1. Agenda 7/13/16

   Documents:

   07.13.2016 HOUSING COMMITTEE AGENDA.PDF

2. Minutes - Housing Committee 6.22.2016

   Documents:

   MINUTES - HOUSING COMMITTEE 6.22.2016.PDF

3. Legal Review Of Maine's Eviction Process – See Enclosed Memorandum From Danielle P. West-Chuhta, Corporation Counsel.

   Documents:

   CORPORATION COUNSEL MEMO WITH ATTACHMENT.PDF

4. Review Of Housing Committee Consent Item List Of Potential Actions – See Enclosed Memorandum From Jeff Levine, Mary Davis, Tyler Norod And Kristin Styles.

   Documents:

   HC COMMITTEE WORK PLAN MEMO 7.8.2016.PDF

5. Housing Committee Member Discussion And Next Steps

# HOUSING COMMITTEE

**DATE:** **July 13, 2016 (Wednesday)**
**TIME:** **5:30 p.m. – 7:30 p.m.**
**LOCATION:** **City Hall, City Council Chambers**

## A G E N D A

1. Review and accept Minutes of previous meeting held on June 22, 2016.

2. Legal review of Maine's eviction process – See enclosed memorandum from Danielle P. West-Chuhta, Corporation Counsel.

3. Review of Housing Committee Consent Item List of Potential Actions – See enclosed memorandum from Jeff Levine, Mary Davis, Tyler Norod and Kristin Styles.

4. Housing Committee member discussion and next steps.

**Councilor Jill Duson, Chair**

Next Meeting Date: Wednesday, July 27, 2016
Location – City Hall, City Council Chambers

# Housing Committee

## Minutes of June 22, 2016 Meeting

A meeting of the Portland City Council's Housing Committee (HC) was held on Wednesday, June 22, 2016 at 5:30 p.m. in the City Council Chamber in Portland's City Hall. Present from the HC was its Chair Councilor Jill Duson, Vice Chair Councilor David Brenerman, and members Councilor Spencer Thibodeau, Councilor Belinda Ray, and Councilor Nick Mavodones. City staff present included Housing Planner Tyler Norod.

**Item 1: Review and accept Minutes of previous meeting held on June 8, 2016.**

Motion to accept the minutes as revised by Councilor Ray, motion seconded by Councilor Brenerman, minutes accepted unanimously.

**Item 2: Review of Housing Committee Consent Item List of Potential Actions – See enclosed memorandum from Jeff Levine, Mary Davis, and Kristin Styles.**

Mr. Norod went over the memo items with the Committee. The first four items, as noted in the memo will be postponed for discussion until July 13th when Corporation Counsel will be available to provide insight into the legality of each item. It was noted that when the first four items listed in the memo are taken up at a future meeting there should be consideration for a related idea raised by Councilor Hinck based on a policy in Seattle, Washington that requires payments to low income at will tenants whose lease is not renewed.

Mr. Norod continued to walk the Committee through the items on the memo stopping at the end of each theme to solicit feedback and questions from Committee members. Because there was no action items on the agenda no public comments were taken.

In response to the 8A, a one page tenant/landlord handout, Councilor Mavodones asked if the Committee should consider distinguish between landlord rights and tenants? Two handouts?

Councilor Thibodeau – Should we mandate that this document is included for non-renewal package from landlord to tenants?

Councilor Duson – Could we have function in housing safety office or housing office for mediation prior to court? Not all the way over to hiring a new staff member but is there a staff member who would be an expert in this topic. Resource for lay inquiries around safety issues. Is there potential for a similar role for questions on housing rights both landlord and tenant. More of an inquiry to the housing safety office related to consumer information. Recommendation for role or function to think about how this could be done or even not done.

The next theme discussed were items 5B, 6B, and 7B that relate to the Housing Replacement Ordinance. Councilor Thibodeau noted that 5B is tough because of definition of luxury can be subjective. Can you compare average unit to some that have turned over. Shouldn't be a race to the bottom. Did like the idea presented in 6B of getting creative with taking down units by incentivizing the creation of more affordable units.

Councilor Ray expressed being uncomfortable with 5B as well. The Councilor preferred 6B which would incentivize affordable units. Fee in lieu associated with the ordinance should be substantial to encourage creation of affordable units. Like 7B but I wonder if the current fee would be high enough to make it a successful option. Affordable should be below 100% AMI. Liked TIF option in 7B to capitalize HTF. Trick would be to decide which developments trigger? Would it be commercial? 1st year only? Etc.

Councilor Mavodones – If we think about eliminating 5B gives me pause. I would agree with the other Councilors that 5B might not be the best fit. I am open to 6B. For 7B I am open to as well. Brooklines option and Portland Or idea for capitalizing the trust fund are interesting ideas.

Councilor Brenerman – Ok with removing 5B from the list. 7B Linkage fee on commercial development might work in Boston, etc. but may be challenging in Portland. Seems like a stretch of the association between commercial and residential.

Councilor Duson – What I have heard is everyone is ok with not spending more time on 5B and I agree. We have limited staff time and want to be careful that we spend that time wisely. I have heard interest in 6B from everyone and I am interested as well. I am also interested in the TIF option and Brookline MA and Portland OR under 7B but nobody seemed to be interested in the linkage ideas.

Councilor Ray – I wouldn't have trouble with putting tax money from commercial development into HTF.

Councilor Mavodones – I agree with Councilor Brenerman. I just don't want to devote limited staff time to ideas that may not fit Portland. We are not Boston. There is only so many fees that we can put on businesses before they go elsewhere including surrounding communities.

Councilor Brenerman – I think we should be so lucky that so many people should want to live here and work here.

Councilor Duson – We are ok for letting linkage fees idea rest for now.

The next theme discussed was the Condo Conversion ordinance which was represented by item 9B.

Councilor Thibodeau – I think this is one of the more clear ordinances. But there are definitely some holes that could be tightened up. I think more clarity and certainty is important. Notification requirements is somewhat confusing. But overall the ordinance's framework appears to be working. Personally think that this is a good one.

Councilor Ray – Think these proposals are good. Should also look at increasing time frame for how far back they have to go for affected tenants. Perhaps increase from 120 days?

Councilor Thibodeau – Need to state condo statute to make sure it is possible.

Councilor Duson – Would want to see that there is evidence that the time needs to be adjusted as suggested in the memo. That length of notice is an issue. Seems like we would all like to know more and have further analysis with potential actionable item to vote on the next time we see it.

Councilor Brenerman – This may be an item that we do not need to solve at this time given the other pressing issues.

Councilor Mavodones – I think the workshop session is good. Is that what we anticipate at the next meeting?

Councilor Duson – My hope is that at the next meeting we would have public comment but that may not work. But maybe we should consider having public feedback once we have a consolidated list.

Councilor Mavodones – Seems like we are refining the list tonight and would like to have more information on specific items before the public weighs in on each item. The next refinement might be very helpful to see what I like or no longer like.

Councilor Duson – Next meeting final filter of the list and so that we can get public comment.

Councilor Thibodeau – I thought point of today was to fine tune the list. Another workshop format?

Councilor Duson – Another working meeting. But we need to start working towards action items.

Councilor Thibodeau – We should do some of the easier ones as we move along and not wait for developing a final package.

Councilor Mavodones – I am comfortable with either piecemeal or a package plan for the Council's full consideration.

Councilor Duson – We should all think about that. Keep it in mind as we move forward. Perhaps we can do 2-3 themed packages. Council only meeting once in July and once in August. We should keep the timeline in mind as we move forward.

Councilor Mavodones – This is a very large volume of work. Council ends in December and that needs to be kept in mind so we can continue to progress.

Councilor Duson – Tyler and I will discuss all this when we design the next agenda.

The next theme discussed was Affordable Housing TIFs including items 10B and 11B.

Councilor Duson – Is there a way to tie item 11B to some other program like homestead for older homeowners. I don't know but may be worth looking into.

Councilor Thibodeau – When I ran the Peoples TIF was an idea I raised. State wont allow you to call it a TIF. Perhaps there is another way to achieve the same end like fund projects for individual home owners through HTF. The problem is that you tie up the limited HTF money for a number of years. I think it would be benefits to TIF programs which would shelter tax money.

Councilor Mavodones – I think its interesting but the likeliness of it happening may make it less worthwhile to pursue right now.

Councilor Thibodeau – Perhaps you could do a pilot program with a $ to $ match with affordability restrictions. But its complicated because you would tie up HTF money which is limited.

Councilor Ray – Landlords update apartments with loan that restricts affordability. Would it be possible to set up some long term goals so that we don't lose them? Can we flag them for future pursuit?

Councilor Duson – This might be the beginning of ways to utilize the HTF for consideration

Councilor Brenerman – I think I would rather look at the loan program ideas at a later date in greater detail rather than looking at the TIF idea for ADUs because I do not see that adding a lot of units to the housing stock. The large projects create significant number of units and I think that was the intent of the State when they created TIF legislation.

Councilor Mavodones – Process question – I don't know what the end report or product looks like. I think I was intrigued by this. The big connecting issue is how are we capitalizing funds. We could spend a lot of time on developing these ideas but how much can we really implement in the short term.

Councilor Thibodeau – I would be interested in looking at the loan program for the long term. Updating units and reserving affordability. 10B – Why has there only been 4 TIF projects? Is there a reason why over the last 10 years have we only provided 4 tifs? Do the numbers not make sense? Are other cities using this better?

Councilor Duson – Rather than finding about why not perhaps spend resources on what more can we do to make TIF's more productive or that we could do differently to lead us to more units.

Councilor Duson – This may be a more long term option that we look at the loan expansion program from HTF funds. Would there be enough funds etc.? Maybe looks like a longer term item but we could do an overview of ways to capitalize the HTF or viability of loan program for HTF funding etc.

Due to time constraints Councilor Duson suggested that the Committee jump ahead to solicit specific ideas and ideas that the Councilors would like to see added to this list.

Councilor Mavodones – None at this time.

Councilor Brenerman – None at this time.

Councilor Duson – Innovative housing project using city funds to build a pilot program using city assets to leverage affordability. Open to creative ideas. Habitat to Humanity, City owned land, TIF's, etc. Not sure City is right to build it but perhaps a partnership where the City is a partner throughout the project.

My other idea is related to housing insecurity. I'm not sure that I would think of something like ending tenancy. I think there should be better information and regulations for tenants so that they can transition out in a more stable fashion. I just wanted to share my thoughts on that. I just wanted to be upfront.

Councilor Ray – Some regulation of AirBnB is something we need to look at. We also need to look at greater density along transportation corridors. We also need to address zoning particularly as it relates to shelters/housing first. Currently it is a very limited area. Need to look at zoning in an expedited fashion to look for appropriate places for shelters, housing first, affordable housing, etc. We shouldn't concentrate these issues necessarily. I would also like to see us look at Home Sharing Programs for aging in Place. These type of programs build partnerships to help seniors stay in their homes and remain independent. All of it is mentioned in a handout from New York Foundation for Senior Citizens. There is a matching program that helps differentiate it from a simple craigslist search for roommates.

Councilor Thibodeau – I gave a document to the Committee that will be made available to the public and will be addressed at future meetings. Its called the "leeway" program. It is for tenants at will. It is a hybrid of some of the other programs raised by Councilor Hinck and minimum notification regulations raised by staff and members of the public. Intent is to create clarity and certainty for tenants. It would require a 90 day minimum notification period with the option of the landlord paying less than one months rent for the tenant to leave earlier. There would be exemptions and other details to work out. It would be for the landlord option to offer the money in lieu of 90 day notice and would need tenant acceptance of funds. Still requires written notice. Would love feedback from the Committee. This wasn't missing but I wanted to combine some ideas I had heard together.

