting local citizens and their children from the hazards associated with prolonged exposure to lead in their homes. Homeowners in single family homes as well as owner occupied landlords are eligible for this program if they earn less than 80% of AMI. Private landlords are also eligible so long as they agree to rent units in the affected buildings to low income tenants for the following three years.

Neighborhood Stabilization Program

The Neighborhood Stabilization Program (NSP) was established for the purpose of stabilizing communities that have suffered from foreclosures and abandonment. NSP was established in response to the most recent housing recession through the Housing and Economic Recovery Act (HERA) of 2008. HERA provided grants to all states and selected local governments on a formula basis. NSP is a component of the Community Development Block Grant (CDBG). The CDBG regulatory structure is the platform used to implement NSP and the HOME program provides a safe harbor for NSP affordability requirements.

NSP grantees develop their own programs and funding priorities. However, NSP grantees must use at least 25 percent of the funds appropriated for the purchase and redevelopment of abandoned or foreclosed homes or residential properties that will be used to house individuals or families whose incomes do not exceed 50 percent of the area median income. In addition, all activities funded by NSP must benefit low- and moderate-income persons whose income does not exceed 120 percent of area median income. Activities may not qualify under NSP using the "prevent or eliminate slums and blight" or "address urgent community development needs" objectives. Portland utilized approximately $1.7 million in NSP funds to help redevelop the Adams School site on Munjoy Hill into 16 moderate-income homeownership units.

At the present time there are no more NSP funds available and no indicator that additional funds will be available in the foreseeable future.

Attachment B

Subsidized Housing Project List

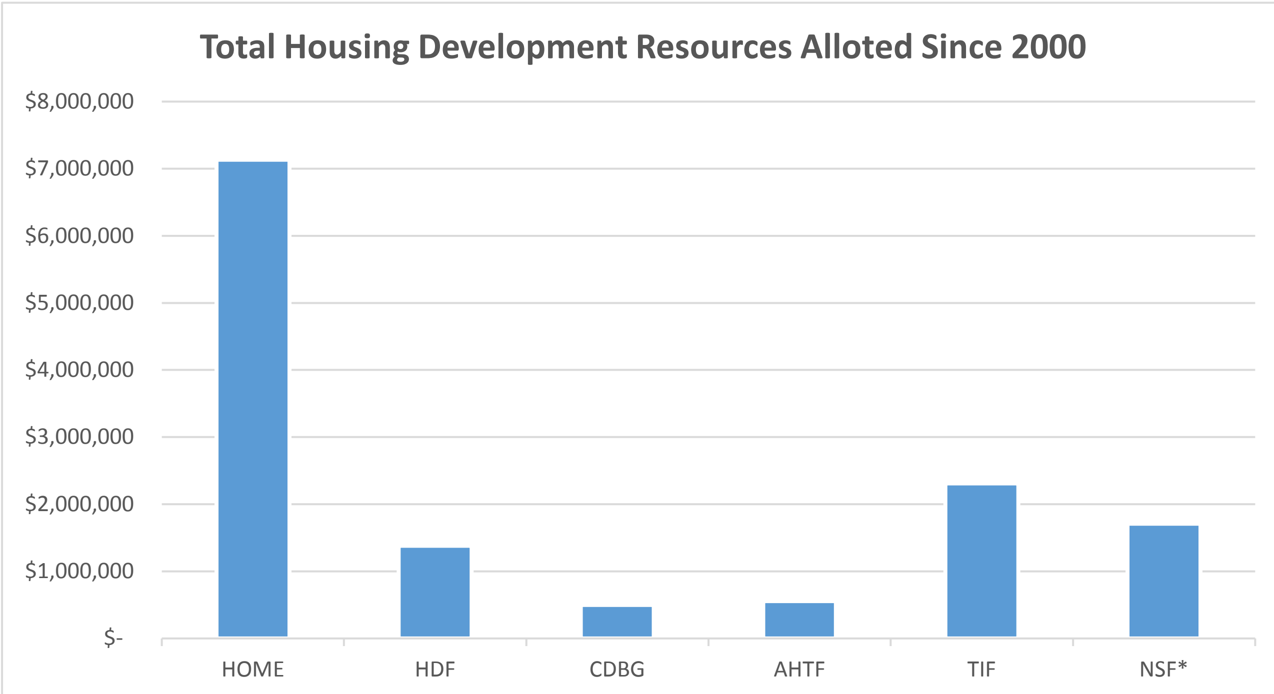
Attachment B - Subsidized Housing Development Since 2000

