

1. **HC AGENDA - 03.30.2017.PDF**

Documents:

HC Agenda - 03.30.2017.pdf

2. **HC Minutes - 03.08.2017**

Documents:

HC Minutes 03.08.2017.pdf

3. **Proposed Division 30 Amendments 03.30.2017**

Documents:

Division 30 Amendments Memo 03.30.2017.pdf



HOUSING COMMITTEE

DATE: Thursday, March 30, 2017
TIME: 5:30 p.m. – 6:30 p.m.
LOCATION: City Hall, Room 209

A G E N D A

1. Review and accept Minutes of previous meeting held on March 8, 2017.
2. Proposed amendments to Division 30 to support the creation of affordable housing in Portland – See enclosed memorandum from Jeff Levine, Planning & Urban Development Director. *This is an actionable item and public comment may be taken.*
3. Housing Committee member discussion and next steps

Councilor Jill Duson, Chair

Next Meeting Date: Wednesday, May 10, 2017 at 5:30 PM in Room 209

Housing Committee

Minutes of March 8, 2017 Meeting

A meeting of the Portland City Council's Housing Committee (HC) was held on Wednesday, March 8, 2017 at 5:00 P.M. in Room 209 of Portland's City Hall. Councilors present at the meeting included Committee members Councilor David Brenerman, Councilor Brian Batson and Chair Councilor Jill Dusen. City staff present included Director of Planning & Urban Development, Jeff Levine; Division Director Mary Davis; and Housing Planner, Tyler Norod.

Item 1: Review and accept Minutes of previous meeting held on February 8, 2017.

Councilor Brenerman motioned and Councilor Batson seconded to accept the minutes from the February 8, 2017 Housing Committee meeting. Minutes were unanimously approved 3-0.

Item 2: Additional HOME Funding – Developers Collaborative Senior Rental Housing Project at 605 Stevens Avenue, Sisters of Mercy Motherhouse Building

Mary began with an introduction of the item.

Councilor Dusen opens the item to Committee questions:

Councilor Brenerman – Asks about City funds for affordable housing over the past 10-15 years.

Mary describes that we have more than just HOME money. The numbers in the packet represent a variety of sources.

Councilor Brenerman – What other financing sources?

Kevin Bunker, Developers Collaborative – Hopefully a significant source will come from Maine Housing. This is an issue for all developers across the nation that recently were allocated LIHTC. Maine Housing has limited funds. They have asked developers to look for extra funds elsewhere

first so everyone needs to look to rework some aspects of the deal. I am confident that if the City puts money in Maine Housing will also be on board. We may need to cut developer fees but there are federal limits on that.

Councilor Batson – Are there any assurances in writing from Maine Housing?

Kevin – If the project never goes forward to construction I would never need these funds.

Councilor Batson – Do you have a timeline of when you might hear from MaineHousing?

Kevin – My goal is to close by April.

Councilor Batson – I really like this project I just want to make sure we have time to use this money if for some reason the project doesn't go forward.

Mary – We are working with MaineHousing so that everyone is on the same page so that we can meet our July deadline.

Councilor Dusen – To clarify, you are asking us to act on it but the Council will not act on it until all details have been squared away. Also to clarify, are you asking to reallocate the entire funds for Boyd Street?

Mary – Yes, we would be looking to reallocate \$200,000 from Boyd Street to Motherhouse.

Councilor Dusen opens item for public comment:

Jim Devine, Homeless Voices for Justice – I appreciate the technicalities of securing funding but the ultimate goal is senior housing. Let's make sure it happens.

Mark Adleson PHA – It seems like our money is going away but we appreciate all the support from the City and hope to see it in the future when the project is ready to once again apply for financial

resources.

Christian McNeil – Smith Street – Division 30 changes before you later. A good way to support all projects like Boyd Street.

Public Comment closed

Councilor Batson – Has staff looked at other projects in case this falls through?

Mary – We do not have other projects in mind at the moment.

Councilor Dusen – What's our path to keep the full Council involved for previous supplemental home funds?

Mary – We were going to bring any projects back to the Housing Committee (HC) and Council. Small projects like 1-4 units may not come back before the HC or Council but we could keep the Council abreast of what is happening for smaller projects with frequent updates.

Motioned by Councilor Brennerman and seconded by Councilor Batson, approved 3-0.

Item 3: Proposed amendments to Division 30 to support the creation of affordable housing in

Portland

Jeff Levine presented the memo to the Committee.

