



HOUSING COMMITTEE

DATE: Wednesday, September 11, 2019

TIME: 5:30 PM

LOCATION: City Hall, Room 209

AGENDA

1. Review and accept Minutes of previous meeting held on July 10, 2019
 - a. July 10, 2019 Minutes
2. Review and Discussion of:
 - a. Affordable Housing Development Funding Request for 18 Luther Street
3. Welcome and Organizational Meeting for the Rental Housing Advisory Committee
 - a. Introduction of newly appointed members of the Rental Housing Advisory Committee
 - b. Overview of the language establishing the Committee and respond to questions
 - c. Facilitate the Rental Housing Advisory Committee in establishing a meeting schedule
4. Metro Regional Coalition Housing Resolution
 - a. Metro Regional Coalition Housing Resolution
5. Presentation, Overview, and Integrated Reports by Permitting and Inspections and Fire Department
 - a. Short-Term and Long Term Rental Housing Safety and Inspection Program - Implementation and Financial Report

6. Communication Item
 - a. DRAFT FY19 HUD Consolidated Annual Performance Report
7. Communication Item
 - a. Bayside Village Briefing
8. 2019 Work Plan Discussion
 - a. 2019 Work Plan Discussion
9. Citizen Correspondence
 - a. 132 Marginal Way: Bayside Village Housing

Next Meeting Date: October 9, 2019 City Hall, Room 209

Housing Committee

Minutes of July 10, 2019 Meeting

NOTE: The Housing Committee meetings are now live-streamed, which can be viewed at this link: http://townhallstreams.com/stream.php?location_id=42&id=16398 These minutes provide a record of those in attendance, general discussions taking place, and motions made.

A meeting of the Portland City Council's Housing Committee (HC) was held on Wednesday, July 10, 2019 at 5:30 P.M. in room 209 of Portland's City Hall. Councilors present at the meeting included Councilor Kim Cook, Councilor Spencer Thibodeau, and Councilor Jill Duson, Chair of the Committee. City staff present included Jeff Levine, Director of Planning and Urban Development, Heather Brown, Assistant City Manager, Christine Grimando City Planning Director, and Victoria Volent, Housing Program Manager.

Item 1: Review and accept Minutes of previous meetings held on June 12, 2019

Motion by Councilor Cook to move for adoption of the minutes from June 12, 2019. Motion was seconded by Councilor Thibodeau and minutes approved 3-0.

Item 2: Review and Approval of funding requests received from the Affordable Housing Development Application (Action Item)

Jeff Levine introduced this item to the Committee. Some of the Affordable Housing Development applicants are also requesting LIHTC with MaineState Housing, subsequently; to assist the applicants with meeting the LIHTC deadline of September 26, staff proposes this item receive a first read with the City Council on August 12, and a second read on September 4. The 2019 Affordable Housing Development Application made available a total of \$1,269,085 from the 2019-2020 HOME fund (\$493,265) and Housing Trust Fund (\$753,320) budgeted for affordable housing development. The anticipated annual production rate of housing units is 65 – 90 units. With amendments made for new sources and uses during the months of June and July, the July 3, 2019 total Affordable Housing Development funding available for affordable housing development is \$1,249,085. The six proposals requested a total of \$2,255,999 in funding.

- HomeStart, a 501(c)(3) is requesting \$36,000 in Housing Trust funds to further upgrades on the single family rental house, and to add an accessory dwelling unit (ADU) to 18 Luther Street.

HomeStart owns and operates an affordable single-family rental unit at 18 Luther Street on Peaks Island. The existing unit is a three-bedroom single-family house in need of repairs. In addition, HomeStart would like to add an accessory dwelling unit (ADU) to 18 Luther Street. The ADU would be rent restricted to households that income qualify at 80% AMI, while the existing single-family house is restricted to households earning up to 120% AMI (HomeStart has been renting the single-family home at 50% AMI). In 2008, Home Start received a HOME loan for \$14,700 from the City for maintenance of the property. The building is in need of further upgrades, and deferred maintenance. As a previous recipient of HOME

funding, 18 Luther Street does not qualify for additional HOME funding.

Staff is recommending funding \$36,000 from the Housing Trust Fund for 18 Luther Street. Though the scoring outcome is low, as noted in the Comprehensive Plan, Portland embraces a One Portland vision plan, where the City functions as a cohesive whole. Peaks Island is experiencing housing affordability challenges that also need addressing. Further underwriting to be conducted in-house is required and will be available during City Council approval.

Councilor Cook asked clarifying questions regarding the single-family home and ADU.

Councilor Dusen would like HomeStart to address a capital plan for maintenance.

Councilor Cook requested to defer the funding decision. She would like to see the Capital Need plan prior to Council Action.

Councilor Dusen would like staff to work with HomeStart on the requested Capital Need plan and present the Plan prior to the Council vote.

Motion to recommend with Conditions. Recommendation conditioned on HomeStart presenting a Capital Need plan, and a commitment letter to raise the donation within one year.

- Developers Collaborative is requesting \$299,999 in Affordable Housing Development funding to construct a new four-story building featuring 30 low-income (13 units affordable at 50% AMI and 17 units at 60% AMI) affordable rental units at 66 State Street.

66 State Street is a two building project. They are requesting funding through the Affordable Housing Development Application for the new building only. No Affordable Housing Development funding is requested for the existing building which is being converted into a lodging house. The lodging house is also the off-site location of 8 inclusionary zoning units (with a combined total of sixteen bedrooms required) for the project located at 383 Commercial Street (Hobson's Landing).

The new building would include 14 efficiency units and 16 one-bedroom units.

The developer has requested two forms of financial assistance for the new building.

(1) Affordable Housing Development funding request: \$299,999

Total AHD investment of \$299,999/ unit = \$9,999.96

Total AHD investment of \$299,999/ affordable unit = \$9,999.96

(2) Tax Increment Financing request: The City Council is expected to take action on the Affordable Housing TIF financing at the July 15th meeting. If approved the TIF financing will be provided through a Credit Enhancement Agreement at 75% of the increased taxable value, currently estimated at a 30 year annual average of \$89,072, with an estimated total of \$2,672,169 in captured revenue returned to the developer to off-set project operating costs. The proposed project will be taxable with an estimated annual assessment of \$3,750,000 and estimated annual tax of \$118,763. The remaining increased taxable value will be general fund revenue. The AHTIF district includes both the new building and the lodging house.

This project is seeking a 9% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing.

Developer's Collaborative has submitted a Level III application with the Planning Board to renovate the existing 3-story building and construct a 4-story residential building at 66 State Street.

Developers Collaborative funding approvals from 2015 to present:

\$191,000 HDF/CDBG in 2016 (St. Dominic's Family Housing)

\$627,233 HOME in 2015 (Motherhouse Senior Housing)

The Housing and Community Development Division is working with an independent consultant who performs third party underwriting reviews of requests for City funding. The review of this project is attached.

Staff is recommending \$299,999 in HOME funding at zero percent interest, with repayment deferred for 30 years, with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Final commitments from all sources on terms as projected.
3. Satisfactory evidence that sales price of land does not exceed the market value of the land.

This project would create 30 new units of affordable housing.

Councilor Duson requested confirmation the 10% homeless set aside requirement will be met, and confirmation the project is not receiving Affordable Housing funding for the off-site IZ units. Jeff Levine confirmed the IZ responsibility is being taken care of by the Developer of 383 Commercial Street and not the City.

- Community Housing of Maine ("CHOM") is requesting \$330,000 in Affordable Housing Development funding to assist in the proposed construction of 44 units of affordable rental housing for seniors aged 55 and older at 83 Middle Street. The development would include:

3 studio units

41 one-bedroom units

60% of units affordable at 50% area median income (AMI)

40% of units affordable at 60% area median income (AMI)

The proposed project will be one of the first to use the Income Averaging set aside. The new set aside will allow the project to serve households with income up to 80% of the area median income (AMI) as long as the average income and rental limit in the project remains at 60% of less of AMI.

The developer has requested two forms of financial assistance.

- (1) Affordable Housing Development funding request: \$330,000:
Total AHD Investment of \$330,000/unit = \$7,500.
Total AHD Investment of \$330,000/affordable unit = \$7,500.

- (2) Ground lease for the City-owned property at 83 Middle Street.

This project is seeking 9% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing.

The Housing and Community Development Division is working with an independent consultant who performs third party underwriting reviews of requests for City funding. The review is not available but will be provided to the City Council during their formal review.

Staff is recommending \$193,266 in HOME funds as a 30 years deferred loan at zero percent interest, and \$136,734 in Housing Trust Funds. This project would create 44 units of new affordable housing.

The Committee discussed the concept of forgivable and nonforgivable loans with a deferred repayment option.

- Avesta is requesting \$590,000 in Affordable Housing Development funding to assist in the proposed construction of 60 units of rental housing for seniors age 55 plus at 200 Valley Street. The development would include:

10 studio units
50 one-bedroom units

36 units affordable at 50% area median income (AMI)
12 units affordable at 60% area median income (AMI)
12 market rate units

The developer has requested one form of financial assistance.

- (1) Affordable Housing Development funding request: \$590,000:
Total AHD Investment of \$590,000/unit = \$9,833
Total AHD Investment of \$590,000/affordable unit = \$12,292.

This project is seeking 9% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing.

Avesta funding approvals from 2015 to present:

\$300,000 HOME in 2017 (Deering Place)
\$200,000 HOME in 2018 (Deering Place)
\$300,000 Housing Trust Fund in 2018 (977 Brighton Avenue) Encumbered

Staff is recommending not funding this project at this time. Avesta is a certified Community Housing Development Organization (CHDO), as such, and due to the location of the proposed project within the St. John Valley, Avesta has the opportunity to benefit from the Healthy Homes St. John Valley – Maine Medical Center program. The program is based on a memorandum of understanding adopted by Maine Medical Center to establish a structured and binding commitment for funding and implementing healthy neighborhood and housing initiatives focused primarily in the St. John Valley neighborhood.

Councilor Thibodeau supports mixed use development and would like to see a commercial component on this site.

Councilor Cook would like confirmation the project would house long-term stayers from the homeless shelter.

- Portland Housing Development Corporation is requesting \$400,000 in Affordable Housing Development funding to assist in the proposed rehabilitation of an existing three-story multifamily building from 9 units to 12 units, and \$100,000 in Lead Abatement financing for 47 Boyd Street.

The development would include:

6 one-bedroom units
6 two-bedroom units

8 units affordable at 50% area median income (AMI)
1 unit affordable at 80% area median income (AMI)
3 market rate units

The developer has requested two forms of financial assistance.

- (1) Affordable Housing Development funding request: \$400,000:
Total AHD Investment of \$400,000/unit = \$33,333.
Total AHD Investment of \$400,000/affordable unit = \$33,333.
- (2) Lead abatement funding request: \$100,000

Portland Housing Development Corporation funding approvals from 2015 to present:

\$510,174 HOME in 2018 (37 Front Street)
\$925,000 Housing Trust Fund in 2018 (37 Front Street) Encumbered
\$6,056,916 Affordable Housing Tax Increment Funding in 2018 (37 Front Street)
\$200,000 HOME in 2017 (58 Boyd Street)
\$30,000 CDBG in 2017 (58 Boyd Street)

\$2,144,566 Affordable Housing Tax Increment Financing in 2017 (AHTIF)

The Housing and Community Development Division is working with an independent consultant who performs third party underwriting reviews of requests for City funding. Per the preliminary underwriting loan review, “this is a solid development by a developer with the skills and motivation to make the project succeed. The development budget is very modest, but the operating budget is not. This project can support more conventional debt than is currently projected, and does not need the entire \$500,000 requested.”

Staff is recommending funding the development and abatement costs through \$425,000 from the Housing Trust Fund, with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Satisfactory review of relocation budget.

This project would create 3 new units and 9 rehabilitated units. Nine of the units would be affordable while three units would be market rate.

Councilor Duson would like to see a Capital plan for maintenance.

Tyler Plante of PHA explained the relocation plan for the tenants.

Jeff Levine would like to hold a conversation with PHA regarding the relocation plan.

One of the benefits of this proposal is that this project does not need to wait for awards of other public funding sources, such as LIHTC, in order to be utilized. Most new affordable development projects need additional time to layer other subsidy sources to complete a project after the City has awarded Affordable Housing Development Funding. By comparison, the application of the 47 Boyd Street project would be almost immediate.

- Portland Housing Development Corporation is requesting \$500,000 in Affordable Housing Development funding to assist in the proposed rehabilitation of 17 two-story buildings for the Washington Street rehabilitation project. Washington Gardens is a 100-unit property in East Deering that will continue to serve a senior and disabled population. The development would include:

60 studio units
36 one-bedroom units
4 two-bedroom units

100 units affordable at 60% area median income (AMI)

The developer has requested one form of financial assistance.

- (1) Affordable Housing Development funding request: \$500,000:
Total AHD Investment of \$500,000/unit = \$5,000.
Total AHD Investment of \$500,000/affordable unit = \$5,000.

This project is seeking 9% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing.

Portland Housing Development Corporation funding approvals from 2015 to present:

\$510,174 HOME in 2018 (37 Front Street)
\$925,000 Housing Trust Fund in 2018 (37 Front Street) Encumbered
\$6,056,916 Affordable Housing Tax Increment Funding in 2018 (37 Front Street)
\$200,000 HOME in 2017 (58 Boyd Street)
\$30,000 CDBG in 2017 (58 Boyd Street)
\$2,144,566 Affordable Housing Tax Increment Financing in 2017 (AHTIF)

Staff is recommending not funding this project at this time. However, staff recommends the Developer reapply as they move further towards completion of the Front Street project. The Planning Board will be reviewing 37 Front Street for approval during their July 23 meeting.

Councilor Duson opened the meeting to public comment.

Tyler Plante thanked the Council for their consideration and will provide the requested Capital Needs plan.

Councilor Duson closed the public comment period.

Item 3: 2019 Work Plan

By consensus, the Committee agreed the next meeting of the Housing Committee would be held on September 11, 2019.

Councilor Cook thanked Jeff for his leadership and noted he will be missed. Councilor Duson congratulated him on his new adventure.

Motion to adjourn by Councilor Thibodeau, seconded by Councilor Cook (approved 3-0) the meeting adjourned at 6:37 P.M.

Respectfully submitted,

Victoria Volent



CITY OF PORTLAND
Planning & Urban Development Department
Housing and Community Development Division

TO: Councilor Duson, Chair
Members of the Housing Committee

FROM: Victoria Volent

DATE: September 4, 2019

SUBJECT: 18 Luther Street: Affordable Housing Development Funding Request

Introduction

During the July 10 meeting of the Housing Committee, the Committee requested the applicant, HomeStart, submit a Capital Needs Plan to address current and future maintenance needs prior to a funding request recommendation from the Committee to the City Council.

Background

The 2019 Affordable Housing Development funding application was released on April 24 with a due date of May 31st. The 2019 Affordable Housing Development Application made available a total of \$1,269,085 from the 2019-2020 HOME fund (\$493,265) and Housing Trust Fund (\$753,320) for affordable housing development. Six proposals, requesting a total of \$2,255,999 in funding were received. As of July 10, 2019, the total Affordable Housing Development funding available for affordable housing development was \$1,249,085.

During the September 4 meeting of the City Council, three proposals totaling \$1,054,999 were approved by the Council. The new balance of funds available for affordable development housing is \$390,427 (please see the attached spreadsheet for accounting activity from 7-10-19 to 9-4-19).

HomeStart, a 501(c)(3), is requesting \$36,000 in Housing Trust funds for further upgrades on the single family rental house they own, and to add an accessory dwelling unit (ADU) to the unit.

HomeStart owns and operates an affordable single family rental unit at 18 Luther Street on Peaks Island. The existing unit is a three-bedroom single house in need of repairs. In addition, HomeStart would like to add an accessory dwelling unit (ADU) to the rear of the building. The ADU would be rent restricted to households that income qualify at 80% AMI, while the existing single-family house is restricted to households earning up to 120% AMI- however, HomeStart rents the single-family home at 50% AMI. In 2008, Home Start received a HOME loan for \$14,700 from the City for maintenance of the property. The building is in need of further upgrades, and deferred maintenance. As a previous recipient of HOME funding, 18 Luther Street does not qualify for additional HOME funding.

During the July 10 meeting of the Housing Committee, staff recommended funding \$36,000 from the Housing Trust Fund for 18 Luther Place. Though the original scoring outcome was low, as noted in the Comprehensive Plan, Portland embraces a One Portland vision plan, where the City functions as a cohesive whole. Peaks Island is experiencing housing affordability challenges that also need addressing.

Housing Inspections

Sherlock Homes Certified Home Inspections conducted an inspection of 18 Luther Street on May 16, 2019. Their report (see attached) identified numerous items requiring repair or replacement. The City of Portland conducted a Housing Safety inspection on August 8; the house passed the inspection.

Preliminary Cost Estimate

Reed and Company Architecture provided a preliminary cost estimate of \$100,000 to \$125,000 for construction of the 500 sq ft accessory dwelling unit to be attached at the rear of the cottage with a shared entry. This will be a single story, handicapped accessible building. The estimate includes "some volunteer participation". HomeStart submitted a development budget that estimates construction costs of \$117,500 plus a contingency budget of \$5,875 for a subtotal construction budget of \$123,375. Additional soft costs of \$21,848 and financing of \$6,980 totals \$152,203 in project costs.

Capital Campaign/Grants/Loan

From October 1, 2015 through September 30, 2018, HomeStart received \$12,715 in donations, and \$21,784 in grants for a total of \$34,499. These funds were used for improvements such as; complete building rewiring; added all new plumbing including drain and waste supply piping; partial insulation of cellar; extensive exterior and interior painting; renovation of enclosed three-season front porch, including all new storm windows; and insulated inserts for all storm windows. HomeStart is awaiting a decision by Bangor Savings Bank for up to \$40,000 in funding; the decision is likely in November of this year. HomeStart has also confirmed they intend to expand their end of year solicitation and depending upon the results of these two funding efforts, they may begin a major fundraiser in June (to capture the increased summer population).

Genesis Community Loan Fund is prepared to issue a Commitment Letter for \$71,000 at 5.6% for a term of 60 months, interest-only for a construction period of up to 12 months, then amortizing over 30 years for the construction of an accessory dwelling unit and renovations to the existing unit.

Capital Needs Plan

Per the request of the Housing Committee (during their July 10 meeting), HomeStart has submitted a Capital Needs Plan appropriating a total of \$21,700 for priority improvements. Staff provided guidance via e-mails and during a meeting in July as to the content and expectations of the Capital Needs Plan, which included addressing the priority and expected costs of the Home Inspection report, and establishing a contingency fund.

Staff Recommendation

Staff recommends funding for this project in the amount of \$36,000 from the Housing Trust Fund, with funding contingent on (1) the ability of the applicant to raise a minimum of \$35,221 by April 1, 2020, through a capital campaign; (2) the City's funding will be used for construction hard costs only and (3) the applicant would not be permitted to request future funding from the City to complete any of the repairs noted in the May 19, 2019 inspection report from Sherlock Homes Certified Home Inspections.

Attachments:

A: Capital Improvements/Capital Needs Plan

B: HomeStart Affordable Housing Funds Application

C: Affordable Housing Development Funding Request Balance Sheet 9-11-19

Attachment A

18 Luther Street Capital Improvements

PRIORITY IMPROVEMENTS		(to be funded by current proposal to City of Portland)	
Category	Item	Task	Cost Estimate
Interior	Baluster	Repair	\$100
Chimney	Chimney	Remove	\$1,500
Electrical	Outlets	Repair	\$500
Ventilation	Clothes dryer duct	Replace	\$100
Ventilation	Bathroom Fan	Clean, replace if necessary	\$100
Roof	Roof	Replace	\$4,500
Roof	Remove unused brick chimney	Remove and repair walls, floors, and ceilings	\$2,000
Exterior	Eaves, Soffits, and Fascias	Replace one fascia board and paint extensive exterior ti	\$3,000
Exterior	Doors (exterior)	New insulated front door	\$750
Exterior	Storm door	Replace	\$150
Exterior	Windows	Replace missing screens and windows as needed	
Interior	Windows	Sand and seal porch windows	\$4,000
Insulation	Exterior Walls	Add insulation as needed	
Insulation	Floor	Spray foam insulation in crawl space and exterior walls	\$5,000
Total			\$21,700

FUTURE IMPROVEMENTS		(to be completed as soon as possible based on funds raised through grants, annual campaigns and volunteer efforts)	
Category	Item	Recommendation	
Roof	Gutters and Downspouts	Add	
Exterior	Siding, flashing, trim	Replace and/or paint some	
Exterior	Deck	Repair and stain front porch	
Exterior	Porch	Stain back porch	
Interior	Ceilings	Repair prior ceiling repair on 2nd floor	
Interior	Floors	Repair front porch floor	
Interior	Floors	Repair upstairs bathroom floor	
Interior	Doors (interior)	Replace bedroom door on 2nd floor	
Interior	Crawlspace	Add gutter system to control water entry	
Plumbing	Plumbing vent pipe	Replace with 24" vent pipe	
Plumbing	Vanity, 2nd floor	Replace	
Insulation	Vapor barrier	Add	

MONITORING/MAINTENANCE		(to be funded by operating budget and grants/donations as needed)	
Interior	Floors	Monitor kitchen and bathroom floors for water damage	
Heating	Heating System	Clean annually, monitor/budget for replacement	
Plumbing	Hot Water Tank	Monitor/budget for replacement	
Inspections	Roof/Exterior/Interior/Plumbing/Ventilation/Insulation	Update Capital Improvement Plan as necessary	

IX. APPLICATION SIGNATURE PAGE *THIS PAGE MUST BE INCLUDED*

The UNDERSIGNED hereby declares that he/she or they are the only person(s), firm or corporation interested in this application as principal, that it is made without any connection with any other person(s), firm or corporation submitting an application for the same.

The UNDERSIGNED hereby declares that they have read and understand all conditions as outlined in the invitation for bids, and that their application is made in accordance with same.

The UNDERSIGNED hereby declares that any person(s) employed by the City of Portland, Maine, who has direct or indirect personal or financial interest in this application or in any portion of the profits that may be derived there from, has been identified and the interest disclosed by separate attachment. (Please include in your disclosure any interest which you know of. An example of a direct interest would be a City of Portland employee who would be paid to perform services under this application. An example of indirect interest would be a City of Portland employee who is related to any officers, employees, principal or shareholders of your firm or to you. If in doubt as to status or interest, please disclose to the extent known).

The proposer acknowledges the receipt of Addenda numbered _____

If Applicable

COMPANY NAME: HomeStart
(Individual, Partnership, Corporation, Joint Venture)

AUTHORIZED SIGNATURE: [Signature] DATE: 5.30.19
(Officer, Authorized Individual or Owner)

PRINT NAME & TITLE: Elizabeth (Betsey) Remage-Healey, President

ADDRESS: 54 Central Ave. Peaks Island ME 04108

TELEPHONE: 207-622-2084 E-MAIL: remagehealey@gmail.com

FEDERAL TAX ID #: 25-1907421 DUNS #: 969392344

In your organizations preceding completed fiscal year, did the organization receive:

- (1) 80 percent or more of its annual gross revenues in U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements; and
(2) \$25,000,000 or more in annual gross revenues from U.S. federal contracts, subcontracts, loans, grants, subgrants, and/or cooperative agreements? ☐ Yes ☒ No

Does the public have access to information about the compensation of the executives in the organization through periodic reports filed under section 13(a) or 15(d) of the Securities Exchange Act of 1934 (18 U.S.C. 78m(a), 78o(d) or section 6104 of the Internal Revenue Code of 1986? ☐ Yes ☐ No

NOTE: All bids must bear the handwritten signature of a duly authorized member or employee of the organization making the bid. **This sheet must be signed and returned with the application package.**

A. Project Summary

Home Start, a 501(c)(3) non-profit corporation with a mission to create year-round affordable housing on Peaks Island, owns and operates an affordable single family rental unit at 18 Luther Street on Peaks Island. The existing unit is a three-bedroom single family house in need of repairs but the affordable rents cannot support additional debt. In addition, Home Start would like to add an accessory dwelling unit (ADU) to 18 Luther Street to increase the supply of year-round affordable housing on Peaks Island. Home Start is currently in the process of amending the existing Conditional Zone Agreement (CZA) for 18 Luther to allow for the addition of the accessory dwelling unit. ADUs are allowed as a conditional use in the underlying and surrounding IR-2 zone but the existing CZA specifically limits the use of 18 Luther Street to one unit. This amendment was reviewed at a Planning Board workshop on May 28, 2019 and is scheduled for a public hearing on June 11, 2019.

18 Luther Street currently has deeded affordability restrictions to restrict the sale or lease of the property to individuals with household incomes at 120% or less of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine. However, the current rent is affordable to households earning 50% of area median income. Located in Census Tract 24, a middle income level tract, this project will promote economic diversity.

A home inspection report prepared by Sherlock Homes Certified Home Inspections, dated May 16, 2019, a copy of which is attached, identifies the priority needs of the existing single family house. The proposed ADU would be a minimum of four hundred square feet and would maintain the single family appearance of the existing building. The site is served by public sewer and water and is located in the heart of the village, within walking distance to the ferry. Photos of the site and area are included as Attachment A, a conceptual site plan is included as Attachment B3, and a map showing the location of the site is included as Attachment B5.

B1. Evidence of Site Control

Attached is a Short Form Warranty Deed granting 18 Luther Street to Home Start on September 7, 2007, recorded in the Cumberland County Registry of Deeds in Book 25452, Page 211.

B2. Zoning Opinion

Attached is a Memo from City Planner Shukria Wiar regarding the zoning of 18 Luther Street as it relates to this proposed project.

B3. Conceptual Architectural and Site Plans (attached)

B4. Estimated Project Schedules

	<u>Existing Unit</u>	<u>Proposed ADU</u>
Conditional Zone Text Amendment:		July 2019
Financing commitments:	July 2019	September 2019
Construction loan closing:	August 2019	November 2019
Substantial completion:	October 2019	August 2020
Final completion/occupancy:	November 2019	September 2020

B5. Map Showing Location of Site (attached)

B6. Home Start Articles and By-Laws (attached)

B7. Home Start's DUNS Number is 969392344.

B8. Three years of financial statements are attached as well as three years of Form 990-N submitted to the IRS.

B9. Quarterly Income and Expense Report (attached)

B10. Home Start is not currently seeking CHDO funds.

B11. Development Team Summary

Home Start is a 501(c)(3) non-profit corporation with a mission to create year-round affordable housing on Peaks Island and will continue to own 18 Luther Street on Peaks Island. Our 501(c)(3) exemption certification is attached.

Board of Directors:

Elizabeth Remage-Healey, President

Most recently Director of Guidance at Winthrop High School in Winthrop Maine and at international schools in Panama and Egypt, she has had prior experience in a wide range of social services and programs. These include public interest research, urban renewal, family planning, older worker programs and college career counseling. After raising two sons in central Maine, she and her husband moved to Peaks Island eight years ago.

Chris Roberts, Treasurer

Graduating from Marlboro College with a degree in design as well as carpentry experience from the age of 10, Chris was a master carpenter and contractor for many years in upstate New York. More recently he has renovated 5 houses on Peaks Island as well as building a 6th from the ground up and a modern home on Munjoy Hill. In his spare time he is an avid sailor including a trip back and forth across the Atlantic.

Bill Hall, Board Member

A retired USAF colonel, Bill Hall has lent his talent to many organizations including the Fifth Maine Museum, the World Affairs Council and Greater Portland Landmarks. Home Start welcomed him to the board at the completion of his nine years on the Portland Planning Board.

Timothy Wyant, Board Member

Timothy Wyant, Ph.D. has run his home-based statistical consulting firm Ravenstat LLC for 40 years. In both an earlier stint as a statistician for the U.S. Geological Survey and his more recent consulting work, he has done many computer-mapping projects, including numerous oil spill risk analyses related to offshore oil drilling and transport, and likely exposure to radiation in the vicinity of nuclear engine plants. He does additional mapping analyses for civic groups on a volunteer basis. These volunteer projects have included analyses of impacts of zoning changes, analysis of fiscal viability of proposed new counties and independent towns, analysis of fairness of alternative re-districting plans that meet state and federal guidelines, and locations and abutments of paper streets.

Laura Reading, Board Member

Laura Reading graduated from the University of Michigan with a Master of Urban Planning degree and has worked as a Project Manager at Developers Collaborative since 2013, completing eight successful Low Income Housing Tax Credit (LIHTC) applications and contributing to the development of 299 affordable housing units throughout Maine.

Home Start's previous development experience includes the development of two new single family houses adjacent to 18 Luther Street in 2013, which are now owned by Volunteers of America (VOA). These homes were financed through MaineHousing's Affordable Housing Initiative for Maine Islands.

This project is the only project Home Start currently has in development.

The architect for this project is Richard Reed, who has been a professional architect for over 30 years. His experience includes a wide range of projects, from the complexity of providing new science laboratories within historic structures, to the simplicity of a wood-framed library in rural Maine. Mr. Reed was recently the project architect for the renovation of the Peaks Island Library and Community Center (right around the corner from 18 Luther Street), which was completed in 2018. Mr. Reed's work is guided by the belief that good architecture results from thoroughly understanding a client's needs and finding the simplest, most honest solution to those needs.

B12. Sources and Uses (attached)

B13. Development Budget (attached)

B14. Cost Estimates (attached)

B15. Home Inspection Report prepared by Sherlock Homes Certified Home Inspectors, dated May 16, 2019 (attached)

B16. First Year Operating Budget (attached)

B17. After completing this project, estimated annual contributions to reserves are \$450/unit for a total of \$900.

B18. The projected debt service coverage ratio ranges from 1.07 to 1.38 over the 15-year operating pro forma timeline (attached).

B19. 15-year operating pro forma with inflators of 2% on income and 3% on expenses (attached).

B20. Attached is a term sheet from Genesis for construction to permanent financing. If we receive funds in the amount of \$36,000 from the City of Portland (\$18,000/unit), we will launch a capital campaign and apply for additional grants in the summer of 2019 to secure the remainder of the project sources, approximately \$35,000.

B21. This project is not specifically serving special needs populations.

B22. 18 Luther Street will continue to be managed by Home Start, which has successfully and efficiently managed the property since 2007.