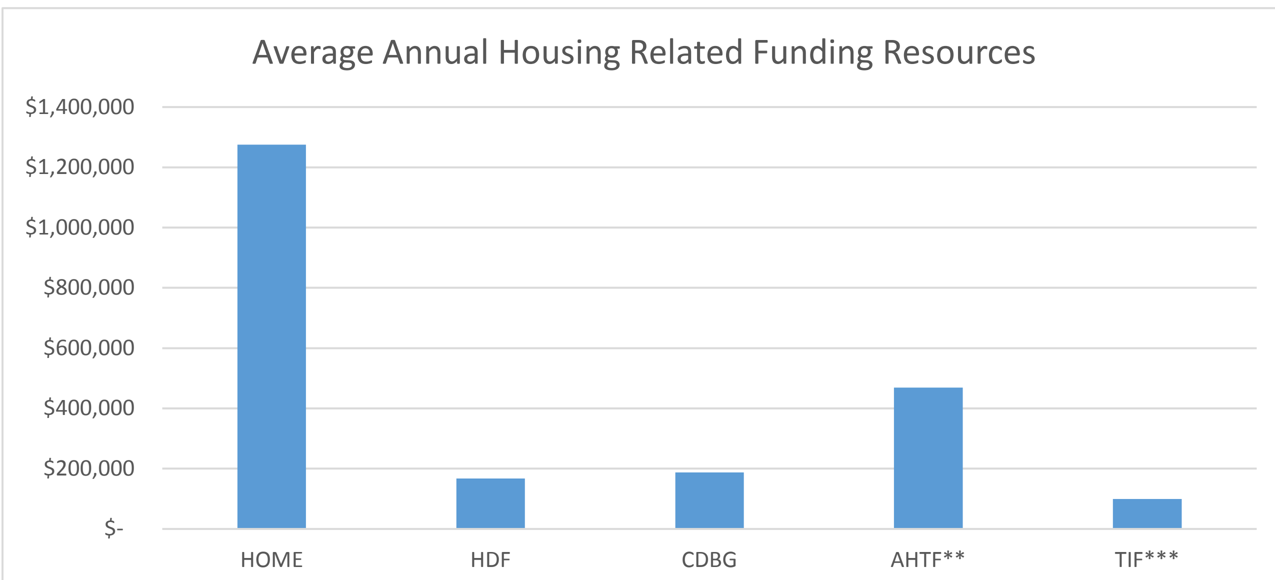
No.	Owner/Project	Units	HOME	HDF	CDBG	AHTF	TIF	NSP
1	Adams School	**16**						$1,710,000
2	Rosa True School	10	$118,500	$0	$0	$0	$0	$0
3	53 Danforth	43	$325,000	$0	$0	$0	$0	$0
4	Bayside Anchor	45	$500,000	$0	$0	$0	$0	$0
5	134 Washington Ave	18	$522,448	$0	$0	$0	$207,116	$0
6	17 Carleton	37	$0	$0	$0	$0	$726,000	$0
7	409 Cumberland	57	$500,000	$0	$0	$0	$759,392	$0
8	65 Munjoy	8	$0	$0	$0	$175,000	$0	$0
9	Florence House	25	$240,000	$0	$0	$0	$0	$0
10	Fore River	20	$388,474	$0	$0	$0	$0	$0
11	IRIS Park Apartments	31	$0	$250,000	$0	$0	$0	$0
12	Logan Place	30	$435,000	$0	$0	$0	$0	$0
13	Oak Street	37	$0	$0	$0	$380,585	$0	$0
14	Pearl Place - Phase I	60	$427,000	$0	$0	$0	$615,502	$0
15	Pearl Place - Phase II	54	$400,000	$0	$0	$0	$0	$0
16	Unity Village	33	$86,500	$0	$363,863	$0	$0	$0
17	Bayside East	20	$250,000	$0	$0	$0	$0	$0
18	Elm Terrace	38	$403,795	$0	$0	$0	$0	$0
19	Shalom House	10	$93,000	$0	$0	$0	$0	$0
20	Island View Apartments	70	$71,015	$192,639	$136,346	$0	$0	$0
21	Peaks Senior Housing	12	$150,000	$0	$0	$0	$0	$0
22	Peninsula Community II LP	16	$307,700	$0	$0	$0	$0	$0
23	Peninsula Community III LP	10	$200,000	$0	$0	$0	$0	$0
24	Peninsula Community LP	12	$300,000	$0	$0	$0	$0	$0
25	St. Doms Family Housing	12	$0	$260,000	$0	$0	$0	$0
26	Valley Street	24	$320,000	$0	$0	$0	$0	$0
27	Walker Terrace	40	$382,000	$220,000	$0	$0	$0	$0
28	Wellesley Estates	45	$0	$256,000	$0	$0	$0	$0
29	Yale Court	30	$150,000	$200,000	$0	$0	$0	$0
30	Motherhouse	88	$426,262	$0	$0	$0	$0	$0
31	28 Boyd Street	48	$136,961	$0	$0	$0	$0	$0
		Units	**HOME**	**HDF**	**CDBG**	**AHTF**	**TIF**	**NSF**
	Total	**999**	**$7,133,655**	**$1,378,639**	**$500,209**	**$555,585**	**$2,308,010**	**$1,710,000**

Total City Investment	**$13,586,098**
Avg. City Contribution/Unit	$13,600

Attachment C

Affordable Housing Funding Resources





*NSF only a one time fund so not included

**AHTF is current available balance of $468,551

***TIF represents current annual tax revenue devoted to projects

HISTORY OF HOME FUNDING FOR THE CITY OF PORTLAND

Budget by Program per Fiscal Year																						
HOME Programs	**Upper AMI Limit**	**2005-2006**		**2006-2007**		**2007-2008**		**2008-2009**		**2009-2010~**		**2010-2011~**		**2011-2012~**		**2012-2013~**		**2013-2014~**		**2014-2015~**		**2015-2016~**
		$ Amount	**# Units**	**$ Amount**	**# Units**	**$ Amount**	**# Units**	**$ Amount**	**# Units**	**$ Amount**	**# Units**	**$ Amount**	**# Units**	**$ Amount**	**# Units**	**$ Amount**	**# Units**	**$ Amount**	**# Units**	**$ Amount**	**# Units**	**$ Amount**
Administration & Planning	N/A	$92,227.00	N/A	$88,097.00	N/A	$88,328.00	N/A	$87,477.00	N/A	$138,714.00	N/A	$111,148.00	N/A	$122,181.20	N/A	$102,320.00	N/A	$106,627.20	N/A	$111,317.80	N/A	$102,083.00
Housing Rehabilitation	80%	$204,393.00	38	$273,528.00	23	$297,370.00	20	$273,910.00	20	$160,000.00	12	$412,625.00	25	$315,515.00	18	$447,442.00	26	$352,447.00	23	$333,000.00	32	$385,000.00
Homeownership Assistance	80%	$100,000.00	4	$100,000.00	2	$200,000.00	6	$394,585.00	7	$493,221.00	20	$554,013.00	15	$425,000.00	12	$220,000.00	8	$90,000.00	3	$0.00	N/A	$0.00
Tenant-Based Rental Assistance	80% (Typically implemented at 30% AMI)	$0.00	N/A	$0.00	N/A	$0.00	N/A	$0.00	N/A	$0.00	N/A	$0.00	N/A	$0.00	N/A	$0.00	N/A	$135,622.00	39	$135,314.00	110	$130,000.00
Affordable Housing Development	80% (90% or units must be below 60%AMI w/ 20% below 50% AMI)	$426,345.00	30	$324,260.00	95	$200,000.00	60	$294,496.00	43*	$387,120.00	43	$200,000.00	54*	$326,989.00	54*	$1,096,489.00	92	$1,022,448.00	50	$406,569.00	15	$290,625.00
CHDO	80%	$108,015.00	**	$102,740.00	**	$101,594.00	**	$98,250.00	25*	$208,088.00	25	$206,963.00	60*	$182,127.00	25	$134,781.27	**	$71,451.00	0	$136,976.84	5	$123,125.17
Totals	N/A	$930,980.00	72	$888,625.00	120	$887,292.00	86	$1,148,718.00	27	$1,387,143.00	100	$1,484,749.00	40	$1,371,812.20	55	$2,001,032.27	126	$1,778,595.20	115	$1,123,177.64	162	$1,030,833.17

