City of Portland
Remote Rental Housing Advisory Committee

Tuesday, December 12, 2023 at 5:30 PM Via Zoom

To submit written public comment on an agenda item, email mpd@portlandmaine.gov. Submissions must be received by 12:00 pm the day of the Rental Housing Advisory Committee meeting to guarantee their inclusion in the agenda packet. All submissions must include the commenter's name and legal address. To help ensure your comment is submitted for the correct item, please include the name of the agenda item (see below).

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City of Portland
Remote Rental Housing
Advisory Committee

Tuesday, December 12, 2023 at 5:30
PM Via Zoom

1. Introduction of Members and Staff
2. Review and Discussion of Public Meeting Rules
3. Review and Discussion of the Charge and Duties of the Rental Housing Advisory Committee
    a. City Ordinance 6-225 Rental Housing Advisory Committee
4. Discussion of the Future of the Rental Housing Advisory Committee
    a. Discussion of February 21, 2023 Housing and Economic Development Committee
    b. Discussion of Next Steps (Potential Work Plan Items, Dissolution of the Committee)
5. Adjournment

6-225. Rental Housing Advisory Committee

(a) There is hereby created a Rental Housing Advisory Committee (the “Committee”).

(b) The Committee shall be comprised of nine (9) members, including three (3) members who are landlords, three (3) members who are tenants, one (1) member who is not a landlord or a tenant, one (1) member experienced in legal rights/interest of tenants, and one (1) member experienced in legal rights/interests of landlords.

> (1) All members of the Committee, excluding the members experienced in legal rights/interests of tenants and landlords, shall be residents of the City of Portland. The members experienced in legal rights/interests of tenants and landlords shall be either a resident of or work in the City of Portland.
>
> (2) All members shall be appointed by the City Council to serve staggered terms set by City Council order.
>
> (3) The Southern Maine Landlord Association may submit one name for consideration for the member experienced in legal rights/interests of landlords. If the Southern Maine Landlord Association fails to do so, the City Council may appoint the member without the Association’s recommendation or approval.
>
> (4) Pine Tree Legal Assistance may submit one name for the member experienced in legal rights/interests of tenants. If Pine Tree Legal Assistance fails to do so, the City Council may appoint the member without Pine Tree’s recommendation or approval.

(c) The Committee shall be co-chaired by one (1) landlord representative and one (1) tenant representative as agreed to by the members of the Committee.

(d) The Committee shall meet not less than quarterly and shall undertake the following duties:

1. Provide the Housing Committee with recommendations or proposals for improvements, modifications, or changes regarding landlord and tenant policy issues; and
2. Identify educational opportunities, seminars, and materials that would be useful to landlords and tenants.

(Ord. No. 76-16/17, 11-21-2016; Ord. No. 32-18/19, 8-13-2018; Ord. No. 215-18/19, 5-6-2019)

MEMORANDUM

FROM: **Rental Housing Advisory Committee**

TO: **Housing & Economic Development Committee** and
City Council

DATE: **January 9, 2023**

SUBJECT: **RHAC Duties and Charge**

I. Summary

As the Rental Housing Advisory Committee ("RHAC") enters its seventh year of existence (though fourth year of operation), and in light of the significant changes to regulation of rental housing in Portland since its inception, the RHAC seeks a restatement/clarification of the charge and duties for the committee, so that we can better serve the City and its citizens. Absent such revised guidance, the committee feels it is unable to take any meaningful action, and would recommend that the City Council disband the RHAC.

II. History

The RHAC was formed in November of 2016, as part of the Tenant Housing Rights Ordinance (Chapter 6 Article XI, Section 6-225; Council Orders 76-16/17 and 32-18/19). The Ordinance cited addressing housing insecurity and educating tenants among its purposes, and specifically charged the RHAC with two duties:

1. Provide the Housing Committee with recommendations or proposals for improvements, modifications, or changes regarding landlord and tenant policy issues; and
2. Identify educational opportunities, seminars, and materials that would be useful to landlords and tenants.

The RHAC's first meeting was on September 24, 2019, and it very quickly set to work on an issue raised by RHAC members in early meetings: rental housing application fees. After much debate and hard work, on December 16, 2019, the RHAC made a formal recommendation to the then-Housing Committee, recommending that the City adopt an ordinance prohibiting landlords from charging prospective tenants application fees (or any fees prior to move-in, aside from first month's rent and security deposit). *See* RHAC Memo, 12/16/2019. Through a process in which the RHAC's recommendation and work went mostly unconsidered, on August 3, 2020, the City Council ultimately enacted its own, and very different, ordinance restricting rental application fees. *See* 206-19/20. (This would ultimately be superseded by the Act to Protect Tenants in Portland, passed via citizen initiative (Question C) on November 8, 2022, which, in part, prohibits application fees for rental housing. *See* Chapter 6, 6-223.1 and 223.1(c).)

On April 27, 2020, the RHAC sent a recommendation to the Housing Committee and City Council, providing committee members' feedback, questions, and suggestions regarding Councilor Cook's proposed amendments to the City's Stay-at-Home Order (#156-19/20) as they pertained to short-term and long-term rental housing. The memo also included a recommendation that the City enact a temporary prohibition on rent increases, to run concurrent with other pandemic protections. *See* RHAC Memo, 4/27/2020.

At some point, the RHAC discussed hosting or otherwise coordinating a housing-related forum to facilitate the exchange of information and provide education to Portland tenants and landlords, similar to the event previously held at King Middle School in (to the best of our recollection) 2015. City staff informed the RHAC that such activities were outside the scope of the RHAC's charge, and so the RHAC ceased its efforts in that regard.

In November of 2020, Portland voters approved the citizen initiative enacting the Rent Stabilization Ordinance, effective as of January 1, 2021. This Ordinance created the Rent Board, and gave it the authority to "conduct hearings in response to tenant complaints, mediate disputes between tenants and landlords, and consider landlords' requests for rent increases outside the scope of this Ordinance."

This past November, Portland voters approved the Act to Protect Tenants in Portland, which built upon and expanded the authority granted to the Rent Board by the initial Ordinance. These new provisions give the Rent Board the jurisdiction and authority to, among other things, "adopt or amend … such rules and regulations as are necessary to implement" the Ordinance, and to "initiate changes and amendments to the city's Rent Stabilization Ordinance."

III. Request

Because the RHAC was formed prior to the citizen initiatives creating the Rent Board, and in light of the recent expansion of the Rent Board's authority via the most recent initiative, the RHAC seeks clarification of its purpose and/or role. Understanding that the RHAC is separate from, and independent of, the Rent Board and its activities, and seeking to avoid any duplicative or otherwise redundant work, the RHAC seeks a restatement or reaffirmation of its mission from City Council / H&ED, as well as a defined procedure by which we can be regularly heard by the HEDC, and the City Council as need be.

The RHAC has also considered that, without a viable charge and mechanism(s) by which we can be effective and heard, we would suffer a frustration of purpose, and would ultimately advocate for our disbandment. Each and every member of the RHAC sought appointment because they genuinely care about the issues and the people involved, and if we are unable to serve the City and its citizens effectively through the RHAC, we would appreciate the opportunity to serve our community in other capacities.

IV. Summary

The RHAC is, and has always been, comprised of members who are not only knowledgeable about Portland's rental housing environment, but are dedicated and committed to working on finding solutions to the many issues therein. We all remain eager to do so, and seek the City's guidance on how we can better do that in light of the significant changes to rental housing regulation since our committee's inception.

MEMORANDUM

FROM: **Rental Housing Advisory Committee**

DATE: **February 5, 2020**

SUBJECT: **Rental Application Fees**

I. SUMMARY

The Rental Housing Advisory Committee recommends that the City enact an ordinance to ban application fees for rental housing units.

II. BACKGROUND

The Rental Housing Advisory Committee (RHAC) is charged with providing the Housing Committee with recommendations or proposals for improvements, modifications, or changes regarding landlord and tenant policy issues and identifying education opportunities, seminars, and materials that would be useful to landlords and tenants.

At the RHAC's first meeting on September 24, 2019, group members brainstormed issues of concern to landlords and tenants. Several members expressed concern that rental housing application fees are a significant barrier preventing low and moderate income residents from securing housing in Portland. City staff informed the committee that staff in the Housing and Community Development Division had heard concerns about application fee fraud and abuse and had made the Housing Committee aware of that issue. City staff informed the group that the Housing Committee suggested that application fees might be a topic the RHAC could take up.

The RHAC discussed the fact that there is no state law or city ordinance limiting application fees. There is no requirement that a fee charged be linked to the landlord's cost in running a background check. Tenants are generally not in a position to know whether they have actually been considered for an apartment for which they have paid an application fee. Mindful that RHAC's charge includes education, members of the group discussed whether there are education solutions to these issues.

At the October 28, 2019 meeting of the RHAC members of committee articulated several areas of concern: landlords who collect application fees with no intention of renting to the applicant, landlords who collect application fees from multiple applicant and do not conduct background checks, and landlord who do not supply copies of reports to applicants who are not selected as tenants. The group discussed the concern that application fees price low and moderate income tenants out of Portland at multiple meetings.

The RHAC discussed several ways to address application fees. Proposals included a limitation on the amount that could be charged, a requirement that fees collected be refunded to tenants, a requirement that landlords provide copies of background checks to tenants, a prohibition on charging application fees when a tenant provides a landlord with a copy of a recent background check, and a ban on application fees.

Members of the Committee expressed concern that landlords could continue charging application fees by giving those fees another name and the proposed language banning fees is phrased to allow only a security deposit and first month's rent to be charged at the beginning of a tenancy.

On December 16, 2019 the RHAC voted 5-3 to recommend to the Housing Committee that the City prohibit landlords from charging application fees. (the committee currently has 8 members because a tenant member resigned) The RHAC drafted a resolution at the December 16th meeting to accompany the recommendation to explain the committee's rationale and the RHAC approved the resolution 6-2.

III. ANALYSIS AND BACKGROUND

RHAC understands that the Housing Committee would like to see "more than anecdotal" evidence demonstrating that application fees are a significant problem in the community. RHAC members have researched this issue and we have not found any studies that are responsive to this request.

Pine Tree Legal Assistance (PTLA) was asked whether they track calls about application fees. RHAC member Katherine McGovern explained that PTLA tracks cases based on the legal issue involved and so can provide data on the number of tenants who called about issues like evictions or security deposits but because there are no state or local laws limiting application fees, inability to afford application fees is not categorized or tracked as a legal problem. Ms. McGovern shared throughout the RHAC's discussion about this issue that PTLA's clients struggle to find affordable housing in Portland and application fees are a significant problem for PTLA's clients.

RHAC co-chair Meredith Cook, who has worked as a housing specialist at Through These Doors and is currently employed by Preble Street as the Maine Hunger Initiative Social Change Advocate, told the committee that application fees are such a significant barrier for low-income tenants that Preble Street caseworkers searching for housing with clients do not even apply with landlord who charge application fees.

RHAC member Wendy Harmon conducted a survey of members of the Southern Maine Landlord Association regarding members' practices regarding application fees. Ms. Harmon submitted the results of the survey to the group and these results are attached. Some members reported not charging application fees and those that charge application fees reported that they charge between $25 and $50 per adult applicant. Landlords who charge application fees reported collecting those fees from somewhere between one and nine applicants per available apartment.