B23. According to the Island Institute's 2018 Waypoints report, Peaks Island has 4,000 summer residents and only 864 year-round residents, limiting the supply of housing available to year-round residents. The supply of rental housing is even more limited, with only approximately 15% of all occupied housing units being renter-occupied in Census Tract 24 (which includes other islands in addition to Peaks Island), according to the 2013-2017 American Community Survey 5-Year Estimates. Affordability is an even greater concern as 30% of renter-occupied households in Census Tract 24 spend 40% or more of their income on housing costs, also according to the 2013-2017 American Community Survey 5-Year Estimates. In fact, the waiting list for affordable senior housing rentals at the Fay Garman House on Peaks Island has grown from around three households five years ago to sixteen households currently. As part of the City of Portland, which has the highest housing costs in the state, and as an island subject to the influence of seasonal residents and second homes, there is a strong demand for affordable rental housing on Peaks Island.

B24. 18 Luther Street currently has a mortgage from Genesis in the amount of approximately \$176,000, with interest only payments. Since 18 Luther Street is Home Start's only property, the financial statements for 18 Luther Street are shown in Home Start's financial statements (Attachment B8) and the quarterly income and expense statement (Attachment B9). The monthly rent for the existing unit is currently \$1,050 and that lease expires as of June 15, 2019. Home Start has a tenant that is available to move in after the unit is cleaned and turned over.

Ultimately, that tenant would prefer to live in the proposed ADU and would move in to that unit upon its completion. Prior to that and during renovations of the existing unit, we do not anticipate that the tenant will need to relocate but have included a \$2,700 relocation budget in the overall project budget if it becomes necessary.







SHORT FORM WARRANTY DEED

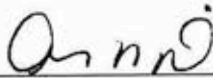
SUSAN MORIARTY CADORETTE, formerly known as Susan Moriarty, of Belchertown, Massachusetts, FOR CONSIDERATION PAID, grants to HOME START, a Maine non-profit corporation having a mailing address of 196 Seashore Avenue, Peaks Island, Portland, Maine 04108, WITH WARRANTY COVENANTS, the following described real property located on Peaks Island, Portland, County of Cumberland and State of Maine:

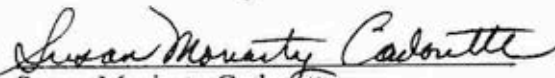
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Meaning and intending to convey the same premises described in three (3) deeds from Susan Moriarty Trustee of Moriarty Maine Property Realty Trust to Susan Moriarty, all dated June 4, 1998 and recorded in Cumberland County Registry of Deeds in Book 14020, Page 225, Book 14020, Page 228 and Book 14020, Page 231, respectively.

IN WITNESS WHEREOF, SUSAN MORIARTY CADORETTE has hereunto set her hand and seal this 7th day of September, 2007.

WITNESS:



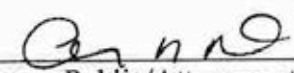

Susan Moriarty Cadorette

STATE OF MAINE
CUMBERLAND, SS.

September 7, 2007

Personally appeared the above-named SUSAN MORIARTY CADORETTE and acknowledged the foregoing instrument to be her free act and deed.

Before me,


Notary Public/Attorney-at-Law

Print Name: Amy N. Denn
My commission expires: N/A

MAINE REAL ESTATE TAX PAID

EXHIBIT A
18 Luther Street, Peaks Island, Portland, Maine

Certain lots or parcels of land, with the buildings thereon, situated on Peaks Island, City of Portland, County of Cumberland and State of Maine, bounded and described as follows:

PARCEL 1:

A certain lot or parcel of land with the buildings thereon situated on the northerly side of Luther Street on said Peaks Island, County of Cumberland, bounded and described as follows:

Beginning on the northerly sideline of Luther Street, at a stake or stones located one hundred four and eight tenths (104.8) feet easterly thereon from the southeasterly corner of land conveyed by Luther Sterling to Melville C. Sterling; thence northerly at right angles with Luther Street one hundred eight and one-half (108.50) feet more or less, to a point half way to Elizabeth Street; thence easterly on a line half way between Luther Street and Elizabeth Street, forty nine and eight tenths (49.80) feet to the northwesterly corner of Lot #7 (seven); thence southerly by said Lot #7 (seven) one hundred four (104) feet, more or less, to the northerly side line of Luther Street; thence westerly by Luther Street, forty nine and eight tenths (49.80) feet to the point of beginning. Being Lot #5 (five) on the above mentioned Plan.

Being the same premises conveyed by warranty deed from Susan Moriarty, Trustee of the Moriarty Maine Property Realty Trust to Susan Moriarty dated June 4, 1998 and recorded in the Cumberland County Registry of Deeds in Book 14020, Page 225.

PARCEL 2:

A certain lot or parcel of land at Peaks Island, City of Portland, County of Cumberland and State of Maine, one (1) parcel bounded and described as follows:

A certain lot of land being known as designated as Lot #7 (seven) as shown on Plan of Homestead Lot of late Luther Sterling, Plan E, made by C. H. Howe, C.E. dated November, 1883 and recorded in Cumberland County Registry of Deeds in Book 516, between Pages 210 and 211.

Being the same premises conveyed by warranty deed from Susan Moriarty, Trustee of the Moriarty Maine Property Realty Trust to Susan Moriarty dated June 4, 1998 and recorded in the Cumberland County Registry of Deeds in Book 14020, Page 228.

PARCEL 3:

A certain lot or parcel of land at Peaks Island, City of Portland, County of Cumberland and State of Maine, one (1) parcel bounded and described as follows:

Beginning in the northerly line of Luther Street at a stone, distant two hundred five (205) feet from the home lot now or formerly of Melville C. Sterling; thence easterly by said Luther Street fifty-three and six tenths (53.60) feet to another stone bound and from these two stones extending northerly one-half way to Elizabeth Street, the easterly line of said lot being about ninety seven and one-half (97 ½) feet and the westerly line about one hundred eleven and one-half (111.50) feet in length and being Lot #9 on a plan made by C. W. Howe and recorded in the Cumberland County Registry of Deeds in Book 516, Page 210, being the lot of land conveyed to Elva E. Rich by Luther A. Sterling by deed dated November 3, 1892 and recorded in said Registry of Deeds in Book 596, Page 105.

Being the same premises conveyed by warranty deed from Susan Moriarty, Trustee of the Moriarty Maine Property Realty Trust to Susan Moriarty dated June 4, 1998 and recorded in the Cumberland County Registry of Deeds in Book 14020, Page 231.

Received
Recorded Register of Deeds
Sep 07, 2007 02:44:38P
Cumberland County
Pamela E. Lovley

SHORT FORM QUITCLAIM DEED WITH COVENANT

HOME START, a Maine nonprofit corporation having its principal place of business on Peaks Island in Portland, Maine ("Grantor"), FOR CONSIDERATION PAID, grants to VOLUNTEERS OF AMERICA NORTHERN NEW ENGLAND, INC., a Maine nonprofit corporation with a place of business in Brunswick, Maine and having a mailing address of 14 Maine Street, Suite 301, Brunswick, Maine 04011 ("Grantee"), WITH QUITCLAIM COVENANT, the following described real property located at 22 and 26 Luther Street, Peaks Island in Portland, Cumberland County, Maine, and more particularly described on:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

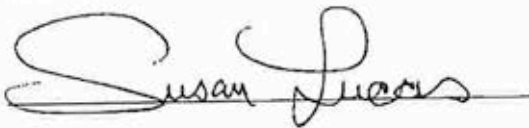
The above-described property is conveyed subject to the terms and conditions of the Conditional Zoning Agreement dated January 5, 2011, attached to the copy of the City Council Order and recorded in the Cumberland County Registry of Deeds at Book 28433, Page 235, including the affordability restrictions that are provided within the Conditional Zoning Agreement. The affordability restrictions restrict the sale or lease of the above-described property to individuals with household incomes at 120% or less of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine. The affordability restrictions shall be binding upon the Grantee, its successors and assigns.

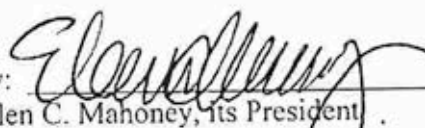
The above-described property is also subject to a Declaration of Affordable Housing Covenants for Home to Be Sold to Qualified Purchasers by Grantee to be recorded of even or near date.

IN WITNESS WHEREOF, HOME START has caused this instrument to be signed and sealed by Ellen C. Mahoney, its duly authorized President, this 24 day of July, 2012.

WITNESS:

HOME START, Grantor



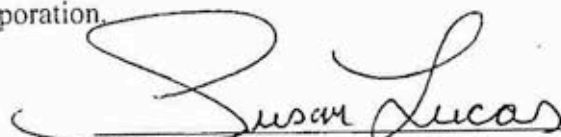
By: 
Ellen C. Mahoney, its President

STATE OF MAINE
CUMBERLAND, SS.

7/24, 2012

Personally appeared the above-named Ellen C. Mahoney, President of HOME START, as aforesaid, and acknowledged the foregoing instrument to be her free act and deed in her said capacity and the free act and deed of said corporation.

Before me,


Notary Public/Attorney-at-Law
Print Name: Susan Lucas
My commission expires: _____

MAINE REAL ESTATE TAX PAID

EXHIBIT A

Two certain lots or parcels of land, together with all improvements thereon and all rights and easements related thereto, located on the northerly side of Luther Street on Peaks Island in Portland, Cumberland County, Maine, described as follows:

Parcel A:

[Map 87, Block Z, Lot 16]

The certain lot or parcel of land together with all improvements thereon and all rights and easements related thereto located on the northerly side of Luther Street on Peaks Island, in Portland, Cumberland County, Maine which is designated as Lot #7 (seven) on the plan entitled "Plan of Homestead of late Luther Sterling, Plan E, made by C.H. Howe, C.E., dated November, 1883", and recorded in the Cumberland County Registry of Deeds in Book 516, between Pages 210 and 211. Said Lot 7 has also been described as follows:

Commencing (but not beginning) at an iron marker found on the northerly side of Luther Street, at the southwesterly corner of land now or formerly of Leslie M. Kaynor and Edward D. Kaynor, (see Book 24723, Page 317);

Thence S 68°04'29" W along said sideline of Luther Street, a distance of 53.60 feet to the true point of beginning;

Thence N 21°55'31" W, along Lot 9 on the aforementioned 1883 plan by Howe, a distance of 104.10 feet to a point and land now or formerly of Samuel S. Saltonstall (see Book 25196, Page 268);

Thence S 71°10'46" W, along said Saltonstall land and land now or formerly of Lisa K. Lynch (See Book 15741, Page 68), a distance of 51.07 feet to a point;

Thence S 21°55'31" E, along being retained by the grantor herein and which is Lot #5 on said 1883 Howe plan, a distance of 106.87 feet to a point on the northerly sideline of said Luther Street;

Thence N 68°04'29" E along said sideline of Luther Street, a distance of 51.00 feet to the point of beginning.

Being and meaning to convey, and hereby conveying, the same premises as designated as "Parcel 2" in the deed to the grantor herein which is recorded in the Cumberland County Registry of Deeds in Book 25452, Page 211. Further reference is made to the plan depicting the herein conveyed parcel and other parcels, entitled "Boundary & Topographic Survey, on Luther Street, Peaks Island, Portland, Maine, Made for Record Owner Homestart (sic)", by Owen Haskell, Inc., dated September 23, 2009, and stamped by John C. Schwanda, PLS No. 1252, which is believed to be unrecorded. Further reference is made to the Subdivision Plan entitled "18 Luther Street, Peaks Island, Portland, Maine, for HOMESTART" dated August 5, 2010, as

revised on September 7, 2010 and further revised on November 22, 2010 by Walsh Engineering Associates, Inc. and recorded on June 13, 2012 in Plan Book 212, Page 177.

Parcel B:
[Map 87, Block Z, Lot 15]

The certain lot or parcel of land together with all improvements thereon and all rights and easements related thereto, located on the northerly side of Luther Street on Peaks Island, in Portland, Cumberland County, Maine which is designated as Lot #9 (nine) on the plan entitled "Plan of Homestead of late Luther Sterling, Plan E, made by C.H. Howe, C.E., dated November, 1883", and recorded in the Cumberland County Registry of Deeds in Book 516, between Pages 210 and 211. Said Lot 9 has also been described as follows:

Beginning at an iron marker found on the northerly side of Luther Street, at the southwesterly corner of land now or formerly of Leslie M. Kaynor and Edward D. Kaynor, (see Book 24723, Page 317);

Thence N 21°55'31" W, along said Kaynor land, a distance of 101.20 feet to another iron marker found;

Thence S 71°10'46" W, along land now or formerly of Samuel S. Saltonstall (see Book 25196, Page 268), a distance of 53.68 feet to a point;

Thence S 21°55'31" E, along Lot #7 on said 1883 plan by Howe, a distance of 104.10 feet to a point on the northerly sideline of said Luther Street;

Thence N 68°04'29" E along said sideline of Luther Street, a distance of 53.60 feet to the point of beginning.

Being and meaning to convey, and hereby conveying, the same premises as designated as "Parcel 3" in the deed to the grantor herein which is recorded in the Cumberland County Registry of Deeds in Book 25452, Page 211. Further reference is made to the plan depicting the herein conveyed parcel and other parcels, entitled "Boundary & Topographic Survey, on Luther Street, Peaks Island, Portland, Maine, Made for Record Owner Homestart (sic)", by Owen Haskell, Inc., dated September 23, 2009, and stamped by John C. Schwanda, PLS No. 1252, which is believed to be unrecorded. Further reference is made to the Subdivision Plan entitled "18 Luther Street, Peaks Island, Portland, Maine, for HOMESTART" dated August 5, 2010, as revised on September 7, 2010 and further revised on November 22, 2010 by Walsh Engineering Associates, Inc. and recorded on June 13, 2012 in Plan Book 212, Page 177.

Received
Recorded Register of Deeds
Jul 25, 2012 03:10:32P
Cumberland County
Pamela E. Lovley

INTERNAL REVENUE SERVICE
P. O. BOX 2508
CINCINNATI, OH 45201

DEPARTMENT OF THE TREASURY

Date:

JUL 11 2005

HOME START
3 ONWAY RD
PEAKS ISLAND, ME 04108

Employer Identification Number:
25-1907421

DLN:

17053109013035

Contact Person:

BENJAMIN L DAVIS

ID# 31465

Contact Telephone Number:

(877) 829-5500

Accounting Period Ending:

September 30

Public Charity Status:

170(b)(1)(A)(vi)

Form 990 Required:

Yes

Effective Date of Exemption:

February 5, 2004

Contribution Deductibility:

Yes

Advance Ruling Ending Date:

September 30, 2008

Dear Applicant:

We are pleased to inform you that upon review of your application for tax exempt status we have determined that you are exempt from Federal income tax under section 501(c)(3) of the Internal Revenue Code. Contributions to you are deductible under section 170 of the Code. You are also qualified to receive tax deductible bequests, devises, transfers or gifts under section 2055, 2106 or 2522 of the Code. Because this letter could help resolve any questions regarding your exempt status, you should keep it in your permanent records.

Organizations exempt under section 501(c)(3) of the Code are further classified as either public charities or private foundations. During your advance ruling period, you will be treated as a public charity. Your advance ruling period begins with the effective date of your exemption and ends with advance ruling ending date shown in the heading of the letter.

Shortly before the end of your advance ruling period, we will send you Form 8734, Support Schedule for Advance Ruling Period. You will have 90 days after the end of your advance ruling period to return the completed form. We will then notify you, in writing, about your public charity status.

Please see enclosed Information for Exempt Organizations Under Section 501(c)(3) for some helpful information about your responsibilities as an exempt organization.

Letter 1045 (DO/CG)

Sources

City of Portland	36,000.00
Permanent Loan	70,982.05
Existing Cash	10,000.00
Capital Campaign/Grants	35,220.45
TOTAL SOURCES	152,202.50

Uses

Construction	123,375
Soft Costs	21,848
Financing	6,980
TOTAL USES	152,202.50

Development Budget	
	Total
CONSTRUCTION	
Construction Costs	117,500
Construction Contingency	5,875
Subtotal Construction	123,375
SOFT COSTS	
Approval Permits & Fees	7,500
Building Permit & Inspection	1,973
Engineer/Survey	-
Architect	-
Real Estate Attorney	-
Title Insurance & Recording	3,000
Construction Taxes	-
Construction Insurance	5,000
Home Inspection	375
Property Appraisal	3,000
Soft Cost Contingency	1,000
Subtotal Soft Costs	21,848
FINANCING	
Loan Origination Fee	500
Construction Legal & Inspection	-
Construction Interest	6,480
Other Financing Expenses	-
Subtotal Financing	6,980
TOTAL PROJECT COST	152,203

Reed and Company-Architecture

46 Cumberland Ave Portland Maine 04101



May 26, 2019

Project : 18 Luther St, Peaks Island

Owner: Homestart

Summary: The rental property at 18 Luther St., Peaks Island will be vacated, and Homestart plans to upgrade and maintain the building in preparation for a new tenant. The building is an older cottage, which is in need of further upgrades, and deferred maintenance.

Budget:

- **Insulation:** \$5000 The building is on posts with an enclosed crawl space area, plans are to spray foam floor area and add batt type mineral based insulation in attic areas
- **Exterior:** \$5000 Many windows need repair or replacement, installation of new egress windows in first floor bedrooms, replace exterior trim, caulk and provide storm windows as needed.
- **Interior:** \$5000 Remove existing unused brick chimney, replace kitchen base cabinets and countertops, provide new washer and dryer, repaint as required.

Accessory Dwelling unit Construction

Homestart also plans to add an approximately 500 sq ft Accessory Dwelling unit (ADU) attached at the rear of the cottage, with a shared entry. The single story ADU will be handicapped accessible, with modern building envelope to insure efficiency. Plans are for exterior to be compatible in style and color to existing structure.

Preliminary cost estimate for construction of Accessory Dwelling unit assuming approval by City of Portland of preliminary plans, current construction costs , and some volunteer participation to between \$100,000 and \$125,000

RICHARD K. REED, Maine Licensed Architect, LEED, AP



RICHARD K. REED, Maine Licensed Architect, LEED, AP

Richard Reed, a native of Maine, has been a professional architect for over 30 years. His experience includes a wide range of projects, from the complexity of providing new science laboratories within historic structures, to the simplicity of a wood-framed library in rural Maine. Mr. Reed's work is guided by the belief that good architecture results from thoroughly understanding a client's needs and finding the simplest, most honest solution to those needs.

Special Training

1994 "Child Care Design Institute," Harvard University Graduate School of Design

1992 "Public Library Planning and Design," Harvard University Graduate School of Design

Registration/Education

1972 Bachelor of Architecture, Pratt Institute

1976 Registration, Connecticut

1982 Registration, Maine

2009 LEED Accredited Professional for New Construction



Inspection Report

Betsy Remage-Healey

Property Address:

18 Luther Street
Peaks Island Maine 04108









Sherlock Homes Certified Home Inspections

Robert F Smith, CMI
20 Pound Road
Durham, Maine 04222
207-650-5117



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Date: 5/16/2019	Time: 11:01 AM	
Property: 18 Luther Street Peaks Island Maine 04108	Customer: Betsy Remage-Healey	Real Estate Professional:

Comment Key or Definitions

The following definitions of comment descriptions represent this inspection report. All comments by the inspector should be considered before purchasing this home. Any recommendations by the inspector to repair or replace suggests a second opinion or further inspection by a qualified contractor. All costs associated with further inspection fees and repair or replacement of item, component or unit should be considered before you purchase the property.

Inspected (IN) = I visually observed the item, component or unit and if no other comments were made then it appeared to be functioning as intended allowing for normal wear and tear.

Not Inspected (NI) = I did not inspect this item, component or unit and made no representations of whether or not it was functioning as intended and will state a reason for not inspecting.

Not Present (NP) = This item, component or unit is not in this home or building.

Monitor (MO) = This item, component or unit should be monitored on a regular basis.

Repair or Replace (RR) = The item, component or unit may not be functioning as intended, needs repair or maintenance, or needs further inspection by a qualified contractor. Items, components or units that can be repaired to satisfactory condition may not need replacement.

Safety Hazard (S) = This item, component or unit is presently or potentially a safety hazard.

When Things Go Wrong

There may come a time that you discover something wrong with the house, and you may be upset or disappointed with your home inspection.

Intermittent Or Concealed Problems

Some problems can only be discovered by living in a house. I do NOT move items or furniture, appliances or insulation. Some problems MAY indeed be hidden from view and will only be discovered when carpets were lifted, furniture is moved or finishes are removed. They cannot be discovered during the few hours of a home inspection. For example, some shower stalls leak when people are in the shower, but do not leak when you simply turn on the tap. A pipe that is hidden from view may leak but no leak was apparent during the inspection. Some roofs and basements only leak when specific conditions exist.

No Clues

These problems may have existed at the time of the inspection but there were no clues as to their existence. My inspections are based on the past performance of the house. If there are no clues of a past problem, it is unfair to assume I should foresee a future problem.

We Always Miss Some Minor Things

Some say inspectors are inconsistent because our reports identify some minor problems but not others. The minor problems that are identified were discovered while looking for more significant problems. We note them simply as a courtesy. The intent of the inspection is not to find the \$200 problems; it is to find the \$2,000 problems. These are the things that affect people's decisions to purchase.

Contractors' Advice

The main source of dissatisfaction with home inspectors comes from comments made by contractors. Contractors' opinions often differ from ours. Don't be surprised when three roofers all say the roof needs replacement when we said that, with some minor repairs, the roof would last a few more years.

Last Man In Theory

While my advice represents the most prudent thing to do, many contractors are reluctant to undertake these repairs. This is because of the "Last Man In Theory". The contractor fears that if he is the last person to work on the roof, he will get blamed if the roof leaks, regardless of whether the roof leak is his fault or not. Consequently, he won't want to do a minor repair with high liability when he could re-roof the entire house for more money and reduce the likelihood of a callback. This is understandable.

Most Recent Advice Is Best

There is more to the "Last Man In Theory". It suggests that it is human nature for homeowners to believe the last bit of "expert" advice they receive, even if it is contrary to previous advice. As home inspectors, we unfortunately find ourselves in the position of "First Man In" and consequently it is our advice that is often disbelieved.

Why Didn't We See It

Contractors may say, "I can't believe you had this house inspected, and they didn't find this problem". There are several reasons for these "apparent" oversights:

1. Conditions During Inspection

It is difficult for homeowners to remember the circumstances in the house, at the time of the inspection. Homeowners seldom remember that it was snowing, there was storage everywhere in the basement or that the furnace could not be turned on because the air conditioning was operating, et cetera. It's impossible for contractors to know what the circumstances were when the inspection was performed.

2. The Wisdom Of Hindsight

When the problem manifests itself, it is very easy to have 20/20 hindsight. Anybody can say that the basement is wet when there is 2 inches of water on the floor. Predicting the problem is a different story.

3. A Long Look

If we spent 1/2 an hour under the kitchen sink or 45 minutes disassembling the furnace, we'd find more problems too. Unfortunately, the inspection would take several days and would cost considerably more.

4. We're Generalists

We are generalists; we are not specialists. The heating contractor may indeed have more heating expertise than we do.

5. An Invasive Look

Problems often become apparent when carpets or plaster are removed, when fixtures or cabinets are pulled out, and so on. A home inspection is a visual examination. We don't perform any invasive or destructive tests.

Not All-Inclusive Insurance Coverage

In conclusion, a home inspection is designed to better your odds. It is not designed to eliminate all risk. Don't consider a home inspection that type of full coverage insurance policy. The premium that an insurance company would have to charge for a policy with no deductible, no limit and an indefinite policy period would be considerably more than the fee we charge. It would also not include the value added by the inspection.

Style of Home:

Cottage

Age Of Home:

1920+-

Home Faces:

Southerly

Client Is Present:

Yes

Radon Test:

No

Radon Water Test:

No

Water Test:

No

Weather:

Partly Cloudy

Temperature:

Below 60

Rain in last 3 days:

Yes



1. Roof and Attic

The inspector shall inspect from ground level or eaves: The roof covering. The gutters. The downspouts. The vents, flashings, skylights, chimney and other roof penetrations. The general structure of the roof from the readily accessible panels, doors or stairs.

The inspector is not required to: Walk on any roof surface, predict the service life expectancy, inspect underground downspout diverter drainage pipes, remove snow, ice, debris or other conditions that prohibit the observation of the roof surfaces, inspect antennae, lightning arresters, or similar attachments.

Styles & Materials

Roof Covering:
3-Tab fiberglass

Viewed roof covering from:
Ground
2nd story window
Telephoto Lens

Sky Light(s):
None

Chimney (exterior):
Brick

Roof Structure:
Not visible

Roof-Type:
Gable

Method used to observe attic:
Finished area

Attic info:
Attic space is finished
Roof structure not visible

Attic sheathing:
Not visible

Gutters and downspouts:
None

		IN	NI	NP	MO	RR	S
1.0	ROOF COVERINGS AND VENTS					•	
1.1	FLASHINGS - EAVES, RAKES AND SIDEWALLS	•					
1.2	CHIMNEYS, ROOF PENETRATIONS AND SKYLIGHTS					•	
1.3	ROOF DRAINAGE SYSTEMS - GUTTERS AND DOWNSPOUTS			•		•	
1.4	ROOF STRUCTURE AND ATTIC		•				
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

Comments:

1.0 Typical asphalt shingles will last from 20-25 years before replacement is necessary. Architectural shingles can last 30-35 years. This can vary of course, due to extreme weather conditions. Age of the roofing was not determined, however, shingles are showing considerable wear and granule loss. There is a fair amount of moss in areas which will reduce shingle life. Roofing should be replaced.

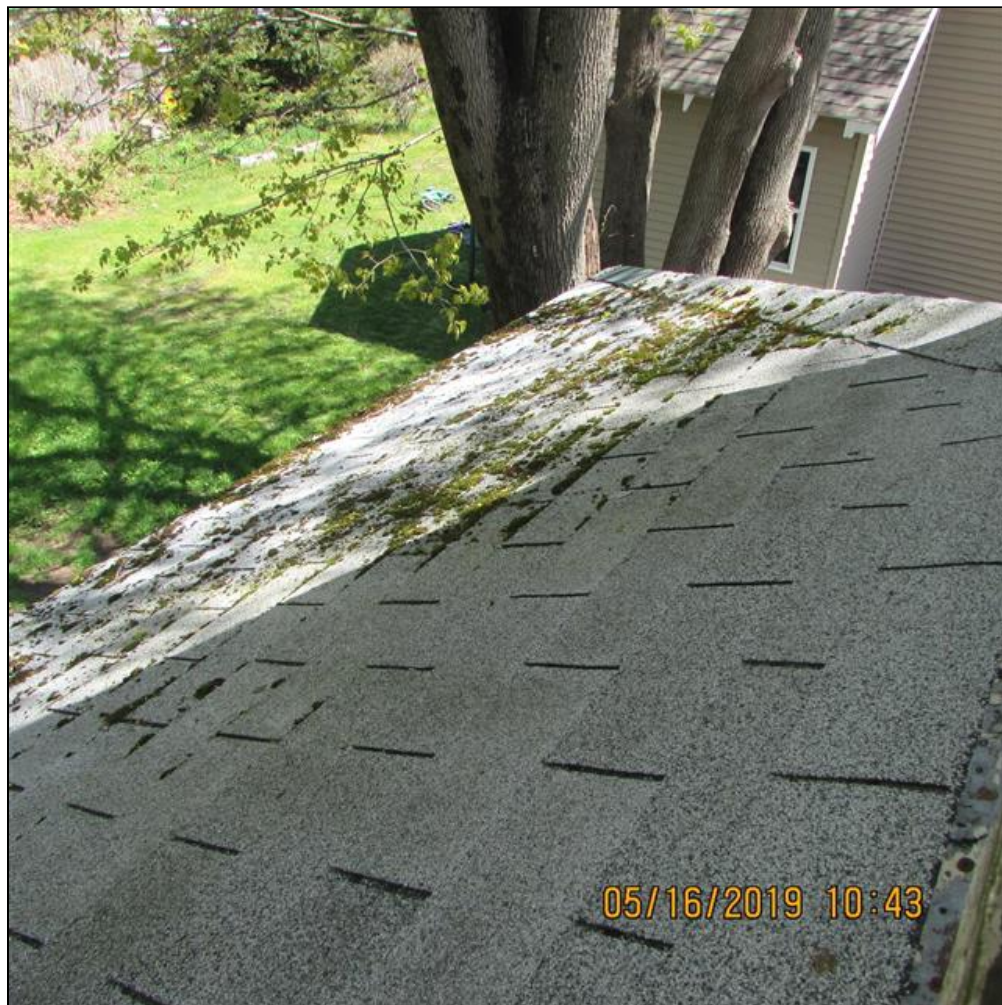
There are some shingles on the left side that are raised which could allow wind to rip them off and there is also some shingle damage. Repair recommended.