Councilor Duson – I think I would like to look at Spencers ideas sooner rather than later perhaps next meeting. What I have for notes, no additions from staff. No additions from Councilor Duson, Nick or David. Councilor Duson pilot building project and another look at a service provided by existing staff that would be similar to an ombudsmon. Councilor Ray – reaffirmed Airbnb, zoning density corridors, shelter zoning, and home sharing. Councilor Thibodeau – Leeway project – 90 day notice by right or buyout for certain amount.

**Item 4: Housing Committee member discussion and next steps.**

Next meeting will be working session without public comment but please submit any emails/written comments for distribution to the Committee. We should also check in again during the next meeting at 7PM to see if

any additional ideas have come up for consideration. Ended going over the memo after TIF's. Should start back up at Tax Acquired Properties at the next meeting.

Next meeting will be working session without public comment but please submit any emails/written comments for distribution to the Committee. We should also check in again during the next meeting at 7PM to see if any additional ideas have come up for consideration. Ended going over the memo after TIF's. Should start back up at Tax Acquired Properties at the next meeting.

On a motion made and seconded the meeting was adjourned at 7:26 PM.

Respectfully,

Tyler Norod

# MEMORANDUM

| | |
|---|---|
| To: | Chair Duson and Members of the Housing Committee |
| From: | Danielle P. West-Chuhta, Corporation Counsel DW-C |
| Re: | **Responses to Housing Committee Questions/Summary of Maine Eviction's Process** |
| Date: | July 13, 2016 |

As concerns over housing increase in Portland, the City's Housing Committee is evaluating the evictions process and how to address its impacts within Portland. At a recent Housing Committee meeting, members of the public, including representatives from Pine Tree Legal Assistance (PTLA) proposed a number of goals they believe may help address the City's housing concerns and ways those goals might be implemented. Among other things, individuals advocated for the adoption by the City of policies and ordinances aimed at helping low-income tenants stay in their existing rental units. Ultimately, as a result of the public process and hearings/meetings to date, the Housing Committee had several questions:

1) Can the City of Portland Further Regulate the Evictions Process?;
2) Do Other Municipalities Regulate Evictions?; and
3) How Could the City of Portland Regulate Evictions? (i.e. Tenancy at Will/No Cause Evictions Regulation; Mandatory Acceptance of Section 8 Vouchers; Rent Control; and Regulation of Notices).

The following is a review of Maine law surrounding evictions and a brief discussion of each of the above questions.

## I. Overview of Maine Tenancy and Eviction Law

Evictions in the State of Maine are handled within the state District Court system. In the District Court, the formal term for evictions is "Forcible Entry and Detainer"

("FED"), the title of the Maine State statute that governs that process. Maine's FED statute appears at 14 M.R.S §§6001-6017.

Under Maine's statutory scheme the ability of a landlord to evict a tenant depends on whether the parties have a lease agreement and, if so, on the specific provisions of that agreement.

If there is no lease agreement, a tenant is said to be renting as a "tenant at will." In that situation, Maine statute provides that a landlord may evict a tenant at will for any reason, or no reason at all, so long as they are provided with ample notice prior to the termination of the tenancy. For a "no cause" eviction, a tenant must be provided with 30-days written notice. 14 M.R.S. § 6002. The notice must inform the tenant that they have a right to contest the eviction in court.

An at will tenant can also be evicted with only 7-days written notice, but only for the following reasons: (1) the tenant (or the family or invitees of the tenant) has seriously damaged the apartment and has not repaired the damage; (2) the tenant, etc. has caused or permitted a nuisance within the premises or caused the dwelling unit to become uninhabitable; (3) the tenant has perpetrated domestic violence, sexual assault or stalking against another tenant; or, (4) the tenant is more than 7 days behind on rent. 14 M.R.S. § 6002(1). With respect to tenancies at will terminated on 7 day's notice for failure to pay rent, if the tenant pays the rental arrearages before the expiration of the notice, the notice and termination of tenancy on that basis is void.

For tenancies that are governed by a lease agreement, the procedure is largely governed by the terms of the lease agreement itself. In the absence, however, of language outlining how the tenancy is to be terminated during the term of the lease, termination

can be accomplished under the same processes applicable to tenancies at will (and outlined above). *See* 14 M.R.S. § 1-B. Alternatively, at the end of a lease that does not automatically renew, where a tenant fails or refuses to move out and is "holding over" without consent, a landlord may file an eviction action with the Court without giving the tenant notice. *Irving Oil Corp. v. Maine Aviation Corp.*, 1998 ME 16, ¶ 8, 704 A.2d 872 (citing *Reed v. Reed*, 48 Me. 388 (1853)).

## II. Is the City of Portland Able to Regulate Evictions?

Municipalities have broad home rule powers under Maine law. In fact, where the State has not intended to occupy the field, a municipality is said to have the broad power to further regulate. This power derives from 30-A M.R.S. §3001 which states, "any municipality, by the adoption, amendment or repeal of ordinances or bylaws, may exercise any power or function which the Legislature has power to confer upon it, which is not denied either expressly or by clear implication, and exercise any power or function granted to the municipality by the Constitution of Maine, general law or charter." *Id.* The statute goes on to state that, "the legislature shall not be held to have implicitly denied any power granted to municipalities under this section unless the municipal ordinance in question would frustrate the purpose of any state law." *Id.* Maine courts have held that, whether an ordinance frustrates State law turns primarily on whether the "application of the municipal ordinance prevents the efficient accomplishment of a defined state purpose." *Smith v. Town of Pittston*, 2003 ME 46, 820 A.2d 1200 (internal quotations omitted).

Throughout Maine's FED statute, there is little to no reference to the powers of a municipality to regulate the eviction process. There is also nothing expressly indicating

that a municipality cannot further regulate in this area. It should be noted that municipalities are also expressly granted powers in a related statute, regarding rental property, which states that a municipality may intervene to provide basic necessities or repair. Given all of the above, it may be that the State did not intend to occupy the field, and a municipality can therefore also regulate the eviction process. The State law, however, is rather comprehensive and identifying areas that are not already expressly regulated such that a local regulation would not conflict or be inconsistent with the State law could most likely prove to be extremely challenging.

**III. Do Other Municipalities Regulate Evictions?**

Through my research I did not find any Maine municipalities that regulated the evictions process. With that said, I did find two municipalities (located in other States with different statutory schemes) that regulate the evictions process.

First, is the City of Boston which is also facing a housing crisis of its own. *See "Boston housing advocates push for eviction protections"* Boston Globe, March 13, 2016. Advocates for greater tenant protections are currently in the process of requesting that the City institute a requirement which would mandate that landlords notify the City of rent hikes that result in eviction, also known as, no fault notice to quit. Their current proposal demands that the landlord give a reason for evicting a tenant, bars full building clear outs, and exempts landlords who are Boston residents or who own five or fewer units.

At one time, proponents also requested a mandate that rent increases of 5% or more be subject to nonbinding mediation. However, that has since been taken off the table.

Lastly, the City of Boston is exploring a provision that requires landlords who are terminating a tenancy for a cause other than nonpayment or tenant violation of the rental contract, to file a notice with the City in order for the landlord to be able to move forward with eviction cases in Housing Court. The idea is that this would be a mechanism for someone to reach out to the tenant before the notice period/eviction action has begun. Push back on this movement argues that this is merely rent-control in disguise.[1]

Similarly, Portland, Oregon has reviewed and enacted an ordinance that requires 90 days' notice to tenants for "no cause" evictions. It has also required 90 days' notice prior to raising the rent more than 5% over a twelve-month period. Failure to comply with the local notice requirements results in liability on the part of the landlord of up to 3 months' rent "as well as actual damages, reasonable attorney fees and costs." That ordinance can be found at: https://www.portlandoregon.gov/citycode/article/555328.

## IV. How Could the City of Portland Regulate?

### A. Evictions

It is my understanding that there has been extensive discussion regarding possible regulation of the eviction process through more advanced tenant notice, a prohibition of no-cause evictions, and/or the institution of a moratorium. Each one of these possible regulations will be addressed below.

As noted above, under its broad grant of municipal home rule powers, the City is able to create and enact ordinances which are stricter than the Maine eviction laws, so long as they do not frustrate the intent of the statute or presume to legislate in an area the

[1] For case law on the constitutionality of rent control, *see Pennell v. City of San Jose*, 485 U.S. 1, holding that a city rent control ordinance was not a taking and does not violate the equal protection clause of the U.S. Constitution.

State Legislature intended to fully occupy. Given this, with respect to residential tenancies in particular, the City could likely establish stricter regulations regarding notice to a tenant-at-will prior to termination. For example, as noted above, the State statute requires that tenancies at will being terminated for any reason other than those expressly enumerated in the statute (relating to damage, nuisance, non-payment of rent, etc.) or for no reason must be initiated "with a minimum of 30 days' notice." A local requirement that more advanced notice (for example, 60 days) be provided does not appear to conflict with the State requirement and would likely be permissible.

Of course, it should be noted, that such an increased notice requirement would not be able to be enforced through the formal FED process and may not actually provide the tenant with advanced notice. That is, under State law, a landlord could obtain an order for possession of a unit from the Court and evict a tenant even if they did not provide the additional notice required by the City (since the advanced notice is not required under the State law which governs the FED process). Instead, a separate action involving the violation of such an advanced notice requirement would need to be enforced by the City as a civil violation of the City's Code and could possibly subject a landlord to fines, similar to the way it is done in Portland, Oregon.

Next, a prohibition on all no-cause evictions has been requested. Such a prohibition, however, would prove to be even more problematic than the advanced notice requirement.

It is important to remember that "no-cause" evictions are likely to arise almost exclusively in the context of tenancies at will, where there is no lease agreement. This is because lease agreements typically entitle a tenant to remain in possession of the

dwelling unit during the term of the lease unless there is a breach of a particular lease term (i.e. "cause."). Therefore, so called "no cause" evictions are a remedy that is provided by the State (FED) statute. Under the FED statute, that remedy is available "against a tenant at will, whose tenancy has been terminated as provided in section 6002 . . ." Again, section 6002 provides that a tenancy at will can be terminated if the tenant is provided with a minimum of 30 days' notice. Accordingly, under the statute, so long as a tenant at will is provided with ample notice, that tenant may be evicted for any reason. By State law landlords are entitled to that remedy and an attempt by a municipality to limit or fully proscribe a landlord's entitlement to that remedy could very well be deemed to run contrary to state law – something that is in violation of a municipality's home rule authority. Consequently, while it appears permissible to increase the period of notice required to terminate a tenancy at will, completely prohibiting landlord's from evicting tenants without cause does not.

Finally, because evictions are a remedy provided under State law, a moratorium (as has been suggested) purporting to deny that remedy to landlords for any period of time (something that has been proposed) would also likely be in direct conflict with State law and therefore be impermissible. It is also not specifically authorized by or mentioned in the State's moratorium law. *See* 30-A M.R.S. § 4356.