Each RHAC meeting has included time for public comment. At the November 25, 2019 RHAC meeting three members of the public offered their views and testimony about their experiences with application fees. Jenna Dorr described her family's experience of scrambling to find new housing and spending more than $500 in application fees without know whether background checks were actually being conducted or whether they were truly being considered for apartments. Alyssa Floyd described paying application fees and never knowing why she was not offered an apartment. Jim Devine encouraged the committee to propose rules that are easy to understand and coherent. (Public comment for this meeting is summarized the meeting minutes and in the Bangor Daily News story attached).

IV. RECOMMENDATION

RHAC recommends that the following provision be added to Chapter 6 of the City's ordinances:

"At or prior to the commencement of any tenancy, no lessor may require a tenant or prospective tenant to pay any amount in excess of the following:

(i) Rent for the first full month of occupancy; and

(ii) A security deposit as defined in 14 MRS 6032"

V. LIST ATTACHMENTS

1. Resolution including proposed ordinance language submitted to the Housing Committee
2. "Renters say application fees a barrier to living in Portland's pricey housing market." Bangor Daily News article by Nick Schroeder, December 2, 2019
3. "Unregulated application fees make Portland's housing crisis even more expensive for renters." Maine Beacon, October 17, 2019

4. Examples of ordinances/statutes from other jurisdictions: Minnesota, Oregon, Minneapolis
5. Survey of Southern Maine Landlord Association members conducted by Wendy Harmon.

Prepared by: Katherine McGovern and approved by the Rental Housing Advisory Committee on a vote of 5-3

Date: February 5, 2020

Resolution

WHEREAS, application fees are a significant barrier to low and moderate income people in finding housing in the City of Portland; and

WHEREAS, tenants are likely to pay multiple fees before finally securing housing, and

WHEREAS, there are no laws in Maine regulating application fees.

THEREFORE BE IT RESOLVED, the Rental Housing Advisory Committee sees application fees as a significant burden on tenants when securing housing; and

THEREFORE BE IT FURTHER RESOLVED, the Rental Housing Advisory Committee recommends to the City Council Housing Committee to address this concern through the recommended policy change in City ordinance, below.

Application Fee Ban:

At or prior to the commencement of any tenancy, no lessor may require a tenant or prospective tenant to pay any amount in excess of the following:

(i) Rent for the first full month of occupancy, and
(ii) A security deposit as defined in 14 MRS 6032

Renters say application fees a barrier to living in Portland's pricey housing market

https://bangordailynews.com/2019/12/02/news/portland/renters-say-application-fees-a-barrier-to-living-in-portlands-pricy-housing-market/

By Nick Schroeder, BDN Staff • December 2, 2019 2:00 am
Updated: December 2, 2019 6:28 am

PORTLAND, Maine — A newly formed rental-housing committee is discussing how and whether to regulate application fees landlords charge tenants.

In a city with a rental-housing market as competitive as Portland, the push to regulate application fees, otherwise known as screening fees, has sparked debate in a new committee comprised of landlords and renters. Social service officials say some landlords have abused the practice of charging tenants for fees for background checks, which can be as high as $75 an application.

"Moving is a very expensive process for low-income people generally and the situation is worse when people have to spend their limited income on these fees," said Katherine McGovern, an attorney with Pine Tree Legal Assistance who sits on the city's Rental Housing Advisory Committee.

The abuse of application fees was the first item on the agenda for the committee on Nov. 25.

Because there aren't limits on application fees at the state or local level, there is no requirement that any fee be tied to expenses a landlord actually incurs when running a background or credit check, McGovern said. Tenants may suspect but not be able to prove that some landlords are pocketing fees without seriously considering tenants for apartments.

"We know from talking with our clients that it has been getting harder and harder to find affordable housing, especially in the greater

Portland area, and low-income tenants can end up spending a lot of money on application fees before finding a unit," McGovern said.

The Rental Housing Advisory Committee wants to crack down on landlords collecting fees with no intention of renting to the applicant and those who don't run background checks; commercial property owners charging multiple screening fees per applicant or for units in the same building; and landlords charging screening fees to immigrants and "new Mainers" for background checks when they have not yet been given Social Security numbers — in other words, they have no credit report to check.

Social services agencies and city officials have so far called instances of the abuses "anecdotal" and not necessarily widespread. Tenants have no recourse besides showing proof of abuse through the legal system, an option which many renters won't pursue because it can be costly and consumer protection laws make such evidence hard to obtain.

Citizens say that onerous fees serve as a barrier in Portland's increasingly pricey rental market. Jenna Dorr said she saw firsthand how rental fees limited her apartment search when she paid more than $500 on them during a two-week period in May.

"We paid all this money and then never heard from all these landlords who did these checks on us," Dorr said during the committee's public comment period last month. "We really have no way to know if these checks have been done."

Dorr said she contacted more than 40 landlords, treating each application process like a job interview. She would pay the nonrefundable application fee, and then send an immediate follow-up, thanking the landlord or lessor for their time and that she looked forward to hearing back from them either way.

Dorr's family eventually found housing. But the process was hard enough that it gave her reason to speak up.

“We felt desperate. We have a 2-year-old daughter. We were also lucky compared to a lot of people, [because we] had considerable savings to cover those fees.

Crow Jonah Norlander, a landlord representative on the Rental Housing Advisory Committee, said that landlords are essentially business owners, and that running a background check on a potential tenant should be considered part of the cost of doing business.

“It’s a customer acquisition cost,” Norlander said. “If I want someone to live in my home, it’s my responsibility to vet them.”

That’s not a universally shared view among property owners. Rents might be even higher if the cost of application fees is absorbed by the landlords, said Travis Heynan, director of property management for Avesta Housing, and a landlord representative on the committee.

Landlords, however, can also write off most screening fees on their taxes.

Another potential solution proposed by the committee would force landlords to accept a copy of a background check run on a prospective tenant in the previous 30 days, limiting the number of times a tenant’s credit would be run.

A survey conducted by the Southern Maine Landlord Association found that 57 percent of apartments in the Portland area come tied to application fees of some kind.

Among the respondents, 59 landlords and property owners said they did not charge rental application fees for the 644 units they owned.

The committee meets again on Dec. 16, and hopes to submit a recommendation to the Portland City Council’s Housing Committee soon after.

“I don’t understand how a city [of] this size with this kind of competition doesn’t have guidelines of this sort,” advisory committee member Nora Givens said.

BEACON

October 17, 2019 Cara DeRose

Unregulated application fees make Portland's housing crisis even more expensive for renters

For renters who earn minimum wage or are just starting out in the workforce, affordable housing options in Maine — which has one of the least affordable rental markets in the country — are increasingly limited. In the Portland area, renters compete with dozens, if not hundreds, of others for apartments that often cost 33 percent or more of their income and require the payment of a security deposit, along with first and last month's rent.

Adding to the stress and expense of finding somewhere to live are fees that some landlords now charge simply to apply to rent an apartment.

No laws in Maine currently regulate how much can be charged for these fees, what they can be used for and from how many applicants they can be accepted for the same property, a system that affordable housing advocates say can create a significant obstacle for low-income renters and a situation ripe for abuse.

"As the rental market has gotten more challenging, as rents have gone up and the number of affordable units has gone down, people have ended up spending more on application fees because they're having to apply to more units before they find a place," explained Katherine

McGovern, directing attorney for legal advocacy organization Pine Tree Legal's Portland office. "It's a real barrier for low- and moderate-income tenants."

While New England neighbors Massachusetts and Vermont have outlawed application fees, most states have no laws addressing these costs.

Application fees vary landlord to landlord and are usually not refundable. Two of Portland's biggest property management companies, Port Property and Schneider Management, charge a non-refundable $35 application fee, close to the $40 McGovern says is the average in Portland.

Portland residents have raised concerns to McGovern about paying these fees, which can quickly add up to hundreds of dollars in the search for a single apartment. McGovern said her clients often feel like they are being cheated by property owners.

"You may be paying fees without any real prospect of getting an apartment," McGovern said.

Paying without prospect

There are anecdotal reports that abuses of these fees may already be occurring, with some landlords accepting fees from applicants to whom they have no intention of renting.

Housing advocate Adam Rice told *Beacon* that when he worked for his family's business, the Portland-based property owner Apartment Mart, he observed that the company would often settle on a desired tenant while still collecting fees of up to $40 from other applicants.

"Say you have somebody come in, they look like they're a clean-cut person, well-kept. They're probably going to take care of the apartment. They apply for it," he said. "And then [Apartment Mart] could have that apartment booked all day long, every hour, and every person comes in and applies for that. And [Apartment Mart] knows only one person is going to get it."

This practice, Rice noted, contributes to the "false hope" that potential renters competing for a dwindling stock of affordable units feel when applying for an apartment.

"It's weird that you wouldn't say, 'Hey, somebody's already viewed this. I'm going to give it until the end of the day to see if their application passes,'" Rice said. "You could at least not be giving everyone false hope when you already know maybe five or six of these people aren't going to get it regardless."

Already beyond affordability

A recent housing report drafted by Portland's Division of Housing and Community Development highlights the economic situation facing low-wage workers in the city. The report, presented at an Oct. 9 meeting of the city council's Housing Committee, warns about the lack of rental options for the city's low-wage residents and the financial burden this places on many Portlanders.

As much as 47 percent of Portland's renter households reported paying more than 30 percent of their income towards rent and utilities, which is considered unaffordable according to the rubric used in the report. A survey of city residents found that the median rent for a two-bedroom unit in 2018 was $1,380. In order for this to be affordable, a renter must make $26.67 an hour or $55,480 per year. The median income for an individual renter is $33,654 per year.

(Photo: Kurt Bauschardt | Creative Commons via flickr)

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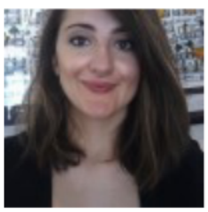

Cara DeRose 211 posts

Cara DeRose is a staff writer for Beacon. A graduate of the University of Southern Maine, she served as writer and copy editor for the USM Free Press and interned at the Portland Press Herald.

COMMENTS

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2019 Minnesota Statutes

504B.173 APPLICANT SCREENING FEE.

Subdivision 1. **Limitations.** A landlord may not:

(1) charge an applicant a screening fee when the landlord knows or should have known that no rental unit is available at that time or will be available within a reasonable future time;

(2) collect or hold an applicant screening fee without giving the applicant a written receipt for the fee, which may be incorporated into the application form, upon request of the applicant; or

(3) use, cash, or deposit an applicant screening fee until all prior applicants have either been screened and rejected, or offered the unit and declined to enter into a rental agreement.

Subd. 2. **Return of applicant screening fee.** (a) The landlord must return the applicant screening fee if:

(1) the applicant is rejected for any reason not listed in the disclosure required under subdivision 3; or

(2) a prior applicant is offered the unit and agrees to enter into a rental agreement.

(b) If the landlord does not perform a personal reference check or does not obtain a consumer credit report or tenant screening report, the landlord must return any amount of the applicant screening fee that is not used for those purposes.

(c) The applicant screening fee may be returned by mail, may be destroyed upon the applicant's request if paid by check, or may be made available for the applicant to retrieve.

