

**Housing & Economic
Development Committee Meeting**
Tuesday, March 5, 2024 at 5:30 PM



MEMBERS

Councilor Pious Ali, Chair
Councilor Roberto Rodríguez
Councilor Regina Phillips
Councilor Kate Sykes

To submit written public comment on an agenda item, email edd@portlandmaine.gov. Submissions must be received by 12:00 pm the day before the Housing & Economic Development 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).

REMOTE ACCESS INFORMATION

The Housing & Economic Development 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 to get the best meeting experience. If you are not able to attend live either in person or 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.

Please click the link below to join the webinar:

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1. **Review and accept Minutes of previous meeting held on February 27, 2024.**
 - a. See attached draft meeting Minutes for review and approval.
2. **Review and discuss draft Calendar Year 2025 Work Plan.**
 - a. See attached draft Calendar Year 2025 Work Plan Schedule and Chart.

Next Meeting Date: March 19, 2024.

Minutes

Remote Housing and Economic Development Committee

February 27, 2024

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 27, 2024, at 5:30 p.m. via Zoom. Present from the HEDC were Chair Pious Ali, and members Regina Phillips, Roberto Rodriguez, and Kate Sykes. Present from the City staff were Housing and Economic Development Department Director Greg Watson, **Housing and Community Development Division Director** Mary Davis, Corporation Counsel Michael Goldman, Principal Administrative Officer Lori Paulette, and Housing Program Manager Victoria Volent.

Item #1: Review and accept Minutes of previous meeting held on January 23, 2024.

On motion made by Councilor Phillips, seconded by Councilor Sykes, the Committee voted 4-0 to accept the Minutes.

Item #2: Review and vote on a recommendation to the City Council to amend Chapter 6-225 to dissolve the Rental Housing Advisory Committee (RHAC)

Greg Watson introduced this item by providing a high level overview, and by noting the recent unanimous vote by the Rental Housing Advisory Committee to forward the recommendation to the City Council to dissolve the Committee. In addition to the letter from the RHAC, Councilor Sykes also provided comments via her memo to Mayor Dion, and members of

the Legislative Nominating Committee, dated 1-12-24, that was included in the packet of materials.

The Committee held a discussion regarding the recommendation. Topics discussed included; could members of the RHAC opt to resign; redundancy between the RHAC and the Rent Board; lack of purpose; difficulty filling spots on the Rent Board; unintended consequences of disbanding the RHAC; housing discrimination; responsibilities of the RHAC; responsibilities of the Rent Board; Maine Human Rights Commission and Pine Tree Legal; housing policy; housing related educational responsibilities; effectiveness of boards and committees; responsibilities of the Legislative and Nominating Committee; amending the Rent Control Ordinance; roles and responsibilities of staff related to the RHAC; and continuing the review of dissolving the RHAC with the full Council.

This item did not receive public comment.

On a motion made by Councilor Sykes, seconded by Councilor Rodriguez, the Committee voted 4-0 on a recommendation to the City Council to amend Chapter 6-225 to dissolve the Rental Housing Advisory Committee.

Item #3: Review and vote on a recommendation to the City Council to approve the FY2025 Housing Program Budget.

Greg Watson thanked Mary Davis and Victoria Volent for their work in putting this together, including the history and process of funding the Housing Program Budget.

Mary Davis then provided some background/history and gave an overview noting this is done annually for City Council review and approval. It reflects the resources and funds available from local and Federal sources, including the Home Investments Partnerships Program (HOME), Lead Safe Housing, and the Jill C. Duson Housing Trust Fund.

Ms. Davis noted that for the HOME Program, HUD has not yet announced the allocation amount for FY2025, so the HOME budget presented here is level with FY2024 funding, or \$107,019 for City administration, Tenant Based rental Assistance at \$136,392, and, Affordable Housing Development (including the required Community Housing Development Organization [CHDO] set-aside mandated by HUD) at \$395,711, for a total of \$639,122 and the County at \$401,411 for a total of \$1,040,533 which includes \$3,296 in program income added to the admin portion of the budget.

Regarding the Lead Safe Housing Program Income funds, the proposed budget for FY2025 is \$18,825. This is program income from the repayment of loans and grants made under previous grants. The City is currently winding down the current Lead Hazard Reduction Grant of \$2,038,041 (over 42 months from 1/2/2020 through 6/30/2024) and will be applying for additional grant funds for the program mid-2024.