~Consortium with Cumberland County

*** Units enrolled**

**** Included in housing development**

History of CDBG funding for the City of Portland

	2007-2008	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
CDBG Housing Related Development	$ 141,784	$ 156,497	$ 332,805	$ 182,157	$ 161,010	$ -	$ -	$ -	$ 210,000
CDBG Housing Related Social Services	$ 9,725	$ 67,000	$ 84,604	$ 98,000	$ 97,061	$ 30,000	$ 26,698	$ 30,000	$ 60,000
Total	$ 151,509	$ 223,497	$ 417,409	$ 280,157	$ 258,071	$ 30,000	$ 26,698	$ 30,000	$ 270,000

History of HDF funding for the City of Portland

	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016
HDF - Admin	$ -	$ -	$ 106,392	$ 104,155	$ 63,156	$ 39,860
HDF - Programming	$ 235,400	$ -	$ 77,866	$ -	$ 150,179	$ 225,586
Total	**$ 235,400**	**$ -**	**$ 184,258**	**$ 104,155**	**$ 213,335**	**$ 265,446**

Portland's Housing Trust Fund

DEPOSITS		
Maine Medical Center (2002-2003)	$	315,580
Sportsman's Grill (2002)	$	40,000
Berlin City Auto (2009)	$	116,000
Stop n Shop (2010)	$	289,250
Rockbridge/Eastland Park (2012)	$	42,500
Riverwalk/Ocean Gateway (2012)	$	250,000
118 Congress LLC April (2014)	$	3,500
INTEREST EARNED	$	51,556
EXPENDITURES		
Avesta Oak Street Lofts (2011)	$	(380,585)
Housing First Pre-Development RFP (2014)	$	(75,000)
65 Hanover St Feasibility Study (2015)	$	(9,250)
65 Munjoy St (2015)	$	(175,000)
Balance	$	468,551

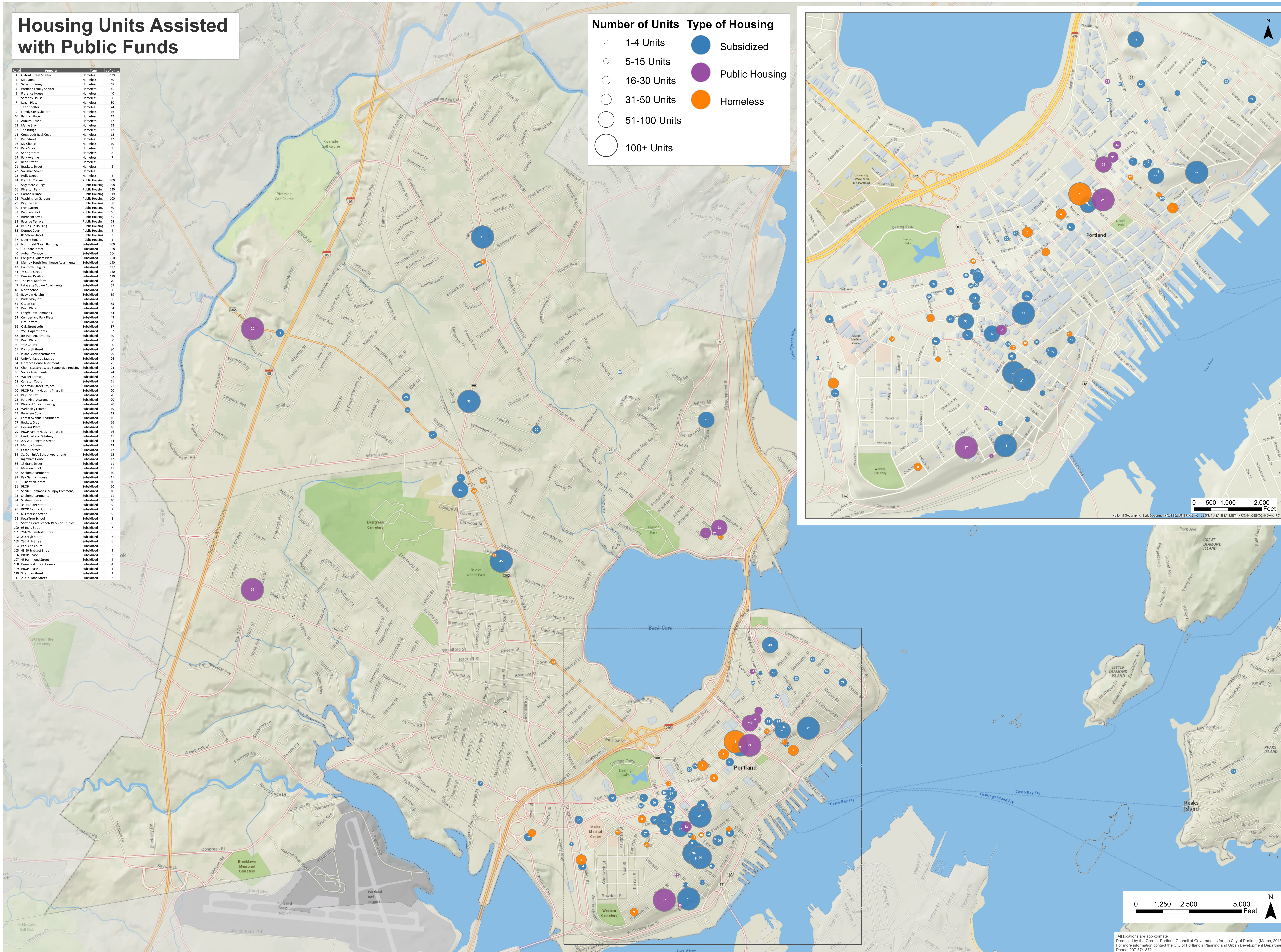
Affordable Housing TIF Projects

Project	Year	# Units	TIF Rev/Year	Total TIF Revenue	TIF Cost/Unit
17 Carleton	2015	37	$33,000	$726,000	$19,622
Pearl Place Phase I	2008	60	$22,000	$615,502	$10,258
134 Washington	2015	18	$9,414	$207,116	$11,506
409 Cumberland	2014	57	$34,517	$759,392	$13,323
Total	N/A	172	$98,931	$2,308,010	$13,418.66