### B. Section 8 Vouchers: Mandatory Acceptance by Landlords?

Currently, the Maine Human Rights Act does make it unlawful for "any person furnishing *rental premises* or public accommodations to *refuse to rent or impose different terms of tenancy* to any individual who is a recipient of federal, state or local public

assistance, including medical assistance and housing subsidies, primarily because of the individual's status as recipient." 5 M.R. S. § 4581-A(4).

The prohibition against discrimination on the basis of receipt of public assistance does not, however, equate to a *requirement* that landlords accept Section 8 vouchers. Maine's Law Court has explained that the Maine Human Rights Act does not require landlord's to accept vouchers – it simply prohibits discrimination or a refusal to rent because a tenant receives public assistance. *See Dussault v. RRE Coach Lantern Holdings, LLC*, 2014 ME 8, 86 A.3d 52; and 5 M.R.S. § 4583. If, because of business necessity or some other non-discriminatory reason, a landlord chooses not to accept the rental terms that are required as part of the Section 8 voucher program, that has been held not to be discrimination in violation of the MHRA. *See* 5 M.R.S. § 4583.

However, while there may be no current state requirement under the MHRA or Maine's landlord/tenant law that landlords accept housing vouchers, the City may be able to adopt such requirement at the local level. Under the Federal Section 8 voucher program, landlord participation is voluntary – but some states (e.g. Massachusetts) have prohibited landlords from refusing to accept vouchers (and the rental terms required by HUD). It seems important to note that Massachusetts' law does not appear to also dictate rental amounts or require landlords to rent their apartments at the limited rental amounts for which the vouchers would be issued. Rather, the requirement appears to be simply that if an apartment is being rented at a rate that makes it eligible for participation in the program, the landlord must accept payment of that amount through the Section 8 program. Portland could likely do something similar. It would need to be done outside of the State FED process and the MHRA, and may prove difficult to enforce, but could

possibly be somewhat akin to the protections enacted by the City Council in Chapter 13.5 of the City Code that relate to discrimination on the basis of sexual orientation.

### C. Rent Control

In 1973, the State first enacted enabling legislation authorizing municipalities to enact rent control ordinances. It appears that although several municipalities considered enacting rent control policies, only Westbrook ultimately did. In 1995, the State Legislature repealed the statute and the formal process municipalities were required to undertake when adopting rent control. In doing so, the Legislature stated that it intended to allow municipalities to continue to be able to adopt rent control under their home rule authority. The legislative history for the repeal of Title 30-A M.R.S. Chapter 167, is attached and contains some discussion of the history of the statute, of rent control, and of the Legislature's intent.

Given the above, and the fact that there does not appear to be anything in current state law expressly prohibiting local rent control, it appears to also be permissible for local municipalities to enact rent control ordinances.

### D. Regulation of Notices of Rent Increases and Nonrenewal of Lease

Another proposal that has been discussed is requiring additional notice to tenants before their rent is increased. Like with minimum notice requirements for no-cause evictions, this appears to be an area in which the City could (more strictly) regulate without directly contradicting State law. 14 M.R.S. § 6015 specifically provides:

> Rent charged for residential estates may be increased by the lessor only after providing at least 45 days' written notice to the tenant. A written or oral waiver of this requirement is against public policy and is void. Any person in violation of this section is liable for the return of any sums unlawfully obtained from the lessee, with interest, and reasonable attorney's fees and costs.

*Id.*

Because the notice that is required is a *minimum*, the City could likely require more notice – and violation of that requirement could result in civil violation fines or liability to the tenant.

As to whether the City can require advance notice of a decision on the part of a landlord (or tenant) not to renew a lease, there does not appear to be any State law prohibiting or preempting such a requirement.

## V. Conclusion

Overall, it appears that the City may be able to regulate in some of the areas in question. Despite this ability, however, the remaining question appears to be a policy one about whether or not the City should regulate in this area. Evictions are a contentious and divisive issue. As it now stands, the Legislature and the Court system are the primary parties dealing with this stressful issue. Also, any City regulation in this area is likely to face challenges (both legal and logistical as described above) which may prove to be very costly and time consuming. Thus, another possible more viable solution might be for the City to focus its energies on pursuing amendments before the Maine legislature to the existing statutory provisions (outlined above).

# LAWS

## OF THE

# STATE OF MAINE

AS PASSED BY THE

ONE HUNDRED AND SEVENTEENTH LEGISLATURE

## FIRST REGULAR SESSION

December 7, 1994 to June 30, 1995

THE GENERAL EFFECTIVE DATE FOR
FIRST REGULAR SESSION
NON-EMERGENCY LAWS IS
SEPTEMBER 29, 1995

PUBLISHED BY THE REVISOR OF STATUTES
IN ACCORDANCE WITH MAINE REVISED STATUTES ANNOTATED,
TITLE 3, SECTION 163-A, SUBSECTION 4

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J.S. McCarthy Company
Augusta, Maine
1995

## CHAPTER 194

**H.P. 474 - L.D. 655**

**An Act Concerning Municipal Rent Control**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 30-A MRSA c. 167,** as amended, is repealed.

**Sec. 2. Legislative intent.** The Legislature intends to permit municipalities to continue to adopt and enforce rent control ordinances under home rule authority. A municipality that adopted rent control under the Maine Revised Statutes, Title 30-A, former chapter 167 may continue to operate a rent control program.

See title page for effective date.

## CHAPTER 195

**S.P. 348 - L.D. 976**

**An Act Regarding Liquor Licenses for Golf Courses**

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 28-A MRSA §1012, sub-§2,** as enacted by PL 1987, c. 45, Pt. A, §4, is amended to read:

**2. Auxiliary license.** A Class A restaurant or a Class I hotel located at a ski area ~~may obtain for additional premises at that ski area an auxiliary license to sell spirits, wine and malt liquor to be consumed on the premises~~ or a golf course, or a Class I golf club or a Class I or a Class V club located at a golf course may apply for one additional licensed premises at the same area for consumption of spirits, wine or malt liquor on the premises.

A. The license fee is.....$ 100.

**Sec. 2. 28-A MRSA §1075,** as amended by PL 1993, c. 730, §45, is further amended to read:

**§1075. Auxiliary licenses at ski areas and golf courses**

**1. Licenses.** The bureau may issue one auxiliary license under this section for additional premises to any Class A restaurant or Class A restaurant/lounge, ~~lounge or any hotel licensee located at a ski area~~ Class I hotel located at a ski area or golf course, or to a Class I golf club or a Class I or Class V club located at a golf course, if the following requirements are met:

A. The additional premises are located at the same ski area or golf course where the Class A restaurant, Class A restaurant/lounge, lounge, ~~or~~ hotel, or qualified club is licensed;

B. Food is for sale at the additional premises, although not necessarily prepared there;

C. The additional premises are properly equipped, including tables ~~and~~, chairs and restrooms; and

D. The Department of Human Services licenses the additional premises.

**2. Sales for consumption on slopes or courses prohibited.** Nothing in this section permits a ski area to sell liquor for consumption on the slopes away from the licensed area or a golf course to sell liquor for consumption on the course away from the licensed area.

See title page for effective date.

## CHAPTER 196

**S.P. 384 - L.D. 1061**

**An Act to Amend Certain Provisions of the Law Relating to Defense**

**Be it enacted by the People of the State of Maine as follows:**

### PART A

**Sec. A-1. 37-B MRSA §147, sub-§3,** as enacted by PL 1983, c. 460, §3, is amended to read:

**3. Active duty.** Whenever the occasion requires, the Governor, the Adjutant General or Deputy Adjutant General, with the ~~officer's~~ individual's consent, may order to active ~~duty~~ state service any retired officer, warrant officer or enlisted ~~man~~ person, ~~who shall be entitled to~~ with or without pay and ~~emoluments~~ allowances of ~~his~~ that person's grade while performing the service.

**Sec. A-2. 37-B MRSA §150,** as enacted by PL 1983, c. 460, §3, is amended to read:

**§150. Unauthorized volunteer service**

~~No~~ A unit of the state military forces may not perform any voluntary ~~military~~ active state service, unless authorized by express order of the Governor.

# ACTIVITY SHEET

COMMITTEE ON: STATE & LOCAL GOVERNMENT

L.D. #: 655

TITLE: AN ACT CONCERNING RENT CONTROL

HEARING DATE: March 23, 1995

WORK SESSION DATES: April 6, 1995

REPORTED OUT DATE: May 4, 1995

COMMITTEE REPORT: MAJ OTPAM A
MIN OTPAM B

# 117th MAINE LEGISLATURE

## FIRST REGULAR SESSION-1995

**Legislative Document** **No. 655**

H.P. 474 House of Representatives, February 28, 1995

**An Act Concerning Municipal Rent Control.**

Reference to the Committee on State and Local Government suggested and ordered printed.

JOSEPH W. MAYO, Clerk

Presented by Representative WINSOR of Norway.
Cosponsored by Representatives: BOUFFARD of Lewiston, CLARK of Millinocket, DiPIETRO of South Portland, Senator: STEVENS of Androscoggin.

Printed on recycled paper

**Be it enacted by the People of the State of Maine as follows:**

**Sec. 1. 30-A MRSA §3601,** as amended by PL 1989, c. 104, Pt. C, §§8 and 10, is further amended to read:

**§3601. Declaration of emergency**

If a serious public housing emergency exists in a municipality ~~which~~ that would result in a shortage of rental housing accommodations and abnormally high rents and will produce serious threats to the public health, safety and general welfare of the citizens of the community unless residential rents are regulated and controlled, a municipality may accept this chapter, with due regard for the rights and responsibilities of its citizens. Prior to accepting this chapter, the municipal officers must conduct an analysis to support their finding that a serious public housing emergency exists. Their analysis must include, but is not limited to, all of the following:

**1. Comparative housing costs.** A finding that rents within the municipality are abnormally high and that sufficient alternative housing at normal rents does not exist within the municipality nor in surrounding municipalities. The finding must be based upon a comparison of the costs of all competing forms of housing within the municipality and surrounding municipalities;

**2. Vacancy rates.** A finding that vacancy rates are abnormally low, thus depriving renters of adequate housing alternatives. The finding must be based upon an analysis of vacancy rates in all competing forms of housing within the municipality and surrounding municipalities; and

**3. Municipal restrictions.** A finding that the housing shortage does not result from land use restrictions imposed by the municipality upon the development of housing. The finding must be based upon an analysis of the effect of the municipality's land use and other regulations on the cost and availability of housing.

## STATEMENT OF FACT

This bill ensures that municipal officials conduct an objective analysis of housing costs within the municipality and surrounding municipalities prior to adopting municipal rent control. Factors that must be included in their analysis include, but are not limited to, rent levels, vacancy rates and the effect that restrictive land use regulations have on the supply and cost of rental housing.