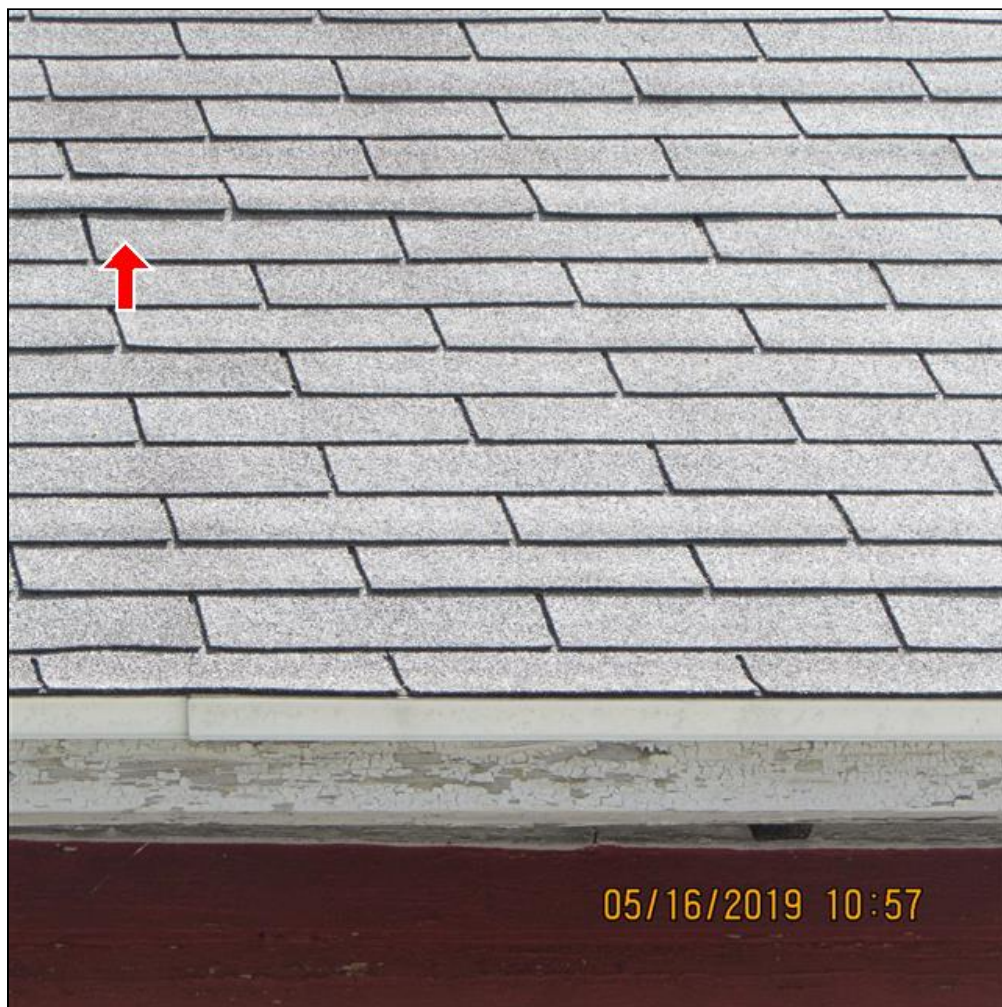
1.0 Item 1(Picture) Moss on roofing



1.0 Item 2(Picture) Roofing



1.0 Item 3(Picture) Roofing



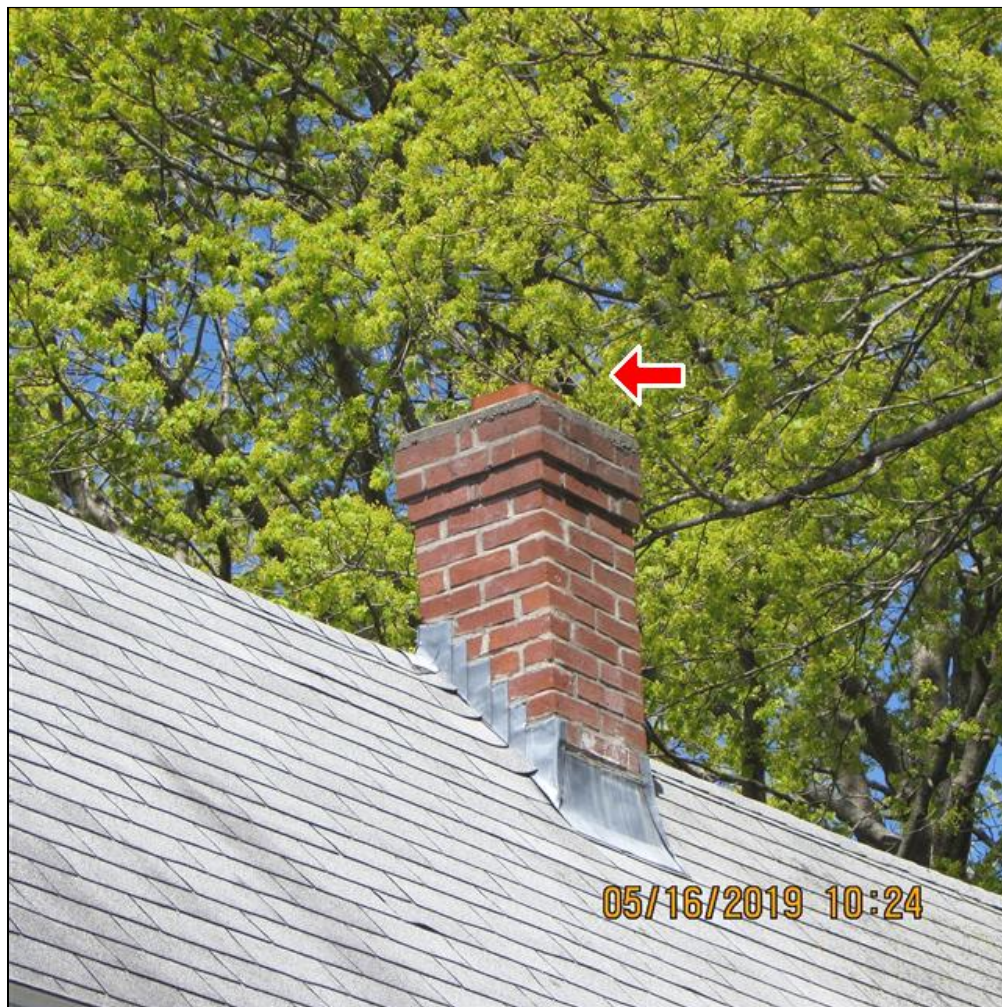
1.0 Item 4(Picture) Raised shingles



1.0 Item 5(Picture) Shingle damage on left side of home

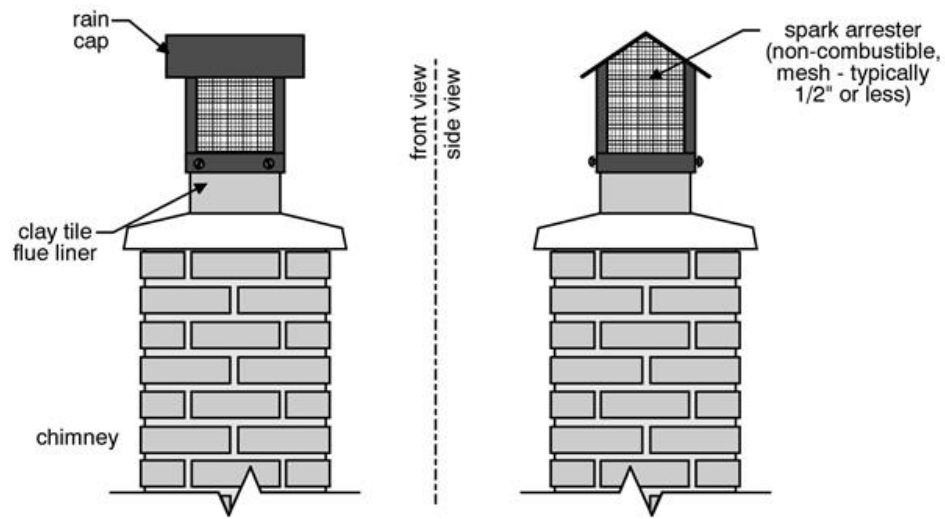
**1.2** Rain cap missing or deteriorated. Recommend replacement.

The flashing on one side of the chimney appears to be rusting and is also in need of pointing to avoid leakage. Have the chimney checked and repaired by a chimney sweep.

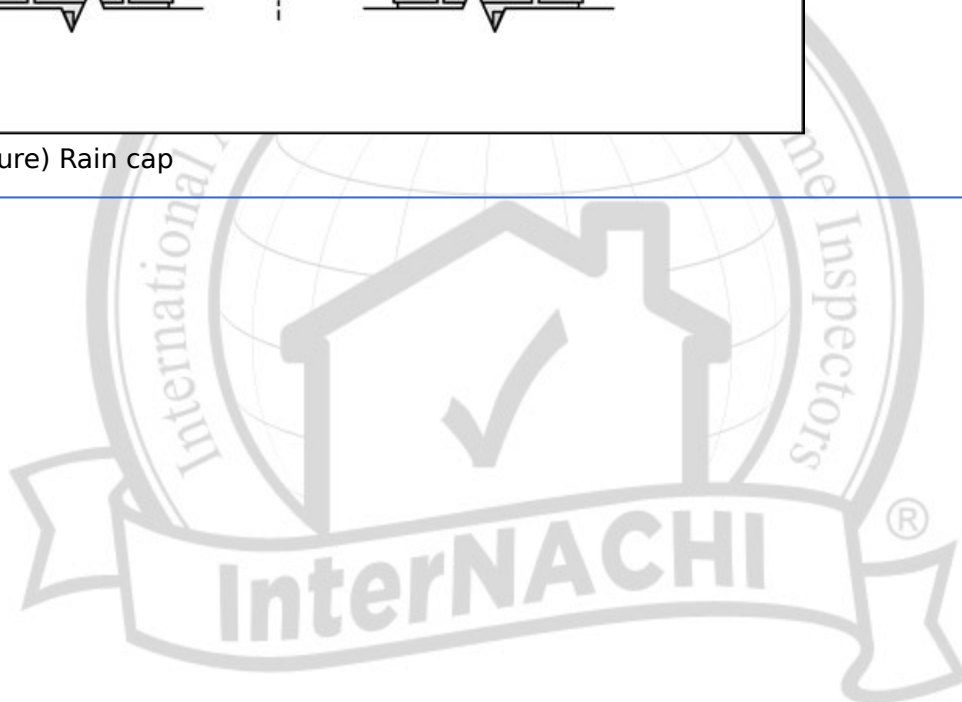


1.2 Item 1(Picture) Rain cap recommended

Rain caps and spark arresters

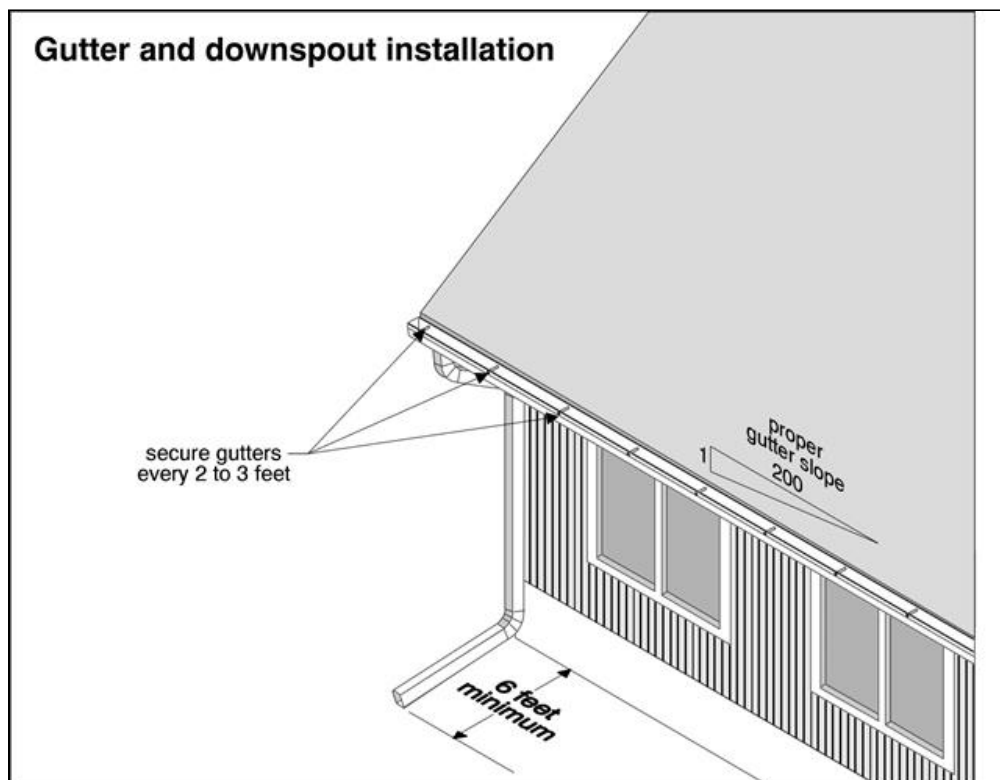


1.2 Item 2(Picture) Rain cap





1.2 Item 3(Picture) Rusty chimney flashing and missing mortar

**1.3** Gutters and downspouts are recommended or erosion or water intrusion can occur.**1.3 Item 1(Picture) Gutters and downspouts**

The roof of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Roof coverings and skylights can appear to be leak proof during inspection and weather conditions. My inspection makes an attempt to find a leak or potential areas of leakage but sometimes cannot. Best attempts are utilized to view flashings for any roof penetrations. Climbing on roofing however, is not normally done and flashings are observed with binoculars, telephoto lens or video camera if accessible. Thermal imaging is also done of interior ceilings to determine if leakage is present. All areas of flashings may not be visible and there is no guarantee regarding roof or flashing leakage. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

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2. Exterior

The inspector shall inspect: The siding, flashing and trim. All exterior doors, decks, stoops, steps, stairs, porches, railings, eaves, soffits and fascias. And report as in need of repair any spacing between intermediate balusters, spindles, or rails for steps, stairways, balconies, and railings that permit the passage of an object greater than four inches in diameter. A representative number of windows. The vegetation, surface drainage and retaining walls when these are likely to adversely affect the structure. And describe the exterior wall covering.

The inspector is not required to: Inspect or operate screens, storm windows, shutters, awnings, fences, outbuildings, or exterior accent lighting, Inspect items, including window and door flashings, which are not visible or readily accessible from the ground, Inspect geological, geotechnical, hydrological and/or soil conditions, Inspect recreational facilities, Inspect seawalls, break-walls and docks, Inspect erosion control and earth stabilization measures, Inspect for safety type glass, Inspect underground utilities, Inspect underground items, Inspect wells or springs, Inspect solar systems, Inspect swimming pools or spas, Inspect septic systems or cesspools, Inspect playground equipment, Inspect sprinkler systems, Inspect drain fields or drywells, Determine the integrity of the thermal window seals or damaged glass.

Styles & Materials

Siding Style:

Shakes
T-111

Siding Material:

Wood

Exterior Entry Doors:

Wood
Metal
Storm

Appurtenance:

Covered porch

Driveway:

Gravel

Walkway:

None Installed

Porch:

Wood
Footings not visible
Enclosed Porch(s)
Flashing not visible

Drain:

exterior

		IN	NI	NP	MO	RR	S
2.0	SIDING, FLASHING AND TRIM					•	
2.1	EAVES, SOFFITS AND FASCIAS					•	
2.2	DOORS (Exterior)					•	
2.3	WINDOWS					•	
2.4	DECKS, BALCONIES, STOOPS, STEPS, AREAWAYS, PORCHES, PATIO/ COVER AND APPLICABLE RAILINGS					•	
2.5	DRIVEWAYS, VEGETATION, GRADING, DRAINAGE, PATIO FLOOR, WALKWAYS AND RETAINING WALLS (With respect to their effect on the condition of the building)					•	
2.6	VENTILATION	•					
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

Comments:



2.0 (1) When siding is in contact with the ground or covered with vegetation or snow, it is not possible to determine if rot is present. Often, siding rots at the bottom and works its way up and into framing members of the wall or sill. I did not inspect behind siding if these conditions exist.

There is some wood skirting around the crawlspace that you need to keep a close eye on. Be sure its kept painted to avoid rot.



2.0 (2) Some of the siding is in need of replacement and some siding is in need of paint.



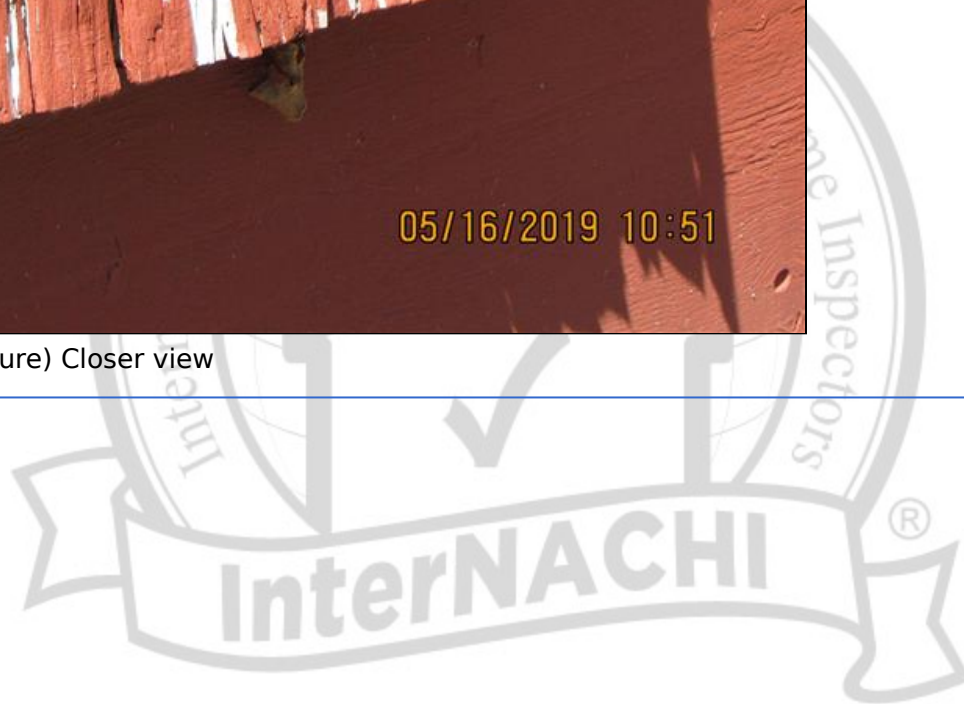
2.0 Item 1(Picture) Siding damage at front



2.0 Item 2(Picture) Siding needs replacement on the right of the front porch



2.0 Item 3(Picture) Closer view





2.0 Item 4(Picture) Keep siding painted



2.0 Item 5(Picture) Paint siding where needed



2.0 Item 6(Picture) Keep siding painted



2.1 Paint needed in all areas. One fascia board on the right is showing rot and replacement is needed.

There are some holes in the soffits on the left side of the home. These are access areas for bats and insects and need to be sealed.



2.1 Item 1(Picture) All fascia boards and trim need paint



2.1 Item 2(Picture) Fascia rot on right side of home



2.1 Item 3(Picture) Seal holes in soffits



2.2 The entry door to the interior from the front porch is missing a window. Repair or replace. An insulated door is recommended.

The storm door at the front entrance is in need of replacement.



2.2 Item 1(Picture) Window missing in front door



2.2 Item 2(Picture) Storm door damage and wear



2.3 Some screens may be missing. An exact count was not performed. Further investigation is recommended.

Windows are in need of paint.

The basement windows on the right of the home is showing rot and needs to be repaired or replaced.

A window at the rear is showing some rot. Replacement recommended.



2.3 Item 1(Picture) Exterior windows need paint



2.3 Item 2(Picture) Basement window rot



2.3 Item 3(Picture) Basement window rot



2.3 Item 4(Picture) Rear window



2.4 (1) Decks and porches should be painted or sealed yearly if wood. The front porch needs stain or paint and some repair.

The back porch needs sealing, stain or paint.



2.4 Item 1(Picture) Stain or paint needed



2.4 Item 2(Picture) Replace any damaged wood at front porch



2.4 Item 3(Picture) Back porch



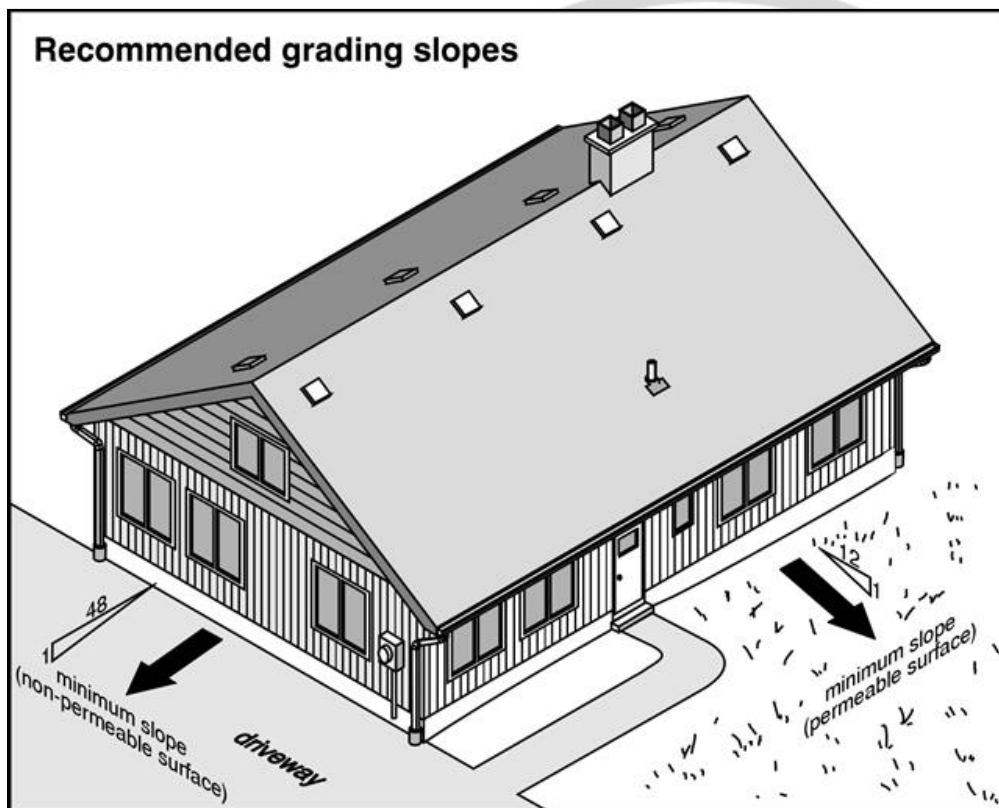
2.4 (2) Decks, porches, doors, windows and balconies should have proper flashing installed when constructed. Flashing keeps rain from entering behind the deck band, door frames, etc., and entering the wall of the home. Flashing is not visible in most instances. If flashing is not installed correctly, water can penetrate walls and rot door frames, windows, walls and sills. Most of the time these areas are not visible especially if insulation or some other type of covering is present. Best efforts are performed to check these areas if accessible.



2.5 (1) Trees and shrubs should be no closer than 16" from siding and roofing. Trim back all bushes if necessary. If you can't walk behind them, they are too close. Do not allow branches to touch or overhang buildings.



2.5 (2) Be sure to maintain proper grading around the perimeter of the home to avoid or diminish water penetration into the basement.



2.5 Item 1(Picture) Grading recommendations

The exterior of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

Fact Sheet: Arsenic Treated Wood

Maine CDC
Environmental and Occupational Health Program

About half of all Maine homes have a deck, or playground or some other structure that is made of wood treated with arsenic. This wood is called "CCA pressure-treated wood" or just "pressure-treated" wood. The wood was treated with arsenic to protect against rot and insects. Too much arsenic can cause cancer. So it is good to prevent arsenic getting into your body when you can. When you touch wood treated with arsenic, you can get arsenic on your hands. The arsenic on your hands can get into your mouth if you are not careful about washing before eating. Young children are most at risk because they are more likely to put their hands in their mouths. The good news is that there are simple things you can do to protect yourself and your family from arsenic treated wood. This fact sheet will tell you how.

Children touching unsealed treated wood, and then putting their hands in their mouths is the biggest concern.

Does Your New Home Have Arsenic (CCA) Treated Wood?

Common Questions

What is CCA wood?

CCA wood is made by dipping the wood in a mixture of chemicals. These chemicals include chromium, copper, and arsenic. This protects the wood against insects and rot. This wood is known as CCA wood or "pressure treated" wood. Most pressure treated wood in the U.S. is CCA wood. After December 31, 2003, no more CCA wood will be made for use around homes. CCA wood may still be sold for home use until April 1, 2004 in the state of Maine.

What is Arsenic?

Arsenic is found in soil and rocks. Most people get a little arsenic every day from the food they eat. Also, some people have arsenic in their private wells, which is why it is important that anyone with a well have it tested for arsenic. People who are exposed to too much arsenic over many years are more likely to get cancer.

First: Does your house have arsenic treated (CCA) wood?

When arsenic treated wood is new, it tends to have a greenish tint. When CCA wood is older, it is harder to tell. Ask your realtor if the seller knows whether CCA wood was used. You can also test the wood to find out if it contains arsenic. Call us to find out how.

Second: If so, reduce contact with the arsenic.

You can lower the amount of arsenic on the surface of the wood by applying a coating on the wood every 1-2 years. Oil-based sealants, varnishes, or polyurethane work best for sealing arsenic in the wood. Be sure to wash your children's hands when they finish playing on or near CCA wood.

Third: If you have any questions, call us toll-free in Maine: 866-292-3474

IF YOU WORK WITH CCA WOOD NEVER burn CCA wood. Wear gloves when handling CCA wood. Wear a dust mask when sanding or cutting CCA wood. Don't work with CCA wood in an enclosed area (like a garage). Apply a coating to seal the wood every 1-2 years.

TO LEARN MORE

Eric Frohberg
Environmental and Occupational Health Program
Maine CDC
Toll-free in Maine 866-292-3474
TTY: 207-287-8066

www.maine.gov/dhhs/eohp
Department of Health and Human Services
11 State House Station
Augusta, ME 04333

Toll Free in Maine: 866-292-3474
Fax: 207-287-3981
TTY: 207-287-8066
Email: ehu@maine.gov



3. Kitchen Appliances



Appliances are tested for operation if they are plugged in and water is turned on. All cycles of dishwashers are not tested, only a brief wash cycle. Always get assurance from the owners that the appliances included with the sale are operational prior to closing.

Styles & Materials

Range/Oven:

FRIGIDAIRE
ELECTRIC

Refrigerator:

FRIGIDAIRE

Dishwasher Brand:

NONE

Built in Microwave:

NONE

Disposer Brand:

NONE

Exhaust/Range hood:

VENTED
Serial # : Ventrula

Trash Compactors:

NONE

Washer:

120v outlet
Standpipe
Hot and cold water

Dryer:

Vented to exterior
220v
Electric

		IN	NI	NP	MO	RR	S
3.0	DISHWASHER			•			
3.1	RANGES/OVENS/COOKTOPS	•					
3.2	RANGE HOOD/VENT	•					
3.3	TRASH COMPACTOR			•			
3.4	FOOD WASTE DISPOSER			•			
3.5	MICROWAVE COOKING EQUIPMENT			•			
3.6	REFRIGERATOR	•					
3.7	OTHER APPLIANCES		•			•	
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

Comments:

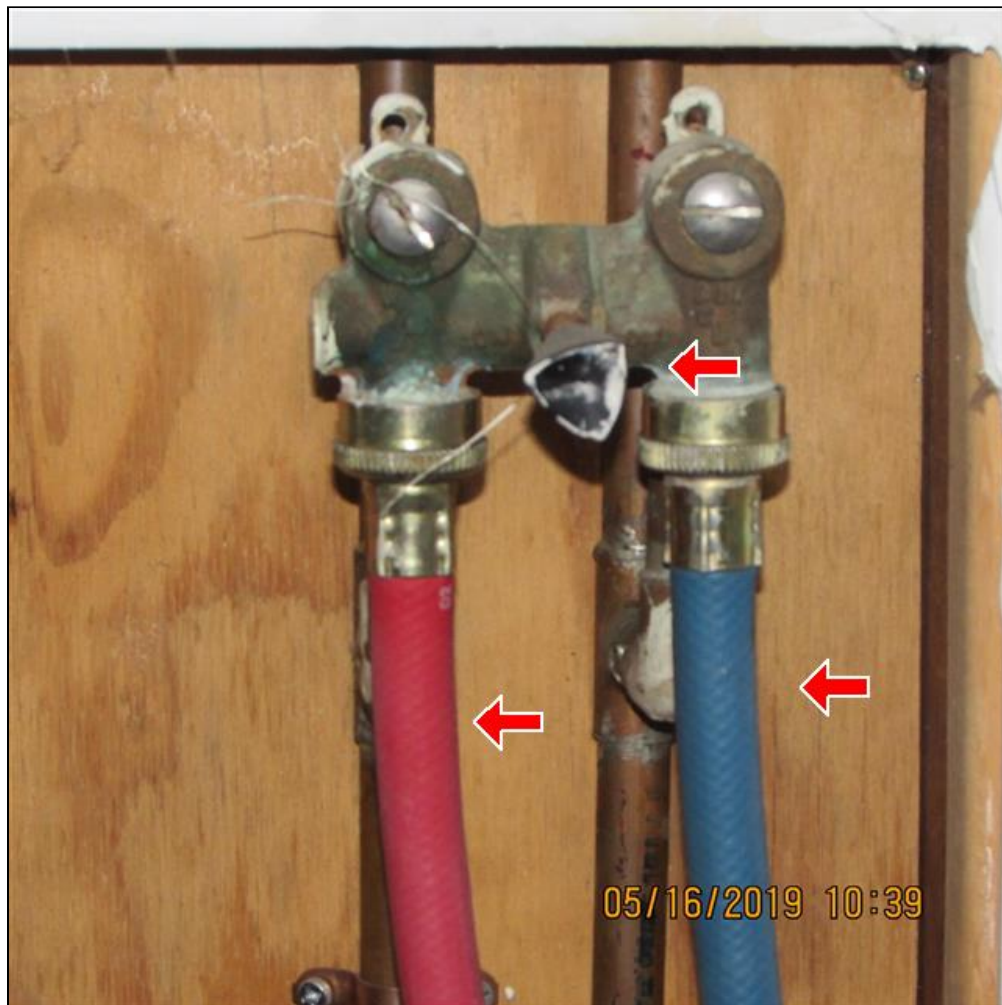
3.1 Self cleaning functions are not tested.

3.4 Not recommended with a septic system

 **3.7** Washing machines and dryers are not tested. I recommend a drip pan be installed under washing machines that are located in living space. **Be sure to turn off water when not in use and install high pressure hoses.**



3.7 Item 1(Picture) Drip pan recommended under the washer



3.7 Item 2(Picture) Turn off water and replace hoses

4. Interior, Windows and Doors

The home inspector shall observe: Walls, ceiling, and floors; Steps, stairways, balconies, and railings; Counters and a representative number of installed cabinets; and A representative number of doors and windows. The home inspector shall: Operate a representative number of windows and interior doors; and Report signs of abnormal or harmful water penetration into the building or signs of abnormal or harmful condensation on building components. The home inspector is not required to observe: Paint, wallpaper, and other finish treatments on the interior walls, ceilings, and floors; Carpeting; or Draperies, blinds, or other window treatments.