Subd. 3. **Disclosures to applicant.** If a landlord accepts an applicant screening fee from a prospective tenant, the landlord must:

(1) disclose in writing prior to accepting the applicant screening fee:

(i) the name, address, and telephone number of the tenant screening service the landlord will use, unless the landlord does not use a tenant screening service; and

(ii) the criteria on which the decision to rent to the prospective tenant will be based; and

(2) notify the applicant within 14 days of rejecting a rental application, identifying the criteria the applicant failed to meet.

Subd. 4. **Remedies.** (a) In addition to any other remedies, a landlord who violates this section is liable to the applicant for the applicant screening fee plus a civil penalty of up to $100, civil court filing costs, and reasonable attorney fees incurred to enforce this remedy.

(b) A prospective tenant who provides materially false information on the application or omits material information requested is liable to the landlord for damages, plus a civil penalty of up to $500, civil court filing costs, and reasonable attorney fees.

History: *1999 c 150 s 1; 1999 c 199 art 1 s 174; 2010 c 315 s 4*

2017 ORS 90.295[1]
Applicant screening charge

- **limitations**
- **notice upon denial of tenancy**
- **refund**
- **remedy**

(1) A landlord may require payment of an applicant screening charge solely to cover the costs of obtaining information about an applicant as the landlord processes the application for a rental agreement. This activity is known as screening, and includes but is not limited to checking references and obtaining a consumer credit report or tenant screening report. The landlord must provide the applicant with a receipt for any applicant screening charge.

(2) The amount of any applicant screening charge shall not be greater than the landlord's average actual cost of screening applicants. Actual costs may include the cost of using a tenant screening company or a consumer credit reporting agency, and may include the reasonable value of any time spent by the landlord or the landlord's agents in otherwise obtaining information on applicants. In any case, the applicant screening charge may not be greater than the customary amount charged by tenant screening companies or consumer credit reporting agencies for a comparable level of screening.

(3) A landlord may not require payment of an applicant screening charge unless prior to accepting the payment the landlord:

(a) Adopts written screening or admission criteria;

(b) Gives written notice to the applicant of:

(A) The amount of the applicant screening charge;

(B) The landlord's screening or admission criteria;

(C) The process that the landlord typically will follow in screening the applicant, including whether the landlord uses a tenant screening company, credit reports, public records or criminal records or contacts employers, landlords or other references; **and**

(D) The applicant's rights to dispute the accuracy of any information provided to the landlord by a screening company or credit reporting agency;

(c) Gives actual notice to the applicant of an estimate, made to the best of the landlord's ability at that time, of the approximate number of rental units of the type, and in the area, sought by the applicant that are, or within a reasonable future time will be, available to rent from that landlord. The estimate shall include the approximate number of applications previously accepted and remaining under consideration for those units. A good faith error by a landlord in making an estimate under this paragraph does not provide grounds for a claim under subsection (8) of this section;

(d) Gives written notice to the applicant of the amount of rent the landlord will charge and the deposits the landlord will require, subject to change in the rent or deposits by agreement of the landlord and the tenant before entering into a rental agreement; **and**

(e) Gives written notice to the applicant whether the landlord requires tenants to obtain and maintain renter's liability insurance and, if so, the amount of insurance required.

(4) Regardless of whether a landlord requires payment of an applicant screening charge, if a landlord denies an application for a rental agreement by an applicant and that denial is based in whole or in part on a tenant screening company or consumer credit reporting agency report on that applicant, the landlord shall give the applicant actual notice of that fact at the same time that the landlord notifies the applicant of the denial. Unless written notice of the name and address of the screening company or credit reporting agency has previously been given, the landlord shall promptly give written notice to the applicant of the name and address of the company or agency that provided the report upon which the denial is based.

(5) Except as provided in subsection (4) of this section, a landlord need not disclose the results of an applicant screening or report to an applicant, with respect to information that is not required to be disclosed under the federal Fair Credit Reporting Act. A landlord may give to an applicant a copy of that applicant's consumer report, as defined in the Fair Credit Reporting Act.

(6) Unless the applicant agrees otherwise in writing, a landlord may not require payment of an applicant screening charge when the landlord knows or should know that no rental units are available at that time or will be available within a reasonable future time.

(7) If a landlord requires payment of an applicant screening charge but fills the vacant rental unit before screening the applicant or does not conduct a screening of the applicant for any reason, the landlord must refund the applicant screening charge to the applicant within a reasonable time.

(8) The applicant may recover from the landlord twice the amount of any applicant screening charge paid, plus $150, if:

(a) The landlord fails to comply with this section and does not within a reasonable time accept the applicant's application for a rental agreement; **or**

(b) The landlord does not conduct a screening of the applicant for any reason and fails to refund an applicant screening charge to the applicant within a reasonable time. [1993 c.369 §26; 1995 c.559 §10; 1997 c.577 §11; 1999 c.603 §14; 2011 c.42 §2; 2013 c.294 §6]

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[1] Legislative Counsel Committee, *CHAPTER 90—Residential Landlord and Tenant*, https://www.-oregonlegislature.gov/bills_laws/ors/ors090.html (2017) (last accessed Mar. 30, 2018).

Minneapolis Ordinance 244.1910

judgment has been duly stayed by such a court. This subsection shall become effective January 1, 2008.

(12) There is no active arrest warrant for a Minneapolis Housing Maintenance Code or Zoning Code violation pertaining to any property in which the licensee, applicant or property manager has a legal or equitable ownership interest or is involved in management or maintenance.

(13) a. Any person(s) who has had an interest in two (2) or more licenses revoked pursuant to this article or canceled pursuant to section 244.1925 or a combination of revocations or cancellations shall be ineligible to hold or have an interest in a rental dwelling license or provisional license for a period of five (5) years.

b. Any person(s) who has had an interest in a license revoked pursuant to this article or canceled pursuant to section 244.1925, shall be ineligible from obtaining any new rental dwelling licenses for a period of three (3) years.

(14) No new rental dwelling license shall be issued for the property during the pendency of adverse license action initiated pursuant to section 244.1940.

(15) The licensee or applicant must have a current, complete, and accurate rental dwelling application on file with the director of inspections in accord with the provisions of section 244.1840.

(16) a. Before taking a rental application fee, a rental property owner must disclose to the applicant, in writing, the criteria on which the application will be judged.

b. Application forms must allow the applicant to choose a method for return of the application fee as either 1) mailing it to an applicant's chosen address as stated on the application form, 2) destroying it 3) holding for retrieval by the tenant upon one (1) business-day's notice.

c. If the applicant was charged an application fee and the rental property owner rejects the applicant, then the owner must, within fourteen (14) days, notify the tenant in writing of the reasons for rejection, including any criteria that the applicant failed to meet, and the name, address, and phone number of any tenant screening agency or other credit reporting agency used in considering the application.

d. The landlord must refund the application fee if a tenant is rejected for any reason not listed in the written criteria.

e. Nothing in this section shall prohibit a rental property owner from collecting and holding an application fee so long as the rental property owner provides a written receipt for the fee and the fee is not cashed, deposited, or negotiated in any way until all prior rental applicants either have been screened and rejected for the unit, or have been offered the unit and have declined to take it. If a prior rental applicant is offered the unit and accepts it, the rental property owner shall return all application fees in the manner selected by the applicant, pursuant to section (b).

f. Violation of this subsection, 244.1910(16), may result in an administrative citation, or may contribute to the denial or revocation of a rental license.

g. This subdivision shall become effective December 1, 2004.

(17) An owner shall not have any violations of Minnesota Rule Chapter 1300.0120 subpart 1, related to required permits, at any rental dwelling which they own or have an ownership interest. A violation of Minnesota Rule Chapter 1300.0120 subpart 1 shall result in a director's determination of noncompliance notice being sent, pursuant to 244.1930 to the owner regarding the rental dwelling where the violation occurred. A second violation, at any rental dwelling in which the owner has an ownership interest, of Minnesota Rule Chapter 1300.0120 subpart 1, related to required permits, shall result in the issuance of a director's notice of denial, non-renewal, or suspension of the license or provisional license, pursuant to 244.1940 of the Code, for the rental dwelling where the second violation occurred.

(18) The owner, where the owner pays the water bill for a rental dwelling, shall not allow the water to be shut off for non-payment. If water to a rental dwelling has been turned off, for lack of payment by the owner it shall be sufficient grounds to deny, revoke, suspend or refuse to renew a license or provisional license.

(19) The provisions of this section are not exclusive. Adverse license action may be based upon good cause as authorized by Chapter 4, Section 16 of the Charter. This section shall not preclude the enforcement of any other provisions of this Code or state and federal laws and regulations.

Southern Maine Landlord Association Survey re: Application Fees

How many rental units do you own?	Do you currently charge an application fee?	If so, what amount do you charge?	On average, how many background and credit checks do you collect fees for before you find an appropriate tenant?
0	No	N/A	0
1	No	N/A	1
1	No	N/A	Non. will use airbnb for week long rentals on lake
1	No	N/A	0
1	No	N/A	1
1	No	N/A	0
1	No	N/A	2
2	No	N/A	0
2	No	N/A	I Air BNB my units
2	No	N/A	0
2	No	N/A	0
2	No	N/A	0
2	No	N/A	4
2	No	N/A	3
2	No	N/A	0
2	No	N/A	1
2	No	N/A	

How many rental units do you own?	Do you currently charge an application fee?	If so, what amount do you charge?	On average, how many background and credit checks do you collect fees for before you find an appropriate tenant?
2	No	N/A	
3	No	N/A	0
3	No	N/A	0
3	No	N/A	0
3	No	N/A	
3	No	N/A	1
3	No	N/A	2
3	No	N/A	0
3	No	N/A	
4	No	N/A	
4	No	N/A	
5	No	N/A	0
5	No	N/A	0
5	No	N/A	2-3
5	No	N/A	0
5	No	N/A	0
5	No	N/A	

How many rental units do you own?	Do you currently charge an application fee?	If so, what amount do you charge?	On average, how many background and credit checks do you collect fees for before you find an appropriate tenant?
6	No	N/A	0
6	No	N/A	0
6	No	N/A	
7	No	N/A	
8	No	N/A	0
8	No	N/A	1
8	No	N/A	0
8	No	N/A	0
8	No	N/A	0
9	No	N/A	0
10	No	N/A	0
10	No	N/A	0
10	No	N/A	0
11	No	N/A	2-3, we usually wait until we find a candidate that is likely to meet our standards, before we do reference checks.
13	No	N/A	0
14	No	N/A	0
14	No	N/A	0

How many rental units do you own?	Do you currently charge an application fee?	If so, what amount do you charge?	On average, how many background and credit checks do you collect fees for before you find an appropriate tenant?
15	No	N/A	3
16	No	N/A	0
21	No	N/A	
25	No	N/A	
30	No	N/A	0
31	No	N/A	1
60	No	N/A	0
70	No	N/A	0
130	No	N/A	3
1	No	We have used a tenant finder and have paid a fee!	When we have used a tenant finder service—it usually takes 2 to 3 credit credit and background checks time find someone
1	Yes	Cost of TenantNet	8
2	Yes	$25 - $35	1
3	Yes	$50	2
3	Yes	$50	1-2
3	Yes	$29	1 to 5 - but I reimburse the fees to the tenant who ultimately signs a lease.
4	Yes	$39.99 for one applicant. $49.98 for two.	1-2
4	Yes	$40	1

How many rental units do you own?	Do you currently charge an application fee?	If so, what amount do you charge?	On average, how many background and credit checks do you collect fees for before you find an appropriate tenant?
4	Yes	$35	2
5	Yes	$25	9
5	Yes	$30	1
5	Yes	$35	3
5	Yes	Whatever RentPrep charges	So far, 1
5	Yes	$30	2
6	Yes	$25 per adult applicant	Usuall, just one. If applicant is approved, the app. fee is credited to their sec. dep. If rejected, it is refunded, unless lies on the app. I use judgement experience to
6	Yes	$45	8
6	Yes	$40	2 max - I have a conversation before collecting $
6	Yes	$35	
7	Yes	$25	2
7	Yes	$30	5

How many rental units do you own?	Do you currently charge an application fee?	If so, what amount do you charge?	On average, how many background and credit checks do you collect fees for before you find an appropriate tenant?
8	Yes	$35	3
9	Yes	$30	2
10	Yes	Tenant net/$25	1-2
10	Yes	$30	1
12	Yes	$30	2
14	Yes	$35	1
16	Yes	$25	One or two
18	Yes	$30	4
36	Yes	$35	2 max
47	Yes	$35	3-4
50	Yes	$25	1
50	Yes	$40	Only the ones we want to rent to - so NO extra
62	Yes	$38	6
74	Yes	$30	4
83	Yes	$35	1-3
100	Yes	$30	1-2
180	Yes	$40	4

MEMORANDUM

FROM: **Rental Housing Advisory Committee**

TO: **Housing Committee and City Council**

DATE: **April 27, 2020**

SUBJECT: **Short-Term Rental Housing Proposals by Councilor Cook:**
- Amendment 1 to Order 156-19/20; and
- Amendment 2 to Order 156-19/20.

