

Minutes

Remote Housing and Economic Development Committee

January 20, 2026

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, January 20, 2026, at 5:30 p.m. via Zoom. Present from the HEDC were Chair Councilor Pious Ali, and members Councilors Regina Phillips, Sarah Michniewicz, and Kate Sykes. Also present from the City Council was Councilor Wesley Pelletier. City staff present were Housing and Community Development Division Director Mary Davis, Corporation Counsel Michael Goldman, Housing Program Manager Heidi McCarthy, Principal Administrative Officer Lori Paulette, Permitting and Inspections Director Jessica Quattropani, and Housing and Economic Development Department Director Greg Watson.

Update from Michael Goldman, Corporation Counsel, on the status of proposed ordinance changes for large music venue moratorium. There is a draft available for Councilors for the next Committee meeting. If the Committee recommends approval, the language requires approval of the Planning Board prior to Council. The current moratorium expires March 9, 2026. The Committee requested an HEDC meeting February 3rd to take up this item.

Item #1: Review and accept Minutes of previous meeting held on November 18, 2025.

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

Item #2: Communication: Quarter 4 (10/1/2025-12/31/2025) Rent Control

Ms. Quattropani presented the Q4 Rent Control Report. An additional inspector was added mid-September, and there should be an uptick of inspections in Q1 2026. There were 1,548 units inspected in Q4 of 2025, 7,657 for the year, which represents approximately 40% of all units in the city. The Department almost doubled inspections from 2024 to 2025.

Councilor Sykes noticed that more data has been added, which is helpful to see more of what is going on and requests to continue reviewing outcomes of increased inspections.

Councilor Sykes asked about the complaint data. From quarter to quarter, complaints do not roll over, and Councilor Sykes would like to see a running total of founded vs unfounded complaints and percent change over time of various data points such as registered/unregistered units.

Councilor Sykes then asked what an inspection entails, and Ms. Quattropani noted that it depends on the type of complaint. There may be inspections happening for both rent control and housing safety at the same time. Property owners are asked for documents to show history. Tenants are asked for information as well.

Councilor Sykes asked about the process for choosing units to inspect. First the department flags any increase over 10% and works down from there.

Councilor Ali asked about changes in ownership and fees. New owners are responsible for all fees. The ordinance requires the City to hold the current owner responsible. Realtors and prospective buyers may contact the City prior to purchasing buildings.

Councilor Michniewicz congratulates staff on increasing the percentage of inspected properties. Director Quattropani expects that they will surpass 50% next year and probably 60-70%.

Councilor Michniewicz asked what percentage of inspections are due to complaints and what are random. There were 862 complaints, 3,741 audits, 3,012 random inspections. Some units are exempted from some parts of the ordinance. This is rent control only and not housing safety inspections.

Councilor Phillips compared 2024 to 2025 and noticed the 2025 report notes 19,673 registered units and would like to continue receiving that number.

Councilor Phillips asked how many units are not registered. As of 1/20/26, there are 17,414 registered, 946 haven't re-registered and the remaining units are in process. This can be added to the report.

Councilor Pelletier asked if there is a sense of how many units were at one point considered subject to rent control and are no longer subject to it. It would be helpful to have more information or metrics on unfounded complaints and the reasons they were unfounded.

Councilor Sykes appreciates willingness to provide information. It would be helpful to identify properties that have changed exemption status, not for the report but to flag for proactive enforcement. The Department currently looks at exemption data when considering inspections.

Item #3: Discussion Re: Calendar 2026 Committee Work Plan Development

Mr. Watson noted that the packet included the City Council adopted form for its goals (its goals not yet finalized), as well as the form for HEDC goals for the Committee's consideration. The packet also included the staff work plan which is currently based on annual items brought each year that staff knows about at this time. It is intended to be a living document and will adapt as needed throughout the year.

Chair Ali thanked Mr. Watson and invited Committee members to send their goals and policy initiatives to himself and Mr. Watson.

Item #4. Discussion Re: Housing Policy and Goals for the 2026 Jill C. Duson Housing Trust Fund Annual Plan and Affordable Housing and Tax Increment Financing Application

Staff suggests that no changes be made to the current priorities and goals, anticipating that there may be more substantial changes to the 2027 priorities and goals. Several changes were made last year which are outlined in the staff memo. In last year's plan, HOME funds individuals at or below 50% of area median income, Housing Trust Fund up to 100%, AHTIF prioritized for up to 80%, with preference for 50% and under.

Councilor Phillips asks whether the changes from last year are successful. Mary Davis states that we aren't entirely happy with the results because of other changes that we thought we could make this year, but there isn't anything that we feel should be changed at this time.

Councilor Phillips followed up by asking whether we could amend the priorities mid-year. Mary Davis stated that the Housing Trust Fund Annual Plan could be amended at any time; however, we start the process now in hopes that the application can be released at the end of

February or early March to accommodate the QAP for Low Income Housing Tax Credits (LIHTC) and AHTIF process.

Councilor Sykes states that government waste erodes trust and would like to know what the Committee can do to fix this issue at the State level. Do you have guidance about actions we can take? Mary Davis suggests taking a look at the City's TIF Policy, specifically around underwriting for AHTIF. We are passing those costs onto the developers but the costs come back to us as their project costs go up. We could alleviate this by changing our TIF Policy around underwriting.

Councilor Sykes would like to direct staff to identify changes within the TIF Policy that could help streamline our process. Staff is currently having those discussions and would like to have additional conversations with the Committee about this.

Item #5: Communication Re: 2025 Low Income Housing Tax Credit (LIHTC)

Award Update

Ms. Davis noted that during the Summer of 2025, the City Council approved the three Affordable Housing Tax Increment Financing (AHTIF) Districts seeking Low Income Housing Tax Credits through Maine Housing. Those projects were Prosperity Place at 1125 Brighton Avenue and two applications from Portland Housing – Phase 2 and 3 of the COMB Block development, i.e., Cumberland Housing and Mayo Housing. Only Cumberland Housing was successful in receiving tax credits.

Staff and Committee discussed the Prosperity Place project with staff noting that the project will continue to move forward and that it is not unusual for projects to go through two funding cycles for LIHTC, as well as look at other funding sources.

On motion then made by Councilor Pelletier, seconded by Councilor Michniewicz, the Committee voted 4-0 to adjourn the meeting at 6:50 p.m.

Respectfully, Heidi McCarthy and Lori Paulette