The inspector shall: Open and close a representative number of doors and windows. Inspect the walls, ceilings, steps, stairways, and railings. Inspect garage doors and garage door openers by operating first by remote (if available) and then by the installed automatic door control. And report as in need of repair any installed electronic sensors that are not operable or not installed at proper heights above the garage door. And report as in need of repair any door locks or side ropes that have not been removed or disabled when garage door opener is in use. And report as in need of repair any windows that are obviously fogged or display other evidence of broken seals.

The inspector is not required to: Inspect paint, wallpaper, window treatments or finish treatments. Inspect central vacuum systems. Inspect safety glazing. Inspect security systems or components. Evaluate the fastening of countertops, cabinets, sink tops and fixtures, or firewall compromises. Move furniture, stored items, or any coverings like carpets or rugs in order to inspect the concealed floor structure. Move drop ceiling tiles. Inspect or move any household appliances. Inspect or operate equipment housed in the garage except as otherwise noted. Verify or certify safe operation of any auto reverse or related safety function of a garage door. Operate or evaluate security bar release and opening mechanisms, whether interior or exterior, including compliance with local, state, or federal standards. Operate any system, appliance or component that requires the use of special keys, codes, combinations, or devices. Operate or evaluate self-cleaning oven cycles, tilt guards/latches or signal lights. Inspect microwave ovens or test leakage from microwave ovens. Operate or examine any sauna, steam-jenny, kiln, toaster, ice-maker, coffee-maker, can-opener, bread-warmer, blender, instant hot water dispenser, or other small, ancillary devices. Inspect elevators. Inspect remote controls. Inspect appliances. Inspect items not permanently installed. Examine or operate any above-ground, movable, freestanding, or otherwise non-permanently installed pool/spa, recreational equipment or self-contained equipment. Come into contact with any pool or spa water in order to determine the system structure or components. Determine the adequacy of spa jet water force or bubble effect. Determine the structural integrity or leakage of a pool or spa.

Styles & Materials

Ceiling Materials:

Sheetrock/plaster

Wall Material:

Sheetrock/plaster
Paneling

Floor Covering(s):

Softwood

Interior Doors:

Raised panel
Wood

Window Types:

Thermal/Insulated
Single-hung
Casement
Fixed pane

Cabinetry:

Wood

Countertop:

Laminate

		IN	NI	NP	MO	RR	S
4.0	CEILINGS					•	
4.1	WALLS	•					
4.2	FLOORS					•	
4.3	STEPS, STAIRWAYS, BALCONIES AND RAILINGS	•					
4.4	COUNTERS AND A REPRESENTATIVE NUMBER OF CABINETS	•					
4.5	DOORS (REPRESENTATIVE NUMBER)					•	
4.6	WINDOWS (REPRESENTATIVE NUMBER)					•	
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

Comments:

4.0 There is an obvious ceiling repair on the 2nd floor. This may have been the old attic scuttle hole and it would really be a good idea to re-install it so you can access the attic area. I recommend you have this repaired by a professional.



4.0 Item 1(Picture) 2nd floor ceiling repair



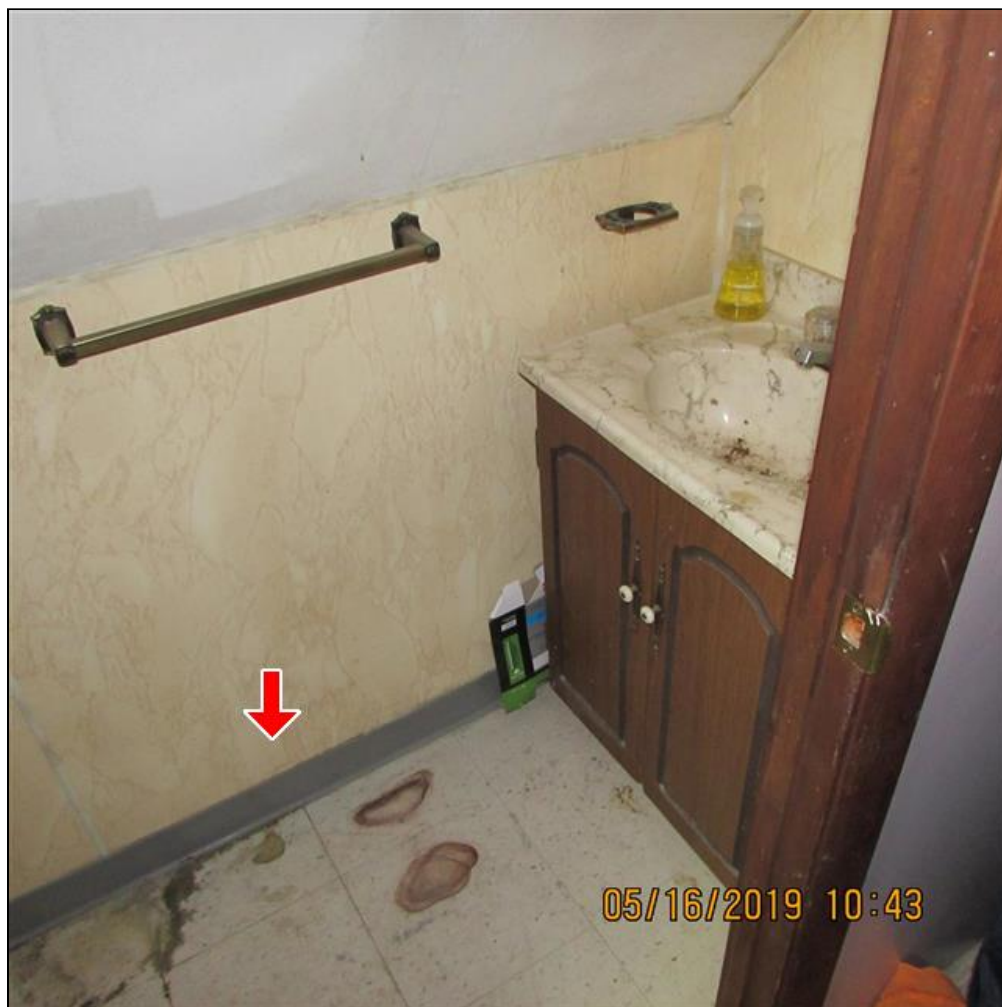
4.2 Keep in mind that due to the amount of personal belongings in this cottage, all areas were not visible. Other repair areas are likely.

The front porch floor is showing wear. Repair recommended.

The upstairs bathroom floor is damaged. Repair recommended.



4.2 Item 1(Picture) Front porch floor



4.2 Item 2(Picture) 2nd floor bathroom floor



4.2 Item 3(Picture) 2nd floor bathroom

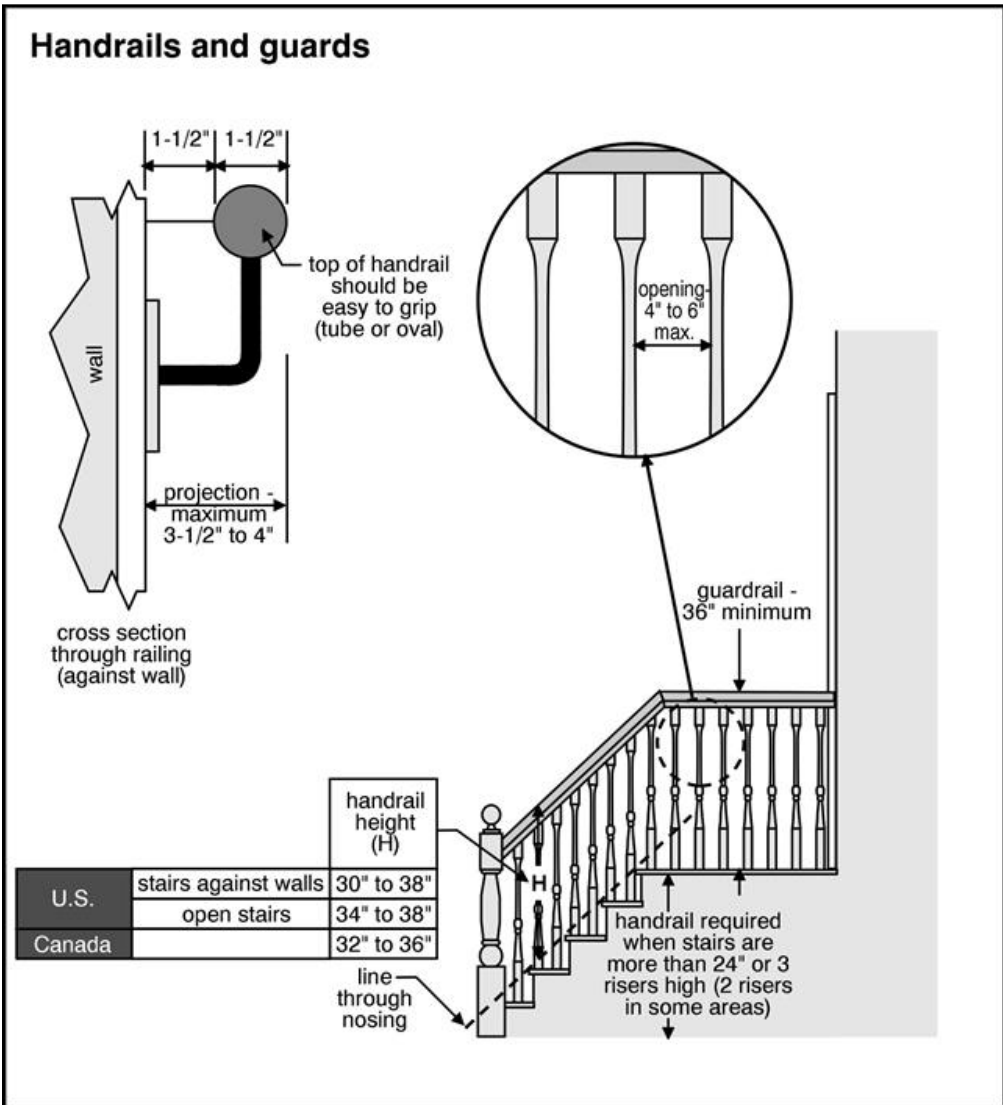


+ 4.3 The balusters on the guard rail at the second story stairs has balusters that are spaced to far apart for safety. A guard rail with balusters 4" or less apart is recommended for small children . Repair recommended.



4.3 Item 1(Picture) Balusters should be 4" apart

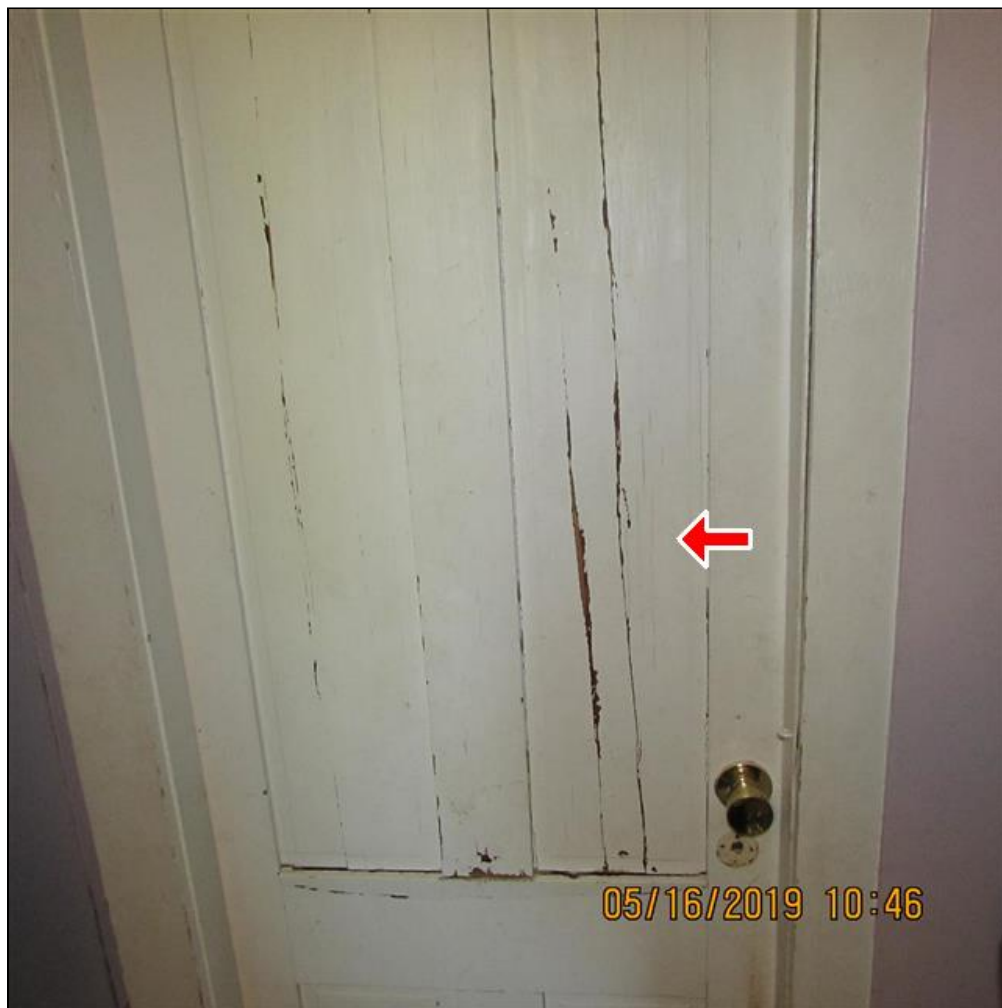
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4.3 Item 2(Picture) Handrails and guards



4.5 Replace the bedroom door on the 2nd floor.



4.5 Item 1(Picture) 2nd floor bedroom door



4.6 The porch windows are in need of sanding and sealing. Water stains are visible.

The fixed pane window over the front entry door needs paint and glazing.

One of the windows on the right side of the home has some loose window trim. This does not seem to affect the operation, however, you should repair it.



4.6 Item 1(Picture) Water stains on porch window sills



4.6 Item 2(Picture) Porch windows need sealing



4.6 Item 3(Picture) Paint and glazing compound needed on front porch window





4.6 Item 4(Picture) Loose window trim

The interior of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. The inspection did not involve moving furniture and inspecting behind furniture, area rugs or areas obstructed from view. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

5. Chimney Flues and Fireplace

The inspector shall inspect: The fireplace, and open and close the damper door if readily accessible and operable. Hearth extensions and other permanently installed components. And report as in need of repair deficiencies in the lintel, hearth and material surrounding the fireplace, including clearance from combustible materials.

The inspector is not required to: Inspect the flue or vent system. Inspect the interior of chimneys or flues, fire doors or screens, seals or gaskets, or mantels. Determine the need for a chimney sweep. Operate gas fireplace inserts. Light pilot flames. Determine the appropriateness of such installation. Inspect automatic fuel feed devices. Inspect combustion and/or make-up air devices. Inspect heat distribution assists whether gravity controlled or fan assisted. Ignite or extinguish fires. Determine draft characteristics. Move fireplace inserts, stoves, or firebox contents. Determine adequacy of draft, perform a smoke test or dismantle or remove any component. Perform an NFPA inspection.

Chimney liners deteriorate over time. Clay liners especially have a limited life of 20-30 years and will begin to spall. If spalling becomes severe, replacement is necessary. A chimney sweep should always check the interior of your chimney's.

Styles & Materials

Types of Fireplaces/Woodstoves: Chimney:

Liner:

None

Masonry

Not Visible

		IN	NI	NP	MO	RR	S
5.0	SOLID FUEL HEATING DEVICES (Fireplaces, Woodstove)			•			
5.1	GAS/LP FIRELOGS AND FIREPLACES			•			
5.2	CHIMNEYS, FLUES AND VENTS					•	•
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

Comments:

+ **5.2** The liners for furnaces, boilers or fireplaces are not totally visible and inspection is limited. I recommend a qualified chimney sweep clean and inspect for safety prior to use. This chimney does not appear to be in use. To avoid further deterioration if you don't plan to utilize it, I recommend capping off the chimney top at the exterior. If you intend to use the chimney at some point, it will need repair.



5.2 Item 1(Picture) Spalling chimney in crawlspace



5.2 Item 2(Picture) Chimney is in need of repair



5.2 Item 3(Picture) Chimney deterioration

.....

The Fireplace or woodstove system of this home was inspected (if present) and reported on with the above information but it is incomplete. The liner or the safety aspect of the liner was not inspected. The inspection is not meant to be technically exhaustive and does not substitute an inspection by a certified chimney sweep. The inspection does not determine the safety of the fireplace in terms of the condition of liner or the absence of a liner. Any comments made by the inspector does not remove the need for an inspection by a certified chimney sweep. Chimneys should be inspected at least annually. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that a certified chimney sweep inspect the liner for safe operation.

PUBLIC Law, Chapter 250 LD 53, item 1, 124th Maine State Legislature

An Act To Permit the Use of a Common Flue for Oil and Solid Fuel Burning Equipment

HP0046, LR 198, item 1, Signed on 2009-06-04 00:00:00.0 - First Regular Session - 124th Maine Legislature, page 1

An Act To Permit the Use of a Common Flue for Oil and Solid Fuel Burning Equipment

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 25 MRSA §2465, sub-§1-A, as enacted by PL 2005, c. 571, §1, is amended to read:

1-A. Routine technical rules. The Commissioner of Public Safety shall adopt rules pertaining to the construction, installation, maintenance and inspection of chimneys, fireplaces, vents and solid fuel burning appliances. Rules adopted pursuant to this subsection may include rules pertaining to maintenance and inspections, except as provided in subsection 1-B. Rules adopted pursuant to this subsection may not prohibit the continued use of an existing connection of a solid fuel burning appliance to a chimney flue to which another appliance burning oil or solid fuel is connected for any chimney existing and in use prior to February 2, 1998 as long as sufficient draft is available for each appliance, the chimney is lined and structurally intact and a carbon monoxide detector is installed in the building near a bedroom. Rules adopted pursuant to this subsection are routine technical rules as defined in Title 5, chapter 375, subchapter 2-A.

Sec. 2. 32 MRSA §2402-A, as enacted by PL 1999, c. 386, Pt. J, §16, is amended to read:

§ 2402-A.Rules

The board may adopt reasonable rules for the issuance of various types and classes of licenses to cover oil and solid fuel burner installations and to set forth standards and rules for product approval. Rules adopted pursuant to this section may not prohibit the continued use of an existing connection of a solid fuel burning appliance to a chimney flue to which another appliance burning oil or solid fuel is connected for any chimney existing and in use prior to February 2, 1998 as long as sufficient draft is available for each appliance, the chimney is lined and structurally intact and a carbon monoxide detector is installed in the building near a bedroom. A license may cover one or more types of installations. The board may further adopt reasonable rules concerning the term and type of experience required by candidates for examination.

Effective 90 days following adjournment of the 124th

Legislature, First Regular Session, unless otherwise indicated.

6. Basement, Foundation, Crawlspace and Structure

The inspector shall inspect: The basement. The foundation. The crawlspace. The visible structural components. Any present conditions or clear indications of active water penetration observed by the inspector. And report any general indications of foundation movement that are observed by the inspector, such as but not limited to sheetrock cracks, brick cracks, out-of-square door frames or floor slopes.

The inspector is not required to: Enter any crawlspaces that are not readily accessible or where entry could cause damage or pose a hazard to the inspector, Move stored items or debris, Operate sump pumps with inaccessible floats, Identify size, spacing, span, location or determine adequacy of foundation bolting, bracing, joists, joist spans or support systems, Provide any engineering or architectural service, Report on the adequacy of any structural system or component.

Styles & Materials

Foundation: Skirting Wood piers/columns Insulated on interior walls Footings visible	Method used to observe Crawlspace: Crawled	Floor Structure: Wood joists 6" or better Wood beams
Columns or Piers: Wood columns	Wall Structure: Wood frame	Ceiling Structure: Not visible
Crawlspace Floor: Dirt No vapor barrier		

		IN	NI	NP	MO	RR	S
6.0	FOUNDATIONS, BASEMENTS AND CRAWLSPACES (Report signs of abnormal or harmful water penetration into the building or signs of abnormal or harmful condensation on building components.)					•	
6.1	WALLS (Structural)	•					
6.2	COLUMNS OR PIERS	•					
6.3	FLOORS (Structural)				•		
6.4	CEILINGS (structural)		•				
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

Comments:



6.0 I am unable to determine the extent of water intrusion or how often it will occur. Insulation, storage and finished areas prevents total inspection of all basement areas. Keep in mind that many times door or window installers do not install flashing correctly. As a result, water can penetrate walls or floors and cause rot. If sills are insulated or not visible under doors and/or windows, rot may be present, however, we do not move insulation or coverings to inspect these areas.

It is apparent there is some seepage into the crawlspace. Installation of a gutter system and proper grading will help control water entry.

Due to insulation on the interior walls of the crawlspace, we could not see the condition of the wood skirting.



6.0 Item 1(Picture) Crawlspace

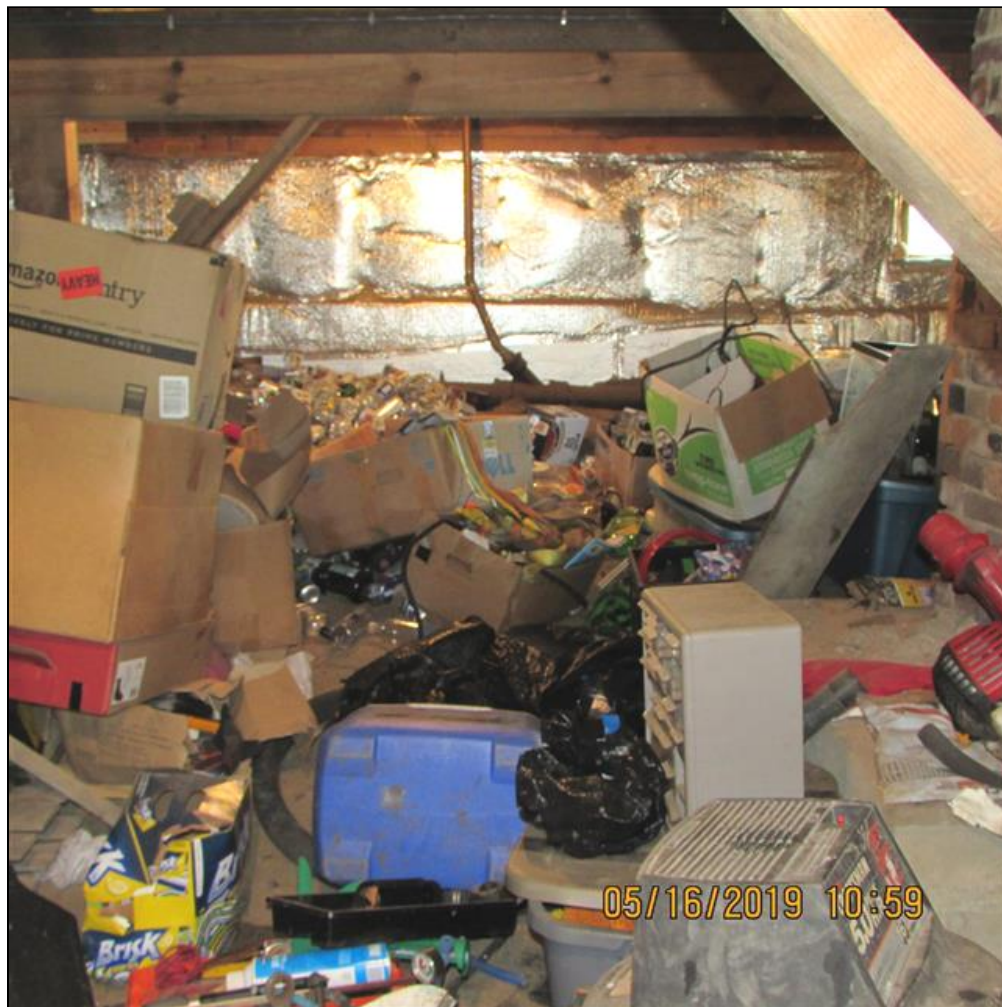


6.0 Item 2(Picture) Crawlspace



6.0 Item 3(Picture) Crawlspace





6.0 Item 4(Picture) Crawlspace



6.0 Item 5(Picture) Crawlspace





6.0 Item 6(Picture) Crawlspace





6.0 Item 7(Picture) Crawlspace



6.0 Item 8(Picture) Crawlspace



6.0 Item 9(Picture) Crawlspace



6.0 Item 10(Picture) Crawlspace



6.0 Item 11(Picture)



6.0 Item 12(Picture) Crawlspace





6.0 Item 13(Picture) Crawlspace



6.0 Item 14(Picture) Crawlspace



6.0 Item 15(Picture) Water seepage present



6.3 Best efforts are performed to inspect all sills, joists and floor structures. Unfortunately, all areas are not accessible in most crawlspaces and basements and many areas are covered with insulation or not totally accessible. Any problems discovered will be noted.

Some evidence of past water leakage on the sub floor. Flooring did not appear to need replacement, however, you need to monitor flooring below kitchens and bathrooms. These are areas where leakage often occurs which will eventually cause rot.



6.3 Item 1(Picture) Monitor sub flooring below bathrooms and kitchens

6.4 Obviously some ceilings are not visible due to sheetrock, plaster, insulation or some other form of covering. Ceilings between floors also not visible. Insulation also restricts inspection if present.

The structure of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

7. Heating and Cooling

The inspector shall inspect: The heating system and describe the energy source and heating method using normal operating controls. And report as in need of repair electric furnaces which do not operate. And report if inspector deemed the furnace inaccessible. The central cooling equipment using normal operating controls.

The inspector is not required to: Inspect or evaluate interiors of flues or chimneys, fire chambers, heat exchangers, humidifiers, dehumidifiers, electronic air filters, solar heating systems, solar heating systems or fuel tanks. Inspect underground fuel tanks. Determine the uniformity, temperature, flow, balance, distribution, size, capacity, BTU, or supply adequacy of the heating system. Light or ignite pilot flames. Activate heating, heat pump systems, or other heating systems when ambient temperatures or when other circumstances are not conducive to safe operation or may damage the equipment. Override electronic thermostats. Evaluate fuel quality. Verify thermostat calibration, heat anticipation or automatic setbacks, timers, programs or clocks. Determine the uniformity, temperature, flow, balance, distribution, size, capacity, BTU, or supply adequacy of the cooling system. Inspect window units, through-wall units, or electronic air filters. Operate equipment or systems if exterior temperature is below 60 degrees Fahrenheit or when other circumstances are not conducive to safe operation or may damage the equipment. Inspect or determine thermostat calibration, heat anticipation or automatic setbacks or clocks. Examine electrical current, coolant fluids or gasses, or coolant leakage.

Styles & Materials

Heat System Brand:

RINNAI

Heat Type:

Electric Baseboard

Space heater(s)

Energy Source:

Propane

Electric

**Number of Heat Systems
(excluding wood):**

One

Chimney:

Space heater(s) use direct vent

Oil Tank:

None

		IN	NI	NP	MO	RR	S
7.0	HEATING EQUIPMENT					•	
7.1	NORMAL OPERATING CONTROLS	•					
7.2	DISTRIBUTION SYSTEMS (including fans, pumps, ducts and piping, with supports, insulation, air filters, registers, radiators, fan coil units and convectors)	•					
7.3	PRESENCE OF INSTALLED HEAT SOURCE IN EACH ROOM			•		•	
7.4	CHIMNEYS, FLUES SMOKE STACKS AND VENTS (for gas water heaters or heat systems)	•					
7.5	Oil tank			•			
7.6	FUEL STORAGE AND DISTRIBUTION SYSTEMS (Interior and exterior fuel storage, piping, venting, supports, leaks)	•					
7.7	MAIN FUEL SHUT OFF (Describe Location)	•					
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

Comments:



7.0 (1) If the heating system has not been serviced in the last year (complete cleaning) it should be done as soon as possible.



7.0 Item 1(Picture)

InterNACHI



7.0 (2) Age of the heating system could not be determined. Once an average heating system reaches 20 years of age it is considered to have reached the end of its life expectancy and you should budget for replacement.

I recommend having your heating system CLEANED yearly.

Be sure to check with the owner for the approximate age of all heating systems.

7.0 (3) There is some electric heat in the crawlspace to keep the pipes from freezing.



7.0 Item 2(Picture) Thermostat in crawlspace for heat

**7.3** There is no heat upstairs.**7.4** The space heater uses a direct vent.

7.4 Item 1(Picture) Direct vent

7.7 The main fuel shut off is at propane tank outside.

The heating and cooling system of this home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. The inspection is not meant to be technically exhaustive. The inspection does not involve removal and inspection behind service door or dismantling that would otherwise reveal something only a licensed heat contractor would discover. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

A heating system that is operating correctly today, may malfunction tomorrow. Unfortunately, we cannot see into the future and base our evaluation on what is seen at the time of inspection.

8. Plumbing

The inspector shall: Verify the presence of and identify the location of the main water shutoff valve. Inspect the water heating equipment, including combustion air, venting, connections, energy sources, seismic bracing, and verify the presence or absence of temperature-pressure relief valves and/or Watts 210 valves. Flush toilets. Run water in sinks, tubs, and showers. Inspect the interior water supply including all fixtures and faucets. Inspect the drain, waste and vent systems, including all fixtures. Describe any visible fuel storage systems. Inspect the drainage sump pumps testing sumps with accessible floats. Inspect and describe the water supply, drain, waste and main fuel shut-off valves, as well as the location of the water main and main fuel shut-off valves. Inspect and determine if the water supply is public or private. Inspect and report as in need of repair deficiencies in the water supply by viewing the functional flow in two fixtures operated simultaneously. Inspect and report as in need of repair deficiencies in installation and identification of hot and cold faucets. Inspect and report as in need of repair mechanical drain-stops that are missing or do not operate if installed in sinks, lavatories and tubs. Inspect and report as in need of repair commodes that have cracks in the ceramic material, are improperly mounted on the floor, leak, or have tank components which do not operate.

The inspector is not required to: Light or ignite pilot flames. Determine the size, temperature, age, life expectancy or adequacy of the water heater. Inspect interiors of flues or chimneys, water softening or filtering systems, well pumps or tanks, safety or shut-off valves, floor drains, lawn sprinkler systems or fire sprinkler systems. Determine the exact flow rate, volume, pressure, temperature, or adequacy of the water supply.