STATE OF MAINE
117TH LEGISLATURE

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LEGISLATIVE NOTICES

JOINT STANDING COMMITTEE ON STATE AND LOCAL GOVERNMENT

Sen. Jane A. Amero, Senate Chair
Rep. Beverly C. Daggett, House Chair

PUBLIC HEARING: Thursday, March 23, 1995, 1:00 PM, ROOM 334, STATE HOUSE

(L.D. 323) Bill "An Act to Change the Laws Pertaining to the Issuance of Copies of Marriage Certificates by Towns" (S.P.0137) (Presented by Senator MICHAUD of Penobscot)

(L.D. 392) Bill "An Act to Clarify the Collection of Sewer Charges" (H.P.0288) (Presented by Representative ROWE of Portland)

(L.D. 412) Bill "An Act Relating to Building Permit Ordinances" (H.P.0308) (Presented by Representative WINN of Glenburn)

(L.D. 439) Bill "An Act Requiring That Disbursement Warrants Receive an Affirmative Vote by Municipal Officers" (H.P.0318) (Presented by Representative LEMONT of Kittery)

(L.D. 576) Bill "An Act to Facilitate the Use of the Installment Method for the Collection of Sewer Assessments and Charges" (H.P.0419) (Presented by Representative SPEAR of Nobleboro)

(L.D. 590) Bill "An Act to Clarify Law Enforcement Relating to Junkyards and Automobile Graveyards" (H.P.0427) (Presented by Representative KILKELLY of Wiscasset)

(L.D. 655) Bill "An Act Concerning Municipal Rent Control" (H.P.0474) (Presented by Representative WINSOR of Norway)

(L.D. 662) Bill "An Act to Amend the Municipal Subdivision Laws Regarding Application Requirements" (H.P.0481) (Presented by Representative GOULD of Greenville)

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CONTACT PERSON: Jackie Chamberlain
State House Station 115
Augusta, ME 04333 287-1330

# TESTIMONY SIGN IN SHEET

COMMITTEE ON STATE & LOCAL GOVERNMENT

L.D. # or CONFIRMATION: 655

| ME | TOWN/AFFILIATION | PROPONENT | OPPONE |
|---|---|---|---|
| Rep Winsor | Sponsor | X | |
| Bob Howe | Weil & Howe | X | |
| Carleton Winslow | Phld Housing | X | |
| Bill Pierce | Augusta | | X |
| Ken Young | Me Municipal Assn | | Neither |
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# STATEMENT IN SUPPORT OF LD 655
# AN ACT CONCERNING MUNICIPAL RENT CONTROL
## by ROBERT S. HOWE
## on behalf of the
## MANUFACTURED HOUSING ASSOCIATION OF MAINE

Last year, The New York Times had this to say about rent control: "Rent regulation is the quintessence of modern New York piety--social justice through the outlawing of greed--and *it has been the greatest physical disaster in the city's history."* Furthermore, "After rent regulation, [housing developers] stopped building, stopped taking care of their buildings and walked away from 500,000 apartments. As a result, *neighborhoods have been ruined and there has been a perpetual housing shortage, which economists cite as a textbook case of stupidity."*

The chairman of the Nobel Prize committee for economics, Assar Lindbeck, has said this to say about rent control: *"Next to bombing, rent control seems in many cases to be the most efficient technique so far known for destroying cities."* (Emphasis added in both quotes.)

"Rent control guarantees cheap housing to longtime residents but leaves newcomers to fend for themselves in a housing market ruined by price controls," the Times went on to say.

That last point is an important one. In the only Maine municipality to adopt rent control, it was the longtime residents who asked for it. Westbrook has one mobile home park, and rent control guarantees there won't be any more. Existing residents are protected, or so they think, but the lack of competing lots is perpetuated and newcomers who might want a lot at a competitive price are denied it.

There is much that is bad about rent control, and almost nothing good about it. Having said all this, perhaps the bill before you ought simply to abolish the enabling statute which permits municipalities in Maine to adopt rent control. The bill doesn't do that, but it does ensure that municipalities are honest in their determination that the conditions which the law now requires before adoption actually exist.

The enabling statute, 30-A MRSA §§3601-3606, was first enacted in 1973 with the passage of LD 1834 by the 106th Maine Legislature. Over the years, we know of four municipalities which have seriously considered the adoption of rent control--Bangor, Brunswick, Westbrook and Standish. Three of those municipalities rejected rent control; only Westbrook adopted it.

The law permits municipalities to adopt rent control "If a serious public housing emergency exists...which would result in a shortage of rental housing accommodations and abnormally high rents." But the law is inadequate in that it fails to ensure that municipalities undertake any sort of objective analysis of rental housing conditions to support a finding that

those conditions exist. A simple statement that those conditions exist is sufficient, as was the case in the City of Westbrook. And although Standish has rejected rent control, at least for now, it was obvious that no such analysis was going to be undertaken there, either.

LD 655 seeks to remedy this by saying, in effect, if those conditions exist, prove it.

First, the bill asks municipalities to compare housing costs within and nearby that municipality. It would not be fair to look at housing costs within a single municipality since housing markets are almost always larger than a single town or city. If rents are abnormally high, provide the evidence.

Second, the bill asks municipalities to do a similar comparison of vacancy rates. If one has any faith in a competitive market place, one realizes that rent control cannot be justified unless vacancy rates are at or near zero.

Third, the bill asks municipalities to look at their own land use regulations to determine whether, if the conditions required by law exist, those regulations are at least part of the problem. While things are not as bad as they were not long ago when, for example, the Town of Raymond required a front yard setback of 900 feet if you wanted to put a mobile home on your land, municipal land use restrictions continue to perpetuate class distinctions between those who live in manufactured homes and those who don't. They restrict competition among housing providers which cause the conditions prompting calls for rent control in the first place.

You received a fiscal note from the Office of Fiscal and Program Review which indicated this bill would constitute an unfunded mandate IF it applied retroactively to the City of Westbrook. It does not. Since rent control is not a program mandated by the state, this bill does not constitute an unfunded mandate.

In any case, you may say, "Why should we impose this burden on a municipality?" I would respond with this question, "Why should government impose the regulatory burden of rent control on a private sector providing of shelter simply because he or she seeks a profit?" Mobile home parks, and the vast majority of apartments, exist only because someone is able to make a profit by constructing them and operating them. A competitive market ensures that prices are reasonable. More often than not, it is actions by the government that restrict the market. Therefore, it is patently unfair for government to punish those who are trying to thrive in a market it has restricted.

I urge the committee to give this bill your unanimous Ought To Pass report and ensure that municipalities do not enact rent control ordinances solely on the basis of political pressure from a small group of existing renters, but do so only if conditions which present law requires actually exist.

# "Propinquity, Profanity, Lunch"

*From the New York Times Magazine - November 27, 1994*

The city offers subsidies to big established businesses that threaten to leave, but it taxes small new ones to the hilt and discourages entrepreneurs with mandarin regulations. It guarantees cheap housing to longtime residents but leaves newcomers to fend for themselves in a housing market ruined by price controls. Rent regulation is the quintessence of modern New York piety — social justice through the outlawing of greed — and it has been the greatest physical disaster in the city's history.

Before such regulation was instituted in 1943 — at La Guardia's urging — New York's housing stock had been among the world's finest, built and maintained by landlords who often had to compete fiercely for tenants. After rent regulation, they stopped building, stopped taking care of their buildings and walked away from 500,000 apartments. As a result, neighborhoods have been ruined and there has been a perpetual housing shortage, which economists cite as a textbook case of stupidity. "Next to bombing," says Assar Lindbeck, the chairman of the Nobel Prize committee for economics, "rent control seems in many cases to be the most efficient technique so far known for destroying cities, as the housing situation in New York City demonstrates."

# CHAPTER 167

# MUNICIPAL RENT CONTROL

Section
3601. Declaration of emergency.
3602. Acceptance.
3603. Definitions.
3604. Local rent board or administrator.
3605. Maximum rent adjustment.
3606. Judicial review.

### Law Review Commentaries

Initiative proposal of municipal rent control ordinance. 10 Maine Bar Bull. 29 (1976).

## § 3601. Declaration of emergency

If a serious public housing emergency exists in a municipality which would result in a shortage of rental housing accommodations and abnormally high rents and will produce serious threats to the public health, safety and general welfare of the citizens of the community unless residential rents are regulated and controlled, a municipality may accept this chapter, with due regard for the rights and responsibilities of its citizens.

1987, c. 737, § A, 2.

### Historical and Statutory Notes

**Derivation:**

Laws 1973, c. 506.
Former § 5371 of title 30.

### WESTLAW Electronic Research

See WESTLAW Electronic Research Guide following the Preface.

## § 3602. Acceptance

Rent control legislation takes effect in any municipality on the 30th day following acceptance of its provisions. A municipality which has accepted this chapter may, in the same manner, revoke its acceptance.

1987, c. 737, § A, 2.

### Historical and Statutory Notes

**Derivation:**

Laws 1973, c. 506.
Former § 5372 of title 30.

## § 3603. Definitions

As used in this chapter, unless the context otherwise indicates, the following terms have the following meanings.

**1. Rent.** "Rent" means the consideration, including any bonus, benefits or gratuity demanded or received for or in connection with the use or occupancy of rental units or the transfer of a lease of such rental units.

**2. Rental units.** "Rental units" means any building, structure, or part thereof, or land appurtenant thereto, or any other real or personal property rented or offered for rent for living or dwelling purposes, including houses, apartments, rooming or boarding-house units and other properties used for living or dwelling purposes, together with all services connected with the use or occupancy of the property, except:

A. Rental units which a governmental unit, agency or authority either:
(1) Owns or operates; or

(2) Finances or subsidizes, if the imposition of rent control would result in the cancellation or withdrawal, by law, of the financing or subsidy;

B. Rental units in cooperatives;

C. Rental units in any public institution or college or school dormitory operated exclusively for charitable or educational purposes;

D. Rental units in any nursing or rest homes, not organized or operated for profit; and

E. The rental unit or units in an owner-occupied, 2-family or 3-family house and rental units, the construction of which was completed on or after the date of acceptance of rent control legislation, may be exempted from the legislation by the administrator or the board.

3. **Services.** "Services" means repairs, replacement, maintenance, painting, providing light, heat, hot and cold water, elevator service, window shades and screens, storage, kitchen, bath and laundry facilities and privileges, janitorial services, refuse removal, furnishings and any other benefit, privilege or facility connected with the use or occupancy of any rental unit. Services to a rental unit shall include a proportionate part of services provided to common facilities of the building in which the rental unit is contained.

1987, c. 737, § A, 2.

**Historical and Statutory Notes**

**Derivation:**
Laws 1973, c. 506.

Laws 1975, c. 722, § 1.
Former § 5373 of title 30.

## § 3604. Local rent board or administrator

1. **Appointment.** When rent control legislation is accepted, the municipality shall also determine whether the chapter will be administered by a rent control board or by a rent control administrator. Upon acceptance of rent control legislation and before its effective date, the popularly elected mayor of a city, or the council in a municipality having a council-manager form of government, or the board of selectmen in a town shall appoint a rent control administrator or a rent control board to serve at the will of the appointing authority.

2. **Compensation.** Members of rent control boards shall receive no compensation for their services, but shall be reimbursed by the municipality for necessary expenses incurred in the performance of their duties.

3. **Personnel.** Either the rent control board, referred to in this chapter as "the board," or the rent control administrator, referred to in this chapter as "the administrator," is responsible for carrying out this chapter. The board or the administrator shall:

A. With the approval of the appointing official or officials, hire any necessary personnel;

B. Adopt any policies and regulations that will further the provisions of this chapter; and

C. Recommend to the municipality for adoption any ordinances and bylaws that are necessary to carry out the purposes of this chapter.

4. **Studies.** The board or the administrator may make such studies and investigations, conduct such hearings and obtain such information considered necessary in adopting any regulation or order under this chapter or in administering and enforcing this chapter and regulations and orders adopted under this chapter. Any person who rents or offers for rent or acts as broker or agent for the rental of any controlled rental unit may be required to furnish any information required by the board or administrator and to produce records and other documents and make reports. These persons have the right to be represented by counsel.