Lastly, Ms. Davis noted the Housing Trust Fund and revenue for it that comes from fees triggered by the City's Housing Preservation and Replacement Ordinance, fee-in-lieu contributions from the Inclusionary Zoning Ordinance, and the Hotel Inclusionary Zoning ordinance. The proposed budget for FY2025 is at \$2,065,297, noting that it is preferred to have \$500,000 in this fund at all times so approximately \$1.565 Million available for FY2025.

Councilor Sykes had a couple of clarifying questions, particularly the Housing Trust Fund budget for FY2025 being approximately \$1.6 Million less than FY2024, and Ms. Davis noted that it had to do with timing of ARPA funding, awards made in FY2024, and when new revenues are received.

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

On motion then made by Councilor Phillips, seconded by Councilor Sykes, the Committee voted 4-0 to forward the proposed Housing Program Budget to the City Council for approval.

Item #4: Review and recommendation to the City Council to approve the 2024 Jill C. Duson Housing Trust Fund Annual Plan, and approve the issuance of the 2024 Affordable Housing Development and Tax Increment Financing Application

Greg Watson introduced this item by noting staff is seeking approval of guidelines and priorities for the allocation of City resources as outlined in the *2024 Affordable Housing Development and Tax Increment Financing Application* and the *Jill C. Duson Housing Trust Fund Annual Plan*.

Mary Davis provided a historical prospective and high level overview of the 2024 housing investment goals and priorities. Both the Application and the Plan include the City Council Common Goal requirement to use an equity analysis in order to recommend the most qualified application base on the information submitted.

The Committee held a brief discussion regarding the funding of the Jill C. Duson Housing Trust Fund.

Councilor Ali opened the item for public comment.

Nancy Walker (Sherman Street) questioned the option to allow a fee-in-lieu, and the size of the fee, within the Inclusionary Zoning Ordinance.

The public comment period was closed.

On a motion made by Councilor Sykes, seconded by Councilor Phillips, the Committee voted 4-0 on a recommendation to the City Council to approve the 2024 Jill C. Duson Housing Trust Fund Annual Plan.

On a motion made by Councilor Sykes, seconded by Councilor Rodriguez, the Committee voted 4-0 on a recommendation to the City Council to approve the issuance of the 2024 Affordable Housing Development and Tax Increment Financing Application.

Item #5: Verbal update on the RFP for sale and development of the Diamond Cove (former Fort McKinley Hospital) property.

Mr. Watson noted that the City has been working for quite some time on this property, with a goal to have this deteriorating property redeveloped. The City Council approved an RFP for this purpose two years ago with no responses received. Recently, there has been some interest in the property, so the RFP was updated and then advertised on 2/14 with responses due 3/14. In response to questions, a tour of the property is occurring this Thursday. He and Samantha Chapin from Purchasing will represent the City, and there will also be a representative from the Diamond Cove Homeowners Association in attendance, along with interested parties.

Chair Councilor Ali thanked Mr. Watson for the update and seeing no further questions/business asked for a motion to adjourn.

On motion made by Councilor Rodriguez, seconded by Councilor Sykes, the Committee voted 4-0 to adjourn at 7:07 p.m.

Respectively submitted, Lori Paulette and Victoria Volent

DRAFT
Housing & Economic Development Committee
2024 Work Plan Schedule
as of March 1, 2024

March 5, 2024

1. Committee Work Plan Discussion

March 19, 2024

1. (Public Comment) Review and Recommendation to the City Council regarding the Seadogs/Hadlock Field Lease Agreement, with possible executive session.
2. Presentation of New Housing Data Dashboard
3. Review of FY2025 HUD Annual Action Plan
4. (Public Comment) Review and Recommendation to the City Council of an Affordable Housing Development Subsidy- Lambert Woods South Project (165 Lambert Street)(Tentative)

April 16, 2024

1. Presentation of Annual Report from Permitting & Inspections Dept. Re: Short/Long Term Rental Registration Program and Housing Safety.