Determine the water quality or potability or the reliability of the water supply or source. Open sealed plumbing access panels. Inspect clothes washing machines or their connections. Operate any main, branch or fixture valve. Test shower pans, tub and shower surrounds or enclosures for leakage. Evaluate the compliance with local or state conservation or energy standards, or the proper design or sizing of any water, waste or venting components, fixtures or piping. Determine the effectiveness of anti-siphon, back-flow prevention or drain-stop devices. Determine whether there are sufficient clean-outs for effective cleaning of drains. Evaluate gas, liquid propane or oil storage tanks. Inspect any private sewage waste disposal system or component of. Inspect water treatment systems or water filters. Inspect water storage tanks, pressure pumps or bladder tanks. Evaluate time to obtain hot water at fixtures, or perform testing of any kind to water heater elements. Evaluate or determine the adequacy of combustion air. Test, operate, open or close safety controls, manual stop valves and/or temperature or pressure relief valves. Examine ancillary systems or components, such as, but not limited to, those relating to solar water heating, hot water circulation.

Styles & Materials

Water Source:

Public

Water Filters:

None

Plumbing Water Supply (into home):

Copper

Plumbing Water Distribution (inside home):
Copper
PLASTIC
Drip Pan:

None

Plumbing Waste:

Public

Water Heater Power Source:

Electric

Manufacturer:

A.O. SMITH

Water Heater Capacity:

50 Gallon (2-3 people)

Water Heater Location:

Crawlspace

Radon Mitigation System:

None

Sump Pump(s):

None

		IN	NI	NP	MO	RR	S
8.0	MAIN WATER SHUT-OFF DEVICE (Describe location)	•					
8.1	PLUMBING DRAIN, WASTE AND VENT SYSTEMS					•	
8.2	PLUMBING WATER SUPPLY AND DISTRIBUTION SYSTEMS AND FIXTURES					•	
8.3	HOT WATER SYSTEMS, CONTROLS, CHIMNEYS, FLUES AND VENTS				•	•	
8.4	SUMP PUMP			•			
8.5	Radon Mitigation System			•			
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

Comments:

8.0 The main shut off is the lever located underneath in the crawlspace by the meter. This is for your information.



8.0 Item 1(Picture) Water meter



8.0 Item 2(Picture) Water meter



8.0 Item 3(Picture) Main water shut off



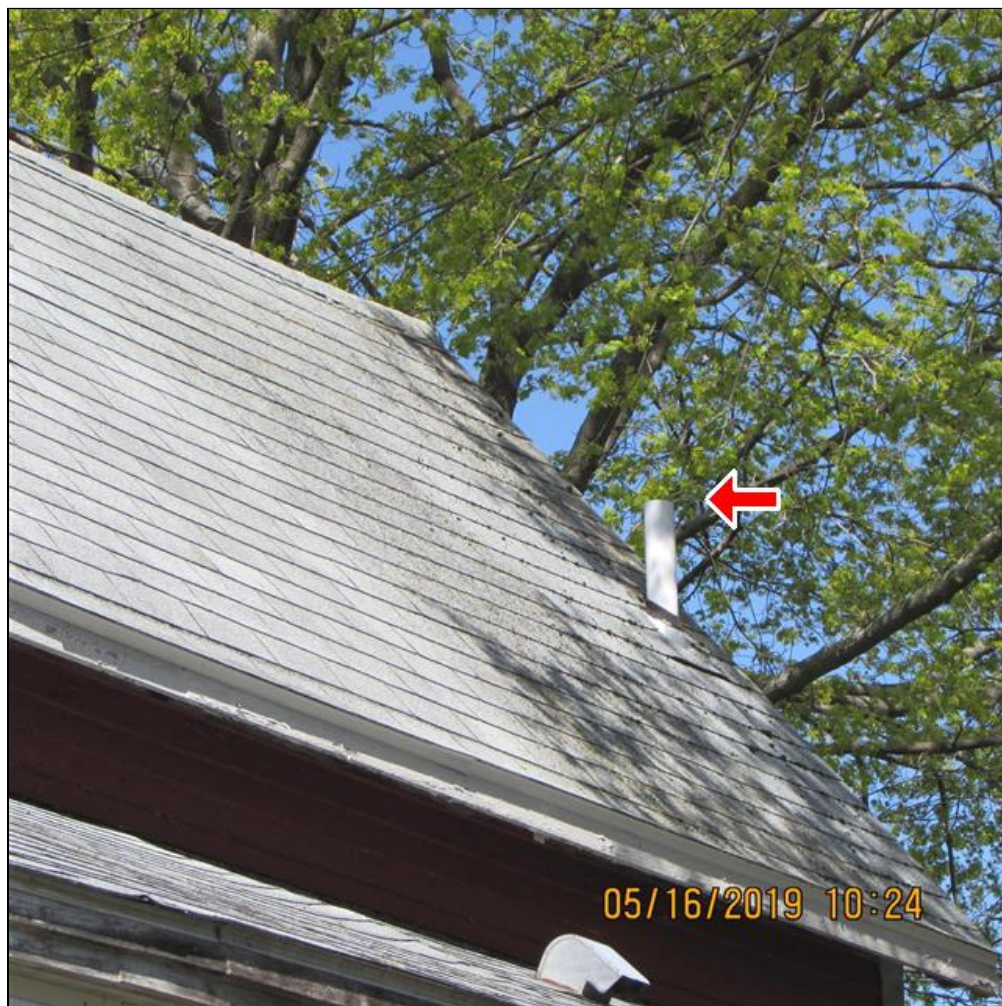
8.1 (1) If there are large trees on the property near the sewer lines, I recommend you have a plumber check the line with a camera to be sure roots have not encroached into the sewer line. You are responsible from the home to the street hookup and it can get costly if a sewer line has to be replaced due to roots. Some towns offer insurance for this purpose so check with the town to see if its available.



8.1 Item 1(Picture) Waste line access in crawlspace



8.1 (2) Plumbing vent pipe is too short. A minimum of 24" is recommended. This can easily get blocked with snow and cause sewer gas backup.



8.1 Item 2(Picture) Extension on vent pipe recommended

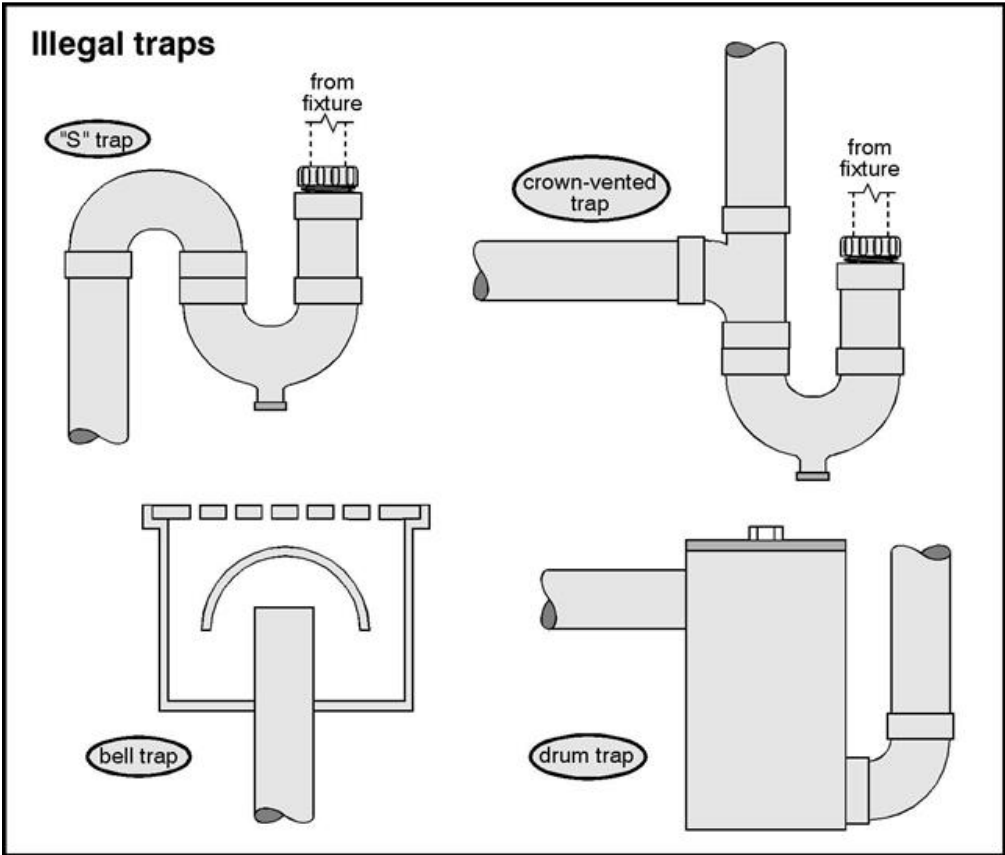


8.1 (3) The drain pipe under the kitchen sink may need repair at the connection. It looks like its been patched in the past.

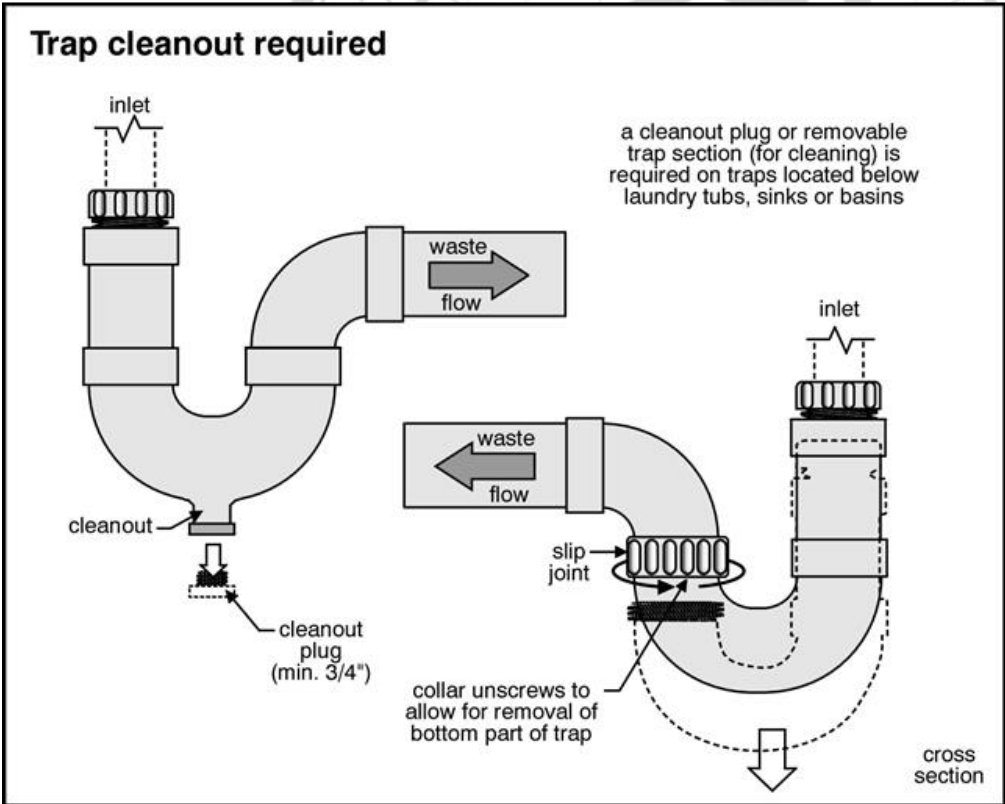
There are old drum traps present that are no longer used. P traps are now in use. The drum traps are grand-fathered however.



8.1 Item 3(Picture) Repair may be needed here



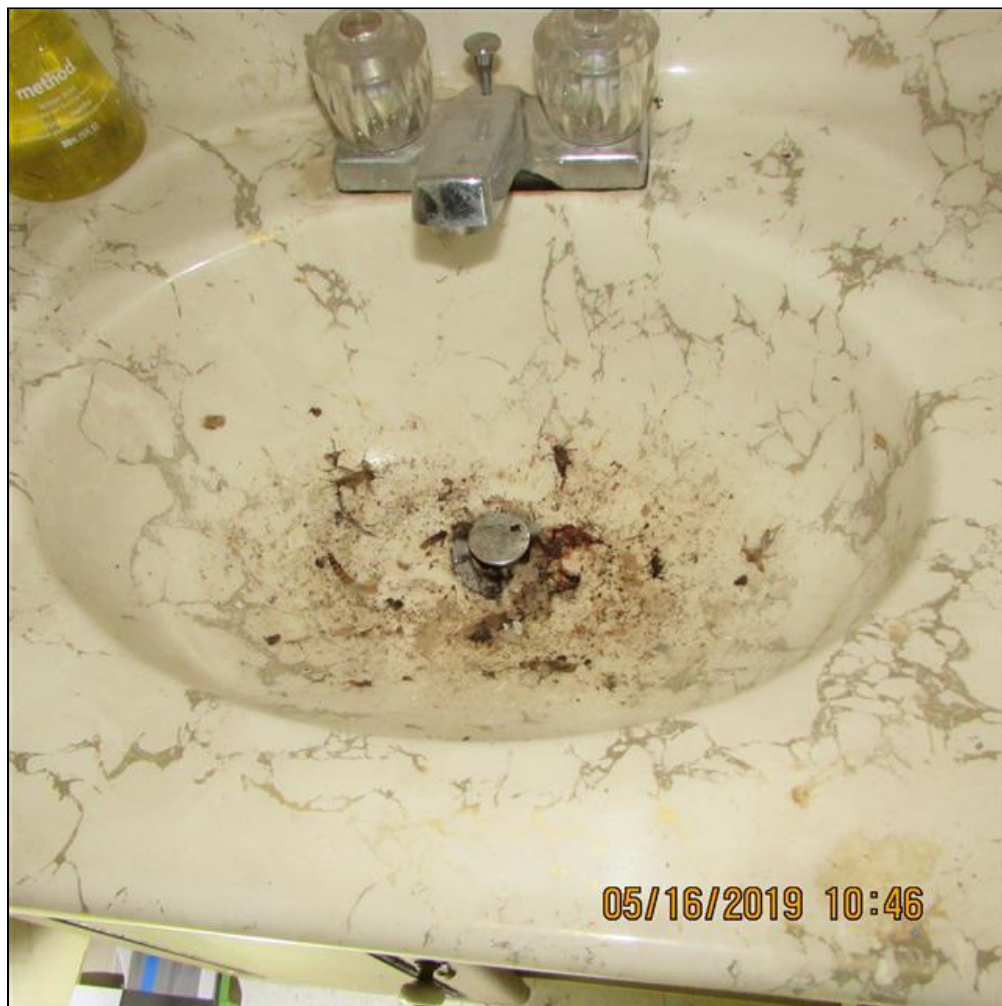
8.1 Item 4(Picture)



8.1 Item 5(Picture) P trap

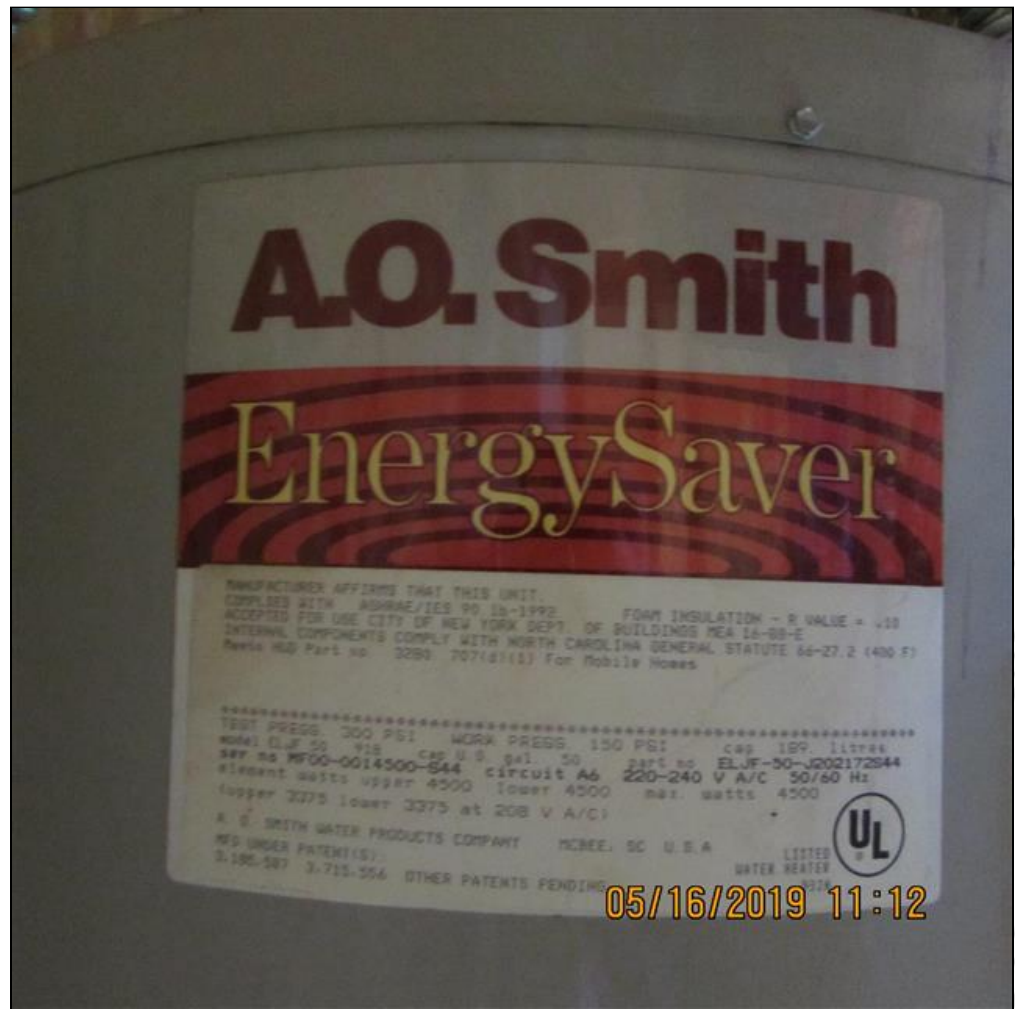


8.2 I recommend the upstairs vanity be replaced.



8.2 Item 1(Picture) 2nd floor vanity

 **8.3** Hot water tanks are designed to last for approximately 10 years on average. If a tank is over 8 years of age, failure probability is considered high and replacement may be needed at any time. April of 2000 appears to be the age of the tank according to the serial number. Budget to replace it at any time.



8.3 Item 1(Picture) Hot water heater in crawlspace



8.3 Item 2(Picture) Hot water heater

The plumbing in the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Washing machine drain line for example cannot be checked for leaks or the ability to handle the volume during drain cycle. Older homes with galvanized supply lines or cast iron drain lines can be obstructed and barely working during an inspection but then fails under heavy use. If the water is turned off or not used for periods of time (like a vacant home waiting for closing) rust or deposits within the pipes can further clog the piping system.

Home inspections are not Code inspections. Every town has different codes pertaining to plumbing requirements, such as distance of a well from a septic system. This type of information is beyond the scope of a home inspection and you are advised to always check with the local town when in doubt regarding plumbing and electrical issues.

Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

9. Electrical

The inspector shall inspect: The service line. The meter box. The main disconnect. And determine the rating of the service amperage. Panels, breakers and fuses. The service grounding and bonding. A representative sampling of switches, receptacles, light fixtures, AFCI receptacles and test all GFCI receptacles and GFCI circuit breakers observed and deemed to be GFCI's during the inspection. And report the presence of solid conductor aluminum branch circuit wiring if readily visible. And report on any GFCI-tested receptacles in which power is not present, polarity is incorrect, the receptacle is not grounded, is not secured to the wall, the cover is not in place, the ground fault circuit interrupter devices are not properly installed or do not operate properly, or evidence of arcing or excessive heat is present. The service entrance conductors and the condition of their sheathing. The ground fault circuit interrupters observed and deemed to be GFCI's during the inspection with a GFCI tester. And describe the amperage rating of the service. And report the absence of smoke detectors. Service entrance cables and report as in need of repair deficiencies in the integrity of the insulation, drip loop, or separation of conductors at weatherheads and clearances.

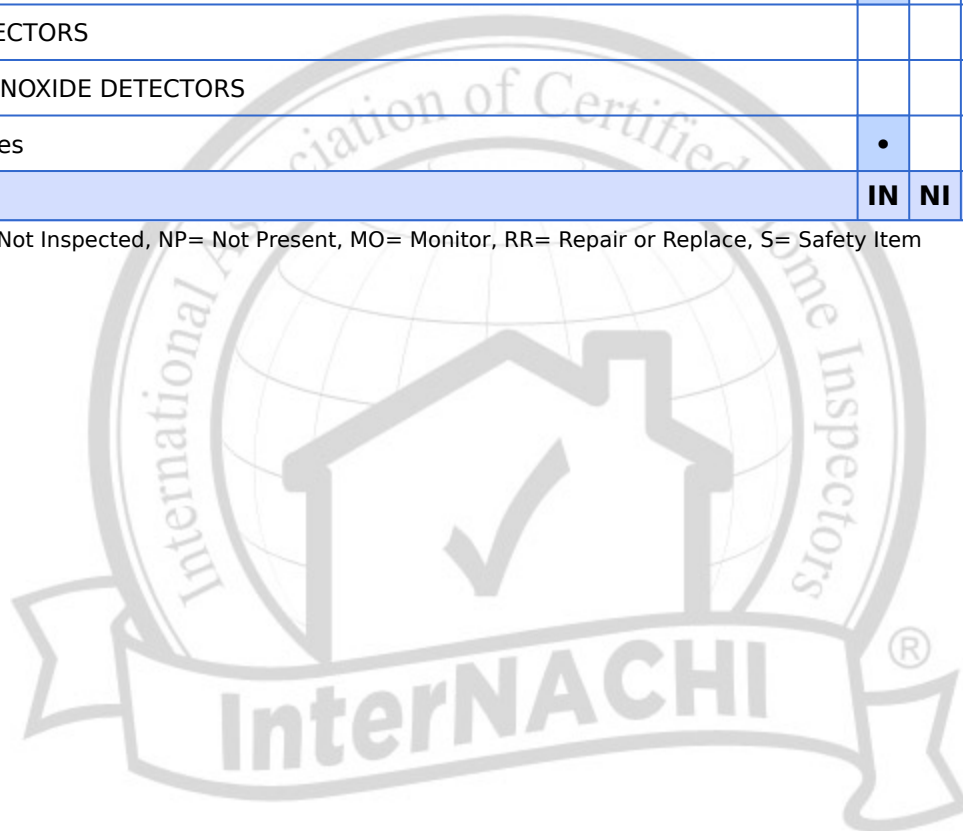
The inspector is not required to: Insert any tool, probe or device into the main panel, sub-panels, downstream panel, or electrical fixtures. Operate electrical systems that are shut down. Remove panel covers or dead front covers if not readily accessible. Operate over current protection devices. Operate non-accessible smoke detectors. Measure or determine the amperage or voltage of the main service if not visibly labeled. Inspect the alarm system and components. Inspect the ancillary wiring or remote control devices. Activate any electrical systems or branch circuits which are not energized. Operate overload devices. Inspect low voltage systems, electrical de-icing tapes, swimming pool wiring or any time-controlled devices. Verify the continuity of the connected service ground. Inspect private or emergency electrical supply sources, including but not limited to generators, windmills, photovoltaic solar collectors, or battery or electrical storage facility. Inspect spark or lightning arrestors. Conduct voltage drop calculations. Determine the accuracy of breaker labeling.

Styles & Materials

Electrical Service Conductors: Overhead service Aluminum 220 volts	Main Disconnect: On exterior of building	Distribution Panel Manufacturer: SIEMENS
Main Disconnect Manufacturer: GENERAL ELECTRIC	Panel capacity: 100 AMP	Panel Type: Circuit breakers
Branch wire 15 and 20 AMP: Copper	Wiring Methods: Romex	Grounding: Copper to water pipe
GFCI/AFCI's: GFCI's present in kitchen GFCI's present in bathroom(s)	Alarm Systems: None Installed	Generator panels: Not installed
Smoke and CO Detectors: Insufficient		

		IN	NI	NP	MO	RR	S
9.0	SERVICE ENTRANCE LINES	•					
9.1	MAIN and DISTRIBUTION PANELS and METER BOX, MAIN DISCONNECT, SERVICE GROUNDING/BONDING					•	•
9.2	BRANCH CIRCUIT CONDUCTORS, OVERCURRENT DEVICES AND COMPATIBILITY OF THEIR AMPERAGE AND VOLTAGE	•					
9.3	OUTLETS, SWITCHES, LIGHT FIXTURES and VISIBLE WIRING (observed from a representative number)					•	•
9.4	POLARITY AND GROUNDING OF RECEPTACLES WITHIN 6 FEET OF INTERIOR PLUMBING FIXTURES, AND ALL RECEPTACLES IN BASEMENT, CRAWLSPACE, GARAGE, CARPORT, EXTERIOR WALLS OF INSPECTED STRUCTURE	•					
9.5	OPERATION OF GFCI or AFCI (GROUND/ARC FAULT CIRCUIT INTERRUPTERS)	•					
9.6	LOCATION OF MAIN AND DISTRIBUTION PANELS	•					
9.7	SMOKE DETECTORS					•	•
9.8	CARBON MONOXIDE DETECTORS					•	•
9.9	Junction boxes	•					
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item



Comments:

9.1 (1) The main power disconnect is located on the left side of the home under the meter. Do not lock this box.

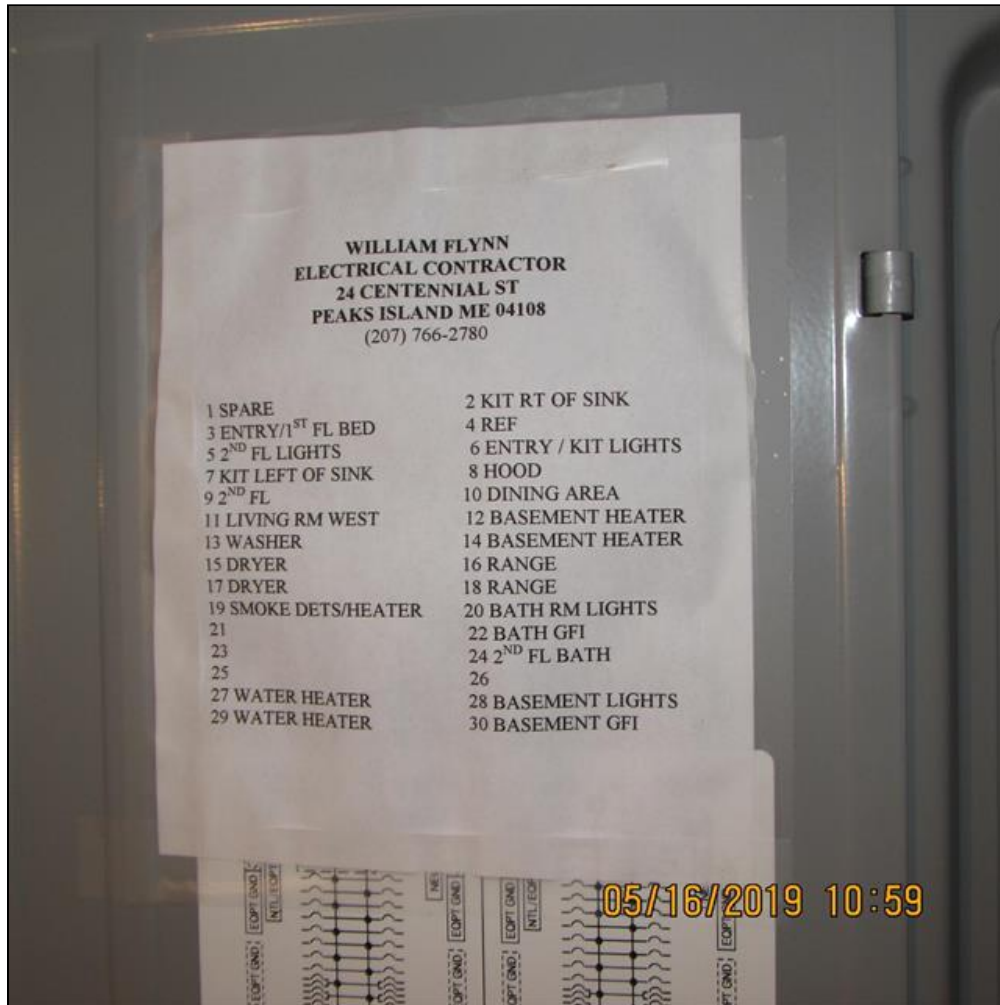


9.1 Item 1(Picture) Main power disconnect

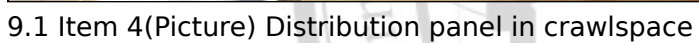
+ **9.1** (2) The problem(s) discovered in the panel such as doubled wiring at circuit(s), and any other problems that an electrician may discover while performing repairs need correcting. I recommend a licensed electrician inspect further and correct as needed.