5. **Regulations.** The board or administrator may issue orders and adopt regulations to effectuate the purposes of this chapter.

1987, c. 737, § A, 2.

Historical and Statutory Notes

Derivation:
Laws 1973, c. 506.
Laws 1975, c. 722, § 2.
Laws 1979, c. 541, § A, 204.
Former § 5374 of title 30.

## § 3605. Maximum rent adjustment

1. **Fair net-operating income.** The board or administrator shall make any individual or general adjustments, either upward or downward, of the rent for any rental property that is necessary to ensure that rents are established at levels which yield to landlords a fair net-operating income from the rental units.

2. **Determination.** The following factors, among other relevant factors, which the board or administrator may define by regulation, shall be considered in determining whether a controlled rental unit yields a fair net-operating income:

A. Increases or decreases in property taxes;

B. Unavoidable increases or any decreases in operating and maintenance expenses;

C. Capital improvement of the housing unit as distinguished from ordinary repair, replacement and maintenance;

D. Increases or decreases in living space, services, furniture, furnishings or equipment;

E. Substantial deterioration of the housing units other than as a result of ordinary wear and tear; and

F. Failure to perform ordinary repair, replacement and maintenance.

3. **Schedule of standard rental increases or decreases.** For the purpose of adjusting rents under this section, the board or administrator may adopt a schedule of standard rental increases or decreases for improvement or deterioration in specific services and facilities.

4. **Denial.** The board or administrator may refuse to grant a rent increase under this section, if determined that:

A. The affected rental unit does not comply with the state sanitary code and any applicable municipal codes, ordinances or bylaws; and

B. The lack of compliance is due to the landlord's failure to provide normal and adequate repair and maintenance.

The board or the administrator may refuse to grant a rent decrease under this section, if it is determined that a tenant is behind in the payment of rent.

5. **Termination procedure.** The board or administrator may adjust or eliminate rent controls if it is determined that the need for continuing rental levels no longer exists because of sufficient construction of new rental units or because the demand for rental units has been otherwise met. Any maximum rental level removed under this subsection shall be reimposed or adjusted and reimposed upon a finding by the board or administrator that a substantial shortage of rental units exists in the municipality and that the reimposition of rent control is necessary in the public interest. Any action under this subsection is subject to appeal under section 3606.

1987, c. 737, § A, 2; 1989, c. 104, §§ A, 32, 33.

Historical and Statutory Notes

Amendments

1989 Amendment. Laws 1989, c. 104, § A, 32, in subsec. 4, par. B, made technical correction by inserting "it is" following "under this section, if".

Laws 1989, c. 104, § A, 33, in subsec. 5, substituted provisions making any action under this subsec. subject to appeal under § 3606 for provisions making any action under this subsec. subject to hearing and notice requirements of § 3606.

Derivation:

Laws 1973, c. 506.
Laws 1973, c. 788, § 151.
Former § 5375 of title 30.

### United States Supreme Court

Due process, rent assistance contracts, automatic rent increases, comparability study caps, see Cisneros v. Alpine Ridge Group, 1993, 113 S.Ct. 1898.

## § 3606. Judicial review

Any person who is aggrieved by any action, regulation or order of the board or administrator may file a complaint against the board or administrator in the District Court having jurisdiction over the area in which the property is located. Upon the filing of the complaint, an order or notice shall be issued by the court and served on the board or administrator as provided in the case of a civil action. The District Court has exclusive original jurisdiction over the proceedings. All orders, judgments and decrees of the District Court may be appealed as is provided in the case of a civil action in the District Court.

1987, c. 737, § A, 2.

### Historical and Statutory Notes

**Derivation:**

Laws 1973, c. 506.
Former § 5376 of title 30.

R. of S.

Mein

L.D. 655

DATE: (Filing No. H- )

STATE AND LOCAL GOVERNMENT

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE**
**HOUSE OF REPRESENTATIVES**
**117TH LEGISLATURE**
**FIRST REGULAR SESSION**

COMMITTEE AMENDMENT " " to H.P. 474, L.D. 655, Bill, "An Act Concerning Municipal Rent Control"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'**Sec. 1. 30-A MRSA §3601,** as amended by PL 1989, c. 104, Pt. C, §§8 and 10, is further amended to read:

**§3601. Declaration of emergency**

If a serious public housing emergency exists in a municipality ~~which~~ that would result in a shortage of rental housing accommodations and abnormally high rents and will produce serious threats to the public health, safety and general welfare of the citizens of the community unless residential rents are regulated and controlled, a municipality may accept this chapter, with due regard for the rights and responsibilities of its citizens. Prior to accepting this chapter, the municipal officers must conduct an analysis to support their finding that a serious public housing emergency exists. Their analysis must include, but is not limited to, all of the following:

**1. Comparative housing costs.** A finding that the average increase in rents within that municipality has exceeded twice the rate of increase in the Consumer Price Index;



COMMITTEE AMENDMENT

COMMITTEE AMENDMENT " " to H.P. 474, L.D. 655

**2. Vacancy rates.** A finding that the average vacancy rate is 4% or below in that municipality; and

**3. Municipal restrictions.** A finding that land use restrictions allow a range of rental housing options, including, but not limited to, apartment houses and mobile home parks, on at least 50% of the developable land within the municipality.

If land use restrictions do not allow a range of rental housing options, including, but not limited to, apartment houses and mobile home parks, on at least 50% of the developable land within the municipality, the municipality may not accept this chapter.'

## STATEMENT OF FACT

This amendment is the minority report of the Joint Standing Committee on State and Local Government. This amendment sets objective standards by which to measure abnormally high rents, abnormally low vacancy rates and the effects of municipal land use restrictions.

COPY

L.D. 655

DATE: (Filing No. H- )

## STATE AND LOCAL GOVERNMENT

Reproduced and distributed under the direction of the Clerk of the House.

## STATE OF MAINE
## HOUSE OF REPRESENTATIVES
## 117TH LEGISLATURE
## FIRST REGULAR SESSION

COMMITTEE AMENDMENT " " to H.P. 474, L.D. 655, Bill, "An Act Concerning Municipal Rent Control"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'**Sec. 1. 30-A MRSA c. 167,** as amended, is repealed.

**Sec. 2. Legislative intent.** The Legislature intends to permit municipalities to continue to adopt and enforce rent control ordinances under home rule authority. A municipality that adopted rent control under the Maine Revised Statutes, Title 30-A, former chapter 167 may continue to operate a rent control program.'

## STATEMENT OF FACT

This amendment is the majority report of the Joint Standing Committee on State and Local Government. This amendment replaces the original bill and repeals the law governing municipal rent control.

JOHN D. WAKEFIELD
Director

JAMES A. CLAIR
Deputy Director

Date: 03/10/95 ORIGINAL
Hearing Date: 03/23/95
Committee: State and Local Government

Maine State Legislature
**OFFICE OF FISCAL AND PROGRAM REVIEW**
Augusta, Maine 04333

TO: Senate Chair - Sen. J. Amero

House Chair - Rep. B. Daggett

Sponsor - Rep. Winsor of Norway

FROM: Grant T. Pennoyer, Principal Analyst

SUBJECT: FISCAL NOTE INFORMATION FOR **LD 655**

**An Act Concerning Municipal Rent Control**

**I. The estimated increase (decrease) of Appropriations and Allocations required if this Legislative Document is approved.**

| **A. Line Item Summary** | **1995-96** | **1996-97** |
|---|---|---|
| Positions | | |
| Personal Services | | |
| All Other | | |
| Capital Expenditures | | |
| Unallocated | | |
| TOTAL | | |

| **B. Fund Summary** | **1995-96** | **1996-97** |
|---|---|---|
| General Fund | | |
| Highway Fund | | |
| Other Funds | | |

**II. The estimated increase (decrease) of Revenues for the biennium is as follows.**

| | **1995-96** | **1996-97** |
|---|---|---|
| General Fund | | |
| Highway Fund | | |
| Other Funds | | |

**III. Remarks:**

If municipalities that have already adopted rent control must conduct the objective analysis, this bill represents a state mandate pursuant to the Constitution of Maine. The additional local costs are estimated to be minor. General Fund appropriations will be required to fund at least 90% of the additional costs unless a Mandate Preamble is amended to the bill and two-thirds of the members of each House vote to exempt this mandate from the funding requirement.

A fiscal note must be amended to the bill pursuant to Joint Rule 22.

VOTING TALLY SHEET

L.D.# or Confirmation: 655

Committee: STATE & LOCAL GOVERNMENT

Date: April 6, 1995

Motion: OTPAM (MAJ) / OTPAM (MIN)

Motion By: Rabichaud Rosebush

| SENATORS | YEA | NAY | ABSENT | ABSTAIN |
|---|---|---|---|---|
| 1. SEN. JANE AMERO | ✓ | | | |
| 2. SEN. DAVID CARPENTER | | | ✓ | |
| 3. SEN. SUSAN LONGLEY | | ✓ | | |
| REPRESENTATIVES | | | | |
| 1. REP. BEVERLY DAGGETT | ✓ | | | |
| 2. REP. DOUGLAS AHEARNE | ✓ | | | |
| 3. REP. WILLIAM LEMKE | | | ✓ | |
| 4. REP. JANE SAXL | | | ✓ | |
| 5. REP. BELINDA GERRY | | ✓ | | |
| 6. REP. JON ROSEBUSH | ✓ | | | |
| 7. REP. JULIE-MARIE ROBICHAUD | ✓ | | | |
| 8. REP. PRISCILLA LANE | ✓ | | | |
| 9. REP. CHRISTINE SAVAGE | ✓ | | | |
| 10. REP. ROBERT YACKOBITZ | ✓ | | | |
| TOTAL | 8 | 2 | 3 | |

MAJORITY

# HOUSE REPORT

THE COMMITTEE ON STATE AND LOCAL GOVERNMENT

to which was referred the following:

**An Act Concerning Municipal Rent Control.**

H.P. 474 L.D. 655

has had the same under consideration, and asks leave to report that the same

OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT " ".

of

(Signature) For the Committee.

| | |
|---|---|
| REP. DAGGETT OF AUGUSTA | |
| SEN. CARPENTER OF YORK | David L Carpenter |
| REP. ROSEBUSH OF EAST MILLINOCKET | |
| REP. ROBICHAUD OF CARIBOU | |
| REP. LANE OF ENFIELD | |
| REP. SAVAGE OF UNION | |
| REP. YACKOBITZ OF HEBRON | |
| REP. AHEARNE OF MADAWASKA | |
| SEN. AMERO OF CUMBERLAND | Jane G. Amero |
| | |
| | |
| | |

(Type) (Signatures)

Rep. of (Town) and/or Sen. of (County)

HOUSE REPORT

Printed on recycled paper

MINORITY

# HOUSE REPORT

THE COMMITTEE ON STATE AND LOCAL GOVERNMENT

to which was referred the following:

**An Act Concerning Municipal Rent Control.**

H.P. 474 L.D. 655

has had the same under consideration, and asks leave to report that the same

OUGHT TO PASS AS AMENDED BY COMMITTEE AMENDMENT " " ".

of

(Signature) For the Committee.

| | |
|---|---|
| SEN. LONGLEY OF WALDO | Susan Longley |
| REP. GERRY OF AUBURN | Roberta Gerry |
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(Type) (Signatures)

Rep. of (Town) and/or Sen. of (County)

HOUSE REPORT

Printed on recycled paper

L.D. 655

DATE: 5/4/95 (Filing No. H- 200 )

MAJORITY

**STATE AND LOCAL GOVERNMENT**

Reproduced and distributed under the direction of the Clerk of the House.