Councilor Dusen indicates her interest in making affordable housing development simpler and more cost effective, but also wants to make sure neighborhoods will be able to understand how development will happen around them. She does not want to short-circuit the neighborhood discussion around developments. Jeff explains that zoning change request goes through the Planning

Board (PB) and if approved, then to the Council. If the Council approves, the project then goes through the site plan review process at the PB. Councilor Duson is not sure that neighborhoods will understand what's allowed simply by what's in the comprehensive plan or zoning. Now notification would not be done until the site plan process. Jeff suggests the language could include a requirement for the developers to notify the neighborhoods before applying for site plan.

Councilor Brenerman – He thought last year's Housing Committee would be talking about this type of work so he is happy to see this being discussed now. Would like to see a map that identifies the zones that would be applicable. He asks for examples of PRUDs. Jeff says no new ones during his tenure with the city.

Councilor Brenerman - What distinguishes a PRUD from contract zone? Jeff gives a brief description. Councilor Brenerman asks for additional information about PRUDs. He thinks we need a process for neighborhoods effected by proposed changes to be made aware of these changes and to know ahead of time what the neighborhood thinks about the proposed changes.

Councilor Batson – Likes the idea of clarity, continuity and predictability but wants to make sure neighborhoods are given notice of these proposed changes.

Councilor Duson opens the item to public comment even though the Housing Committee is not taking action tonight:

Cindy Cochran, E Bayside Neighborhood Organization - Thinks this makes a lot of sense, but needs to be well defined, what transits corridors? How are transit corridors determined? How are urban neighborhoods defined? Would not be happy with extra density bonuses to be allowed in the middle of a neighborhood with smaller housing types. Area in east Bayside where R-7 is located is along a

transit corridor along Franklin Street which seems like an appropriate location. Would like more clarity and definition about what corridors and how does something become a corridor. Make use of neighborhood organizations to get this information out to the public.

Mark Adelson, Portland Housing Authority (PHA) - Is very supportive of this proposal; predictability would be extremely helpful of these proposed changes.

Jay Waterman, PHA - Supports this proposal. Likes predictability. PHA is committed to getting the information out to their neighbors and feel having neighborhoods involved in these discussions would be helpful to their development plans.

Christian McNeil - need these changes to continue to see affordable housing development in Portland. Thinks this will save planning resources for the city. Would like the Committee to encourage planners to look at changes in the R-6 zones; affordable housing projects in R-6 are held to higher review standards than other types of development.

Public comment is closed.

Councilor Dusen appreciates that comprehensive plan needed to happen before we could have these conversations and is anxious to begin to look at these issues in more detail, but doesn't want to lose sight of the importance of the public process.

Item 6: Housing Committee member discussion and next steps

Tyler reviews items that are moving forward at the next agenda. Councilor Dusen asks to have the proposed work plan be emailed to the committee for review prior to the next meeting. Councilor Dusen wants to make sure we look at process of incentive development of affordable housing.

Councilor Dusen suggests committee meet next on April 12, 2017 at 5:30 pm.

On a motion made and seconded the meeting was adjourned at 6:08 PM.

Respectfully,

Mary Davis



Mary Davis

Division Director, Housing & Community Development Division

TO: Councilor Duson, Chair
Members of the Housing Committee

FROM: Jeff Levine, Planning & Urban Development Director
Mary Davis, Division Director
Housing and Community Development Division

DATE: March 30, 2017

SUBJECT: An outline of proposed amendments to Division 30 to support the creation of affordable housing in Portland.

Over the past year the City has actively engaged in a number of discussions involving a wide range of stakeholders in an attempt to address concerns related to Portland's housing market. One of the themes that evolved from these discussions was the need for greater housing supply particularly for households earning low and moderate incomes. In conjunction with this discussion and work being done for the new Comprehensive Plan, there appeared to be growing interest in further developing housing along Portland's transportation corridors and business nodes. Staff has developed a proposed framework for amending Division 30 of the City's Land Use code to bridge these two concepts with the aim of creating more affordable housing in areas appropriate for additional development.

The goal of these amendments would incentivize the creation of significant new affordable housing options for a wide range of households in need. It would also allow for developers of affordable housing to be more competitive with other developers for site acquisition and more competitive for public funding subsidies. The amendments would be designed to sensitively balance site context with modest height bonuses and small building setback reductions. These small forms of flexibility and zoning relief would provide developers of affordable housing greater project feasibility while also proactively providing clear rules for supporting more affordable housing in a consistent manner. The following bullet points express some ways in which the Committee could achieve these goals and structure amendments to Division 30 that would provide real opportunity for creating more affordable housing in Portland:

- Amendments would impact certain zones along and within transportation corridors, and business nodes;
 - For example, B-1, B-1b, B-2, B-2b, B-3, B-3b, B-3c, B-4, B-5, R-7, and R-P zones may be areas worthy of consideration;
- Escalating density bonuses, height, and setback reductions based on the percentage of low income and moderate income units in an overall project;



Mary Davis

Division Director, Housing & Community Development Division

- Planned Residential Unit Developments should be amended to allow for reductions in minimum lot areas per dwelling unit, setbacks, and building dimensions.