Prohibition on Rent Increases During "Stay-At-Home" Period + 30 Days

I. SUMMARY

Councilor Cook has proposed two Amendments to the City's "Stay-At-Home Order," #156-19/20, summarized as follows:

Amendment 1:
Short-term rental ("STR") owners who convert their STR to a long-term rental ("LTR") unit, register it as such, and "provide evidence to the Housing Safety Office that the person has entered into a lease agreement for the unit of at least one year's duration" are entitled to: (1) a full refund of all STR fees paid for 2020; and (2) a waiver of all LTR registration fees for 2020.

Amendment 2:
STR owners who convert an STR to an LTR and "provide evidence to the Housing and Community Development Division that the person has entered into an agreement to lease the unit to an individual(s) for a minimum of 1 year, and that individual will be receiving either Section 8 funds or General Assistance funds for the unit" will be entitled to a one-time payment of $1,000.00, which "shall be paid out of the Housing Trust Fund."

The Rental Housing Advisory Committee ("RHAC") met remotely on April 23, 2020, and, per its directive to "provide recommendations or proposals for improvements, modifications, or changes regarding landlord and tenant policy issues," discussed Councilor Cook's proposals. Although there was no consensus within the RHAC as to recommending adopting or rejecting either of the proposals as written, there were a number of questions and concerns, as well as suggestions for revisions that were shared among committee members, and we felt merit raising to the Housing Committee, and to the full City Council, to take into consideration as it evaluates these proposals.

The RHAC also considered a proposal to enact a moratorium on rent increases for rental properties in Portland during the duration of the City's Stay-At-Home Order, and for a period of thirty (30) days after.

II. Amendment 1

To the extent committee members expressed a preference for one of Councilor Cook's proposals over another, Amendment 1 was a distant second choice.

Among committee members' concerns was that the amount of the incentive, a refund of 2020 STR registration fees, either $100 or $200 per STR, plus a waiver of the $35 LTR fee, would be insufficient to generate a significant number of conversions. A few committee members also raised the fact that some rental units are registered as *both* an STR and an LTR, and therefore a refund of fees would be unnecessary to bring about a conversion of those units. Committee members generally felt that this proposal fell short by not including incentives to lease to tenants in rental assistance programs.

III. Amendment 2

The second of the proposals garnered a great deal more discussion, and, based on feedback and comments from committee members, was the preferred option of the two. There were a number of questions, concerns, and suggestions shared by many committee members, summarized as follows:

1. *Inclusion of Other Rental Assistance Programs*
   - Committee members would like to see the $1,000 incentive program expanded to include leasing to renters in other rental assistance programs, not just GA and Section 8, to include, for example, Shelter + Care, Stability Through Engagement, HUD, VASH, Bridging Rental Assistance Program, HOPWA, etc. (This list is not intended to be exhaustive; these are only some examples of such programs.)

2. *Inclusion of Long Term Rentals in Incentive Program*
   - Several committee members suggested including LTR units in the $1,000 incentive program, to encourage more owners of current LTRs to rent to tenants in rental assistance programs.
   - One committee member raised concerns with including LTRs in the program; specifically that a number of LTR owners already rent to tenants in rental assistance programs, and substantial participation by LTR owners could cause a depletion of the Housing Trust Fund without significantly adding to the number of units available to renters in rental assistance programs.
   - One committee member suggested that, to the extent the City is considering providing financial assistance to landlords, it should consider providing assistance to LTR owners that are working with their tenants who are having difficulties paying rent due to the pandemic.[1]

[1] - The RHAC is aware that this is outside the scope of Councilor Cook's proposed Amendments, however, given the circumstances created by the COVID-19 pandemic, and the importance of moving quickly, the RHAC encourages the Housing Committee and City Council to investigate any available options to assist renters during these times. To the extent the Housing Committee or City Council seek further advice or guidance on any such proposals, the RHAC is available to do so

3. *Status of STR Registration During and After LTR Ter: ı*

Committee members had a number of questions and concerns about how the STR registration is treated during the time the unit is being rented out as an LTR, and even more about what happens when the LTR is over, and the owner seeks to return the unit to STR status.

- For an STR converted under the program, would that STR registration remain in place, or would the STR be cancelled, and the owner required to get in line and re-register the STR at the end of the LTR term?
- With approximately 800 STRs, and City Code only allowing 400, are STR owners who participate in this program essentially forfeiting their STR registration(s) forever?
- Would prospective STR registrants, who are currently on the waiting list, be eligible to register their STRs during this time, if sufficient STRs convert?
- Assuming the incentive program is successful, and numerous STRs convert to LTRs for one year, what happens at the end of that one year, when these LTRs go back to STRs? There were concerns that, a year from now, there could be a ripple effect with lot of people on assistance looking for housing at the same time, concurrent with an immediate reduction in available units as these converted back to STRs.

4. *Length of STR Registration Suspension*

- Some committee members suggested that, in order for STR owners to qualify for the $1,000 incentive payment, they would need to relinquish the right to register the unit as an STR for a period of two years, being next eligible to re-register as such in 2022.
- Other committee members suggested that there be a type of transition period after the one-year LTR conversion, so that LTR tenants aren't immediately removed at the end of the one-year period and the unit converted back to an STR.

5. *Enforcement*

- Committee members expressed concerns about enforcement of the incentive program, noting that, as written, an STR owner need only present a one-year lease in order to receive the payment, and that they could evict a tenant – legally or otherwise – and still receive the full $1,000 payment without actually renting the unit for a full year to tenants on assistance.
- The legal representatives on the committee reported dealing with leases that contain "no cause eviction" clauses that would be problematic, to say the least, to enforcement of the one-year lease requirement as currently written. Since City staff can't review every lease submitted for these kinds of issues, the committee's legal representatives would like to see more stringent requirements and/or protections for tenants to prevent abuse of the incentive program.
- One committee member suggested that the $1,000 incentive be limited to one per STR owner, not one per STR unit, as it is currently proposed.

6. *Application to Islands*

- There were questions raised as to whether this would apply to rental properties on the islands, since they have been exempted from previous regulations and ordinances regarding STRs.
- Committee members felt that, given the seasonal nature of island properties, and the fact that many cannot be converted to all-season (*a.k.a.* LTR) use, they should not be included in, or covered by these programs.

7. *Use of Housing Trust Fund*

- Some committee members expressed concerns regarding the propriety of using Housing Trust Fund monies to pay STR owners, and whether or not it was appropriate for the City to make payments from the Fund to out-of-state STR owners.
- There were also concerns raised with the amount of the Housing Trust Fund that could potentially be spent on the incentive program ($800,000) in light of the Fund's balance and pending requests from it for other programs.

IV. TEMPORARY PROHIBITION ON RENT INCREASES

In addition to Councilor Cook's proposals, the committee also discussed the possibility of recommending a temporary prohibition on rent increases, to remain in place as long as the Stay-At-Home Order is in effect, plus at least thirty days afterwards. Time and logistics prevented the committee from fully fleshing out a written proposal and recommendation on this, and, recognizing that any specific language would need to be vetted by Corporation Counsel, the committee simply recommends herein that the Housing Committee and/or City Council consider the issue.

To date, the measures enacted by federal and state government have addressed evictions and notices, but not rent increases during this time. Committee members believe that such a provision, with a clause extending the protection for at least thirty days past the effective date of the Stay-At-Home Order, would protect tenants from rent increases during a time when their incomes are severely reduced, and from rent increases immediately after the pandemic is over.

V. SUMMARY

At this stage, the RHAC does not have a specific recommendation regarding the adoption or rejection of Councilor Cook's proposals. There was more support shown for the second of the two proposals, but with the number of questions and concerns raised, the RHAC recommends that the Housing Committee and City Council take those into consideration, and seek to answer those as thoroughly as it can, as it debates these proposals.

The RHAC also recommends that the City Council consider its proposal to enact a temporary prohibition on rent increases as outlined herein.

Members of the RHAC will be available to answer any questions the Housing Committee or City Council may have at its April 27, 2020 meeting, and those that follow, addressing these proposals.

Minutes

Remote Housing and Economic Development Committee

February 21, 2023

NOTE: This meeting was held via Zoom and can be viewed at this link: http://www.portlandmaine.gov/1695/Economic-Development-Committee 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, February 21, 2023, at 5:30 p.m. via Zoom. Present from the HED Committee were Chair Councilor Pious Ali, and members Councilors Mark Dion, Regina Phillips, and Roberto Rodriguez. Present from the City staff were Interim Housing and Economic Development Department Director Mary Davis, Acting Corporation Counsel Michael Goldman, Assistant City Manager Anne McGuire, Principal Administrative Officer Lori Paulette, and Housing Program Manager Victoria Volent.

Item #1: Review and accept Minutes of previous meeting held on January 17, 2023

On motion made by Councilor Dion, seconded by Councilor Rodriguez , the Committee voted unanimously (4-0) to accept the Minutes.

Item #2: Workshop- Responsibilities of the Housing and Economic Development Department

Ms. Davis gave a high-level overview of the Department noting that there are 16 full-time positions that, for one, assist with staffing 11 different committees. This while being down to 9 positions that are filled with 7 vacant. The Department consists of the Housing and Community Development Division, Economic Development, Office of Economic Opportunity, and Office of Creative Portland. (See attached presentation for more information.)

Councilor Rodriguez, noting the vast work of the Department, suggested that there be a good process in place when someone leaves or retires that their knowledge and institutional information does not get lost.

On another subject, Councilor Rodriguez apologized but he would need to leave this meeting at 6:00 p.m. for about a half hour and would then return. (Post note: he returned at 6:45 p.m.)