**STATE OF MAINE**
**HOUSE OF REPRESENTATIVES**
**117TH LEGISLATURE**
**FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 474, L.D. 655, Bill, "An Act Concerning Municipal Rent Control"

Amend the bill by striking out everything after the enacting clause and before the statement of fact and inserting in its place the following:

'**Sec. 1. 30-A MRSA c. 167,** as amended, is repealed.

**Sec. 2. Legislative intent.** The Legislature intends to permit municipalities to continue to adopt and enforce rent control ordinances under home rule authority. A municipality that adopted rent control under the Maine Revised Statutes, Title 30-A, former chapter 167 may continue to operate a rent control program.'

**STATEMENT OF FACT**

This amendment is the majority report of the Joint Standing Committee on State and Local Government. This amendment replaces the original bill and repeals the law governing municipal rent control.



**COMMITTEE AMENDMENT**

TO: Councilor Duson, Chair
Members of the Housing Committee

FROM: Jeff Levine, Director, Planning and Urban Development Department
Mary Davis, Division Director
Kristin Styles, HCD Program Manager
Tyler Norod, Housing Planner
Housing and Community Development Division

DATE: July 8, 2016

SUBJECT: Housing Policy Work Plan

At the June 22nd Housing Committee meeting, staff presented a condensed list of themes and items that were developed and filtered through previous six months of extensive public process. The Committee spent the majority of the June 22nd meeting going over the first half of the list in an effort to raise questions for future discussions and to further condense the list with an eye towards developing a first round of actionable items for more in depth analysis.

The Committee's ultimate goal is to identify an actionable work plan for more in depth exploration of the following themes and items. At this time, the Committee is not voting on the merits of any item listed below. Rather members are being asked to identify and prioritize items that may be valuable and would like additional information. Just because an item does not make it onto the work plan for this round does not mean that the Committee may not request information on it at a later date. A lot of good ideas have been discussed but there is a limit to the City's capacity for in depth analysis before making thoughtful, meaningful, and wide reaching policy suggestions to the City Council.

Listed below are themes and items to be discussed by the Committee. Instead of having brief explanations, the items discussed at the previous Committee meeting will have relevant notes derived from Committee member feedback. Background information for these items can be found by accessing the June 22nd Housing Committee Memorandum.

**1A Rent Control.** – Corporation Counsel will provide information on this issue at the July 13 Housing Committee Meeting prior to this agenda item.

**2A Moratorium on No-Cause Evictions.** – Corporation Counsel will provide information on this issue at the July 13 Housing Committee Meeting prior to this agenda item.

**3A Increase notification minimums from landlords to tenants for rent increases or non-renewal of any lease.** – Corporation Counsel will provide information on this issue at the July 13 Housing Committee Meeting prior to this agenda item. Related information to this item can be found at the end of this list under Councilor Thibodeau's "Leeway Program".

**4A Ordinance prohibiting landlords from refusing Section 8 or other vouchers.** - Corporation Counsel will provide information on this issue at the July 13 Housing Committee Meeting prior to this agenda item.

**8 A One-page Tenant Rights Handout.**

At the June 22nd Housing Committee Meeting, Councilors seemed supportive of looking into this further. Councilor Mavodones noted that consideration should be given to whether or not there should be separate one page handouts specifically for landlords and tenants. Other ideas to consider would be whether or not there should be requirements for landlords to provide this handout to tenants when they raise their rent or elect not to renew a lease. Similarly the handout could be offered to landlords when they register their properties with the City.

Councilor Duson requested that staff look into whether or not there may be existing capacity within the Housing Safety Office or other city departments to have staff act as an informed mediator or information resource for landlords and tenants who may have questions.

**Housing Replacement Ordinance** – see page 161 in the Housing Resource Binder

**5B – Housing Replacement Ordinance – Prohibit replacement units from being "luxury".**

This item did not receive support of the Committee for further analysis at this time as more interest was given to other potential policy options for amending the Housing Replacement Ordinance.

**<u>6B</u> – Housing Replacement Ordinance – instead of paying a fee, owners can make a market rate unit in another building affordable to low income households.**

Committee members unanimously requested staff to provide more detailed information on this topic and keep it on the final list for Committee consideration.

**<u>7B</u> – Housing Replacement Ordinance – Mandate developers pay into the Housing Trust Fund when replacement units are not at "affordable" levels.**

At the past two meetings, there were some questions about how to creatively capitalize the Housing Trust. In addition to the past funding through funding in–lieu of replacement units, we are now beginning to see funding through the fee-in-lieu option for Inclusionary Zoning. Currently we are expecting just short of $300,000 in funding through that source. There is also currently a one-year policy of funding the Housing Trust through sale of any tax-acquired properties. Some other sources used in other communities include:

- In Portland, Oregon, they have funded their equivalent Trust through use of Tax Increment Financing (TIFs);
- In Brookline, Massachusetts, a small percentage of any unexpended funds at the end of each fiscal year are placed in their Housing Trust;
- In Boston, Cambridge, and Somerville, Massachusetts, commercial developments pay into their respective Housing Trusts on a per-square-foot basis through a so-called "linkage" ordinance. This amount is determined through a detailed study that documents how commercial development produces a need for affordable housing.

Committee members expressed interest in more detailed information regarding 7B and the other noted means of capitalizing the Housing Trust Fund. There was some interest from Committee Members in receiving more information related to Brookline's unexpected funds method of capitalizing the housing trust fund, as well as Portland, Oregon's use of TIF's. There less interest in a "linkage" policy for Portland as some Councilor's expressed concern that Portland's current commercial market may not be suitable for such a policy.

**<u>Condominium Conversions</u>**

**<u>9B</u> – Tighten up condo conversion regulations to clarify tenant rights, proof of notifications, and timing to better capture future intent of landowners.**

Committee feedback noted that this item is already a strong policy in Portland and does not need a major overhaul. That said, there was interest in tightening the ordinance to provide greater clarity to tenants, owners, and staff alike in the form of notification requirements and how far back landlords must provide evidence of previous tenants who may be entitled to the protections under the ordinance. There was some thought that given other pressing issues and limited staff time, this item may be a candidate for looking at a later date.

**Affordable Housing Tax Increment Financing** – See Page 7 in the Housing Resource Binder

**10B – Continue to provide tax increment financing to housing development projects to help financially support and encourage the development of more low and middle income housing.**

At the June 22nd meeting there were some questions from the Committee about how effective the TIF program has been so far and how successful TIF's have been compared to other municipalities in Maine. The affordable housing TIF legislation has been in existence for approximately 10 years. Currently Portland has implemented TIFs for four affordable housing development projects. From a search of MaineHousing data on TIF projects across the state this appears to be on par or slightly more than other communities in the state. The modest number of projects may likely be connected to the relatively recent adoption of this ordinance at the state level, the length a project takes to go from permitting to completion, and the limited availability of other important financial subsidy layers such as state issued tax credits.

It is the opinion of staff that the affordability requirements, on-going monitoring and reporting requirements, along with the complicated application process act as a disincentive to the use of this tool by developers of smaller projects or private property owners. For projects offering lower income requirements projects may need additional subsidies such as tax credits or below market land costs to maintain feasibility. Traditionally these are larger projects with deeper affordability levels with complex financing models. However, TIFs are allowed to fund units up to 120% AMI but have not been used as such to date. There may be opportunities for funding more "Workforce" units up to these levels through TIFs should the Committee be interested in pursuing this option.

**<u>11B</u> – Create a TIF for individual property owners who create affordable units within their properties as a means of financially encouraging the creation of more affordable units.**

It was acknowledged by Committee Members that this would be a difficult item to implement and may require amendments to state legislation. Given the potential likeliness of amendments at the state level this item may not be a good candidate for immediate further exploration. There was some interest raised in examining the potential for the City using Housing Trust Fund money to achieve similar ends as item 11B by providing City funding to individual property owners for affordability restrictions. Other members suggested deferring this analysis to a later date as loan programs for affordable ADU's may not create a substantial number of new units. Another member raised the point that the Housing Trust Fund needs additional capitalization before the Committee can begin to effectively add new policy tools that draw from its resources.

Due to time constraints the Committee paused to solicit specific policy ideas from Committee members that were not yet on the list. These ideas are noted at the end of this memo. The following items and themes still need to be reviewed by the Committee to determine what should be looked at in greater detail during the first round of analysis.

**<u>Tax Acquired Properties</u>**

**<u>3E</u> – Utilize tax acquired properties to capitalize the Housing Trust Fund and restrict long term affordability of the unit prior to sale.**

As outlined above, there is a temporary policy of funding the Housing Trust through any sales of tax-acquired properties. In practice, such sales are rare and unlikely to produce any significant funding. Any resale could be subject to an affordability restriction, but any such determination should be balanced against the possible benefit of selling the property without restrictions and simply placing part of the sale price into the Housing Trust Fund directly.

**<u>4E</u> – Work with non-profits like Habitat for Humanity to rehab city-owned tax acquired properties to turn them into affordable housing.**

Staff has also been evaluating any properties listed as potential tax-acquired property and indicating if the property itself may be appropriate for renovation as

affordable housing. In practice, most properties listed are single-family houses that are not always good candidates for permanently affordable housing.

**5E – The City should enter into long term ground leases for city-owned land as a means of supporting long term affordability rather than selling land outright to a developer (both for-profit and non-profit developers).**

In the recent past, the City has generally offered property for sale with deed restrictions rather than using a Land Trust model of ground leasing land with restrictions. The Land Trust model provides some benefits over the deed restriction model but also involves the City continuing to be a land holder and landlord. Such a model impacts the tax value of the property and can complicate a developer's ability to finance a development. However, the benefits should be considered as well as these drawbacks.

**Short Term Rentals** - See Page 532 in the Housing Resource Binder

It should be noted, that at our last meeting, Councilor Ray voiced specific support for the Committee to take a closer look regulating Short Term Rentals.

**I1 – Regulate Short Term Rentals (STR's) such as AirBnB in an effort to return existing housing stock to the long term rental market.**

During the September 30, October 14 and October 28, 2015 meetings of the Council's Housing and Community Development Committee, the Committee reviewed staff research on short term rentals along with potential regulation options. Three possible options were reviewed: (1) utilizing the Housing Safety Office to address safety and building code concerns; (2) revision of existing zoning code (Section 1404(e)) to allow for some short term rentals or (3) create a new short term rental section within the existing code. While the members of the HCDC agreed that option 3 would be the best way to proceed, there was an acknowledgement of the need for a better understanding of the extent of the short term rental problem and since the October 28, 2015 meeting was the last meeting of for the Committee year, the Committee did not have an opportunity to further review the matter.

A recent review of the website Airdna, which provides "data and analytics to vacation rental entrepreneurs and investors", indicates 206 active listings for June, 2016. Of those 206 listings 142 are "entire place" listings and 42 are "private room"

listings. The median nightly rate for an entire home was $150 and $82 for a private room.

The 2010-2014 American Community Survey 5-Year Demographic and Housing Estimates indicates that Portland has 33,157 total housing units of which 30,107 are occupied (13,157 owner-occupied units and 16,950 renter-occupied units). Based on this data and the data from Airdna, less than 1% of the City's housing units are being offered as short term rentals. The attached map from Airdna indicates that most of the rentals are located on the peninsula.