May 21, 2024

June 18, 2024

1. Presentation of 2023 Annual Housing Report

July 16, 2024

August 20, 2024

September 17, 2024

October 15, 2024

November 19, 2024

1. (Public Comment) Review of FYE2024 TIF Annual Report and vote to forward to the City Council as a Communication.
2. Review of the 2023 Annual Accomplishment Report for the Housing and Economic Development Committee

December 17, 2024

COMPLETED WORK

January 23, 2024

1. 2024 Calendar Year Work Plan review and discussion
2. City Council referrals re: Order #92-23/24 and Order #93-23/24
3. Proposed Merger of Portland Fish Pier Authority and Portland Fish Exchange
4. Review and approval of 2024 Housing Policies and Goals for the 2024 Jill C. Duson Housing Trust Fund Annual Plan and Affordable Housing and TIF Application

February 27, 2024

1. Communication Item: Update on RFP for City-Owned Property on Diamond Cove, former Fort McKinley Hospital building.
2. (Public Comment) Review and vote on a recommendation to Amend Chapter 6-225 to dissolve the Rental Housing Advisory Committee
3. (Public Comment) Review, Approval, and Recommendation to the City Council to Approve the FY2025 Housing Program Budget
4. (Public Comment) Review and Recommendation to the City Council to approve:
 - a. 2024 Jill C. Duson Housing Trust Fund Annual Plan; and,
 - b. The issuance of the 2024 Affordable Housing TIF and Affordable Housing Development Fund Application for the Jill C. Duson Housing Trust Fund, HOME Program

2024 Housing and Economic Development Committee Draft Work Plan March 1, 2024

	Annual Committee Work	Staff Recommendations	Committee Members' Priorities	Status
ECONOMIC DEVELOPMENT POLICY				
Review Tax Increment Financing (TIF) investment in workforce training for FY2025 funding.		X		
Research and present options for public-private partnerships to support parking garage and possible new affordable housing - City-owned Bayside Lot 6, (corner of Somerset & Chestnut St) acquired by the City Council through eminent domain.		X		
Waterfront Activity Workshop including - Harbor Dredge Project, Portland Harbor Commons, Off-Shore Wind, and other items		X	2023X	
Accessibility of Public Buildings, ADA Compliance			2023 X	
Evaluate the possibility of establishing a Payment in Lieu of Taxes (PILOT) Program to fund community development programs			X	
Review Outdoor Dining Ordinance and Administrative Policy, including parklets			X	
Evaluate the City's Minimum Wage Ordinance re: possible increase to \$20/hour			X	
Implement a Universal Basic Income pilot project			X	
Evaluate the establishment of a City Department of Labor			X	

	Annual Committee Work	Staff Recommendations	Committee Members' Priorities	Status
AFFORDABLE HOUSING POLICY AND BUDGETS				
Policy Discussion re: (1) Guidelines and Priorities for the allocation of city resources for housing development	X			1.23.24
Review of FY 2025 Housing Program Budget	X			2.27.24
Review of 2024 Jill C. Duson Housing Trust Fund Annual Plan and the 2024 Affordable Housing Development Application	X			2.27.24
Review and Analysis of the Role of the Rental Housing Advisory Committee		X	X	2.27.24
Evaluate the Short Term Rental Registration Ordinance			X	
Secure and Utilize 150 New Housing Vouchers			X	
Evaluate how members are appointed to the Rent Board			X	
Facilitate a Developer and Housing policy Forum			X	
Update the City-Owned Property Map and Evaluate Parcels for Potential Housing Development			X	
Presentation of New Housing Data Dashboard			X	
Establish a Portland Social Housing Development Fund			X	

	Annual Committee Work	Staff Recommendations	Committee Members' Priorities	Status
AFFORDABLE HOUSING/ECONOMIC DEVELOPMENT - PUBLIC-PRIVATE PARTNERSHIPS, REAL ESTATE TRANSACTIONS				
Review/ Vote to Approve Funding Requests Received from the Affordable Housing Development Applications -Housing Trust, HOME & AHTIF CEA Requests.	X	X		
Review City Owned property to sell/lease to support affordable housing		X		
Kennebec Street Realignment (from Brattle to Forest)		X		
Establish a Vacant Property Database, institute fees for empty commercial and residen properties.			X	
Establish a Community Opportunity to Purchase Act and “Right to Return” Policy			X	

	Annual Committee Work	Staff Recommendations	Committee Members' Priorities	Status
ANNUAL REPORTS AND ACTIONS				
Presentation of 2023 Housing Report (June)	X			
FY25 Annual Allocation Plan (Jan-April)	X	X		
Annual Presentation,-Permitting & Inspections, Short/Long-term Rental Housing Registration, Safety & Inspection Program - Implementation & Financial Report Discussion of Dept. Staff Needs (Apri)	X		Process established under prior Housing Committee X	
City TIF District Annual Activity Report (November)	X			
Committee Annual Accomplishment Report (November)	X			