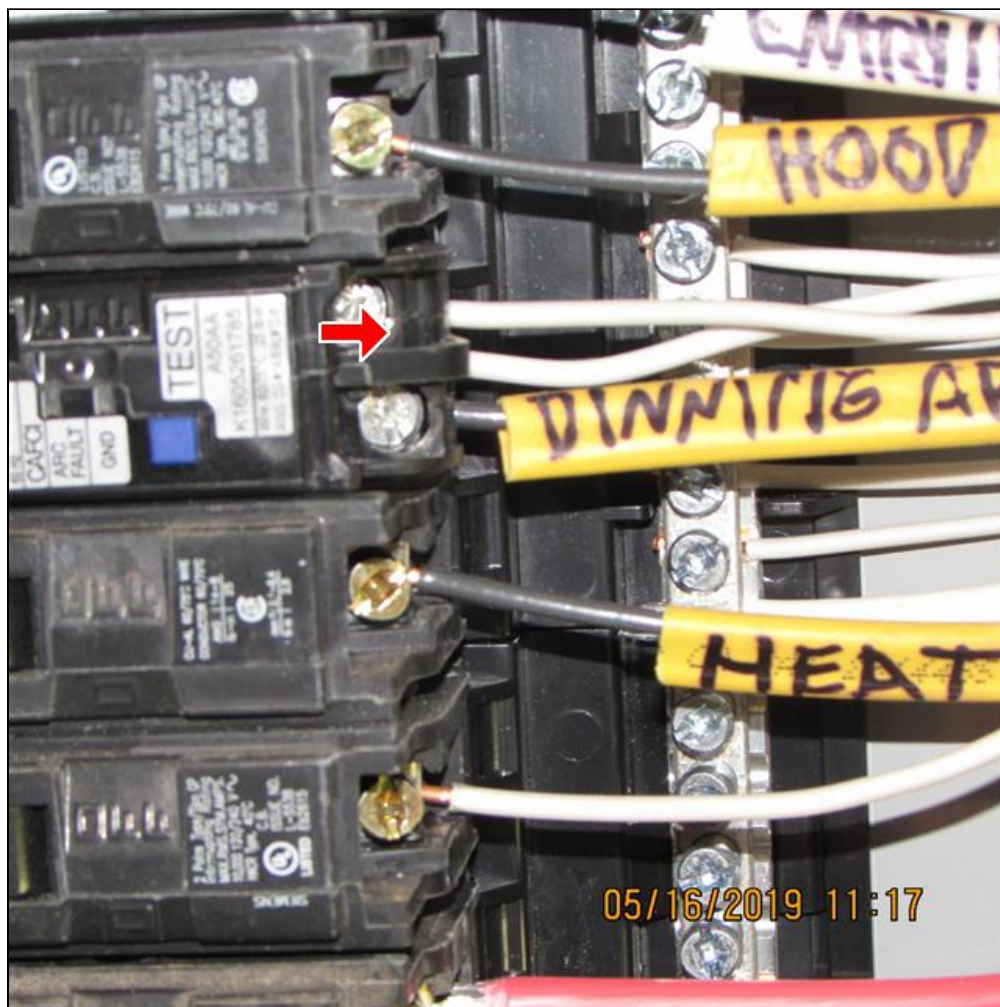


9.1 Item 2(Picture) Panel in crawlspace

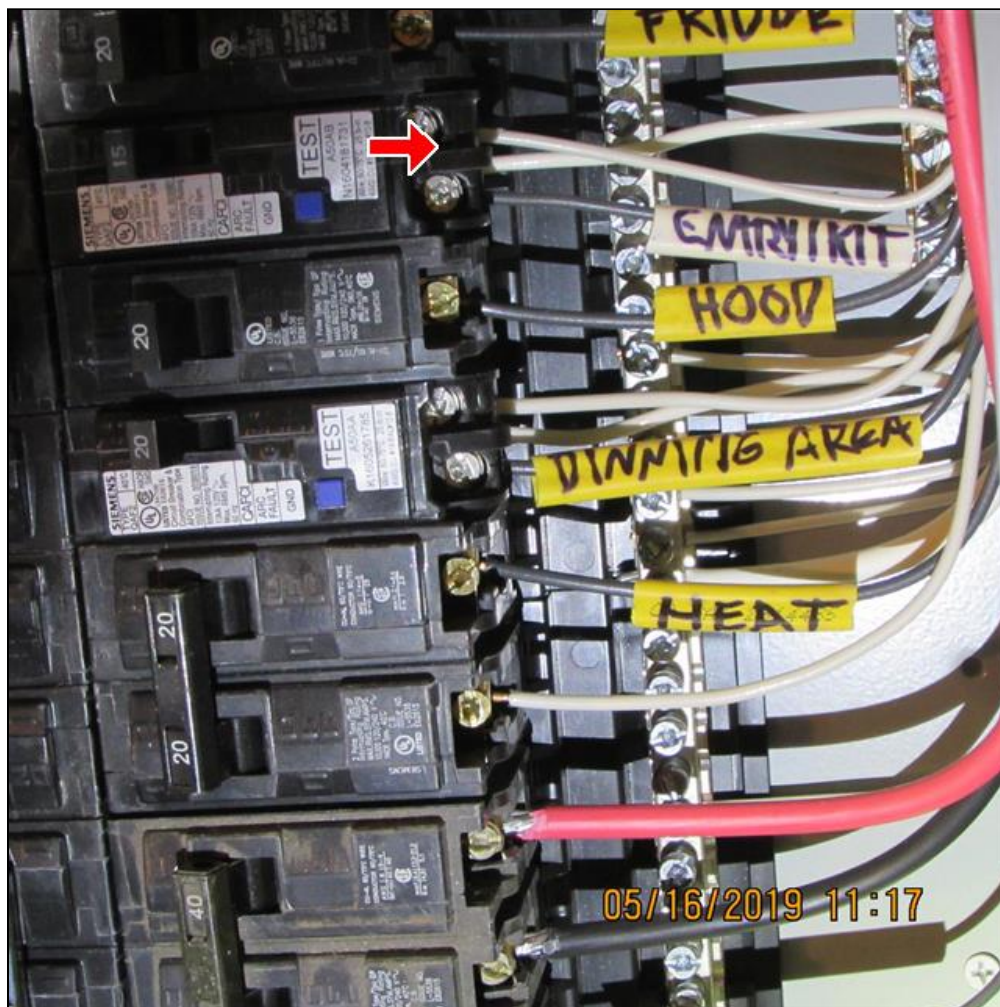


9.1 Item 3(Picture) Circuits are labeled





9.1 Item 5(Picture) Double tapped breakers present



9.1 Item 6(Picture) Double tapped breaker

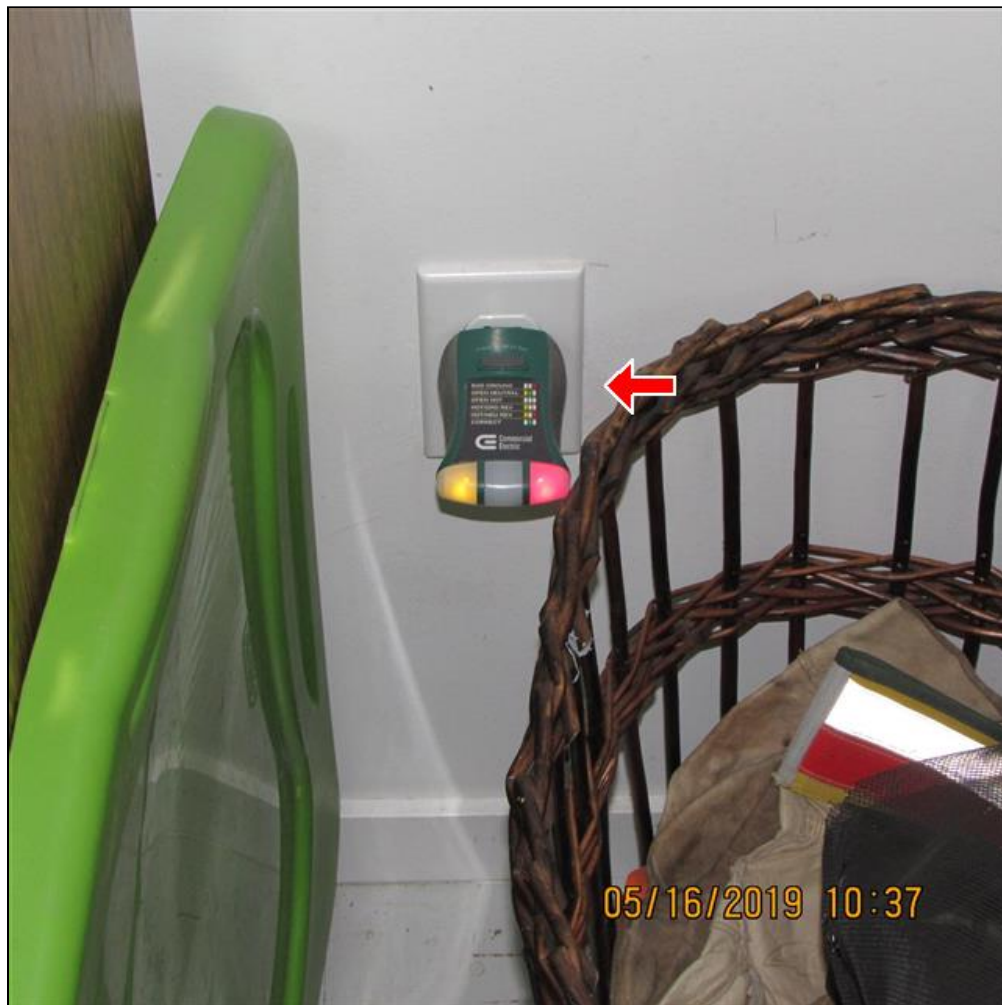
9.2 I recommend you have this checked by a qualified electrician.

+ **9.3** FYI - All outlets and switches must have covers.

The outlets in the dining area, new addition and laundry area have reversed polarity and need repair. Contact a licensed electrician.



9.3 Item 1(Picture) Cover needed in laundry area



9.3 Item 2(Picture) Reversed polarity outlets present



9.3 Item 3(Picture) Reversed polarity outlets need repair

9.4 FYI - All outlets within 6 feet of water, exterior outlets, garage outlets and basement outlets should be GFCI outlets. This is a safety concern.

+ **9.7** Always be sure there are enough smoke detectors and that the batteries are changed every six months. I recommend smoke detectors on every level of the home. Each bedroom should have one installed near the entry door and there should be a smoke detector in the middle of the hallway to the bedrooms.

It is up to the buyer of the property to make sure that the smoke alarm requirements are met. Be sure to read the Overview in this section regarding smoke alarms and the Maine Law.



9.7 Item 1(Picture) Replace missing smoke detectors



9.7 Item 2(Picture) 2nd floor missing smoke detector



9.8 Be sure you have carbon monoxide detectors on every floor of your home.

9.9 FYI - Junction boxes must have covers and openings are not allowed.

The electrical system of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Outlets were not removed and the inspection was only visual. Any outlet not accessible (behind the refrigerator for example) was not inspected or accessible. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

What the new Maine Smoke Detector and Carbon Monoxide Law Means

"10. Transfer of dwelling. A person who, after October 31, 2009, acquires by sale or exchange a single-family dwelling or a multiapartment building shall install **smoke detectors** in the acquired dwelling within 30 days of acquisition or occupancy of the dwelling, whichever is later, if smoke detectors are not already present, and shall certify at the closing of the transaction that the purchaser will make the proper installation. This certification must be signed and dated by the purchaser. The smoke detectors must be installed in accordance with the manufacturer's requirements at the time of installation. The smoke detectors must be powered by the electrical service in the building or by battery. A person may not have a claim for relief against a property owner, a property purchaser, an authorized agent of a property owner or purchaser, a person in possession of real property, a closing agent or a lender for any damages resulting from the operation, maintenance or effectiveness of a smoke detector. Violation of this subsection does not create a defect in title."

"6. Transfer of dwelling. A person who, after October 31, 2009, acquires by sale or exchange a single-family dwelling or a multiapartment building shall install **carbon monoxide detectors** in the acquired dwelling within 30 days of acquisition or occupancy of the dwelling, whichever is later, if carbon monoxide detectors are not already present, and shall certify at the closing of the transaction that the purchaser will make the proper installation. This certification must be signed and dated by the purchaser. The carbon monoxide detectors must be installed in accordance with the manufacturer's requirements at the time of installation in each area within, or giving access to, bedrooms and must be powered both by the electrical service in the dwelling or building and by battery. A person may not have a claim for relief against a property owner, a property purchaser, an authorized agent of a property owner or purchaser, a person in possession of real property, a closing agent, or a lender for any damages resulting from the operation, maintenance or effectiveness of a carbon monoxide detector. Violation of this subsection does not create a defect in title."



10. Insulation and Ventilation

The home inspector shall observe: Insulation and vapor retarders in unfinished spaces; Ventilation of attics and foundation areas; Kitchen, bathroom, and laundry venting systems; and the operation of any readily accessible attic ventilation fan, and, when temperature permits, the operation of any readily accessible thermostatic control. The home inspector shall describe: Insulation in unfinished spaces; and Absence of insulation in unfinished space at conditioned surfaces. The home inspector shall: Move insulation where readily visible evidence indicates the need to do so; and Move insulation where chimneys penetrate roofs, where plumbing drain/waste pipes penetrate floors, adjacent to earth filled stoops or porches, and at exterior doors. The home inspector is not required to report on: Concealed insulation and vapor retarders; or Venting equipment that is integral with household appliances.

Styles & Materials

Attic Insulation:

Not visible - attic finished space

Ventilation:

Gable vent(s)

Dryer Vent:

Foil

Floor System Insulation:

NONE

Vapor Barrier:

Inadequate

Basement/Crawlspace Insulation:

Foil backed on walls

		IN	NI	NP	MO	RR	S
10.0	INSULATION IN ATTIC/KNEE WALLS		•				
10.1	ATTIC OR KNEE WALL ACCESS			•			
10.2	INSULATION UNDER FLOOR SYSTEM			•		•	
10.3	VAPOR RETARDERS/BARRIERS			•			
10.4	VENTILATION OF ATTIC AND FOUNDATION AREAS		•				
10.5	VENTING SYSTEMS (House, Kitchens, baths and laundry)					•	•
10.6	VENTILATION FANS AND THERMOSTATIC CONTROLS (ATTIC)			•			
10.7	WALL INSULATION					•	
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

Comments:

10.0 No attic access.



10.2 If the cottage is going to be used during winter months, I recommend insulating the floor.



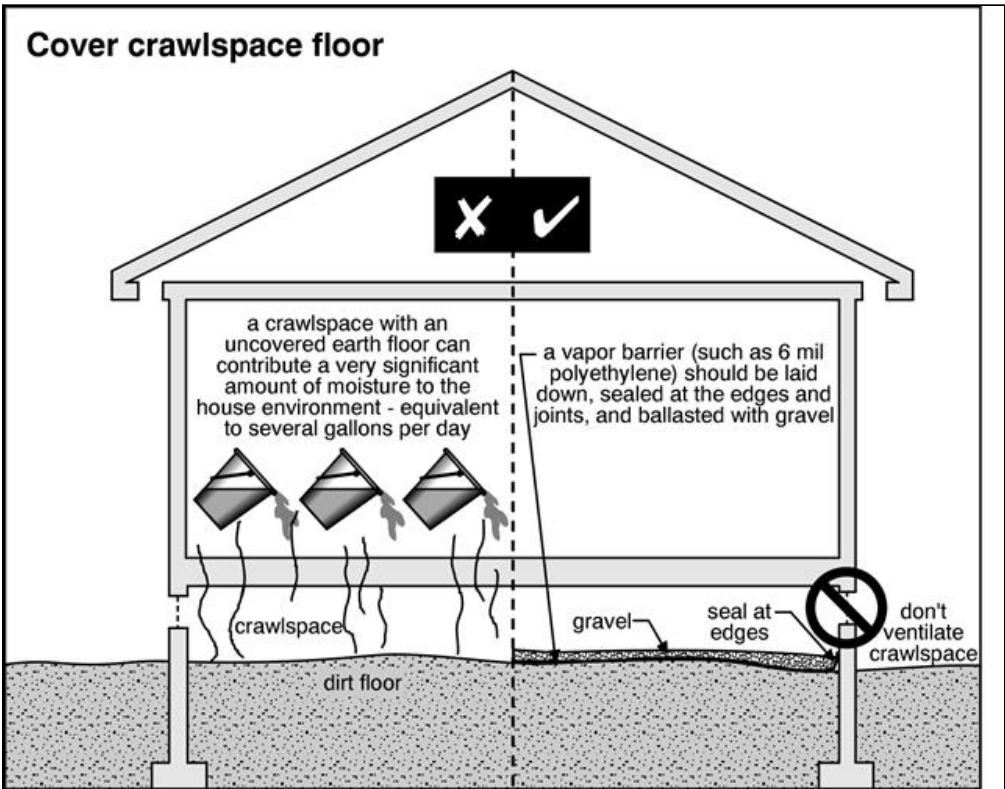
10.2 Item 1(Picture) Insulate the floor



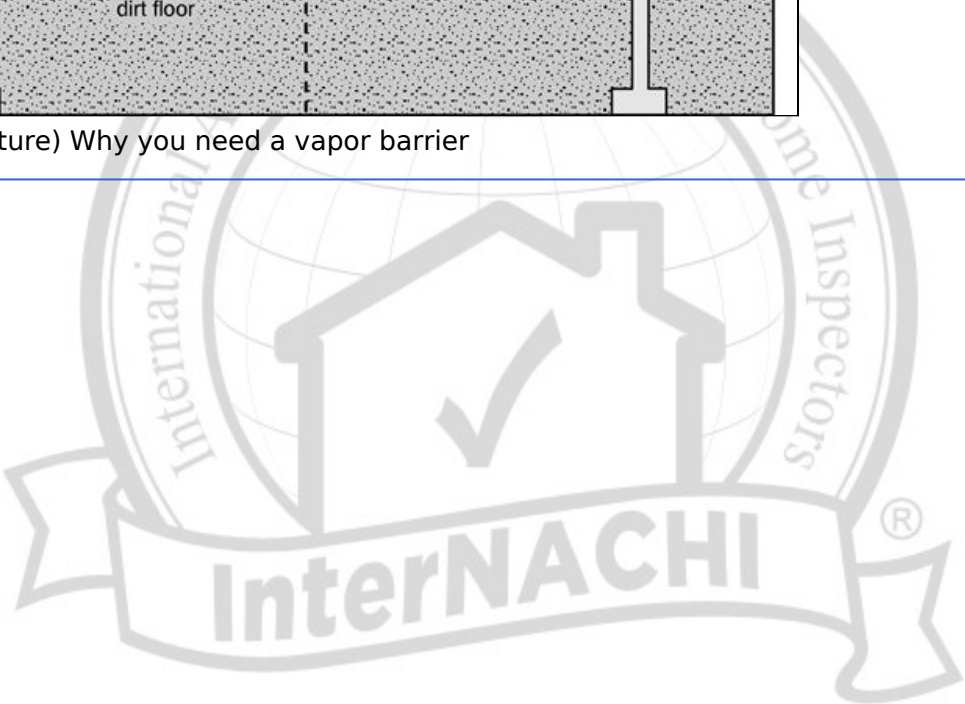
10.3 Because the crawlspace of this home has a dirt/gravel floor, a vapor barrier is recommended. This will help keep moisture from penetrating flooring and wall structures.



10.3 Item 1(Picture) install a vapor barrier in the crawlspace



10.3 Item 2(Picture) Why you need a vapor barrier



10.4 No attic access.

10.5 (1) All areas of attics are not normally accessible which may prohibit complete inspection of vent pipes. Insulation and/or storage restricts inspection and sometimes attic fans or dryer vents may be hidden out of sight under the insulation. I do not move insulation. It is VERY important that vent pipes vent to the exterior of the home, not directly into the attic space.



10.5 (2) All national and local building codes now require metal ducting for clothes dryers. Ideally, you should use rigid aluminum tubing pieces between the dryer and the outside vent. This type of tubing does the best job of resisting the collection of lint in the duct. Flexible aluminum ducting is available, however, it is more prone to collecting lint inside.



10.5 Item 1(Picture) Replace dryer duct



10.5 Item 2(Picture) Dryer duct at rear



10.5 Item 3(Picture) Replace dryer duct

+ **10.5** (3) Bathroom fans are a source of potential fire if not kept clean. If the vents look dirty the fan needs cleaning. If a fan is noisy, replace it. Cleaning the ducts is also a good idea.



10.5 Item 4(Picture) Bathroom fan is noisy

🏠 **10.7** Insulation appears inadequate.

The insulation and ventilation of the home was inspected and reported on with the above information. While the inspector makes every effort to find all areas of concern, some areas can go unnoticed. Venting of exhaust fans or clothes dryer cannot be fully inspected and bends or obstructions can occur without being accessible or visible (behind wall and ceiling coverings). **Be sure to clean your dryer vents as they present a fire hazard if blocked.** Only insulation that is visible was inspected. Please be aware that the inspector has your best interest in mind. Any repair items mentioned in this report should be considered before purchase. It is recommended that qualified contractors be used in your further inspection or repair issues as it relates to the comments in this inspection report.

11. Pest Assessment

A pest inspection generally includes looking for wood destroying insects and organisms such as wood-eating mold or fungus. If prolific, mice or rats (if suspected) will be noted as well as bees and wasps, birds, squirrels, raccoons, skunks, ground hogs, etc.

This is a NON-INVASIVE inspection. Storage, insulation, wall and floor coverings, finished areas, siding, inaccessible areas, etc., all limit the scope of the inspection. Every area of a structure is not inspected, and even after an extensive inspection some pests may be present. Best efforts are used to locate any problem pests however.

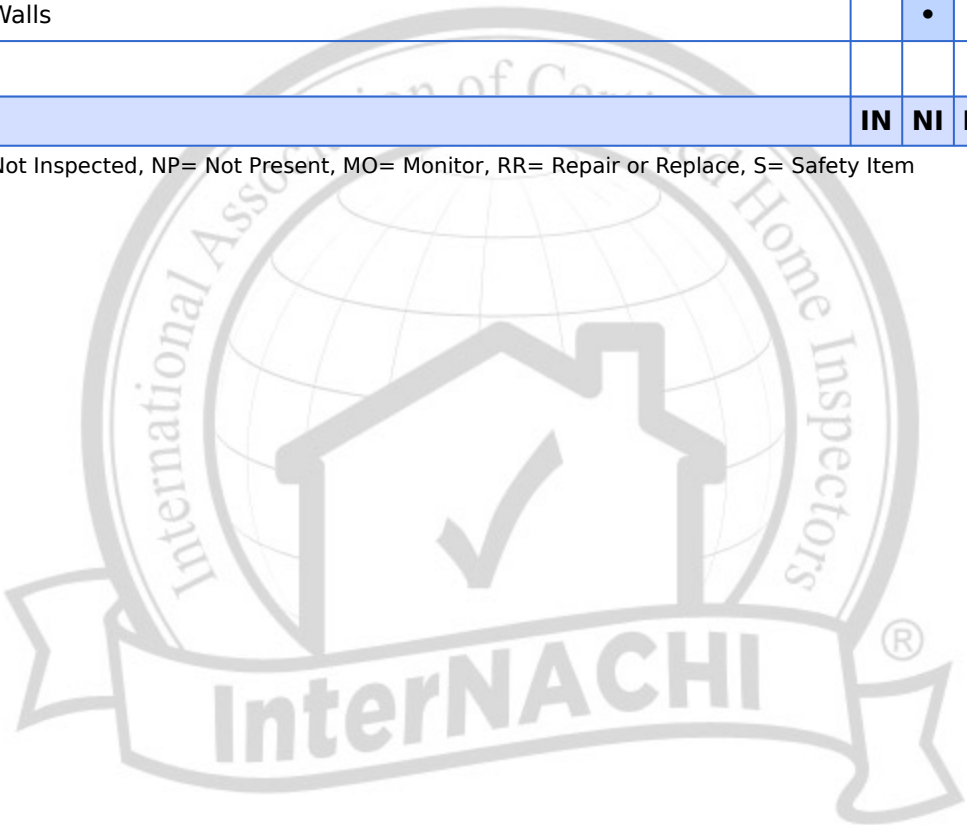
Styles & Materials

Wood destroying insects/or
wood rot:
Some exterior rot present

Mice:
Evidence visible

		IN	NI	NP	MO	RR	S
11.0	Interior	•					
11.1	Attic/Knee Walls		•				
11.2	Crawlspace					•	
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item



Comments:

11.0 Pest assessments are **non-invasive** and based upon visual evidence present or suspected. Inspection is restricted due to furnishings, storage, insulation, snow cover, lack of access and vegetation. Insulation, furnishings, wall coverings, storage, etc. are NOT moved.

 **11.1** All areas of crawlspaces and attics are not readily accessible. Insulation, vapor barriers, storage, flooring, and wiring restricts inspection.

No attic access.

 **11.2** Evidence of mice.



11.2 Item 1(Picture) Mouse nest in crawlspace

12. Mold Assessment



A mold assessment is a limited inspection of visible areas of the structure. All areas are NOT visible. If mold is suspected or observed, it will be noted in the report. All structures harbor mold to some extent, which is normal. If mold is not observed or suspected, it does not mean the structure is entirely void of mold.

Styles & Materials

No Suspected Mold:

In living space
In crawlspace

		IN	NI	NP	MO	RR	S
12.0	Interior (living space)	•					
12.1	Crawl space	•					
12.2	Attic/Knee Walls		•				
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item

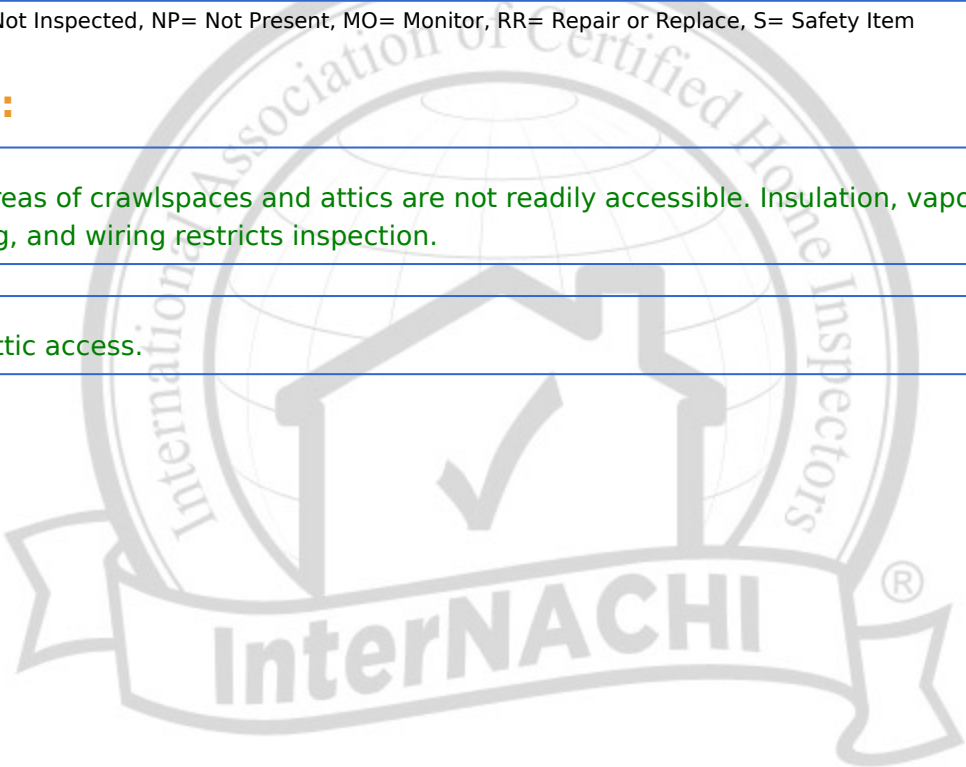
Comments:



12.1 All areas of crawlspaces and attics are not readily accessible. Insulation, vapor barriers, storage, flooring, and wiring restricts inspection.



12.2 No attic access.



13. Thermal Imaging

Thermal imaging was performed on this structure. If there were anomalies present, pictures have been included in the report. If no problems were located, pictures are not presented.

Thermal imaging often allows visibility of structural members, insulation, leakage in walls and ceilings, air penetration around doors and windows, and other anomalies. This can be very useful to you as a property owner.

During colder weather, blues generally show cold air penetration while yellows and reds show various degrees of heat. During hot, summer months, this may be reversed.

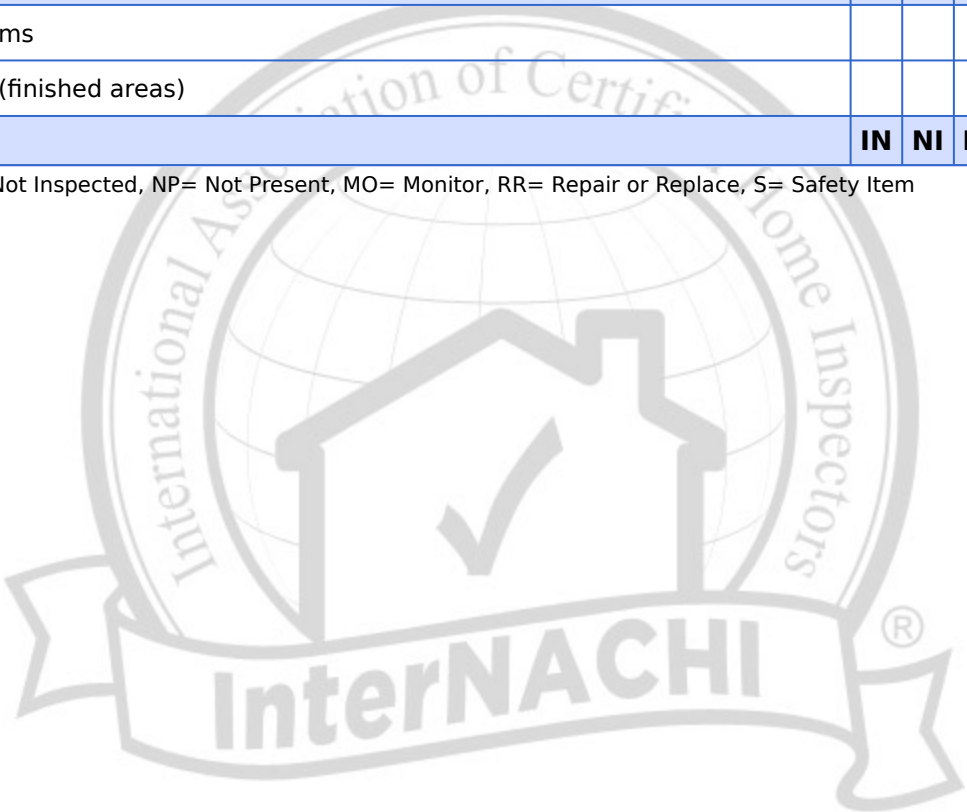
Styles & Materials

Problems discovered:

- Inadequate insulation
- Air infiltration at exterior wall outlets and switches

		IN	NI	NP	MO	RR	S
13.0	Interior Rooms					•	
13.1	Attic space (finished areas)					•	
		IN	NI	NP	MO	RR	S

IN= Inspected, NI= Not Inspected, NP= Not Present, MO= Monitor, RR= Repair or Replace, S= Safety Item



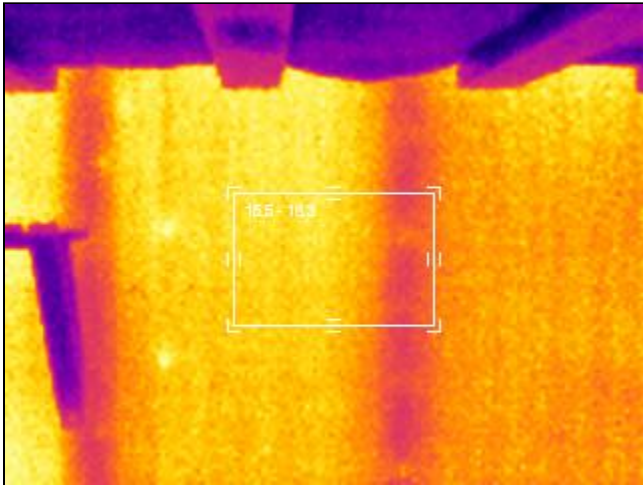
Comments:

13.0 Thermal imaging often allows visibility of structural members, insulation, leakage in walls and ceilings, air penetration around doors and windows, and other anomalies in MOST instances. There are times where even this latest technology cannot find problems. It is, however, another very useful tool to help locate problems or potential problems which can be very informative to you as a potential property owner. Pictures are included if there are anomalies that pose a serious problem, otherwise they are not.