Attachment D

Housing Units Assisted with Public Funds - MAP

Housing Units Assisted with Public Funds



Ref #	Property	Type	# of Units
1	Oxford Street Shelter	Homeless	129
2	Milestone	Homeless	50
3	Salvation Army	Homeless	48
4	Portland Family Shelter	Homeless	45
5	Florence House	Homeless	40
6	Serenity House	Homeless	30
7	Logan Place	Homeless	30
8	Teen Shelter	Homeless	24
9	Family Crisis Shelter	Homeless	16
10	Randall Place	Homeless	12
11	Auburn House	Homeless	12
12	Maine Stay	Homeless	12
13	The Bridge	Homeless	12
14	Crossroads Back Cove	Homeless	12
15	Bell Street	Homeless	12
16	My Choice	Homeless	10
17	Park Street	Homeless	9
18	Spring Street	Homeless	8
19	Park Avenue	Homeless	7
20	Read Street	Homeless	6
21	Brackett Street	Homeless	6
22	Vaughan Street	Homeless	6
23	Holly Street	Homeless	2
24	Franklin Towers	Public Housing	200
25	Sagamore Village	Public Housing	198
26	Riverton Park	Public Housing	150
27	Harbor Terrace	Public Housing	119
28	Washington Gardens	Public Housing	100
29	Bayside East	Public Housing	98
30	Front Street	Public Housing	50
31	Kennedy Park	Public Housing	46
32	Burnham Arms	Public Housing	45
33	Bayside Terrace	Public Housing	24
34	Peninsula Housing	Public Housing	13
35	Dermot Court	Public Housing	4
36	81 Salem Street	Public Housing	3
37	Liberty Square	Public Housing	1
38	Northfield Green Building	Subsidized	200
39	100 State Street	Subsidized	168
40	Auburn Terrace	Subsidized	164
41	Congress Square Plaza	Subsidized	160
42	Munjoy South Townhouse Apartments	Subsidized	140
43	Danforth Heights	Subsidized	137
44	75 State Street	Subsidized	120
45	Deering Pavilion	Subsidized	110
46	The Park Danforth	Subsidized	70
47	Lafayette Square Apartments	Subsidized	65
48	North School	Subsidized	60
49	Bayview Heights	Subsidized	59
50	Butler/Payson	Subsidized	56
51	Ocean East	Subsidized	55
52	Pearl Place II	Subsidized	54
53	Longfellow Commons	Subsidized	44
54	Cumberland Park Place	Subsidized	43
55	Elm Terrace	Subsidized	38
56	Oak Street Lofts	Subsidized	37
57	YMCA Apartments	Subsidized	32
58	Iris Park Apartments	Subsidized	30
59	Pearl Place	Subsidized	30
60	Yale Courts	Subsidized	30
61	Danforth Street	Subsidized	30
62	Island View Apartments	Subsidized	29
63	Unity Village at Bayside	Subsidized	26
64	Florence House Apartments	Subsidized	25
65	Chom Scattered Sites Supportive Housing	Subsidized	24
66	Valley Apartments	Subsidized	24
67	Walker Terrace	Subsidized	22
68	Carleton Court	Subsidized	21
69	Sherman Street Project	Subsidized	21
70	PROP Family Housing Phase III	Subsidized	20
71	Bayside East	Subsidized	20
72	Fore River Apartments	Subsidized	20
73	Pleasant Street Housing	Subsidized	20
74	Wellesley Estates	Subsidized	19
75	Burnham Court	Subsidized	18
76	Forest Avenue Apartments	Subsidized	16
77	Beckett Green	Subsidized	16
78	Deering Place	Subsidized	16
79	PROP Family Housing Phase II	Subsidized	16
80	Landmarks on Whitney	Subsidized	15
81	229-231 Congress Street	Subsidized	14
82	Munjoy Commons	Subsidized	13
83	Casco Terrace	Subsidized	13
84	St. Dominic's School Apartments	Subsidized	12
85	Ingraham House	Subsidized	12
86	13 Grant Street	Subsidized	11
87	Meadowbrook	Subsidized	11
88	Shalom Apartments	Subsidized	10
89	Fay Garman House	Subsidized	11
90	1 Sherman Street	Subsidized	10
91	PROP III	Subsidized	10
92	Shailer Commons (Munjoy Commons)	Subsidized	10
93	Shalom Apartments	Subsidized	11
94	Shalom House	Subsidized	10
95	38-44 Alder Street	Subsidized	9
96	PROP Family Housing I	Subsidized	9
97	60 Emerson Street	Subsidized	9
98	Rosa True School	Subsidized	8
99	Sacred Heart School/ Parkside Studios	Subsidized	8
100	98 India Street	Subsidized	7
101	214-216 Danforth Street	Subsidized	6
102	232 High Street	Subsidized	6
103	236 High Street	Subsidized	6
104	Parkside Court	Subsidized	5
105	48-50 Brackett Street	Subsidized	5
106	PROP Phase I	Subsidized	2
107	45 Hammond Street	Subsidized	4
108	Demerest Street Homes	Subsidized	4
109	PROP Phase I	Subsidized	4
110	Sheridan Street	Subsidized	2
111	253 St. John Street	Subsidized	2

*All locations are approximate
Produced by the Greater Portland Council of Governments for the City of Portland (March, 2013)
For more information contact the City of Portland's Planning and Urban Development Department
Phone: 207-874-8721