Seeing no further questions/comments, Chair Councilor Ali thanked Ms. Davis for the refresher on the work of the Department.

Item #3: Review letter from the Rental Housing Advisory Committee (RHAC)

Regan Sweeney, the Vice-Chair of the Rental Housing Advisory Committee presented this item by noting the RHAC is requesting a restatement/clarification of the charge and duties for the committee so that they can better serve the City and its citizens. Absent such revised guidance, the committee feels it is unable to take any meaningful action, and would recommend that the City Council disband the RHAC. The impetus for the request is in light of the recent expansion of the Rent Board's authority. The RHAC is separate from and independent of the Rent Board and its activities, and is seeking to avoid any duplication or otherwise redundant work. The RHAC also seeking a mechanism by which they can be effective and heard by the Housing and Economic Development Committee and City Council.

The HEDC and RHAC considered and discussed maintaining the RHAC with the charge of adopting policy that promotes solutions and enhances tenant safety (which is not under the Rent Board purview). Should however the RHAC be disbanded, the HEDC (with advice from Corporation Counsel) also discussed the procedure to amend the Ordinance (by the full Council) towards dismantling the Committee. The HEDC noted that as the oversite body, they should provide leadership and focus on items of interest for the RHAC to address while the RHAC indicated they are looking for both a clear mission in which a tenant/landlord perspective would be of valuable input, as well as a mechanism in which to make recommendations to the Council. The HEDC will incorporate suggestions and feedback received during the discussion to formulate next steps.

Item #4: Public Hearing- Review and recommendation to the City Council- FY2024 Housing Program Budget

Ms. Davis presented 2023-2024 Housing Program Budget to the Committee. This is an annual budget for HEDC recommendation. The budget is then incorporated into the packet of Housing and Community Development items that are reviewed by the City Council in two public hearings in March and April. A brief history of the HOME Program was shared with the Committee followed by a more in-depth discussion of the Housing Program Budget which includes allocation of the HUD HOME funding, Lead Safe Housing program income and Housing Trust Fund. As HUD has not announced the 2023-2024 HOME funding, an estimated amount based on the previous year's allocation is in the budget proposal. The Lead Safe Housing Program Income is generated through repayment of loans given under prior Lead Safe Housing Grants. The City also has a Lead Hazard Reduction Grant of $2,038,041 in funding for lead paint remediation and $503,655 in funding to assist with code and life safety improvements. The Housing Trust Fund has a current balance of $4,204,156. Staff recommends maintaining a minimum balance of $500,000 which would allow an effective budget of $3,704,156.

HUD has indicated the funding allocations for FY23-24 should be available on February 27. Subsequently, the adjusted Housing Program Budget will be available during the March and April City Council public hearings.

In response to the Committee's inquiry into the Lead Program, Ms. Davis noted the Lead Housing Program Manager position is now filled and the City is accepting applications for the five-year forgivable loans (the average loan is $10,000 per unit but can go up to $20,000 per unit). The lead grant is a county-wide program with a target area of Portland and Westbrook. Property owners who participate in the program agree to rent lead-safe units at certain affordability levels with priority to households with children under age six.

The Committee also asked clarifying questions regarding; the maintenance of a $500,000 minimum balance in the Housing Trust fund to purchase a homeownership unit (to ensure the unit remains deed restricted for affordability) in case of foreclosure; the Municipal Oversite Committee (MOC) (which is made of representatives from each CDBG-County community); the role of the HEDC in determining policy goals and the mechanics for disbursement of funds from the Jill C. Duson Housing Trust Fund; the calculation of the administration budget (which is 10% of all total funding); the utilization of Tenant Based Rental Assistance to pay for security deposits and first-month's rental assistance for individuals and families residing in homeless shelters (program oversight and daily operations are based out of the City's Social Services Division); the Lead Hazard Program Income (the source of which is the repayment of previous loans and grants that does not allow for a steady stream of income that can be relied upon year to year as opposed to the actual three-year Lead Hazard Reduction Grant which has already been established); the assistance provided with completion of the *Affordable Housing Development and AHTIF Application* (staff is available and welcomes questions from applicants); if when determining funding, based on the requests received in the *Affordable Housing Development and AHTIF Application*, is there a priority for disenfranchised developers or is there a priority for specific type of housing units (funding is tied to affordability requirements of the household (not developer) for each program (HOME/HTF/AHTIF), however the Council could set parameters around developer priority); can a priority be established to determine which households (such as asylum seekers) benefit from the HOME/HTF/AHTIF funding (the Fair Housing Act prohibits discrimination based on seven different protected categories, and prohibits discrimination on who is either eligible or ineligible for housing. Any priority determinations must take into consideration Fair Housing standards to avoid creating ineligibility criteria that discriminates); does the City try to appeal to developers who have the capacity to create large projects that would include ten or more units so that Inclusionary Zoning is triggered (the City does not fund projects to assist with meeting the requirements of Inclusionary Zoning (IZ).

HOME/HTF/AHTIF funding is for projects that go well above and beyond the affordability levels and IZ requirements); capacity is not about the anticipated margins for profit, but rather if the developer has access to technical resources and has demonstrated construction experience to complete a housing project; and who establishes the guidelines for the Jill C. Duson Housing Trust Fund (the Ordinance sets out the parameters on how the funds may be used. Staff creates an annual plan for review by the HEDC for approval and recommendation to the full Council for adoption. The annual plan establishes the funding parameters).

Chair Councilor Ali opened the meeting to public comment. Seeing no request to speak, the public comment period was closed.

On motion made by Councilor Phillips, seconded by Councilor Dion, the Committee voted unanimously (4-0) to forward the FY2024 Housing Program Budget to the City Council with a recommendation for approval.

Item #5: Public Hearing- Review and recommendation to the City Council- HOME-ARP Program Plan

Victoria Volent introduced the HOME ARP program which is intended to provide homelessness assistance and assistance to other vulnerable populations. Those vulnerable populations include; the homeless; those at-risk of homelessness; those fleeing/attempting to flee domestic violence; and populations where assistance would prevent homelessness. The HOME ARP program provides assistance by; providing affordable rental housing; tenant based rental assistance; supportive services; and non-congregate shelter development. The Cumberland County Consortium, which is a partnership between the City of Portland and Cumberland County, received $3,594,143 in HOME American Rescue Plan funding. To receive the funding, HUD requires the submission of an Allocation Plan describing the process undertaken by the Consortium for consultation by required groups, impacted populations, service provides, public agencies, and other organizations. The Allocation Plan is a summary of the information gathered from those consultations; it is a review of current conditions, and an assessment of the needs and gaps for qualifying populations within Cumberland County. The Allocation Plan describes the process for determining the most effective uses of the HOME ARP funding. This evenings meeting is an opportunity for review and public comment.

The Committee asked clarifying questions.

Chair Councilor Ali opened the meeting to public comment. Seeing no request to speak, the public comment period was closed.

On motion made by Councilor Rodriguez, seconded by Councilor Phillips, the Committee voted unanimously (4-0) to forward the HOME ARP Allocation Plan to the City Council with a recommendation for approval.

Item #6: Public Hearing- Review and recommendation to the City Council- Thames Street Purchase and Sale Agreement

Chair Councilor Ali asked if the Committee needed to go into executive session, and Mr. Goldman said that, at this time, it is not necessary. Should the Committee feel that it needs to provide further direction on negotiations to staff, then it would be appropriate. The complete proposed Purchase and Sale Agreement (PSA) is in the packet for a recommendation to the City Council.

Ms. Davis said that this item has been before the Committee a few times, for the sale of the remaining portion of City-owned on Thames Street. The City Council previously approved of the Request for the Proposals for its sale, which resulted in one proposal being received. That proposal is the subject of the PSA.

Ms. Davis noted that the proposal for a mixed-use, multi-tenant office building, with the main tenant being WEX. The development is consistent with the Eastern Waterfront Master Plan to support development along Portland's waterfront adjacent to WEX's headquarters on Thames Street. The purchase price is $1.1 Million, and the total value to the City for other inkind contributions is $2.69 Million. Those contributions include City ownership transfer of the Connector Road and access to 13 on-street parking spaces, cash for public restroom, easements for pedestrians through Mountfort Street Extension (from Thames to Fore Street) and Hancock Street to the Connector Road. In addition, the new construction will increase the City's tax base with an estimated $170,000 annually in new property taxes, as well as the quality jobs for the construction and office tenant makeup. City staff recommends approval of the proposed PSA.

Councilor Phillips asked if the sales price will go to the City General Fund or to the Jill C. Duson Housing Trust Fund.

Mr. Goldman noted that the funds are not yet ear-marked; this would be handled by the City Council as a separate item when the property sale closes.

Chair Councilor Ali opened the meeting for public comment. Seeing none, he then closed the public comment session.

A motion was then made by Councilor Phillips, seconded by Councilor Rodriguez, to forward the proposed PSA to the City Council for approval. A vote was then taken on the motion and it passed 4-0.

Item #7: Communication – No vote or public hearing required – 2023 Committee Work Plan and Schedule.

Chair Councilor Ali noted this Communication and should Committee members have feedback to contact either him or Ms. Davis.

On motion then made by Councilor Phillips, seconded by Councilor Rodriguez, the Committee voted 4-0 to adjourn the meeting at approximately 7:35 p.m.

Respectfully, Lori Paulette and Victoria Volent

City of Portland | Housing and Economic Development Department
Mary P. Davis, Interim Director

MEMORANDUM

TO: Chair and Members of the Housing and Economic Development Committee

FROM: Mary Davis, Interim Director

DATE: February 17, 2023

SUBJECT: Responsibilities/Overview of the Housing and Economic Development Dept.

As the Housing and Economic Development Committee begins its work for 2023, I thought it would be helpful to provide an overview of the work and areas of responsibilities for staff within the Housing and Economic Development Department. As with all City Departments, we perform the operational duties of our Department under the direction of the City Manager, who provides guidance and oversight regarding the implementation of policy set by the City Council.

Attached you will find an overview of the divisions and program areas within the Housing and Economic Development Department. These include:

- Economic Development Office;
- Office of Creative Portland;
- Office of Economic Opportunity; and,
- Housing and Community Development.

We look forward to highlighting the program areas with you and any questions you may have.

389 Congress Street, Portland, ME 04101 – www.portlandmaine.gov – (207) 874-8683

HOUSING AND ECONOMIC DEVELOPMENT DEPARTMENT of the City of Portland, Maine

The Housing and Economic Development Department (HEDD) provides Portland with a ***positive financial return to support increased private sector investment, associated property tax revenue, jobs for area residents, affordable housing, economic opportunities for Portland's diverse population, including its businesses and the creative economy sector***.