Buy foam gaskets to insert in all exterior wall outlets and switches. Insulate and weather strip all exterior doors properly and all attic doors and hatches. Add storm doors where missing. Some insulation needed in exterior walls.



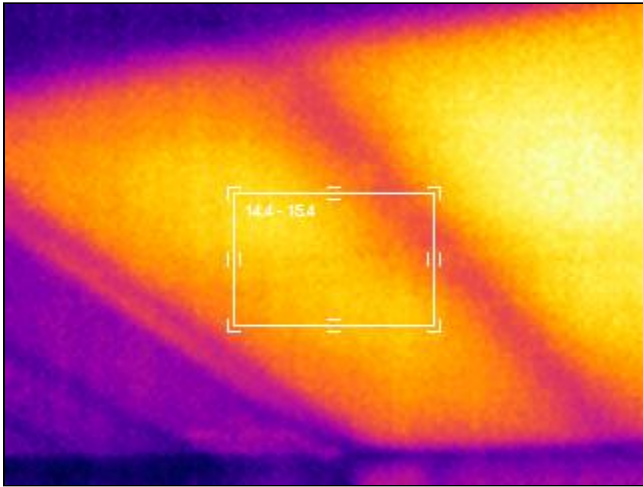
13.0 Item 1(Picture) Bedroom wall without thermal image



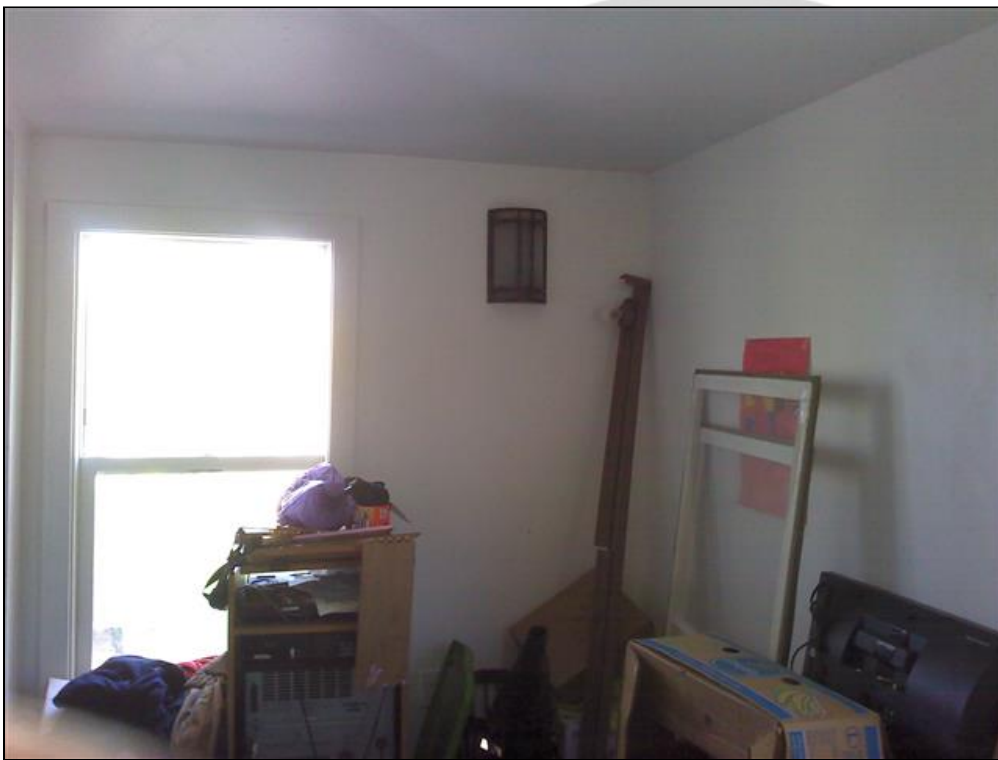
13.0 Item 2(Picture) Bedroom wall showing lack of insulation



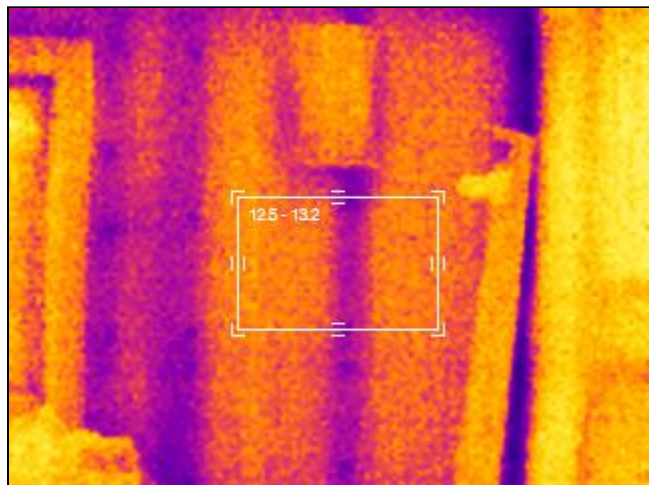
13.0 Item 3(Picture) Addition ceiling without thermal image



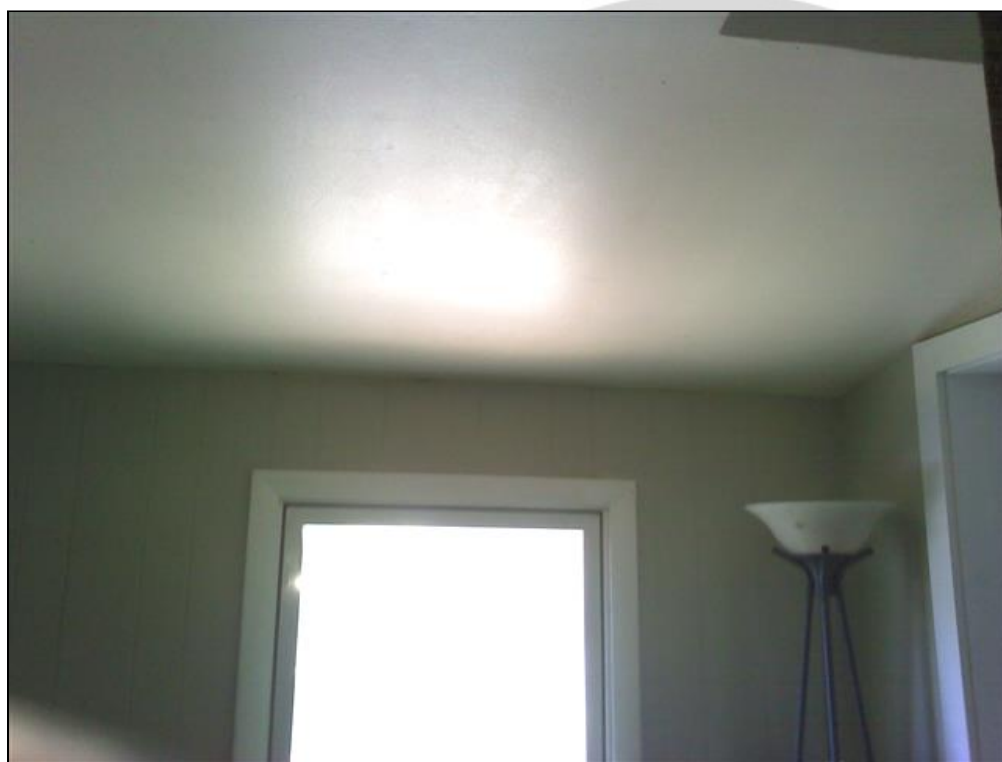
13.0 Item 4(Picture) Ceiling showing lack of insulation



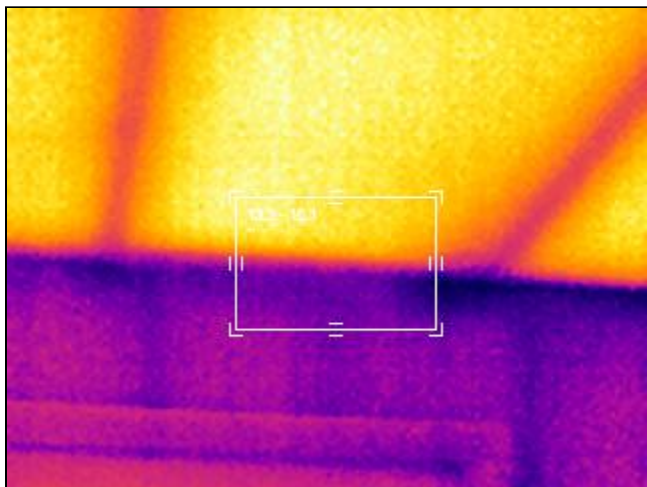
13.0 Item 5(Picture) Bedroom wall without thermal image



13.0 Item 6(Picture) Bedroom wall showing lack of insulation



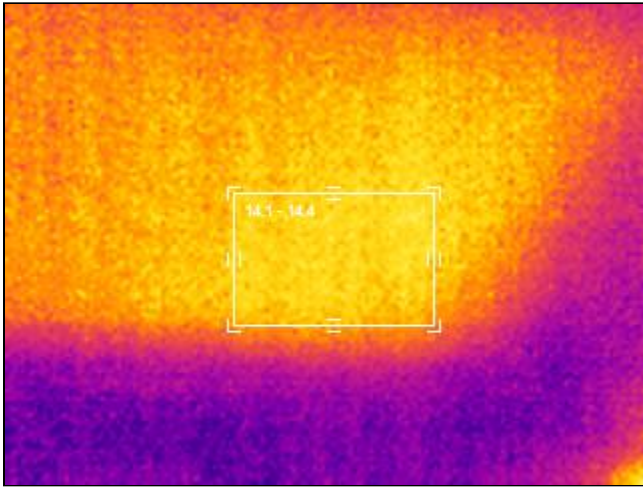
13.0 Item 7(Picture) Ceiling without thermal image



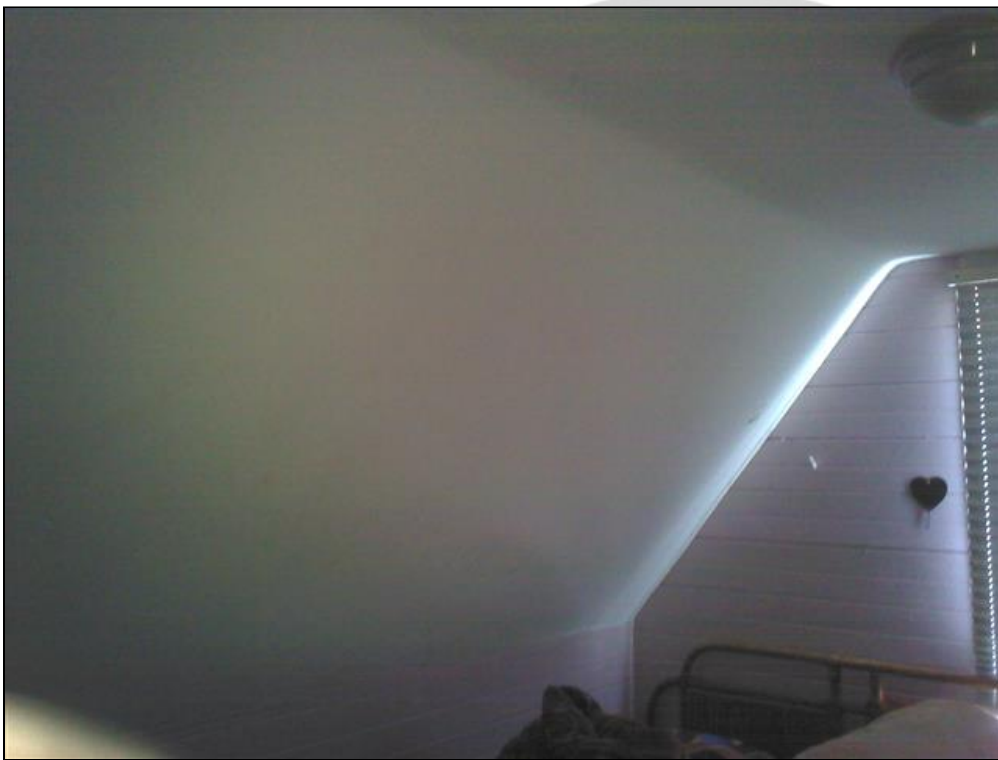
13.0 Item 8(Picture) Ceiling showing lack of insulation



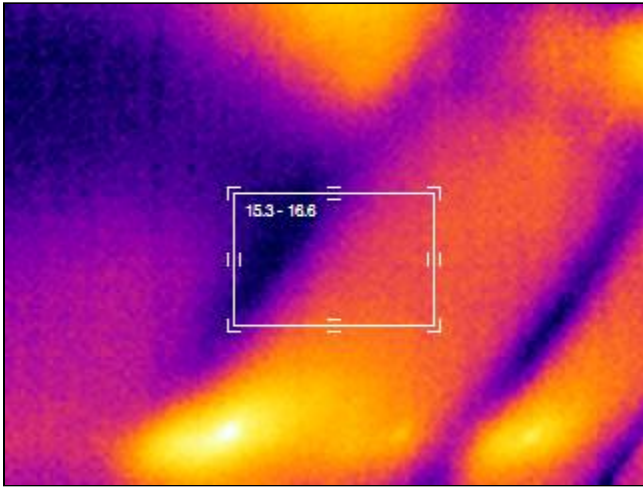
13.0 Item 9(Picture) 2nd floor ceiling patch



13.0 Item 10(Picture) Ceiling patch showing lack of insulation



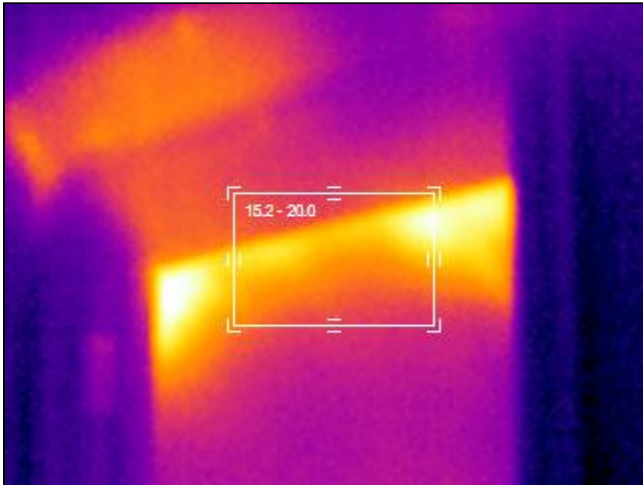
13.0 Item 11(Picture) 2nd floor ceiling without thermal image



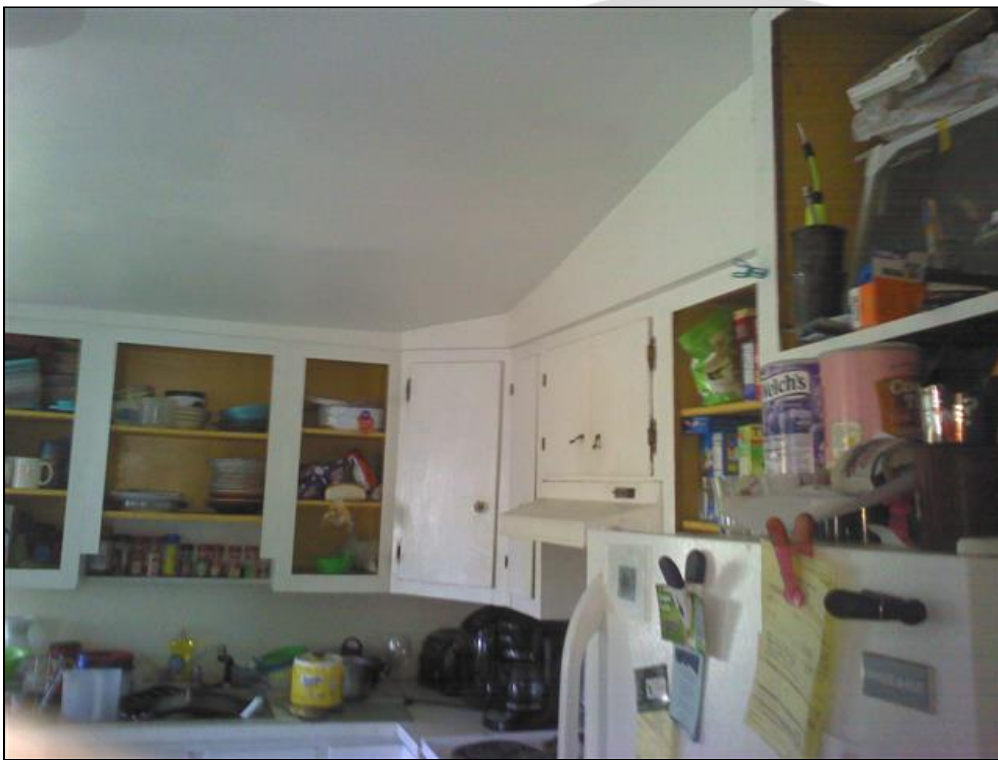
13.0 Item 12(Picture) 2nd floor ceiling showing missing insulation



13.0 Item 13(Picture) 2nd floor without thermal image



13.0 Item 14(Picture) 2nd floor showing air infiltration



13.0 Item 15(Picture) Kitchen without thermal image



13.0 Item 16(Picture) Kitchen ceiling showing lack of insulation



13.1 Thermal imaging can be very useful for finding leaks, missing insulation, structural problems, electrical problems and heat loss. Blues and purples are cold areas, while yellows, reds and oranges are warmer. Keep in mind that if there is no moisture present, the thermal camera will not show it.

Insulation upgrade recommended.



Summary Items



Sherlock Homes Certified Home Inspections

**20 Pound Road
Durham, Maine 04222
207-650-5117**

Customer
Betsy Remage-Healey

Address
18 Luther Street
Peaks Island Maine 04108

The following items or discoveries indicate that these systems or components **do not function as intended** or **adversely affects the habitability of the dwelling;** or **warrants further investigation by a specialist,** or **requires subsequent observation.** This summary shall not contain recommendations for routine upkeep of a system or component to keep it in proper functioning condition or recommendations to upgrade or enhance the function or efficiency of the home. This Summary is not the entire report. The complete report may include additional information of concern to the customer. It is recommended that the customer read the complete report.

1. Roof and Attic

1.0 ROOF COVERINGS AND VENTS

Repair or Replace



Typical asphalt shingles will last from 20-25 years before replacement is necessary. Architectural shingles can last 30-35 years. This can vary of course, due to extreme weather conditions. Age of the roofing was not determined, however, shingles are showing considerable wear and granule loss. There is a fair amount of moss in areas which will reduce shingle life. Roofing should be replaced.

There are some shingles on the left side that are raised which could allow wind to rip them off and there is also some shingle damage. Repair recommended.

1.2 CHIMNEYS, ROOF PENETRATIONS AND SKYLIGHTS

Repair or Replace



Rain cap missing or deteriorated. Recommend replacement.

The flashing on one side of the chimney appears to be rusting and is also in need of pointing to avoid leakage. Have the chimney checked and repaired by a chimney sweep.

1.3 ROOF DRAINAGE SYSTEMS - GUTTERS AND DOWNSPOUTS

Not Present, Repair or Replace



Gutters and downspouts are recommended or erosion or water intrusion can occur.

2. Exterior

2.0 SIDING, FLASHING AND TRIM

Repair or Replace



(1) When siding is in contact with the ground or covered with vegetation or snow, it is not possible to determine if rot is present. Often, siding rots at the bottom and works its way up and into framing members of the wall or sill. I did not inspect behind siding if these conditions exist.

There is some wood skirting around the crawlspace that you need to keep a close eye on. Be sure its kept painted to avoid rot.



(2) Some of the siding is in need of replacement and some siding is in need of paint.

2.1 EAVES, SOFFITS AND FASCIAS

Repair or Replace



Paint needed in all areas. One fascia board on the right is showing rot and replacement is needed.

There are some holes in the soffits on the left side of the home. These are access areas for bats and insects and need to be sealed.

2.2 DOORS (Exterior)

Repair or Replace



The entry door to the interior from the front porch is missing a window. Repair or replace. An insulated door is recommended.

The storm door at the front entrance is in need of replacement.

2.3 WINDOWS

Repair or Replace



Some screens may be missing. An exact count was not performed. Further investigation is recommended.

Windows are in need of paint.

The basement windows on the right of the home is showing rot and needs to be repaired or replaced.

A window at the rear is showing some rot. Replacement recommended.

2.4 DECKS, BALCONIES, STOOPS, STEPS, AREAWAYS, PORCHES, PATIO/ COVER AND APPLICABLE RAILINGS

Repair or Replace



(1) Decks and porches should be painted or sealed yearly if wood. The front porch needs stain or paint and some repair.

The back porch needs sealing, stain or paint.



(2) Decks, porches, doors, windows and balconies should have proper flashing installed when constructed. Flashing keeps rain from entering behind the deck band, door frames, etc., and entering the wall of the home. Flashing is not visible in most instances. If flashing is not installed correctly, water can penetrate walls and rot door frames, windows, walls and sills. Most of the time these areas are not visible especially if insulation or some other type of covering is present. Best efforts are performed to check these areas if accessible.

2.5 DRIVEWAYS, VEGETATION, GRADING, DRAINAGE, PATIO FLOOR, WALKWAYS AND RETAINING WALLS (With respect to their effect on the condition of the building)

Repair or Replace



(1) Trees and shrubs should be no closer than 16" from siding and roofing. Trim back all bushes if necessary. If you can't walk behind them, they are too close. Do not allow branches to touch or overhang buildings.



(2) Be sure to maintain proper grading around the perimeter of the home to avoid or diminish water penetration into the basement.

3. Kitchen Appliances



3.7 OTHER APPLIANCES

Not Inspected, Repair or Replace



Washing machines and dryers are not tested. I recommend a drip pan be installed under washing machines that are located in living space. **Be sure to turn off water when not in use and install high pressure hoses.**

4. Interior, Windows and Doors

4.0 CEILINGS

Repair or Replace



There is an obvious ceiling repair on the 2nd floor. This may have been the old attic scuttle hole and it would really be a good idea to re-install it so you can access the attic area. I recommend you have this repaired by a professional.

4.2 FLOORS

Repair or Replace



Keep in mind that due to the amount of personal belongings in this cottage, all areas were not visible. Other repair areas are likely.

The front porch floor is showing wear. Repair recommended.

The upstairs bathroom floor is damaged. Repair recommended.

4.5 DOORS (REPRESENTATIVE NUMBER)

Repair or Replace



Replace the bedroom door on the 2nd floor.

4.6 WINDOWS (REPRESENTATIVE NUMBER)

Repair or Replace



The porch windows are in need of sanding and sealing. Water stains are visible.

The fixed pane window over the front entry door needs paint and glazing.

One of the windows on the right side of the home has some loose window trim. This does not seem to affect the operation, however, you should repair it.

6. Basement, Foundation, Crawlspaces and Structure

6.0 FOUNDATIONS, BASEMENTS AND CRAWLSPACES (Report signs of abnormal or harmful water penetration into the building or signs of abnormal or harmful condensation on building components.)

Repair or Replace



I am unable to determine the extent of water intrusion or how often it will occur. Insulation, storage and finished areas prevents total inspection of all basement areas. Keep in mind that many times door or window installers do not install flashing correctly. As a result, water can penetrate walls or floors and cause rot. If sills are insulated or not visible under doors and/or windows, rot may be present, however, we do not move insulation or coverings to inspect these areas.

It is apparent there is some seepage into the crawlspace. Installation of a gutter system and proper grading will help control water entry.

Due to insulation on the interior walls of the crawlspace, we could not see the condition of the wood skirting.

6.3 FLOORS (Structural)

Monitor



Best efforts are performed to inspect all sills, joists and floor structures. Unfortunately, all areas are not accessible in most crawlspaces and basements and many areas are covered with insulation or not totally accessible. Any problems discovered will be noted.

Some evidence of past water leakage on the sub floor. Flooring did not appear to need replacement, however, you need to monitor flooring below kitchens and bathrooms. These are areas where leakage often occurs which will eventually cause rot.

7. Heating and Cooling

7.0 HEATING EQUIPMENT

Repair or Replace



(1) If the heating system has not been serviced in the last year (complete cleaning) it should be done as soon as possible.



(2) Age of the heating system could not be determined. Once an average heating system reaches 20 years of age it is considered to have reached the end of its life expectancy and you should budget for replacement.

I recommend having your heating system CLEANED yearly.

Be sure to check with the owner for the approximate age of all heating systems.

7.3 PRESENCE OF INSTALLED HEAT SOURCE IN EACH ROOM

Not Present, Repair or Replace



There is no heat upstairs.

8. Plumbing

8.1 PLUMBING DRAIN, WASTE AND VENT SYSTEMS

Repair or Replace



(1) If there are large trees on the property near the sewer lines, I recommend you have a plumber check the line with a camera to be sure roots have not encroached into the sewer line. You are responsible from the home to the street hookup and it can get costly if a sewer line has to be replaced due to roots. Some towns offer insurance for this purpose so check with the town to see if its available.



(2) Plumbing vent pipe is too short. A minimum of 24" is recommended. This can easily get blocked with snow and cause sewer gas backup.



(3) The drain pipe under the kitchen sink may need repair at the connection. It looks like its been patched in the past.

There are old drum traps present that are no longer used. P traps are now in use. The drum traps are grand-fathered however.

8.2 PLUMBING WATER SUPPLY AND DISTRIBUTION SYSTEMS AND FIXTURES

Repair or Replace



I recommend the upstairs vanity be replaced.

8.3 HOT WATER SYSTEMS, CONTROLS, CHIMNEYS, FLUES AND VENTS

Monitor, Repair or Replace



Hot water tanks are designed to last for approximately 10 years on average. If a tank is over 8 years of age, failure probability is considered high and replacement may be needed at any time. April of 2000 appears to be the age of the tank according to the serial number. Budget to replace it at any time.

9. Electrical

9.1 MAIN and DISTRIBUTION PANELS and METER BOX, MAIN DISCONNECT, SERVICE GROUNDING/BONDING

Repair or Replace, Safety Item



(1) The main power disconnect is located on the left side of the home under the meter. Do not lock this box.

10. Insulation and Ventilation

10.2 INSULATION UNDER FLOOR SYSTEM

Not Present, Repair or Replace



If the cottage is going to be used during winter months, I recommend insulating the floor.

10.3 VAPOR RETARDERS/BARRIERS

Not Present



Because the crawlspace of this home has a dirt/gravel floor, a vapor barrier is recommended. This will help keep moisture from penetrating flooring and wall structures.

10.5 VENTING SYSTEMS (House, Kitchens, baths and laundry)

Repair or Replace, Safety Item



(1) All areas of attics are not normally accessible which may prohibit complete inspection of vent pipes. Insulation and/or storage restricts inspection and sometimes attic fans or dryer vents may be hidden out of sight under the insulation. I do not move insulation. It is VERY important that vent pipes vent to the exterior of the home, not directly into the attic space.

10.7 WALL INSULATION

Repair or Replace



Insulation appears inadequate.

11. Pest Assessment

11.1 Attic/Knee Walls

Not Inspected



All areas of crawlspaces and attics are not readily accessible. Insulation, vapor barriers, storage, flooring, and wiring restricts inspection.

No attic access.

11.2 Crawlspace

Repair or Replace



Evidence of mice.

12. Mold Assessment



12.1 Crawl space

Inspected



All areas of crawlspaces and attics are not readily accessible. Insulation, vapor barriers, storage, flooring, and wiring restricts inspection.

12.2 Attic/Knee Walls

Not Inspected



No attic access.

13. Thermal Imaging

13.0 Interior Rooms

Repair or Replace



Thermal imaging often allows visibility of structural members, insulation, leakage in walls and ceilings, air penetration around doors and windows, and other anomalies in MOST instances. There are times where even this latest technology cannot find problems. It is, however, another very useful tool to help locate problems or potential problems which can be very informative to you as a potential property owner. Pictures are included if there are anomalies that pose a serious problem, otherwise they are not.

Buy foam gaskets to insert in all exterior wall outlets and switches. Insulate and weather strip all exterior doors properly and all attic doors and hatches. Add storm doors where missing. Some insulation needed in exterior walls.

13.1 Attic space (finished areas)

Repair or Replace



Thermal imaging can be very useful for finding leaks, missing insulation, structural problems, electrical problems and heat loss. Blues and purples are cold areas, while yellows, reds and oranges are warmer. Keep in mind that if there is no moisture present, the thermal camera will not show it.

Insulation upgrade recommended.

