

Minutes

Remote Housing and Economic Development Committee

September 19, 2023

NOTE: This meeting was held via Zoom and can be viewed at this link:

<https://www.portlandmaine.gov/602/Agendas-Minutes>

These Minutes provide a record of those in attendance, general discussion taking place, and motions made.

A remote meeting of the Housing and Economic Development Committee (HEDC) of the Portland City Council was held on Tuesday, September 19, 2023, at 5:30 p.m. via Zoom. Present from the Committee were Chair Councilor Pious Ali, and members Councilors Regina Phillips and Roberto Rodriguez. Committee member Councilor Mark Dion was not able to participate. Present from the City staff were Interim Housing and Economic Development Department Director Mary Davis, Corporation Counsel Michael Goldman, Principal Adm. Officer Lori Paulette, and Housing Program Manager Victoria Volent.

Item #1: Review and vote on August 15, 2023 draft meeting Minutes

A motion was made by Councilor Rodriguez, seconded by Councilor Phillips to accept the Minutes as published. Chair Councilor Ali asked if there was any public comment, and there was none. He then asked for a vote on the motion and it passed 3-0.

Item #2: (Public Comment) Review and vote to recommend to the City Council proposed Affordable Housing TIF/CEA and Affordable Housing Development Subsidy – Portland Housing Development Corporation (PHDC) – Riverton Park Project

Ms. Volent introduced the item noting that PHDC is requesting from the City a \$1.5 Million loan and an Affordable Housing TIF (AHTIF) District for 30 years at 50% capture

rate. This would help in funding to assist the rehabilitation of 21 residential buildings with approximately 123 townhouse apartments, and the construction of a four-story building with 59 rental units in the Park. Also, the project would demolish an existing administrative building to allow for construction of a larger neighborhood Center. She then noted staff's recommendations for the terms of the loan and a recommendation of an AHTIF for 20 years (versus 30 years) at 50% capture.

Councilor Phillips asked about a relocation plan for the current residents during rehabilitation, noting the proposed demolition of 4 existing buildings with 24 units closest to Forest Avenue.

Tyler Plante of PHDC described relocation plans, with full-time staff to accommodate them, noting that is a 2 ½ year project. Residents will be moved in vacant units on site and then moved back to the same or comparable unit. Some will be moved off site at no increase in costs at same rent as at Riverton Park, as well as not being responsible for any relocation costs with PHDC reimbursing those costs to them. The staff will work them to move back as well.

Councilor Rodriguez said that he will support the project when it goes to the City Council. His timing and next steps questions have been answered here and in the backup.

Chair Councilor Ali asked about possible cases where the relocated resident out of Riverton Park does not want to come back but stay where they are, and Mr. Plante indicated that they are given vouchers so that no more than 30% of their income goes for rent and utilities so could stay where they were relocated.

Lastly, Chair Councilor Ali asked when they move back do they get a right to choose the apartment, and Mr. Plante noted that it depends on their needs, accessibility and bedroom needs. They will work with the resident, but the resident may not always get to choose.

Chair Councilor Ali opened the meeting for public comment, and there was none.

Councilor Phillips asked if there would be any zone changes, and Mr. Plante indicated that there would not.

There was a discussion regarding labor union and wages, and Ms. Davis indicated that there are no required labor unions. With the use of AHTIF and the City TIF Policy, TIF projects in the building stage of a project are required to have construction workers paid the state prevailing wage rates or Portland City Ordinance minimum wage rate, whichever is greater. Also, PHDC has to meet Davis Bacon wages in the construction phase.

A motion was then made by Councilor Phillips, seconded by Councilor Rodriguez to forward this item to the City Council for approval. A vote was then taken on the motion and it passed 3-0.

Item #3: Maine Cooperative Development Partners Update

Liz Trice of Maine Cooperative Development Partners (MCDP) presented a slide show to update the Committee on the housing proposals (Dougherty Commons, Lambert Woods North, and Lambert Woods South). MCDP and their business partners Preservation of Affordable Housing (POAH) and Nathan Szanton are requesting to be funded through the Jill C. Dusen Housing Trust Fund, and Affordable Housing Tax Increment Financing. Dougherty Commons includes two phases of construction- 45 Dougherty (63 LIHTC units being developed by the Szanton Company), and Dougherty Commons Condos (20 for sale condos with affordability restrictions for households earning up to 100%,), and Dougherty Commons

Apartments (42 affordable rental units). Liz also touched on new housing ideas from around the globe (Vienna, Montgomery County, Maryland, and Minneapolis, Minnesota). MCDP is focused on creating walkable and transit-oriented housing, with community-oriented spaces, based on environmental stewardship for households earning at or below 100% AMI. The Limited Equity Housing Cooperatives will be democratically controlled, allowing residents to pay stable costs in a model that creates affordability in perpetuity. A schedule of past and future steps required before occupancy (2025) was presented.

Matt Peters, also from MCDP, discussed unit types, bedroom size, pricing, AMI levels and funding request for the various projects.

Liz Trice thanked the City for supporting the development of limited equity cooperative housing and affordable housing.

Councilor Rodriguez asked Mary Davis if the Committee should be aware of other funding requests associated with the Housing Trust fund.

Ms.Davis noted that based on the proposed funding requests from the Portland Housing Authority (for Riverton Park) and the projects discussed by MCDP, all the money in the Housing Trust Fund (and HOME fund) will be used after this funding cycle.

Communications:

Ms. Davis noted the next meetings of the HEDC are scheduled for October 10 and October 24. The projects by MCDP will be presented at those two meetings.

On a motion made by Councilor Rodriguez, seconded by Councilor Phillips, the Committee voted 3-0 to adjourn the meeting at approximately 6:22 p.m.

Respectfully, Lori Paulette and Victoria Volent