As Tyler Norod noted in his October 28, 2015 memo to the HCDC

*"…, most of the units offered as STR's are limited to the Peninsula which may have a disproportionate impact on those neighborhoods. The Peninsula contains approximately 12,000 housing units. Assuming approximately 250 units are being listed mostly on the peninsula this would account for approximately 2% of the Peninsula's housing stock.*

*Considering the Peninsula's extremely low vacancy rate any significant reduction in available housing stock should be a concern for the City. For context, cities around the country with the highest percent of their housing stock being utilized as STR's are between 6.5% and 1.1% according to AirDnA. The National Association of Realtors defines a landlord's market as one where vacancy rates are less than 5%. The recently completed 2030 Workforce Housing study by the Greater Portland Council of Governments (GPCOG) estimated Portland's 2014 vacancy rate at 4.4%. This was for the entire Portland market. It would stand to reason that the Peninsula's vacancy rate is even lower. Therein it is possible to see how removing an estimated 2% of the housing stock from the Peninsula could have a significant effect on the market."*

**I3 – Add fees/taxes to Air BnB type rentals to help capitalize the Housing Trust Fund**

Reference is made to Tyler Norod's memo of October 28, 2015. In that memo Tyler looked at how other cities were approaching this issue. Savannah, Georgia charges a $150 registration fee with a $50 annual renewal fee. Savannah also established fines ranging from $500-$1,000 for violations to their ordinance. Santa Monica, California has fines of up to $500 per day.

The regulation of short term rentals, along with the use of fees or taxes is an item that will require additional time for analysis and review.

**K24 - Create more Housing First projects to support long term shelter stayers** - See Page 513 in the Housing Resource Binder

Attached is a report created by the City of Portland's Health & Human Services Department, Social Services Division from March, 2016 which provides an update to the 7-Point Plan to End Homelessness.

Goal #6 refers to the Housing First Program. The City of Portland issued a RFP in February 2014 for proposals from a consultant or consultant team in the field of Permanent Supportive Housing (PSH) development, specifically the development of projects utilizing the "housing first" model. The City received two responses and awarded funding to each proposal (Avesta Housing $50,000 and Community Housing of Maine $25,000).

Avesta's proposal envisioned the creation of a traditional Housing First development. Their use of the pre-development funding resulted in a development proposal for a project at 72-78 Bishop Street which will create thirty (30) efficiency units. The development includes the construction of a new three story building containing the 30 units, along with a reception area and staff rooms. Site work and the installation of foundations has begun. The expected completion date of the project is April, 2017.

Community Housing of Maine's (CHOM) proposal envisioned "blending the population quickly and seamlessly into a combination of rehabilitated existing small multifamily apartment buildings and larger Low Income Housing Tax Credit and/or Historic Tax Credit funded properties aimed at serving the general public."

Their use of the funds resulted in a development proposal for four units of supportive housing for homeless populations, targeting long-term shelter stayers. The City of Portland will partner with CHOM and will provide referrals and support services to each individual housed. The project will be located in an existing 4-unit dwelling at 548 St. John Street and is financed by funding through Maine State Housing Authority and the City's CDBG and HOME programs.

The City Council's 2016 Common Goals includes as a goal for the Housing Committee to plan for five new "housing first" projects. To help meet this goal, the City's 2016-2017 Affordable Housing Development HOME Funds Application identified Housing First developments as a priority. The application was released on May 2nd with an initial due date for proposals of June 10. To date the HCD office

has received three applications. However, none of those applications are Housing First proposals.

There are two housing first developments in the City of Portland. Logan Place and Florence House were both developed by Avesta Housing. In a presentation to the Housing and Community Development Committee (HCDC) in February, 2013, Dana Totman of Avesta Housing noted that there are three steps to the creation of a housing first development – (1) find a site (2) secure development funds and (3) secure operating funds for both the building and the resident services. As noted in the HCDC minutes, Mr. Totman indicated that securing funds for the resident services and garnering neighborhood support for the development were two of the more difficult aspects of developing housing first projects.

**A Note on Zoning Changes**

At a previous meeting there was some discussion about whether to wait for a planned comprehensive zoning rewrite before advancing any zoning changes. While significant changes to the Zoning Ordinance are best handled at a comprehensive level, we continue to refine and rewrite the existing ordinance to make improvements. These interim changes are valuable pilots to help determine what changes may be expanded and adopted as part of a new code.

At the June 22nd meeting, Councilor Ray suggested several zoning priorities for greater analysis including: greater density along transportation corridors and expanding allowance of housing shelters/Housing First developments to more zones.

The following items were suggested by Committee Members at or since the last Housing Committee meeting:

**Innovative Housing Pilot Project**

At the June 22nd meeting Councilor Duson suggested that the Committee look to identify an innovative pilot program using City resources to leverage long term affordability. The exact mechanism has yet to be defined but could include a number of tools such as TIF's, partnerships with other non-profit developers, selling City owned land, etc.

**Landlord/Tenant Mediation Program**

Councilor Duson had a suggestion for possible further in depth analysis to design a mediation program for housing disputes similar to a program with the state's Human Rights Commission. Potential issues that would need to be examined would be anticipated costs, staff capacity to manage this program, overlap with existing City or local non-profit services, liability, response time vs court time, effectiveness, and demand from tenants/landlords.

**Home Sharing Programs for Aging In-Place**

Councilor Ray suggested the Committee take a closer look at Home Sharing Programs to support elderly residents age in place. A handout from the non-profit New York Foundation for Senior Citizens was distributed to Committee Members as an example of this type of program. The New York Foundation program pairs "hosts" who have extra private spaces in their houses to share with "responsible, compatible 'guests". Both guests and hosts are required to provide certain pieces of information to be considered eligible for the program such as letters of recommendation, proof of income, age, and proof of ownership or lease.

Potential questions that would need to be answered would revolve around staff capacity, financial cost to the City, whether or not this is better suited for a non-profit, and questions around liability. There may also be shared interest from local academic institutions and local senior advocacy groups to partner with a program like this to solve their own concerns about student housing and aging in place.

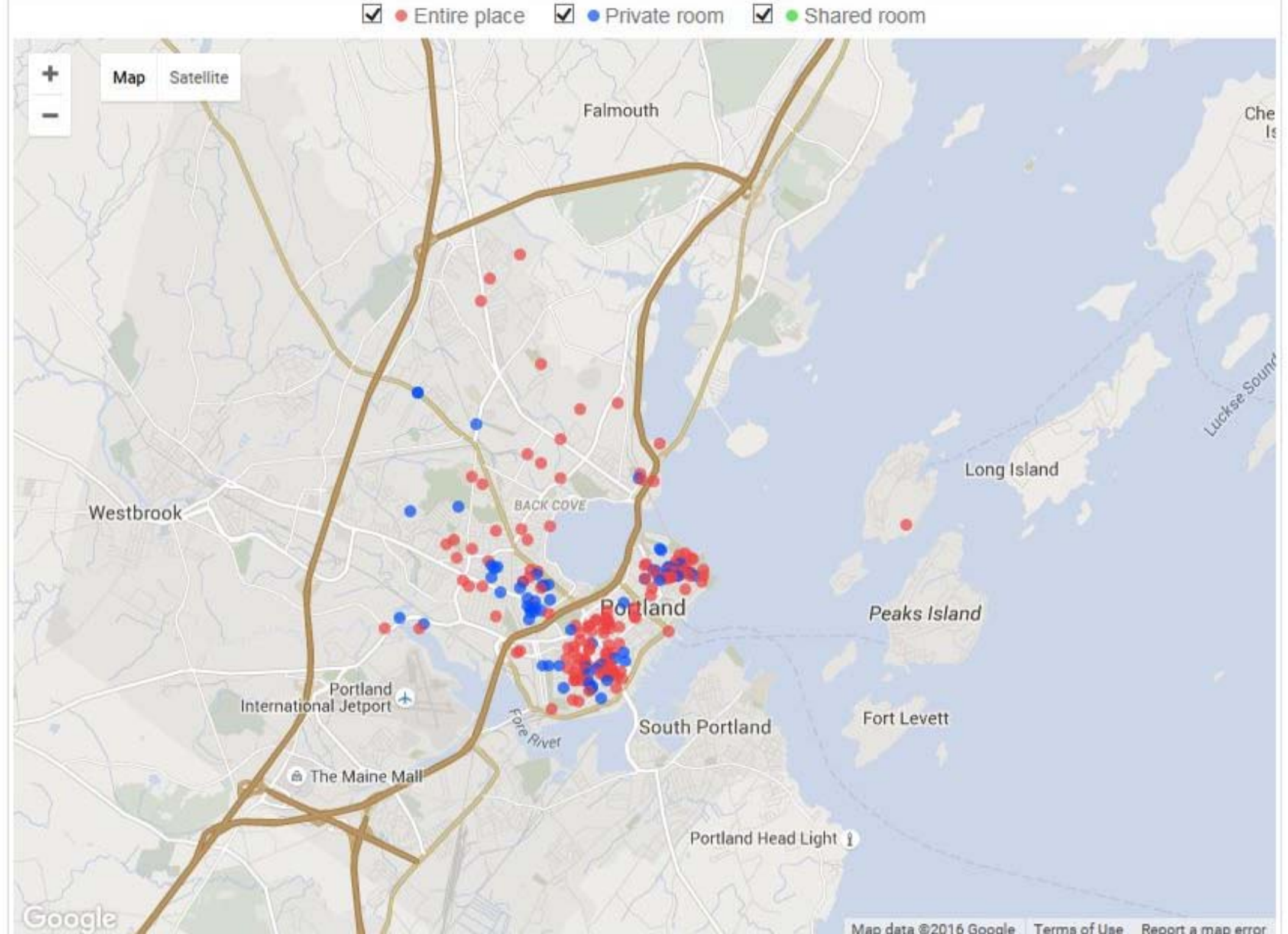
**"Leeway" Program**

Councilor Thibodeau suggested a framework for a new policy that would combine some of the principles behind other items on this list and ideas mentioned by Councilor Hinck to help address housing stability concerns for tenants-at-will. The program would require a minimum period of 90 days for notifications of rent increases or non-renewal of leases. The program would also build in the ability of the landlord to pay a fee to the tenant to leave earlier than 90 days. This would not change the minimum 30 day notification period for non-renewals and 45 day minimum for rent increases that are required by the state.