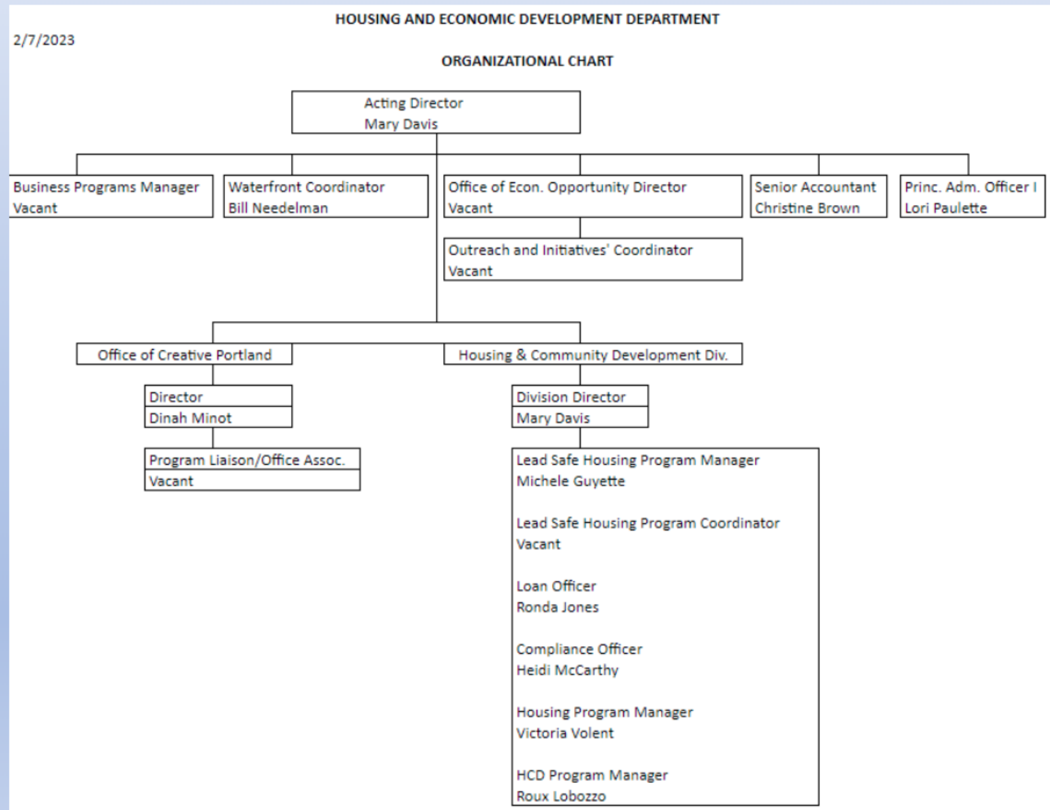
The HEDD takes the lead on Portland's business assistance, retention, expansion, and recruitment programs; affordable housing development; economic opportunities for Portland's diverse populations and creative economy sector; and is the steward of Portland's waterfront.

The HEDD serves as staff to the City Council's Housing and Economic Development Committee.

Housing and Economic Development Department website link.

Annual Operational Budget

The HEDD includes sixteen (16) full-time staff with an FY2023 annual budget of approximately $1.48 million. Department staff costs are offset by tax revenue generated from Tax Increment Financing Districts, U.S. Department of Housing and Urban Development Grants (CDBG and HOME), and the Portland Fish Pier Authority.



113b6f19

Economic Development Office

The Economic Development Office provides comprehensive assistance to businesses at every stage of development and growth, whether just starting up, expanding, or relocating to the City of Portland. Services are designed to streamline doing business in Portland.

Examples below of program areas:

- Brownfields Redevelopment Program/Grants from USSEPA of Over $5.2 Million for the Department for Phase I and Phase II Environmental Site Assessments and remediation and clean-up in the form of grants/loans to businesses and non-profits.
- Business Loan Programs/Since Inception in 1991 through Fiscal Year End 2022 Over $12.5 Million Approved
- Tax Increment Financing/Active Districts: 3 Area-Wide TIF Districts, including a Downtown TOD TIF, TOD TIF At Thompson's Point, 17 Affordable Housing TIF Districts, 3 Commercial TIF Districts

Committees staffed by the Economic Development Office:

- Portland Development Corporation (City's Business Lending and Granting Board)
- City-Owned and Tax-Acquired Property Committee (internal staff Committee)

The City’s Economic Development office facilitated the sale of City-owned land on Thames Street through an RFP process which resulted in it being purchased and developed for the WEX Headquarters.

135b619

Office of Creative Portland

Mission is to support the Creative Economy through the arts by providing essential resources, fostering partnerships, promoting Portland's artistic talents and cultural assets. As the official nonprofit arts agency, we support economic development efforts by strengthening and stimulating our workforce, creative industries, and enterprises. Creative Portland website link.

Examples below of program areas:

- First Friday Art Walk
- Arts and Culture Summit
- Arts in the Chamber
- Hear Here
- Cultural App Development
- Fiscal Sponsorships & Volunteers
- Cultural Events Calendar
- Arts and Music Festivals
- CP Art Gallery
- Portland Artist Relief Fund
- Public Art – Creative Bus Shelters, Art Banners for Public Health

Batimbo United, ART OUTTA THE PARK, Sea Dogs Field, 2018

Committees staffed by the Office of Creative Portland:

- Creative Portland Board of Directors

-

146b619

Office of Economic Opportunity

Mission is to convene and leverage public and private partners to assure optimal communication and collaboration so that racially and ethnically diverse communities, including immigrants and refugees, and other underserved populations, have access to jobs and related support services, as well as economic opportunities.

OEO's scope of work is guided by its current Strategic Action Plan for Inclusion, with four core outcome areas:

- Economic Inclusion and Development
- Civic Inclusion
- Cultural and Social Inclusion
- Welcome-Ability

Natural Helpers Graduation Ceremony

OEO is the only office of its kind in Maine. Its core function is as a convener and not as a direct service delivery agent except for two signature initiatives: Portland Professional Connections and the Natural Helpers Leadership Program. Both initiatives have become national models.

OEO also supports internal efforts pertaining to racial equity and Language Access compliance

Housing and Community Development

Administers Federally-funded programs that work in partnership with others (government, business, non-profits) to develop strong communities by creating decent and safe affordable housing, expanding economic opportunities, and providing programs that serve the most vulnerable in our community. HCD website link.

Programs of Services:

- Community Development Block Grant (approximately $1.9 million annually)
- HOME Program – County-wide consortium; Affordable Housing Development, Tenant Based Rental Assistance (approximately $900,000 annually)
- Local Housing Trust Fund – Affordable Housing Development (current balance approximately $2.3 million)
- Lead Safe Housing Program ($2.5 million grant, 42 month period of performance through 6/30/2023; extension to be requested through June 30, 2024)
- Affordable Housing Tax Increment Financing

Committees Staffed by the HCD Division:

- Rental Housing Advisory Committee
- CDBG Annual Allocation Committee
- CDBG Priority Task Force (meets every 3-5 years)
- Assist with staffing the City Council's Housing and Economic Development Department

168b619

Waterfront Economic Development Office

The Waterfront Coordinator represents the City's HEDD to promote the waterfront as a center of economic activity, to assist other departments with the management of the City waterfront facilities, and to create opportunities for all Portlanders to participate in harbor activities as a part of their everyday lives.

Programs of Service:

- Waterfront Policy, Land Use, and Zoning
- Eastern Waterfront development, including open space, public access, and community boating
- Climate Change
- Communications and Community Relations – liaison with Harbor Commission, State and Federal agencies, including: FEMA Solutions Based Team for Marine Infrastructure, SEAMaine Seafood Marketing Committee, Maine Offshore Wind Supply Chain and Ports Working Group, and Maine Climate Council, Marine, and Coastal Workgroup.

Special Projects:

- Harbor Dredging and Sediment Disposal
- Portland Fish Pier Strategic Planning
- Public Landing at Ocean Gateway

Committees Staffed by the Waterfront Coordinator:

- Portland Fish Pier Authority
- City Manager's Waterfront Working Group
- Island Broadband Planning

Serving commercial vessels at the Portland Fish Pier

Rental Housing Advisory Committee

1 message

Mary Davis <mpd@portlandmaine.gov> Fri, Mar 3, 2023 at 8:39 AM
To: Nora Graves <ncgrhac@gmail.com>, Jeremy Lock <jlock619@hotmail.com>, Crow Jonah Norlander <crowjonah@gmail.com>, Victoria Volent <vvolent@portlandmaine.gov>, Jonathan Kurzfeld <jkurzfeld@gmail.com>, Christopher Marot <cmarot@ptla.org>, Regan Sweeney <regansweeney@gmail.com>, Wendy Harmon <wendyharmon@kw.com>, Gretchen Phoenix <Gretchen.Phoenix.gp@gmail.com>

RHAC Members,

I wanted to provide follow-up to the February 21 Housing and Economic Development Committee meeting, during which the HEDC reviewed the letter submitted by the RHAC. Regan Sweeney, Jonathan Kurzfeld represented the RHAC. Nora Graves was also in attendance. If you are interested in watching the HEDC meeting recording, you can access it on the Agenda Center page of the City's website. (http://portlandme.civicclerk.com/Web/Player.aspx?id=6154&key=-1&mod=-1&mk=-1&nov=0) The discussion begins at about the 18:20 mark in the recording.

While the HEDC did not make any final decisions, they did indicate that they will incorporate suggestions and feedback received during the meeting to formulate next steps. The RHAC can be part of the process and next steps. To that end, Victoria has pulled together previous HEDC and RHAC information that might be helpful to you as you think about and formulate your suggestions. Additionally, HCD staff will be working with staff from the legal department, Housing Safety and the City Manager's office, to review city ordinances related to housing safety and tenant housing rights. HCD staff will use all of this information to present a recommendation to the HEDC on a path forward.

Your next meeting is scheduled for Monday, March 13 at 5:30. Staff will post the agenda when it is received from the co-chair.

Mary P. Davis
Interim Director
City of Portland
Housing and Economic Development Department
389 Congress Street Room 312
Portland ME 04101
(207)874-8711
mpd@portlandmaine.gov

7 attachments

Draft Work Plan 1-27-2022.docx
26K

RHAC Memo re LT Resources Page.pdf
161K

DRAFT 5-26-22 minutes.docx
21K

Remote Rental Housing Advisory Committee Packet.pdf
267K

RHAC Memo re Housing Safet 3-24-22.pdf
143K

1-23-21 Discussion items for RHAC meeting.docx
22K

RHAC and Rent Board 1.15.2021.pdf
102K

MEMO: Rental Housing Advisory Committee's Why and Ideas for Moving Forward

DATE: February 15, 2021

While the Rental Housing Advisory Committee (RHAC) is composed of a diverse group of people with varying backgrounds amidst tenant and landlord relationships, the common thread is clear: the betterment of the relationship and communication between tenants and landlords in Portland.

Some members were hoping for more of a Landlord/Tenant commission that would help resolve landlord-tenant conflicts by hearing cases and issuing decisions and orders.

Others were hoping for a more policy driven committee to help meet the needs of our diverse community in an equitable and sustainable way.

Regardless, the issue in Portland remains – navigating how to live here can be confusing and difficult.

Securing housing in Portland is marked with fear and uncertainty for many due to high rents and stories in the media of absent landlords not taking responsibility for their buildings. We need to cultivate a culture of affordability and caring, not only for buildings, but also for tenant wellbeing.

Homeless, immigrant and service-industry workers in Portland deserve to live in this vibrant community, especially given how much they give to Portland. We not only want to advocate for policies that would improve the lives of all Portland renters, primarily low-income and homeless Portlanders, but also help the City of Portland streamline the guidelines for landlords and tenants, helping educate participants on compliance for rental programs, and bring their voice to the table.

Currently as a group, the RHAC is not truly representative of landlords in Portland (i.e. bigger developers and rental property owners) and we feel we're set up in more of an adversarial way, without much information on comprehensive data regarding the current rental market.