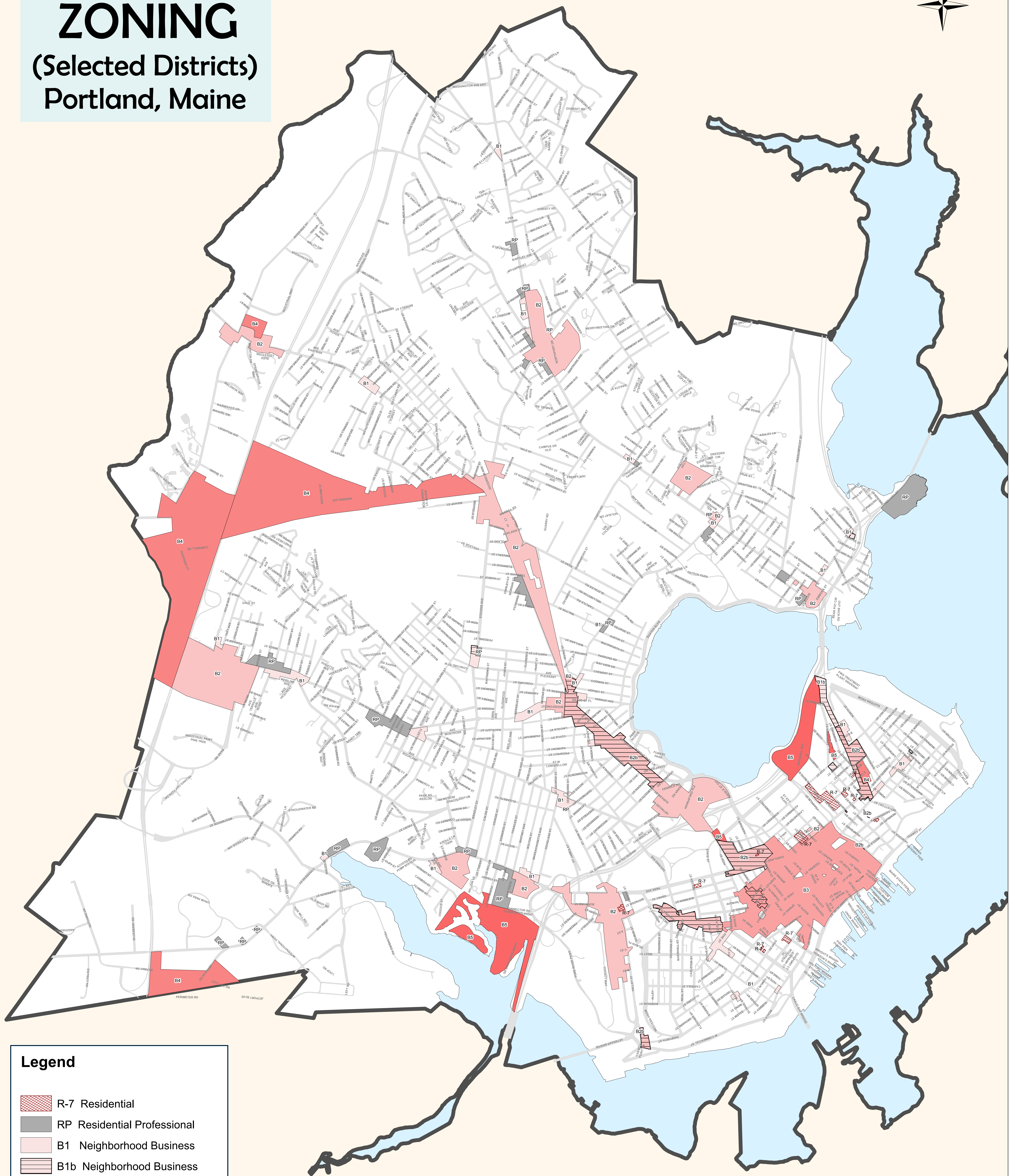
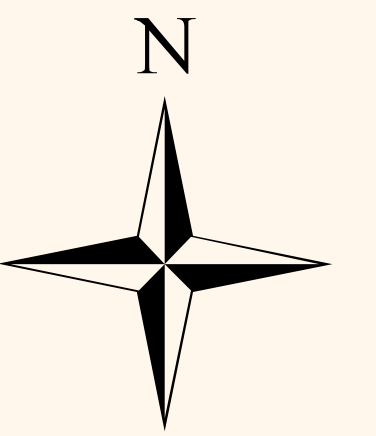
Attached to this memo is draft language that spells out in detail the proposed changes to Division 30 of Chapter 14 of the City Code that would allow for the outlined incentives to go into effect in the proposed zones. In addition, there is a zoning map highlighting the location of the zones to be impacted by these amendments. Large maps will be provided at the meeting and interested parties will be able to zoom in on electronic copies of the map made available as part of the Housing Committee packet on the City's website.