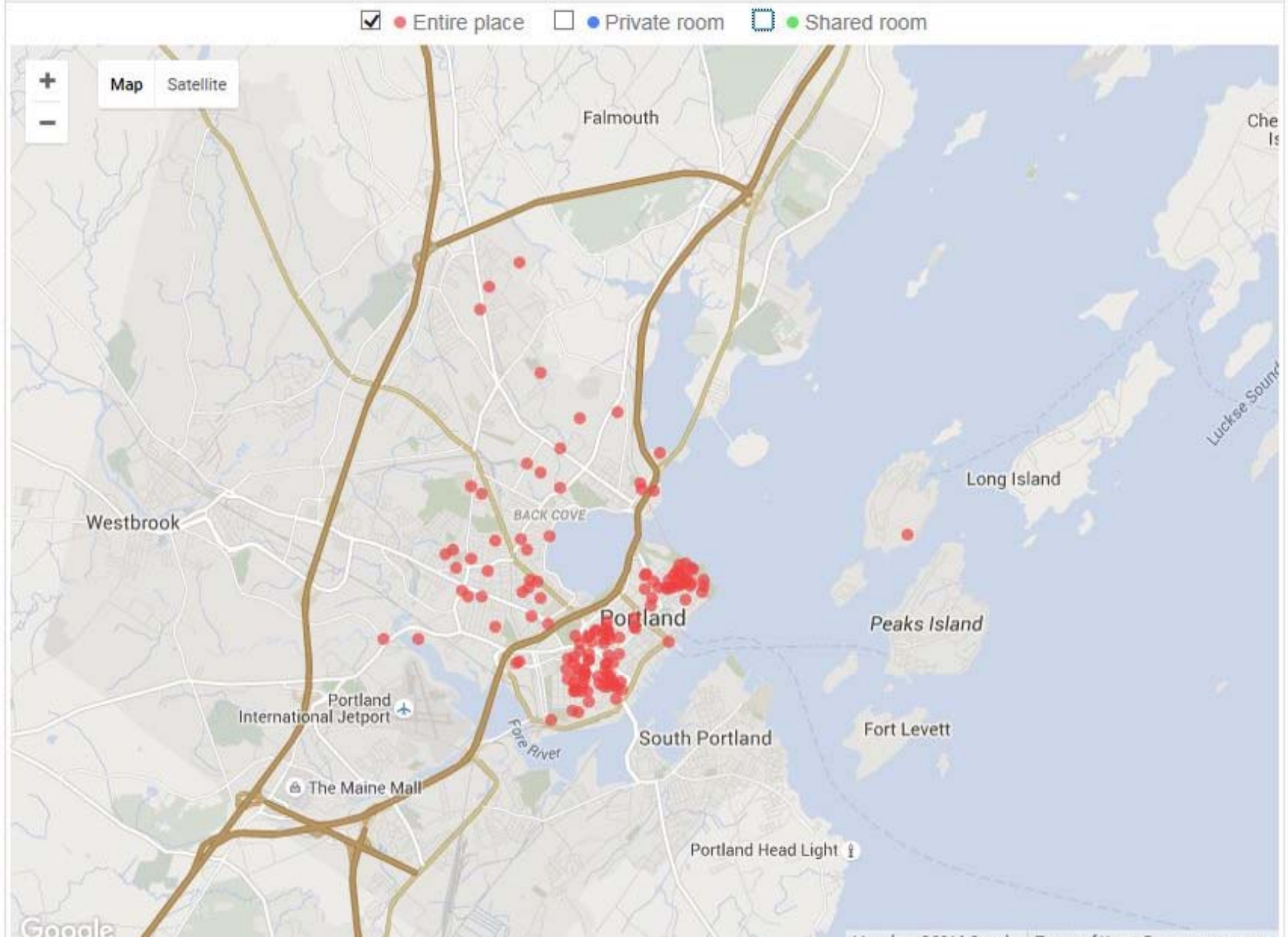
Similar to any analysis done for items 1A-4A, this proposal would require additional examination. Some potential questions include but are not limited to: Would

tenants have a choice in 90 days or accepting the landlord's payment? If tenants have a choice then is this something that even needs to be part of the regulation? What is the appropriate fee? Are there any unintended consequences for a longer minimum notifications? Would this affect all rental agreements or just for tenants of certain income limits? Would attaching income limits disincentivize landlords from renting to certain households? Other question would need to be considered related to enforcement, legality, and the potential for penalties for failing to follow the ordinance.

Active Airbnb rentals in Portland, Maine

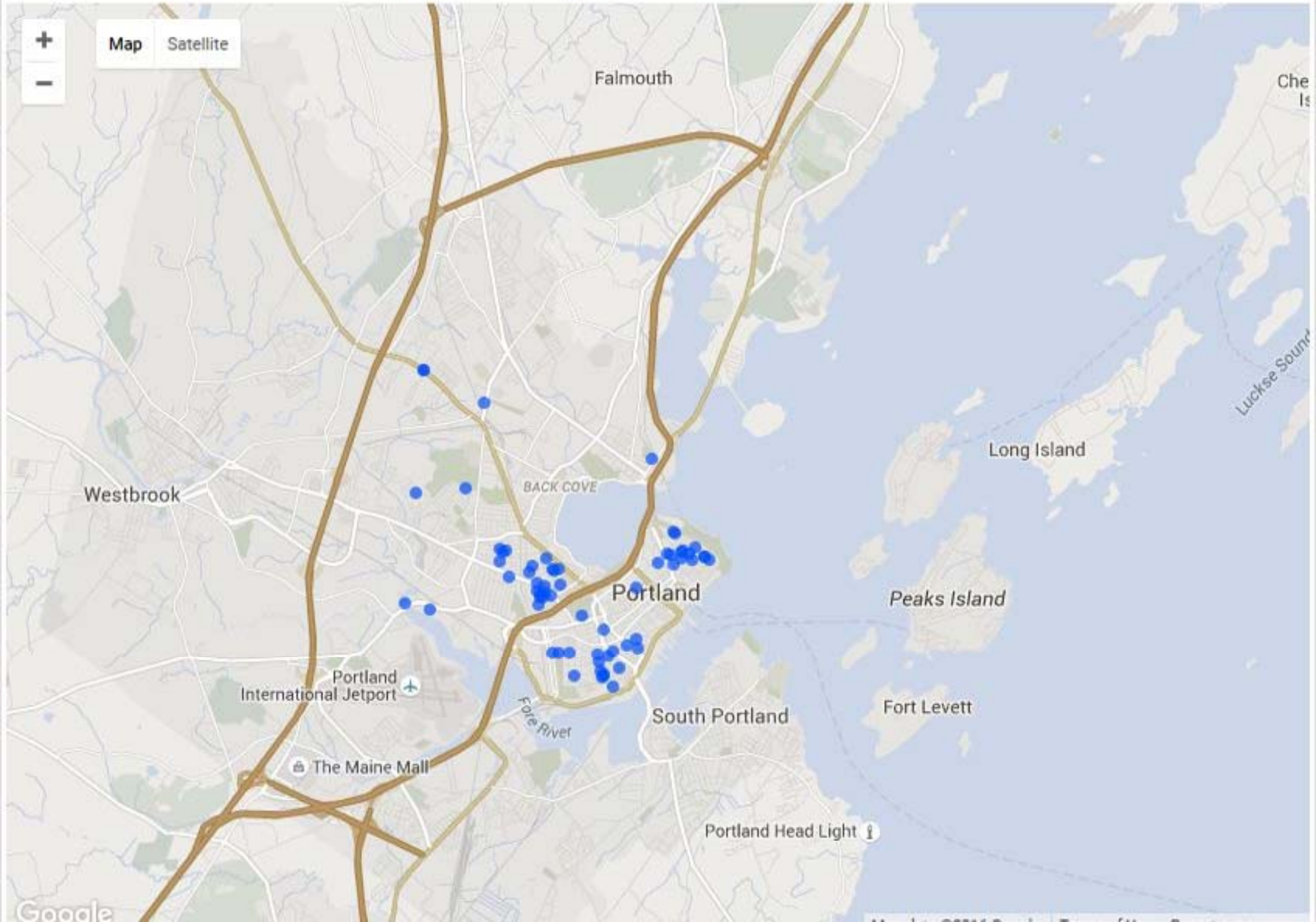


# Active Airbnb rentals in Portland, Maine



Active Airbnb rentals in Portland, Maine

☐ Entire place ☑ Private room ☐ Shared room



CITY OF PORTLAND
HEALTH & HUMAN SERVICES DEPARTMENT
SOCIAL SERVICES DIVISION

# PUBLIC SAFETY, HEALTH & HUMAN SERVICES COMMITTEE
# 7 POINT PLAN TO END HOMELESSNESS

# UPDATE
# MARCH, 2016

## GOAL #1
## CASE MANAGEMENT

The Task Force recommends case management services be expanded to people who are homeless and those case management delivery systems follow client needs, rather than reimbursable service delivery models

**Oxford Street Shelter**

| | Mar. 2015 | Mar. 2016 |
|---|---|---|
| **Housing Placements** | 17 | 24 |
| **Individuals Served** | 628 | 544 |
| **Shelter Occupancy** | 168% | 166% |
| **Veterans Served** | 38<br>505 Bed nights | 25<br>347 Bed Nights |

**Family Shelter**

| | Mar. 2015 | Mar. 2016 |
|---|---|---|
| **Housing Placements** | 16 Families/<br>61 Individuals | 17 Families/<br>63 Individuals |
| **Individuals Served** | 46 Families/<br>169 Individuals | 48 Families/<br>169 Individuals |
| **Shelter Occupancy** | 163% | 103% |
| **Veterans Served** | 1 Family<br>3 Individuals | 0 Family<br>0 Individuals |

**Occupancy is over for both shelters due to overflow facilities being utilized.*

## GOAL #2
## RAPID REHOUSING

The task force recommends a focus on providing appropriate permanent housing and support in the community for individuals, families and youth as quickly as possible.

70 initial Long Term Stayer Single Adults in need of Permanent Housing

- 9 remaining
  - 2 are in the process of securing housing.

72 December, 2015 Cohort of Long Term Stayer Single Adults in need of Permanent Housing (40 from OSS, 17 campers, and 15 from Milestone)

- 45 remaining
  - 18 left from OSS
  - 13 Milestone
  - 14 campers
  - 6 are in the process of securing housing.

**TBRA**

- TBRA has exhausted its funding until the new fiscal year.

**Home To Stay**

- 66 Active Cases
- 5 Subsidies Provided

## GOAL #3
## INCREASED OUTREACH

Goal: Conducting assertive, community-based outreach

**HOME Team**

- 1263 Encounters
- 349 Transports
- 169 Individuals Served

## GOAL #4
## ZONING CONSTRAINTS

Goal: Explore Portland's zoning requirements so that all neighborhoods are equal candidates for emergency shelters, dispersed service locations or specialized care housing as a conditional use.

Study/Assessment of commercial corridors R-6 & R-7

*Planning & Urban Development Department*
*Ann Machado, Zoning Specialist*

**Zoning has been changed on Bishop Street to accommodate the Housing First Program*

## GOAL #5
## SPECIAL POPULATION HOUSING

Goal: Coordinate behavioral and primary care treatment for people in the shelter system. Increase housing opportunities for people who are homeless and are struggling with addiction. Increase employment opportunities for people who are homeless and are struggling with addiction and mental illness.

**United Way Feasibility of Medical Respite Program**

- *Dan Coyne, United Way*

| | Mar. 2014 | Mar. 2015 |
|---|---|---|
| **York County Shelter (YCS) Placements** | 2 | 1 |

## GOAL #6
## HOUSING FIRST PROGRAM

Goal: Reduce the number of long term/chronically homeless in Portland. Increase specific housing options to include transitional and permanent supportive housing models.

Update on $50,000 RFP for Housing First Program

*Avesta Housing Project*

## GOAL #7
## SECTION 8 HOUSING VOUCHERS

Goal: Work in partnership with landlords to increase access to housing stock which will increase available rental opportunities for people who are homeless. Create/expand resources for landlords to work through issues with tenants.

**Section 8 Housing Vouchers made available by:**

- Portland (40- primarily CLIP vouchers)
- Westbrook (unspecified amount)
- South Portland (2)