These are all barriers to forward progress of our committee.

The RHAC should be acting with the Housing and Economic Development Committee and City Council to promptly and substantively address concerns from the community and mitigate tensions between landlords and tenants, especially during this current climate.

The RHAC has several ideas for ways we can work together to help create some positive change in the community:

-Recommend to City Council a formal comprehensive study of rental market so all parties can make informed decisions on where and how to focus efforts to aid tenants
• Work with Healthy Homes to update no smoking notices to include cannabis, as no smoking means

no smoking of any kind.
• Create website notices of city ordinances for landlords and tenants (i.e. $30 maximum application fee, easy to understand information regarding violations and correction) that is up-to-date and easy to read for both parties. Maybe include a button on Portland's homepage fordirect link to the latest information.
• Work with city and community lenders on a city guaranteed loan program with low interest rates or 10-year forgiveness for rental property owners regarding their property taxes or to repair items such as windows, decks and doors.
• Work with the city on no late fees or penalties for tenants or landlords after any moratorium is lifted.
• Work with the city zoning department to help disseminate information via virtual workshops regarding the application process for property owners to add accessory units to their property.

• Work on policy proposals such as:
o a moratorium on evictions, late fees or legal actions as well as no rent increases during the pandemic
o recommending no negative credit reporting for either tenants or landlords with COVID related issues regarding partial or non-payments
o making affordable housing accessible for those who have or who are experiencing homelessness
o increasing the requirements of the inclusionary zoning ordinance
o an ordinance to require landlords to disclose to tenants the reason their application for housing is denied
o building bridges with landlords and case managers to help Portlanders get and stay housed, helping keep people from becoming homeless
o amend the ordinance creating the RHAC to enable the group to host educational events
o lobby the Housing Safety Office for increased tenant outreach and enforcement

Respectfully submitted,
Rental Housing Advisory Committee

MEMORANDUM

FROM: **Rental Housing Advisory Committee**

TO: **Housing and Economic Development Committee / Staff**

CC: **Development Committee**

DATE: **February 24, 2022**

SUBJECT: **City Website "Tenant & Landlord Resources" Page**
https://www.portlandmaine.gov/2604/Tenant-Landlord-Resources

As part of the RHAC's charge to "identify educational opportunities," and provide recommendations regarding "proposals for improvements, modifications, or changes regarding landlord and tenant policy issues," the RHAC recommends that City staff update its webpage entitled "Tenant & Landlord Resources," with the URL referenced above.

Though the page is titled simply "Tenant & Landlord Resources," in its current form, the page is listed under Health & Human Services, "COVID-19 Information," and is comprised solely of information related to relief available and policy changes made in response to the COVID-19 pandemic. The vast majority of the information available on the site is very outdated, to the point where most of the programs and relief referenced are no longer available.

This page is the top Google result when searching for "Portland Maine landlord tenant information," and it is a City government site, so it's important that the information provided is both relevant and up to date. To that end, the RHAC recommends the following changes:

1. Update Page with Currently-Available COVID-19 Programs and Relief

To the extent the City intends to keep a website providing information about the various programs, changes, and relief available specific to the COVID-19 pandemic, then this page should be updated to serve in that capacity. It should be renamed, and the back-end coding changed to reflect that it is a page specific to COVID-19-related measures, and not a site containing information about Portland's landlord/tenant laws and issues, generally. That should be a separate page/site, more appropriately under Housing and Economic Development rather than Health and Human Services.

2. Create a New Page with Landlord-Tenant Information

The RHAC recommends that the City create a webpage dedicated to Landlord/Tenant Information, generally, that contains links to relevant City Code provisions, Rent Board page, RHAC page, rental property registration, Housing Safety, etc. The RHAC did not develop an exhaustive list of all things that should be included on the page, but in addition to links to the other various City sites regarding landlord-tenant matters, the RHAC recommends that the City publish the following on its website:

a. *Rent Board Decisions*
   As the Rent Board continues to hear and decide cases before it, the City should publish those decisions publicly on its website, so that they are readily available to the community.

b. *Information on Violations*
   To the extent landlords have been fined, registrations revoked, or other penalties imposed for violating the City's landlord-tenant ordinances, it hasn't been well-publicized, and there is a perception among the rental community that enforcement simply isn't happening. Just as with the Rent Board's decisions, the City should be publishing these as well, so that the community is apprised of what's happening.

Rental Housing Advisory Committee
Minutes of Remote Meeting held on May 26, 2022

Committee attendance: Meredith Cook, Nora Graves, Wendy Harmon, Jonathan Kurzfeld, Christopher Marot, Crow Norlander, and Regan Sweeney

Absent: Jeremy Lock, William Sedlack

Staff attendance: Mary Davis and Victoria Volent

Item 1: Review and Approval of the Minutes of the April 28, 2021 Meeting

On motion made by Jonathan Kurzfeld, seconded by Nora Graves, the Committee voted (5-0) (Regan Sweeney and Wendy Harmon abstained) to accept the amended minutes.

Item 2: Discussion / draft memo regarding rental property holding fees

Christ Marot noted the management company, Princeton Properties (which manages four properties in Portland), are accepting applications for their waitlist and are requiring a $500 holding fee to be paid prior to any processing (such as the background check). The holding fee could be held for as long as 45 to 60 days. Chris will help put together a memo why this may be prohibitive and submit a red line of the Rental Application Fee Ordinance (chapter 6 Section 221 and 223).

Nora Graves asked if the City has been made aware that Princeton Properties is requiring these fees.

Chris Marot indicated the Housing Authority is aware but he is not sure if the Housing Safety office is aware.

Mary Davis said she will provide this information to the Housing Safety Department.

The Committee discussed potential wording of their recommendation to ensure they are restricting all costs, payments, charges, or any other kind of expenditure required to be paid by the applicant in order to have his or her rental application considered by the landlord. A draft memo will be circulated for Committee review.

Mary Davis will forward the previous memo (drafted by the RHAC to the Housing Committee) for red lining. There is the potential to strengthen the original recommendation with recent events.

Mary also noted she will share the information from the RHAC regarding their findings and concerns with holding fees with the internal City Hall working group looking at the tenant's rights housing rights ordinance and the rent control ordinance. That working group makes recommendations and there is the possibility they could add weight to the RHAC's recommendation.

<u>Item 3: Development of committee work plan and ideas for 2022</u>

The Committee discussed if the sample work plan included in their packet of materials would be a helpful guide for the RHAC to follow. Mary Davis briefly explained how the Housing and Economic Development Committee puts together their annual work plan by collecting items they wish to work on during the year and then scheduling those items on a calendar. Jonathan Kurzfeld shared his notes from the last meeting in which he broke down the Committee's comments and suggestions into the following broad categories; 1) affordable housing (development policy/payment source discrimination/rental control market study) 2) eviction policy (post covid restrictions/housing stability/proactive education material for renters) 3) short term rental policy 4) rental rights, restrictions, and information (online access and disclosure for renters and landlords).

Wendy Harmon expressed her concerns around possible evictions as MaineHousing has been notifying tenants enrolled in their Emergency Rental Assistance Program that their rent relief payments are expiring but MaineHousing is not providing that same notification to the landlords. Chris Marot added that the tenant not paying their rent would be the cause of the problem rather than the loss of the rent relief payment from MaineHousing. Wendy noted that if tenants do not understand they cannot reapply for rent relief, it could become a problem. An additional red flag issue is the changes scheduled for June 1 on how hotels and other temporary housing providers are reimbursed.

Regan Sweeney will create a chart based on what Jonathan outlined to circulate among members asking they add to it as they see fit. In response to the request for items to address in the short-term, Chris Marot asked if the Committee should ask the Housing and Economic Development Committee to look at what to do about short term, temporary housing for people who will soon lose it with the hope to provoke action. Mary Davis indicated the City is aware of these issues and is doing as much as it can looking for resources and advocating for other partners to step in. Jonathan Kurzfeld asked if the Committee could receive an itemized breakdown of the initiatives the City is pursuing. Mary Davis said the topic is so much bigger than the work this Committee is tasked with pursuing; it has to do with asylees, refugees, and unhoused people. If you pick up the paper almost any day, you can see the City's efforts to address the problem. Additionally, the City Manager is having conversations (that are not necessarily publicly available) at the State and Federal level as is the Health and Human Services Department.

Wendy Harmon recognized the work ESAC (Emergency Shelter Assessment Committee) is doing. This diverse Committee of advocates working to ensure the safety and well-being of people who are homeless provides a monthly update of the problem and the efforts to house people. Each month they discuss the legislative issues and outcomes of lobbying efforts; they are very in-tuned to what is going on and knew a couple of months ago the hotels were going to be shutting down. The ESAC agenda and packet of information is published on-line at the Agenda Center on the City's website.

Item 4: Public Comment

The meeting was opened to public comment, seeing no members of the public present, the public comment period was closed.

Item 5: Other Business

Meredith Cook shared that she will need to resign from the Committee at the end of the summer. Mary Davis reminder her to notify the City Clerk's office.

Mary Davis noted most other committees are not meeting in August and barring any emergencies, this committee will also not meet in August.

The next meeting is to be scheduled for Thursday, June 23, 2022.

On a motion made by Meredith Cook, seconded Wendy Harmon, the Committee voted unanimously (7-0) to adjourn.

The meeting was adjourned at 6:21 PM.

Respectfully submitted by Victoria Volent

City of Portland
Remote Rental Housing Advisory Committee

Thursday, May 26, 2022 at 5:30 PM

REMOTE ACCESS INFORMATION:

The Remote Rental Housing Advisory Committee will conduct this meeting remotely via Zoom pursuant to the Remote Meeting Policy adopted by the Portland City Council. Allow your computer to install the free Zoom app. If you are not able to attend via Zoom, a recording will be available in the Agenda Center following the meeting.

For public comment via Zoom, you will need to use the "raise your hand" feature. To raise your hand via the telephone, please hit *9. You will be unmuted by the host when it is time for public comment.

To join via telephone or iPhone dial: 1 929 205 6099

Webinar ID: 885 0475 8664

Please click the link below to join the Webinar
https://portlandmaine-gov.zoom.us/j/8850475866

1. Review and Approval of the Minutes of the April 28, 2022 meeting
   a. Draft 4-28-22 Minutes
2. Discussion / Draft Memo Regarding Rental Property Holding Fees
3. Development of Committee Work Plan and Ideas for 2022
4. Public Comment
5. Other Business

Rental Housing Advisory Committee
Minutes of Remote Meeting held on April 28, 2022

Committee attendance: Meredith Cook, Nora Graves, Wendy Harmon, Jeremy Lock, Christopher Marot, and Crow Norlander.

Staff attendance: Mary Davis and Victoria Volent

Item 1: Review and Approval of the Minutes of the March 24, 2021 Meeting

On motion made by Jeremy Lock, seconded by Crow Norlander, the Committee voted (6-0) to accept the minutes.

Item 2: Development of Committee Work Plan and other ideas

The Committee discussed ideas for the Work Plan including; affordable housing (tiny homes, density, zoning); tenant rights; providing links from the City web page to SMLA and Pine Tree Legal; post-pandemic evictions; information dissemination; short-term rentals; voucher discrimination; security deposits from a third party; assessment of rent control (long-term quantitative market analysis and short-term qualitative interviews with tenants and landlords); and a rental market conditions study.