Following the Committee's deliberation and any related revisions, staff is requesting that the Committee take action on this item to send it to the Planning Board for their review. The City will conduct a robust public outreach for the Planning Board review of these amendments, including use of social media and on-line publicity. The item will ultimately require approval by the full Council who will have the additional benefit of feedback provided by the Committee, Planning Board, and general public to aid in any future decisions.

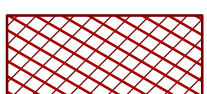
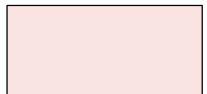
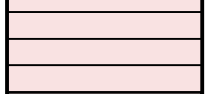
ZONING

(Selected Districts)

Portland, Maine



Legend

-  R-7 Residential
-  RP Residential Professional
-  B1 Neighborhood Business
-  B1b Neighborhood Business
-  B2 Business Community
-  B2b Business Community
-  B3* Downtown Business
-  B3c Downtown Business
-  B4 Commercial Business
-  B5 Urban Commercial Business

0 0.225 0.45 0.9 1.35 1.8 Miles

Sec. 14-488.**Low Income & Workforce Housing Dimensional Bonuses**

Notwithstanding any other provision of this chapter to the contrary, in order to encourage low income and workforce units in designated growth areas, eligible projects may avail themselves of the following options.

1. Eligible projects in all B-1, B-1b, B-2, B-2b, B-3, B-3b, B-3c, B-4, B-5, R-7 and R-P Zones

Percentage Low Income Units for Sale/Rent	Percentage Workforce Units for Sale/Rent	Density Permitted*	Additional Height Permitted	Setback Reductions **
10%	20%	1.1 x base	N/A	N/A
20%	40%	1.2 x base	10 feet	N/A
30%	60%	1.3 x base	10 feet	5'
50%	100%	2.0 x base	15 feet	5'
75%	N/A	2.5 x base	25 feet	10'

**: "Base" is the number of units allowed under the zoning without this bonus but with any other bonuses applied. In R-P zones, the "base" is no less than 1 unit per 1,500 sf. of land area*

*** : Setback reductions are absolute reductions in front, side and/or rear yard setback requirements.*

2. Planned Residential Unit Developments. In order to promote orderly development of low- and moderate-income development as PRUDs, any project in which more than 50% of the units are low-income or workforce units for rent or for sale may utilize the following dimensional bonuses and changes:

- a. Minimum lot area per dwelling unit is reduced by 50%;
- b. Maximum number of units and maximum length of buildings do not apply but may be set through site plan review; and
- c. Minimum building setbacks may be reduced to 10'
- d. The PRUD may cross public rights of way provided that the right of way does not count towards minimum lot size nor towards any open space requirements
- e. Minimum Recreation Open Space Area is reduced to 200 sf per dwelling unit of common area designated for recreational purposes by the residents. Minimum contiguous size and setbacks do not apply and shall be set through

site plan review.

3. **Term of Affordability.** In order to be eligible for this section, the low income and workforce housing units must be affordable for the longest term permitted under federal, state and local laws and ordinances Projects that contain both Low Income and Workforce units are eligible for both bonuses.
4. **Required Public Process.** The developer of the project must also commit to a good faith effort to communicate openly with affected properties as their process moves forward. At a minimum, no less than 60 days prior to application for site plan review, any project that wishes to take advantage of this section must (1) hold a public meeting noticed to all properties within 500 feet of their site and (2) post a sign on the property in question describing the proposed project; any known dates for public meetings, workshops and hearings; and contact information for the developer and the Planning Authority.
5. **Projects under 14-487.** Projects that are subject to 14-487 *that choose to provide the required workforce housing units on site* are eligible for a 25% increase in total permitted units. If an eligible project is also subject to 14-487, the applicant shall have the option of utilizing either this bonus or any bonuses they are eligible for under 14-488.1 but not both.