Housing Committee Meeting
January 27, 2016

Existing Conditions Summary

Terminology

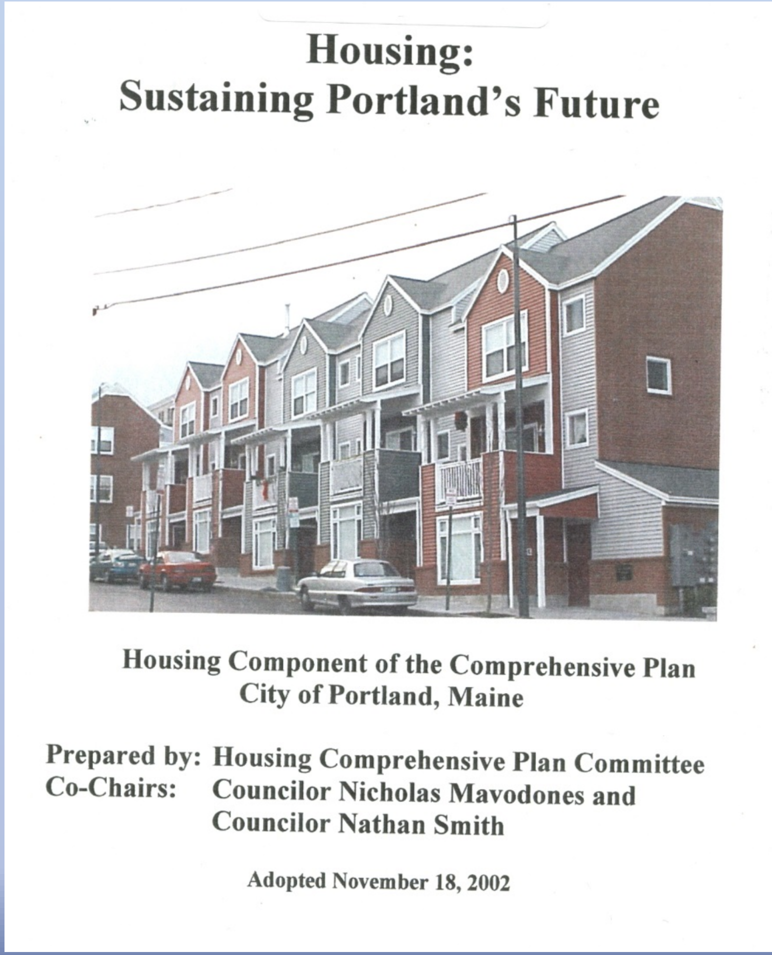
- “Low Income Housing”: Housing, of any sort, for rent or to own, that is affordable to households at 80% of area median income or below (about $60,000 for a family of four.)
- “Workforce Housing”: Housing, of any sort, for rent or to own, that is affordable to households at 100% of area median income (about $75,000 for a family of four)
- “Affordable”: Paying 30% or less of your income on housing costs (rent or mortgage payments, insurance, taxes, etc.)
- “Deed Restricted”: The housing is not just affordable by chance, but by a written requirement that residents meet those restrictions. That restriction may last 20+ years or be in perpetuity.

Area Median Income (AMI) - 2015

2015 Income Limits	1 Person	2 Persons	3 Persons	4 Persons
Low Income – 80% AMI	$43,200	$49,400	$55,550	$61,700
Workforce Rental – 100% AMI	$53,970	$61,680	$69,390	$77,100
Workforce Ownership – 120% AMI	$64,932	$74,208	$83,848	$92,760

2002 Housing Plan

- Approved by City Council in 2002 as part of the City's Comprehensive Plan
- Called for six key policies:
    1. *Adequate and diverse supply of housing for all*
    2. *Preserving a quality housing stock*
    3. *Building on neighborhood stability and integrity*
    4. *Housing as a regional issue*
    5. *Sustainable development*
    6. *Freedom of choice*
- Set goal of keeping Portland's population at 25% of County
- Called for Housing Replacement Ordinance
- Set goal of 20% of new units to be affordable at 80% AMI
- Set goal of 200 new affordable home-ownership units, most for families



Housing:
Sustaining Portland's Future

Housing Component of the Comprehensive Plan
City of Portland, Maine

Prepared by: Housing Comprehensive Plan Committee
Co-Chairs: Councilor Nicholas Mavodones and
Councilor Nathan Smith

Adopted November 18, 2002

2030 Workforce Housing Demand

- GPCOG Study completed January 2015
  - 62% of Portland households earn less than the county's median income (38% of homeowners and 81% of renters) which is a 10% increase over last decade
  - 2010-2014 – 1,130 housing units permitted and/or built; only 29% were affordable to household earning median income.
  - There is a predicted gap in affordable housing production of between 24-33%. In other words, the production rate should roughly double