Mary Davis noted the attachment (2022 Housing and Economic Development Committee Work Plan March 18, 2022) provides a template to follow. For example, replace "Economic Development Policy" with "Education Opportunities" and then list out items for discussion. Flush out the bigger ideas- topics- and then go from there.

Item 3: Discussion of Holding Fees

Chris Marot stated, as the Committee knows, there are very long waitlists to find housing. Pine Tree Legal has heard of buildings that are now asking for a holding fee at the start of the waitlist process. The money sits with the landlord until the unit is leased. For low income tenants that is not doable. One landlord said it's different than an application fee because the holding fee is applied to rent. The money is returned if the tenant does not rent with the landlord. The RHAC should make a recommendation to the Housing and Economic Development Committee (HEDC). The holding fee is used to find out how much disposable income the potential tenant has. Three sizable projects in the City are using holding fees.

The Committee discussed the nature of the holding fee and asked "who gets to decide if this is an application fee or not". A potential pathway forward is a tenant could report this practice to the City and the City, in its review of the rules around application fees, could provide the answer. Subsequently a fine could be levied against the landlord that could be enforced by the City through court action.

The Committee discussed the process around violation of the Application Fee ordinance in Chapter 6 and ultimately providing a recommendation to the City Council to review the Holding Fee process and alerting Corporation Counsel of the practice. Possible income discrimination was also considered.

Mary Davis recommended the Committee review the Application Fee ordinance and provide a marked revision along with a memo for the HEDC. The memo should address the issues and concerns. Reference that it's a real issue (not antidotal).

Chris Marot volunteered to write the memo, share it with Mary who would then share it with RHAC members. Crow Norlander and Jonathan Kurzfeld will redline the ordinance. The recording of the meeting will be shared with all members so that someone can formalize the Work Plan chart.

<u>Item 4: Public Comment</u>

The meeting was opened to public comment, seeing no members of the public present, the public comment period was closed.

<u>Item 5: Other Business</u>

The next meeting is to be scheduled for Thursday, May 26.

On a motion made by Chris Marot, seconded by Jonathan Kurzfeld, the Committee voted unanimously (6-0) to adjourn.

The meeting was adjourned at 6:37 PM.

Respectfully submitted by Victoria Volent

<u>**MEMORANDUM**</u>

FROM: **Rental Housing Advisory Committee**

TO: **Jessica Hanscombe, Permitting & Inspections;** and
Zachary Lenhart, Licensing & Housing Safety

DATE: **March 21, 2022**

SUBJECT: **Discussion / Q&A with RHAC at 3/24/22 Meeting**

The Rental Housing Advisory Committee ("RHAC") appreciates your willingness to attend our March 23 meeting. To make that meeting as productive as possible, and to minimize the possibility of questions you didn't expect, the following is a list of some things that have come up in our discussions regarding Housing Safety, Inspections and the like.

- The explosive gas leak detector requirement (25 M.R.S. § 2469), and any efforts by the City to publicize or distribute notice to landlords and tenants, and/or any plans to include these in future safety inspections.

- Rent Board:
    - The process for, and Housing Safety's involvement in, drafting the various forms and documents used by the Rent Board.
    - Ways of streamlining paperwork drafting / submission process.
    - Any plans for publicizing or otherwise making Rent Board decisions publicly available.

- What are Housing Safety and Inspections' biggest obstacles in obtaining compliance with various L/T laws and regulations? Is there anything the RHAC can recommend that could help?

- What are Housing Safety's biggest issues or problems with short-term rentals (STRs) like Airbnb, etc.? How has enforcement of the restrictions on and registration of STRs been going? Is there anything the RHAC can do to help?

- What's the usual lifecycle of a building or renovation permitting request, from first filing to approval? Are there ways of streamlining that process for expediency? Can the RHAC help?

- What are the most common reasons building or renovation permits get denied? Are these things that are usually corrected, and/or followed up on?

- What is being done in terms of educational materials, programs, website announcements, etc. explaining how the permitting process works, and how to navigate it?

Discussion Items for RHAC meeting - January 25, 2021 – 5:30PM – Zoom

Item 2: Discussion of HEDC meeting: It was clear that the Committee was aware of the possibilities of redundancies and that merging or dissolving committee were possibilities that they would want to visit later in the year after the RB is up and running. They also thought the RHAC was about affordability and finance and policy while the RB was rent stabilization. They spoke of overlaps in duties and efficiency of having both committees but no solid conclusions were made and it will be revisited later in the year. Until then both committees go on. Spencer will send some issues in a memo to Mary for our committee to look at as possible items for our work plan. There was no public discussion of the issue so I did not get to speak.

My notes from the last RHAC meeting indicated that Mary would remind the HEDC that they should hold an introductory meeting with RHAC since members are new to the HEDC.

If I had been afforded the chance to speak, I would have pointed out that communication between the two boards is essential for success so that one hand knows what the other is doing and duplication of efforts and resources are minimalized. RHAC needs a stronger procedural structure and HEDC should provide guidance on issues that RHAC should be looking at to assist HEDC in completing its work and mission. Also the HEDC should provide RHAC with timely feedback on items presented as well as our minutes and work plan to ensure we are successful going forward.

Item 3: Discussion of RHAC rules and procedure modifications:

- Election of Chair and Co-Chair – Annually? Term of Office?
- Presentation of items to HEDC ; Who should present, dissenting opinions should be acknowledged and represented
- Outline of how a presentation should go to the HEDC, what format?
- Attendance at meetings- How many absences?
- Submission of items for consideration of RHAC not in work plan
- How to call a special meeting. What would constitute a special meeting

Item 4: Discussion of Work Plan and scheduling of future meetings

If decided quarterly in 2021, suggest dates:

January 25, 2021
April 26, 2021
July 26, 2021
October 25, 2021

If monthly in 2021, suggest dates:

January 25, 2021
February 22, 2021
March 29, 2021
April 26, 2021
May 24, 2021
June 28, 2021
July 26, 2021
August 30, 2021
September 27, 2021
October 25, 2021
November 29, 2021
December 27, 2021

Suggestions for items for the work plan for 2021:

Items must be fluid since the pandemic and emergency order keeps the situations we are dealing with ever changing; however here are a few suggestions:

- Recommend the moratorium on evictions or legal actions be extended from 30 to 90 days after the Emergency Order is lifted and that there be no utility disconnections or foreclosure actions during that time.
- Recommend no rent increases for the remainder of 2021 due to Covid -19 hardships.

- Recommend no late fees or penalties to either tenants or landlords after the moratorium is lifted.
- Recommend the City work with landlords and owners on payment of property taxes for at least 90 days. Extending the deadline for total payment with no penalties or the initiation of a payment plan could be suggested.
- Recommend that landlords work out a no interest fee payment plan with tenants affected by Covid -19 on their delinquent rent to allow some rental income to process
- Recommend no negative credit reporting for either tenants or landlords who have Covid related issues with non-payments or partial payments that leave a balance.
- Recommend the City meet with local financial institutions and mortgage companies to work with landlords/owners asking them to be flexible in addressing delinquent payments, possibly without adding more interest to the balance.

These suggestions might cause a redundancy with the newly created Rent Board but if avenues of communication are open, there is an opportunity to assist and support each other in the scope of our assigned duties.

<u>Item 5: Discussion of RB ordinance and potential impact on RHAC</u>: I think I have already covered this in the other items.

These are just my thoughts on the agenda items for the RHAC January 2021 meeting.

Please feel free to share them as you think appropriate. I am happy to discuss them.

Thank you.

CITY OF PORTLAND
Housing and Economic Development Department
Housing and Community Development Division

TO: Councilor Thibodeau, Chair,
Members of the Economic Development Committee

FROM: Mary Davis, HCD Division Director
Housing and Economic Development Department

DATE: January 15, 2021

SUBJECT: Discussion on City Board/Committee Redundancies – Rent Board and Rental Housing Advisory Committee

Rental Housing Advisory Committee (RHAC)

The RHAC was established under Chapter 6 of the City Code (6-225). The committee has nine members (3 landlords, 3 tenants, one person not a landlord or tenant, one member experienced in landlord legal matters, one member experienced in tenant legal matters), each being appointed for a three-year term. The members must be residents of Portland except for the legal representatives who must either be a resident or work in the City of Portland. The City Council appoints the members. Southern Maine Landlord Association and Pine Tree Legal Assistance can submit one name for consideration of the respective legal representative positions. The committee is co-chaired by one landlord and one tenant representative.

The ordinance requires that the committee meet not less than quarterly and assigns the following duties to the members of the RHAC:

1. **Provide the Housing Committee with recommendations or proposals for improvements, modifications, or changes regarding landlord and tenant policy issues;** and
2. Identify educational opportunities, seminars, and materials that would be useful to landlords and tenants.

Rent Board

The Rent Board was established under Chapter 6 of the City Code (6-250). The board has seven members who must be Portland residents and cannot be employees of the city or any of its agencies or departments. The board has a member from each of the five city council wards and two at-large members. Members serve for three-year terms. Ideally, there should be no more than three landlords and three tenants on the Board. Members are appointed by the City Council.

Rent Board is staffed by the Housing Safety Office with a staff person designated as staff secretary to the Rent Board. The Rent Board's jurisdiction and authority are noted below.

(a) To hear, review, and approve or deny Landlord applications for rent increases greater than those allowed by the Rent Stabilization Ordinance;
(b) To hear, review and approve or deny Landlord applications for increases in Base Rent due to the renovation or reconfiguration of existing Covered Units, as provided for in Section 6-234;
(c) To hear, review, and grant or deny appeals from Tenants regarding allegations violations or Maine Statute regarding the habitability of residential units;
(d) To hear, review, and approve or deny any requests from Landlords for an extension of time in which to reinstate Tenants temporarily displaced due to the Landlord's performance of necessary capital improvements to the Covered Unit and/or the building in which said unit is housed;
(e) To hear, review, and decide the appropriate outcome of all disputes arising between Landlords and Tenants on matters falling within the scope of Article XII of Chapter 6, if both parties consent to such mediation and resolution by submitting the landlord/tenant dispute form, as maintained and edited by the Housing Safety Office, signed by both Landlord and Tenant no later than fourteen days before the date on which such a hearing shall be scheduled;
(f) To impose such fines as are necessary and allowed for violations of the provisions of the Rent Stabilization Ordinance;
(g) To prepare and recommend to the City Council changes and amendments to the City's Rent Stabilization Ordinance;
(h) To prepare an annual report on the state of the City's rental unit availability, which shall be presented to the City Council as part of a regularly-scheduled public hearing. This report shall include a summary of rents within each of the five council wards. Such reporting may or may not be done in conjunction with similar reporting required by the City's Rental Housing Advisory Committee, as established by Chapter 6; and
(i) **To initiate changes and amendments to this Article, as well as to the City's Rent Stabilization Ordinance**.

Potential Redundancies and Suggested Next Steps

Both the Rental Housing Advisory Committee and the Rent Board are tasked with addressing policy changes, including recommending changes to Chapter 6 provisions that govern landlord and tenant policies in the City of Portland. This may lead to duplication of efforts or recommendations that conflict.

As a potential next step, the Committee may wish to request input from the RHAC, and potentially the Rent Board when they are operational, to see if the RHAC's scope should be changed to avoid duplication or conflict.