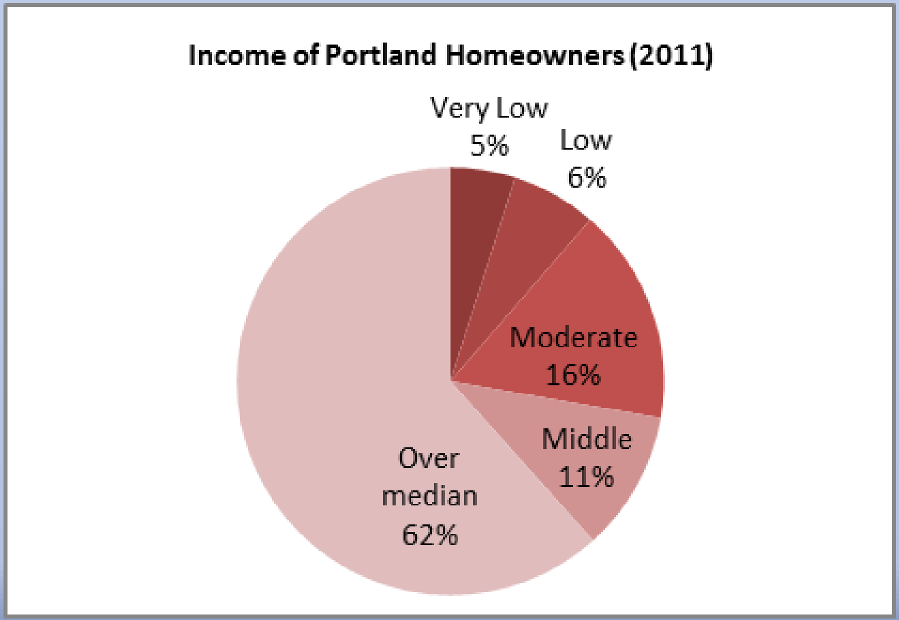
2030 Workforce Housing Demand

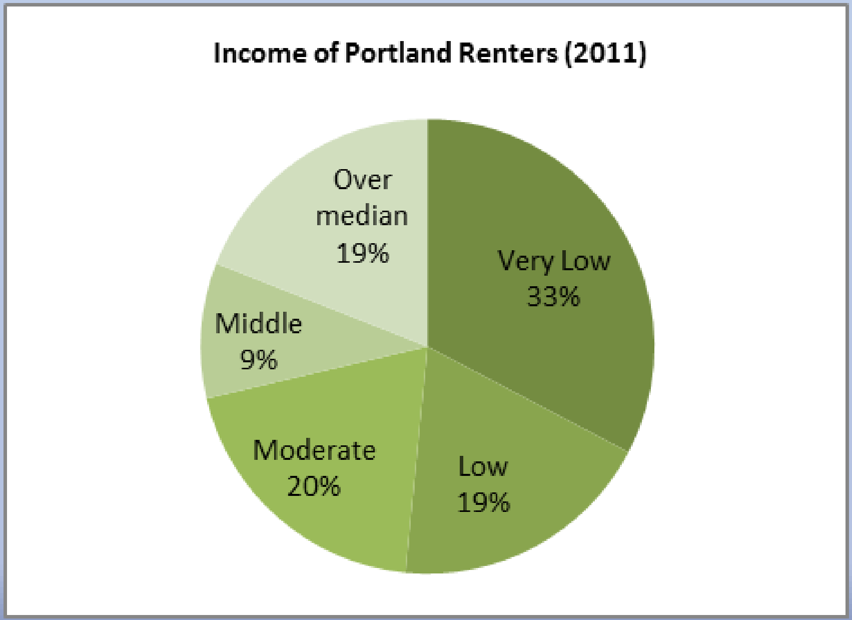
Prepared by Greater Portland Council of Governments January 2015

Less than 30% AMI = *Very low income*

30%-50% AMI = *Low income*

50%-80% AMI = *Moderate income*





2030 Workforce Housing Demand

Why do anything?

- 62% of Portland households earn less than the county's median income(38% of homeowners & 81% of renters). Over the last decade, the number of households earning less than median income has increased 10%.
- The Great Recession of 2008 was a market correction that increased the affordability of existing housing – by giving wages a chance to catch up while stalling home sales and rents.
- Current housing production is not meeting the needs of households earning 80%-100% of median income. If recent trends continue, there will be a gap between supply and demand of workforce housing units ranging from 24%-33%.

2030 Workforce Housing Demand

- While the Portland housing market contains units in a variety of price ranges, the reality is that those with higher incomes, stable jobs, and good credit ratings are in a better position to compete for affordable units that are subsidized and unsubsidized. This creates a glut of affordable units at the low end of the range that may be in rough condition, with deferred maintenance issues.
- The rental market is extremely tight for 3-bedroom units that can accommodate working families.
- Based on the vacancy rate, the inventory of one-bedroom condos targeting households earning over the median income is reaching a point of saturation.

MEREDA 2016 ANNUAL REAL ESTATE FORECAST CONFERECNCE

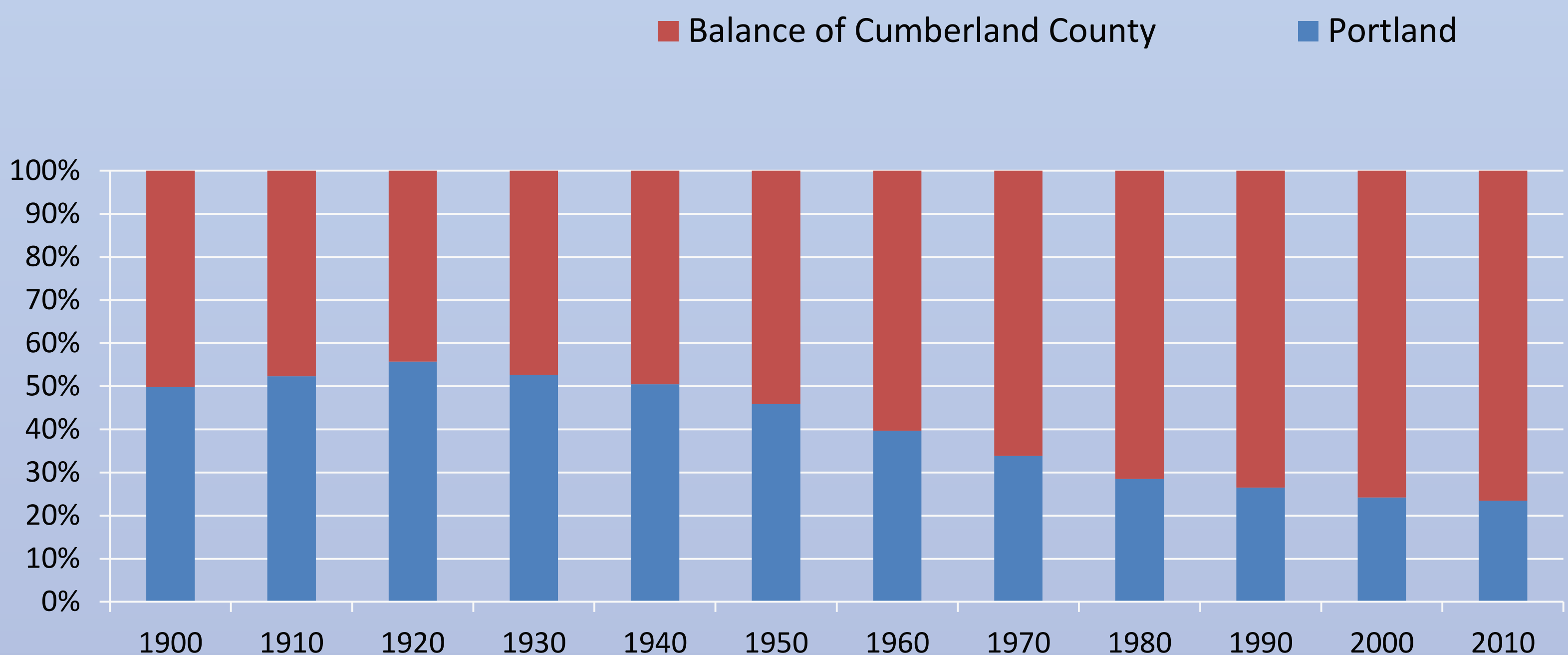
- Subsidized tenants struggle to compete with market rates
- Rents up 8-9% this year
- Sales prices in Portland up 24% since 2009
- **Market Rate/mo**
  - ✓ Studio: $850 (Federal Fair Market: $762)
  - ✓ 1 Bd: $1,100 (Federal Fair Market: $886)
  - ✓ 2 Bd: $1,300 (Federal Fair Market: $1,109)
  - ✓ 3 Bd: $1,550 (Federal Fair Market: $1,489)

Portland Press Herald No Vacancy #'s

- In 2010, renters accounted for 48% the population
- Today, more households rent than own in Portland
- Median renter household would need to spend 59% of its income to afford average 2 bedroom apartment
- Sales prices in Portland up 11.6% since 2014
- **Market Rate/mo**
  - ✓ In 2015, average rent in Portland was $1,666
  - ✓ In 2015, average 2 bedroom rented for $1,572
  - ✓ In 2014, average 2 bedroom rented for $1,310; 20% less than 2015

PORTLAND'S GROWTH

- 500 units of housing permitted in past two years
- Not quite meeting the 20% of county growth goal but doing OK

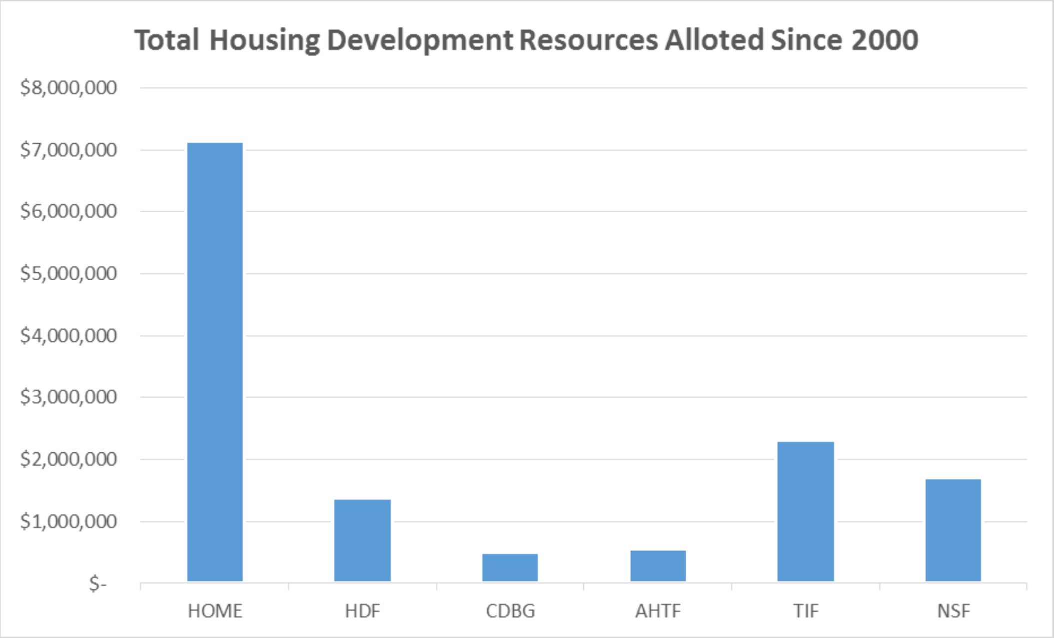


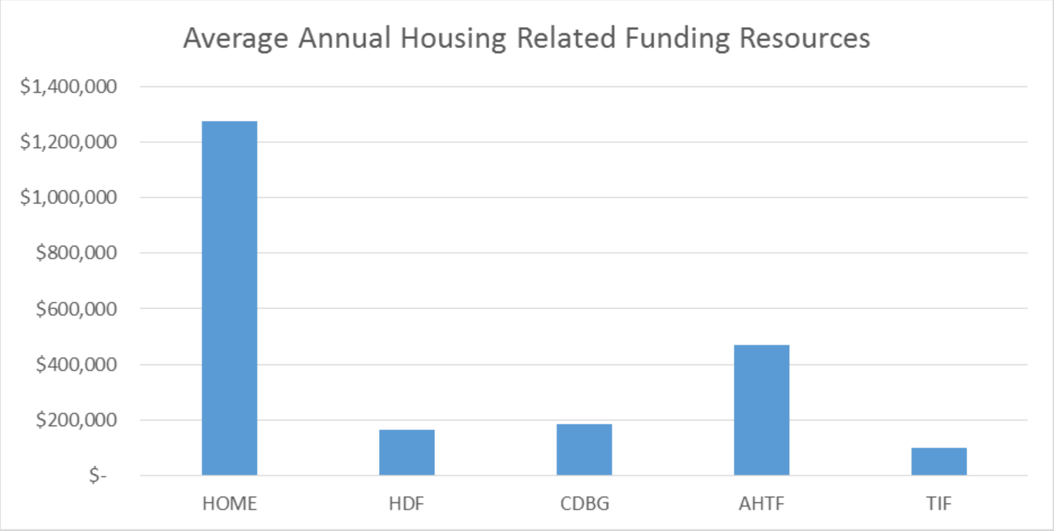
Source: U.S. Census Bureau – Included in GPCOG 2030 Portland Workforce Housing Demand Report

Subsidized Housing Projects Since 2000

No.	Owner/Project	Units	HOME	HDF	CDBG	AHTF	TIF	NSP
1	Adams School	**16**						$1,710,000
2	Rosa True School	10	$118,500	$0	$0	$0	$0	$0
3	53 Danforth	43	$325,000	$0	$0	$0	$0	$0
4	Bayside Anchor	45	$500,000	$0	$0	$0	$0	$0
5	134 Washington Ave	18	$522,448	$0	$0	$0	$207,116	$0
6	17 Carleton	37	$0	$0	$0	$0	$726,000	$0
7	409 Cumberland	57	$500,000	$0	$0	$0	$759,392	$0
8	65 Munjoy	8	$0	$0	$0	$175,000	$0	$0
9	Florence House	25	$240,000	$0	$0	$0	$0	$0
10	Fore River	20	$388,474	$0	$0	$0	$0	$0
11	IRIS Park Apartments	31	$0	$250,000	$0	$0	$0	$0
12	Logan Place	30	$435,000	$0	$0	$0	$0	$0
13	Oak Street	37	$0	$0	$0	$380,585	$0	$0
14	Pearl Place - Phase I	60	$427,000	$0	$0	$0	$615,502	$0
15	Pearl Place - Phase II	54	$400,000	$0	$0	$0	$0	$0
16	Unity Village	33	$86,500	$0	$363,863	$0	$0	$0
17	Bayside East	20	$250,000	$0	$0	$0	$0	$0
18	Elm Terrace	38	$403,795	$0	$0	$0	$0	$0
19	Shalom House	10	$93,000	$0	$0	$0	$0	$0
20	Island View Apartments	70	$71,015	$192,639	$136,346	$0	$0	$0
21	Peaks Senior Housing	12	$150,000	$0	$0	$0	$0	$0
22	Peninsula Community II LP	16	$307,700	$0	$0	$0	$0	$0
23	Peninsula Community III LP	10	$200,000	$0	$0	$0	$0	$0
24	Peninsula Community LP	12	$300,000	$0	$0	$0	$0	$0
25	St. Doms Family Housing	12	$0	$260,000	$0	$0	$0	$0
26	Valley Street	24	$320,000	$0	$0	$0	$0	$0
27	Walker Terrace	40	$382,000	$220,000	$0	$0	$0	$0
28	Wellesley Estates	45	$0	$256,000	$0	$0	$0	$0
29	Yale Court	30	$150,000	$200,000	$0	$0	$0	$0
30	Motherhouse	88	$426,262	$0	$0	$0	$0	$0
31	28 Boyd Street	48	$136,961	$0	$0	$0	$0	$0
		Units	**HOME**	**HDF**	**CDBG**	**AHTF**	**TIF**	**NSF**
	Total	**999**	**$7,133,655**	**$1,378,639**	**$500,209**	**$555,585**	**$2,308,010**	**$1,710,000**
	Total City Investment	**$**	**13,586,098**					
	Avg. City Contribution/Unit	**$**	**13,600**					

Housing Funding Sources





Housing Units Approved by the Planning Board 12/1/15 - 12/15/15

Application ID	Status	Project	# of Units	# Under Construction
2014-203	Approved by Board with Cond	Midtown Site Plan and Subdivision	440	
2015-009	Under Construction	East Bayside Lofts	53	53
2015-060	Approved by Board with Cond	Bishop Street Apartments	30	
2015-061	Under Construction	The Park Danforth	58	58
2015-078	Approved by Board with Cond	17 Carleton St	37	
2015-097	Under Construction	Briggs Street Apartments	3	3
2015-102	Approved by Board with Cond	Pleasant Ave. Church Redevelopment	26	
2015-110	Approved by Board with Cond	Motherhouse Senior Housing	88	
2015-121	Under Construction	72 Munjoy Street	5	5
2015-125	Under Construction	Longfellow Apartments	139	139
2015-131	Approved by Board with Cond	32 Thomas Street Apartments	5	
2015-139	Approved by Board with Cond	York & High Development	63	
2015-157	Approved by Board with Cond	Eastman Block Condo Project	4	
2015-162	Approved by Board with Cond	Office Space to Multi-Family	10	
2015-164	Approved by Board with Cond	Portland Retirement Residence	150	
2014-066	Under Construction	185 Fore Street	8	8
2014-149	Under Construction	May Street Townhomes	3	3
2015-120	Approved by Board with Cond	93 St. Lawrence	4	
2015-182	Approved by Board with Cond	Westport Lofts- 22 Tate St	8	
		Total # of Units Approved by the PB	1134	269

Recent Housing Policy Changes

- Amending the R6 (peninsula residential) zone to allow for significantly more housing development
- Amending the B2 zone to allow for significantly more housing if the ground level remains active
- Changes to the accessory dwelling unit rules in certain zones
- Inclusionary zoning requirements for large developments (10% of units have to be affordable to households at 100% of area median income)

Preservation of Quality Housing

- Studied Short Term Rentals such as AirBnB Removing Housing from Rental Stock
- Addressing Expiring Affordability Restrictions on Existing Buildings
- Housing Replacement Policy
- Age-Friendly Community – Helping Residents Age in Place
- New Housing Safety Office

Current Housing Tools

- Inclusionary Zoning
- Selling City Owned Land
- Amended Zoning Code for Additional Housing Development
- ADU Amendments for Workforce Housing
- Reduced Parking Requirements & Fee-in Lieu Option
- Amended Housing Replacement Ordinance
- Reduced Fees for Affordable Housing Development
- Transportation Improvements to Allow for Greater Density
- Housing First Model
- India Street Form Based Code
- Housing Investment Policy
- Housing Trust Fund Annual Plan

Current Housing Financial Resources

- HOME Funds for Housing Development
- CDBG Funds
- Housing Development Funds
- Housing Trust Fund
- Affordable Housing Tax Increment Financing (AHTIF)
- Affordable Housing Revolving Loan Fund
- Selling City Owned Land at Less Than Market Value
- Tenant Based Rental Assistance Vouchers
- Residential Rehab Program
- Lead Safe Program