Home inspectors are not required to report on the following: Life expectancy of any component or system; The causes of the need for a repair; The methods, materials, and costs of corrections; The suitability of the property for any specialized use; Compliance or non-compliance with codes, ordinances, statutes, regulatory requirements or restrictions; The market value of the property or its marketability; The advisability or inadvisability of purchase of the property; Any component or system that was not observed; The presence or absence of pests such as wood damaging organisms, rodents, or insects; or Cosmetic items, underground items, or items not permanently installed. Home inspectors are not required to: Offer warranties or guarantees of any kind; Calculate the strength, adequacy, or efficiency of any system or component; Enter any area or perform any procedure that may damage the property or its components or be dangerous to the home inspector or other persons; Operate any system or component that is shut down or otherwise inoperable; Operate any system or component that does not respond to normal operating controls; Disturb insulation, move personal items, panels, furniture, equipment, plant life, soil, snow, ice, or debris that obstructs access or visibility; Determine the presence or absence of any suspected adverse environmental condition or hazardous substance, including but not limited to mold, toxins, carcinogens, noise, contaminants in the building or in soil, water, and air; Determine the effectiveness of any system installed to control or remove suspected hazardous substances; Predict future condition, including but not limited to failure of components; Since this report is provided for the specific benefit of the customer(s), secondary readers of this information should hire a licensed inspector to perform an inspection to meet their specific needs and to obtain current information concerning this property.

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Safety Items



Sherlock Homes Certified Home Inspections

**20 Pound Road
Durham, Maine 04222
207-650-5117**

Customer
Betsy Remage-Healey

Address
18 Luther Street
Peaks Island Maine 04108

4. Interior, Windows and Doors

4.3 STEPS, STAIRWAYS, BALCONIES AND RAILINGS

Inspected



The balusters on the guard rail at the second story stairs has balusters that are spaced to far apart for safety. A guard rail with balusters 4" or less apart is recommended for small children . Repair recommended.

5. Chimney Flues and Fireplace

5.2 CHIMNEYS, FLUES AND VENTS

Repair or Replace, Safety Item



The liners for furnaces, boilers or fireplaces are not totally visible and inspection is limited. I recommend a qualified chimney sweep clean and inspect for safety prior to use. This chimney does not appear to be in use. To avoid further deterioration if you don't plan to utilize it, I recommend capping off the chimney top at the exterior. If you intend to use the chimney at some point, it will need repair.

9. Electrical

9.1 MAIN and DISTRIBUTION PANELS and METER BOX, MAIN DISCONNECT, SERVICE GROUNDING/BONDING

Repair or Replace, Safety Item

-  (2) The problem(s) discovered in the panel such as doubled wiring at circuit(s), and any other problems that an electrician may discover while performing repairs need correcting. I recommend a licensed electrician inspect further and correct as needed.

9.3 OUTLETS, SWITCHES, LIGHT FIXTURES and VISIBLE WIRING (observed from a representative number)

Repair or Replace, Safety Item

-  FYI - All outlets and switches must have covers.

The outlets in the dining area, new addition and laundry area have reversed polarity and need repair. Contact a licensed electrician.

9.7 SMOKE DETECTORS

Repair or Replace, Safety Item

-  Always be sure there are enough smoke detectors and that the batteries are changed every six months. I recommend smoke detectors on every level of the home. Each bedroom should have one installed near the entry door and there should be a smoke detector in the middle of the hallway to the bedrooms.

It is up to the buyer of the property to make sure that the smoke alarm requirements are met. Be sure to read the Overview in this section regarding smoke alarms and the Maine Law.

9.8 CARBON MONOXIDE DETECTORS

Repair or Replace, Safety Item

-  Be sure you have carbon monoxide detectors on every floor of your home.

10. Insulation and Ventilation

10.5 VENTING SYSTEMS (House, Kitchens, baths and laundry)

Repair or Replace, Safety Item

-  (2) All national and local building codes now require metal ducting for clothes dryers. Ideally, you should use rigid aluminum tubing pieces between the dryer and the outside vent. This type of tubing does the best job of resisting the collection of lint in the duct. Flexible aluminum ducting is available, however, it is more prone to collecting lint inside.
-  (3) Bathroom fans are a source of potential fire if not kept clean. If the vents look dirty the fan needs cleaning. If a fan is noisy, replace it. Cleaning the ducts is also a good idea.

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**Sherlock Homes Certified Home Inspections**

**20 Pound Road
Durham, Maine 04222
207-650-5117**

Report Attachments

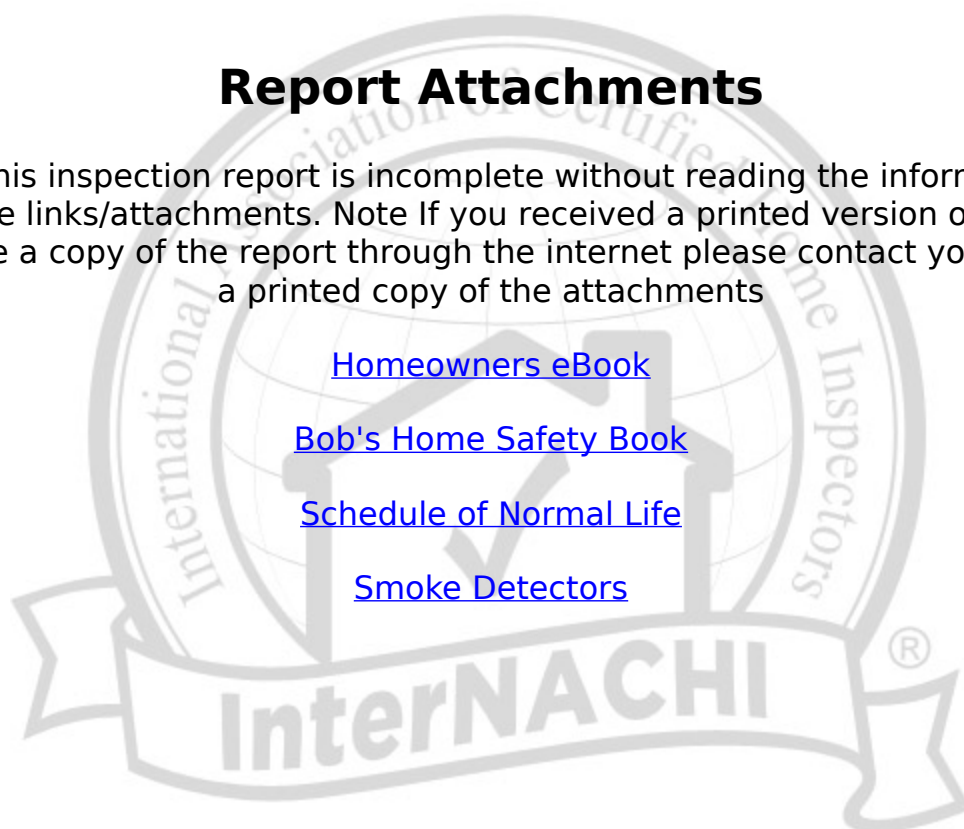
ATTENTION: This inspection report is incomplete without reading the information included herein at these links/attachments. Note If you received a printed version of this page and did not receive a copy of the report through the internet please contact your inspector for a printed copy of the attachments

[Homeowners eBook](#)

[Bob's Home Safety Book](#)

[Schedule of Normal Life](#)

[Smoke Detectors](#)





Sherlock Homes Certified Home Inspections LLC Inspection Agreement

(Please read carefully)

This Inspection Agreement is made and entered into by and between **Sherlock Homes Certified Home Inspections LLC**, referred to as "Inspector", and Betsy Remage-Healey, referred to as "Client" on 5/16/2019. By accepting this agreement online, you agree that you understand and accept all terms. In consideration of the promise and terms of this Inspection Agreement, the parties agree as follows:

1. The client agrees to pay the fee agreed upon, \$375.00 , for the inspection of the "Property", and garage or carport, if applicable, located at 18 Luther Street Peaks Island Maine 04108.
2. The Inspector will perform a visual inspection and prepare a written report of the apparent condition of the readily accessible installed systems and components of the property existing at the time of the inspection. Latent and concealed defects and deficiencies are excluded from the inspection.
3. The parties agree that the "Standards of Practice" (the "Standards") of the International Association of Certified Home Inspectors ("InterNACHI") posted at <http://www.nachi.org/sop.htm> shall define the standard of duty and the conditions, limitations, and exclusions of the inspection and are incorporated by reference herein. Client agrees that the Standards have been read and understood (the Standards can also be read online by clicking the appropriate link <http://sherlockhomes-web.com/hiring-a-home-inspector>).
4. Systems, items, and conditions which are not within the scope of the building inspection include, but are not limited to: radon, formaldehyde, lead paint, asbestos, toxic or flammable materials, molds, fungi, other environmental hazards; pest infestation; security and fire protection systems; household appliances; humidifiers; paint, wallpaper and other treatments to windows, interior walls, ceilings and floors; recreational equipment or facilities; underground storage tanks, energy efficiency measurements; concealed or private secured systems; septic systems; water wells; heating systems accessories; solar heating systems; sprinkling systems; water softener; central vacuum systems, telephone, intercom or cable TV systems; antennae, lightning arrestors, trees or plants; governing codes, ordinances, statutes and covenants and manufacturer specifications. Client understands that these systems, items and conditions are not included in this inspection unless otherwise agreed to. Any general comments about these systems, items and conditions not within the written report are informal only and DOES NOT represent the inspection.
5. It is understood and agreed to by both parties that Inspector is not an insurer and is not insuring the property against future failures or the future condition of this property, its structural components, or its various plumbing, mechanical and/or electrical systems. Virtually every home will have some flaws and defects not identified in the report. Some defects will be elusive to the Inspector. The risk of unexpected problems is not eliminated; the risk is only reduced.

6. INSPECTOR MAKES NO WARRANTY, EXPRESS OR IMPLIED, AS TO THE FITNESS FOR USE, CONDITION, PERFORMANCE OR ADEQUACY OF ANY INSPECTED STRUCTURE, ITEM, COMPONENT, OR SYSTEM.

7. The Client understand that Sherlock Homes Certified Home Inspections LLC and its representatives are participants in Boston Environmental's Tank Sure Program. For the client(s) to receive a \$1,000 tank replacement warranty (free for the first year) and the ongoing proactive tank replacement process, as well as potential discounts on their insurance premiums, it may be necessary to forward client contact information to Tank Sure participating fuel oil suppliers and insurance providers. The client understands and agrees that contact information may be forwarded to facilitate the activation of the warranty and insurance discounts. The inspector makes no representation or warranty concerning the useful remaining life of the oil tank(s) or tank system components.

8. The Inspection and report are performed and prepared for the sole and exclusive use and possession of the Client. No other person or entity may rely on the report issued pursuant to this Agreement. In the event that any person, not a party to this Agreement, makes any claim against Inspector, its employees or agents, arising out of the services performed by Inspector under this Agreement, the Client agrees to indemnify, defend and hold harmless Inspector from any and all damages, expenses, costs and attorney fees arising from such a claim.

9. The Inspection will not include an appraisal of the value or a survey. The written report is not a compliance or code inspection or certification for past or present governmental, State or Town codes or regulations of any kind.

10. In the event that the Client feels that there has been a misrepresentation of the property or its components by Inspector, the Client agrees to notify Inspector within 30 days following the discovery, and to allow Inspector an opportunity to re-examine these conditions before making any remedial repairs. Failure to do so will void any further responsibility of Inspector. If requested, the Client agrees to obtain at least 3 detailed written estimates of any remedial repairs or replacements and the cost of repairs involved.

11. In the event that a dispute or claim arises, it is agreed that the dispute or claim will first be mediated between both parties. Any legal action must be brought within one (1) year from the date of the inspection or will be deemed waived and forever barred. If the Client makes a claim against Inspector for any alleged error, omission or other act arising out of this inspection and/or inspection report and fails to prove such claim, Client will pay all attorney's fees, arbitrators' fees, legal expenses and costs incurred by the Inspector in defense of the claim. Client further understands that any legal action against InterNACHI itself allegedly arising out of this Agreement or Inspector's relationship with InterNACHI must be brought only in the District Court of Boulder County, Colorado. No such action may be filed unless the plaintiff has first provided InterNACHI with 30 days' written notice of the nature of the claim. In any action against InterNACHI, Client waives trial by jury.

12. If the Client or any third party makes a claim that Inspector has been negligent in making the inspection and/or preparing the report, or if the Client is not satisfied that Inspector has fully satisfied its obligation and duties under this inspection agreement, all parties agree that any claim against Inspector will be limited to the greater of double the home inspection fee paid by the client or \$1,000. This limitation applies to every type of claim or cause of action arising out of or related to this agreement, inspection or report, including but not limited to breach of contract, negligence or violation of an Unfair Trade Practices Act.

13. Payment of the fee to Inspector (less any deposit noted above) is due upon completion of the on-site inspection. The Client agrees to pay all legal and time expenses incurred in collecting due payments,

including attorney's fees, if any. If Client is a corporation, LLC, or similar entity, the person signing this Agreement on behalf of such entity does personally guaranty payment of the fee by the entity. If Client requests a re-inspection, the re-inspection is also subject to all the terms and conditions set forth in this agreement.

14. This Agreement, including the terms and conditions, represents the entire agreement between the parties and there are no other agreements either written or oral between them. This Agreement shall be amended only by written agreement signed by both parties. All prior communications are merged into this Agreement, and there are no terms or conditions other than those set forth herein. No statement or promise of Inspector or its agents shall be binding unless reduced to writing and signed by Inspector. This Agreement shall be construed and enforced in accordance with the laws of the State of Maine, and if that state's laws or regulations are more stringent than the forms of the agreement, the state law or rule shall govern. If any court declares any provision of this Agreement invalid, the remaining provisions will remain in effect. This Agreement shall be binding upon and enforceable by the parties and their heirs, executors, administrators, successors and assignees. Client has read this entire Agreement and accepts and understands this Agreement as hereby acknowledged.

DEFINITIONS:

1. Apparent Condition: Systems and components **may** be rated as follows:

SATISFACTORY - Indicates the component is functionally consistent with its original purpose but may show signs of normal wear and tear and deterioration.

MARGINAL - Indicates the component will probably require repair or replacement anytime within five years.

POOR - Indicates the component will need repair or replacement now or in the very near future.

MONITOR - Indicates system or component should be inspected periodically for potential problems

MAJOR CONCERNS - A system or component that is considered significantly deficient or is unsafe.

REPAIR OR REPLACE - A system or component that needs to be repaired or replaced and **may** be deficient or unsafe.

SAFETY HAZARD - Denotes a condition that is unsafe and in need of prompt attention.

2. **Installed systems and components:** structural components; exterior; interior; roofing; plumbing; electrical; heating; central air-conditioning (weather permitting); insulation and ventilation.

3. **Readily accessible systems and components:** only those systems and components where Inspector is not required to remove personal items, furniture, equipment, soil, snow, or other items which obstruct access or visibility.

Thermal Imaging Addendum to Inspection Contract

This is an addendum to the Agreement regarding the inspection of the property agreed to online or in person.

Thermal imaging is a technology that allows the Inspector to show you things about your home that no one can show you using other inspection methods. Thermal imaging produces images of invisible heat energy emitted from objects and systems in the home and allows us to measure or compare it by use of different picture pallets based upon differences of heat levels. As a home inspector, thermal temperature measurements are not deemed to be exact, but are the "**Apparent Temperature**". For building thermography, the exact temperatures are really not needed to determine anomalies. Thermal imaging helps

to diagnose the problem rather than merely identify symptoms and can sometimes, but not always, identify and document: Missing, damaged, and/or wet insulation, heat loss and air infiltration in walls, ceilings, floors, windows and doors, water and moisture intrusion that could lead to mold, hidden roof leaks, before they cause serious damage, air conditioner compressor leaks, structural defects, broken seals in double pane windows, energy loss and efficiency, dangerous flue leaks, damaged and/or malfunctioning radiant heating systems, unknown plumbing leaks, overheated equipment. These color images MAY then be included in the inspection report providing supporting documentation to the report

Client requests and authorizes Inspector to perform a thermal imaging scan on the structure at the original inspection address and subject to the following:

1. Inspector's liability arising for any damages allegedly arising out of any aspect of the thermal imaging service shall be subject to and limited by the terms of the Inspection Agreement and all terms of the Inspection Agreement are incorporated herein by reference.
2. The thermal imaging scan will be limited in scope to the equipment used by Inspector. The inspection will be a non-invasive and non-destructive examination of the visible, safely and readily accessible portions of the interior and/or exterior of the structure for atypical temperature/thermal variations.
3. Thermal imaging services do NOT include any inspections, examinations, testing or evaluations for harmful, dangerous, or toxic substances or materials or environmental hazards including but not limited to: mold, bio-aerosols, radon, lead, asbestos, non-biological airborne particulates, contaminants, petroleum products, petrochemicals, radioactive materials, electromagnetic radiation, plant, animal, or insect secretions or excretions. Infrared cameras are not moisture meters but can aid in identifying areas that warrant further investigation. If Inspector offers any information or opinions about any of the forgoing, this information shall be deemed to be informational only and supplied as a courtesy to the Client and shall not be deemed to be an amendment to this addendum or the inspection agreement.
4. All of the other terms of the Inspection Agreement are incorporated herein by reference.

Addendum to Contract Regarding Log Home Inspections:

Should the home being inspected consist of log construction, Client further understands and agrees to the following. All of the other terms of the Inspection Agreement are incorporated herein by reference.

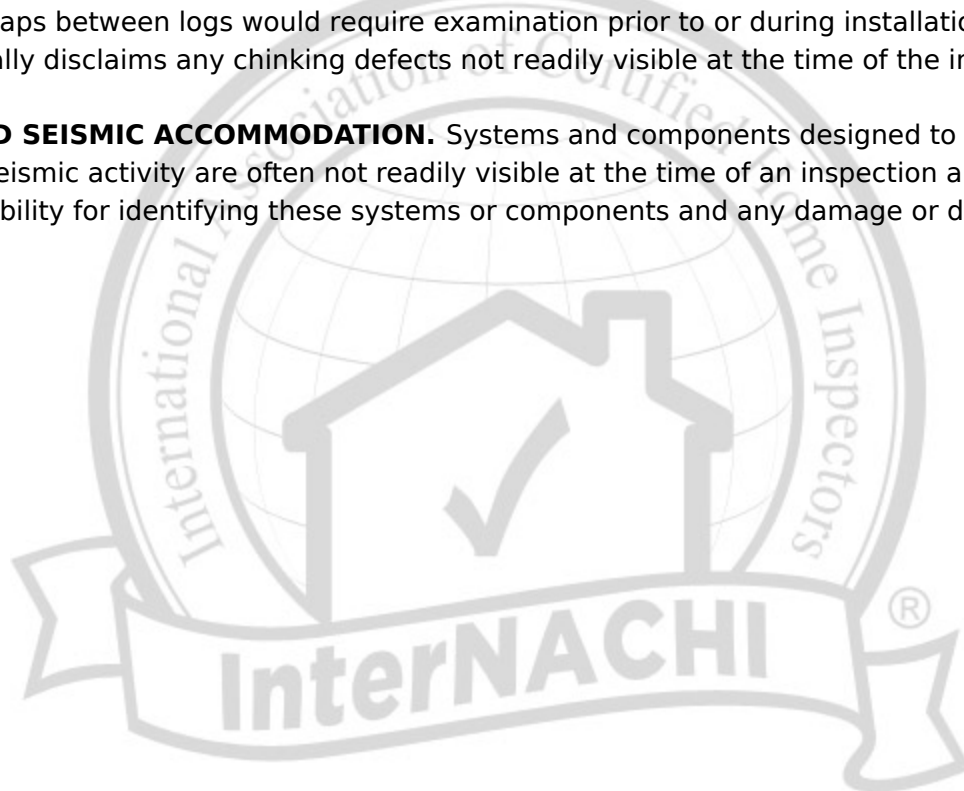
- 1. COMPLIANCE WITH CODES AND STANDARDS.** Confirming compliance with any building codes or standards relating to log home construction which are set forth by any agency, organization, council or association lies beyond the scope of the General Home Inspection or Log Home Inspection.
- 2. COMPLIANCE WITH ENGINEERING OR MANUFACTURER'S SPECIFICATIONS.** Because there exists a multitude of log home builders offering both manufactured and handcrafted homes, each using a method often of their own choosing and invention and often requiring that the contractor building or assembling the home adhere to a similar multitude of proprietary engineering specifications, the adherence to most of which cannot be confirmed without disassembly of the relevant home component, inspecting for compliance with any Manufacturer's Building or Engineer's Specifications lies beyond the scope of the General Home Inspection or Log Home Inspection. This includes any systems or components designed to accommodate or adjust for continual settling of logs in log walls.
- 3. FINISH COATING INSTALLATION.** Confirming proper preparation for installation or any installation of any log finish coating, both interior and exterior, would require examination prior to or during the installation of such finish coating, and as such lies beyond the scope of the General Home Inspection or Log Home Inspection.

4. HIDDEN WOOD DECAY. Although the Inspector uses techniques such as probing and visual examination in an effort to determine the presence of wood decay in the logs of log structures, these techniques are not technically exhaustive and will not reveal the presence of wood decay hidden in inaccessible places, such as log cores and/or the intersections of log walls. For this reason, locating or identifying wood decay which is not readily visible or decay of logs in inaccessible areas of log homes lies beyond the scope of the General Home Inspection or Log Home Inspection.

5. INSECT INFESTATION. The Inspector will perform an inspection for wood-destroying insects using techniques such as probing and visual examination in an effort to determine the presence of wood infestation. These techniques are not technically exhaustive and will not reveal the presence of insects hidden in inaccessible places, such as log cores and/or the intersections of log walls. For this reason, locating or identifying wood destroying insects which are not readily visible or in inaccessible areas of log homes lies beyond the scope of the General Home Inspection or Log Home Inspection. If insects are suspected, recommendations will be given.

6. PROPER CHINKING INSTALLATION. Confirmation that proper preparation and installation of chinking designed to seal gaps between logs would require examination prior to or during installation and the Inspector specifically disclaims any chinking defects not readily visible at the time of the inspection.

7. SETTLING AND SEISMIC ACCOMMODATION. Systems and components designed to accommodate settling or resist seismic activity are often not readily visible at the time of an inspection and the Inspector disclaims responsibility for identifying these systems or components and any damage or defects resulting from their neglect



Operating Budget

1
2021

INCOME

Rental Income	22,800
Vacancy	(1,140)
Subtotal Rental Income	21,660

EXPENSES

Legal	50
Insurance	2,600
Utilities	600
Subtotal Expenses	3,250

NOI	18,410
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DEBT SERVICE	17,182
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REPLACEMENT RESERVES	900
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CASH FLOW	328
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Operating Budget

	1	2	3	4	5	6	7	8	9
	2021	2022	2023	2024	2025	2026	2027	2028	2029
INCOME									
Rental Income	22,800	23,256	23,721	24,196	24,679	25,173	25,677	26,190	26,714
Vacancy	(1,140)	(1,163)	(1,186)	(1,210)	(1,234)	(1,259)	(1,284)	(1,310)	(1,336)
Subtotal Rental Income	21,660	22,093	22,535	22,986	23,445	23,914	24,393	24,881	25,378
EXPENSES									
Legal	50	52	53	55	56	58	60	61	63
Insurance	2,600	2,678	2,758	2,841	2,926	3,014	3,105	3,198	3,294
Utilities	600	618	637	656	675	696	716	738	760
Subtotal Expenses	3,250	3,348	3,448	3,551	3,658	3,768	3,881	3,997	4,117
NOI	18,410	18,746	19,087	19,434	19,788	20,147	20,512	20,883	21,261
DEBT SERVICE	17,182	17,182	17,182	17,182	17,182	17,182	17,182	17,182	17,182
REPLACEMENT RESERVES	900	900	900	900	900	900	900	900	900
CASH FLOW	328	664	1,005	1,353	1,706	2,065	2,430	2,802	3,179
DCR	1.07	1.09	1.11	1.13	1.15	1.17	1.19	1.22	1.24

10 2030	11 2031	12 2032	13 2033	14 2034	15 2035
27,248	27,793	28,349	28,916	29,494	30,084
(1,362)	(1,390)	(1,417)	(1,446)	(1,475)	(1,504)
25,886	26,403	26,931	27,470	28,020	28,580
65	67	69	71	73	76
3,392	3,494	3,599	3,707	3,818	3,933
783	806	831	855	881	908
4,241	4,368	4,499	4,634	4,773	4,916
21,645	22,036	22,433	22,836	23,247	23,664
17,182	17,182	17,182	17,182	17,182	17,182
900	900	900	900	900	900
3,563	3,954	4,351	4,755	5,165	5,582
1.26	1.28	1.31	1.33	1.35	1.38



Memorandum

Planning and Urban Development Department

Planning Division

To: Sean Dundon, Chair and Members of the Portland Planning Board
 From: Shukria Wiar, Planner
 Date: May 24, 2019
 Re: Text Amendment to Conditional Zone Agreement, 18 – 26 Luther Street, Home Start
 Project #: ZN-000601-2019 CBL: 087 Z017001
 Meeting Date: May 28, 2019

I. INTRODUCTION

Home Start, a non-profit affordable housing development organization on Peaks Island, has requested a text amendment to the original Conditional Zone Agreement (CZA #CC-55) for the properties at 18, 22, and 26 Luther Street on Peaks Island. The original CZA allowed the creation of three single family affordable units at 18 Luther Street on lots of approximately 5,300 SF. The underlying zoning is Island Residential IR-2 with the conditional rezoning agreement encompassing the original site of 16,271 SF. The applicant now seeks to add one accessory dwelling unit at 18 Luther Street, which would be an affordable housing unit. The Planning staff has recommended that this proposed change be handled as a proposed text amendment to the original CZA.

II. PROJECT DATA

Underlying Zoning:	Island Residential IR-2
Existing Zoning:	Conditional Rezoning #CC-55 to modify the existing lot at 18 Luther Street (Lot 17) to allow one accessory dwelling unit (ADU)
Building Height:	Proposed not to exceed the 35' limit.
Building Setbacks:	Minimum Lot Area is 5,300 with a front yard setback of 10 feet and side yard of 8 feet to the property line. The rear yard setback will stay at 25 feet as well as the building height of 35 feet. The frontage is 49 feet. These setbacks are included in the original Conditional Zone Agreement, <u>Attachment 1</u> , and no revisions are proposed to these dimensional standards.
Existing Uses:	Three single-family homes on three lots
Proposed Use:	One accessory dwelling unit added to the home at 18 Luther Street
Residential Data:	
Existing Residential Units:	Three single-family homes
Proposed Residential Units:	One ADU at 18 Luther Street
Number of Affordable Units:	Three single family homes and the one ADU

III. BACKGROUND AND EXISTING CONDITIONS

Home Start pursued a conditional rezoning in 2010, in order to enable the construction of two single family homes and the rehabilitation of the existing home at 18 Luther Street. The Planning Board supported the CZA (#CC-55, Attachment 1) to allow the reconstruction of the existing home and the addition of the two single-family houses, each with a lot size of approximately 5,300 SF. Under the rezoning agreement, all three homes are required to be affordable units and are allowed at a higher density than the underlying IR-2 zone. The City Council approved the

conditional rezoning on July 12, 2010 and in 2011, the applicant entered into the affordable housing agreement with the City to create two new affordable single-family homes at 22 and 26 Luther Street, and the rehabilitation of 18 Luther Street for the third home. The two new houses were completed and the renovation of 18 Luther Street were completed in 2013.

IV. PROPOSED DEVELOPMENT

18 Luther Street is part of the Conditional Rezoning Agreement C-55 (Attachment 2) and Home Start is seeking a text amendment to the agreement that would allow an affordable Accessory Dwelling Unit to be added at 18 Luther Street (Attachment D). The underlying and surrounding zoning is Island Residential Zone (IR-2), which permits accessory dwelling units as a conditional use. The original CZA states that “to the extent not otherwise altered herein, the zoning requirements for the IR-2 shall otherwise apply”. Even though accessory dwelling units are allowed as a conditional use in the underlying IR-2 zone, the CZA specifically restricts the use of the Property to three single-family residential units. Home Start stated that the addition of an ADU will “increase the supply of year-round affordable housing on Peaks Island”. The applicant is requesting to amend the original CZA to permit one affordable accessory dwelling unit with a minimum of 400 sf at 18 Luther Street.

The amendments ensure that the unit will meet all other requirements of the original CZA. Attachment D is the full amendment with all of the whereas statements and standard conditions. Below are the proposed provisions specific to the ADU:

NOW, THEREFORE, in consideration of this Amendment, the Developer covenants and agrees as follows:

1. The requirements of the Existing CZA shall apply and are modified to allow an addition of one (1) ADU on the Property.
2. The ADU shall be a minimum of four hundred (400) square feet and subject to the applicable dimensional requirements of the Existing CZA, which are restated below:
 - a. Minimum Lot Area 5,300 sq. ft.
 - b. Min. Street Frontage 49 ft
 - c. Min. Front Yard Setback (Lot 17) 1 ft
 - d. Min. Rear Yard Setback 25 ft
 - e. Min. Side Yard Setback (Lot 17) 6.5 ft
 - f. Maximum Building Height 35 ft
 - g. Min. Lot Width 49 ft
 - h. Maximum Lot Coverage 28% of Lot
3. The Developer or its designee agrees to maintain the following affordability controls on the Proposed Development on the Property:
 - a. The ADU shall be leased on an annual basis to households earning no more than 120% of the HUD AMI for Cumberland County, Maine.
 - b. If the entire Property is sold, it shall be sold to a household earning no more than 120% of the HUD AMI for Cumberland County, Maine per the Existing CZA and the maximum sale price shall be calculated per the City of Portland’s “Inclusionary Zoning Implementation Guidelines for Developers of Homeownership Housing” (the “Inclusionary Guidelines”). The potential

rental income of the ADU shall not be included in determining the buyer's eligibility as a household earning 120% AMI or less, however, in calculating the maximum sale price per the Inclusionary Guidelines, the ADU shall be considered a 1-person household in addition to the 3-person household size of the existing 3-bedroom single family residence. In the event the Inclusionary Guidelines are no longer in effect at the time of sale, the maximum allowable purchase price shall be based on calculating the present value of a 30 year fixed rate mortgage with a 5% down payment, an interest rate based on the average national mortgage rate over the past thirteen years as determined by the Freddie Mac Primary Mortgage Market Survey, and a monthly mortgage payment based on 30% of the gross monthly income for a 4-person household earning 120% AMI minus other monthly housing expenses such as real estate taxes, mortgage insurance, and insurance. Any future owner of the Property shall be required to rent the ADU on an annual basis to households earning no more than 120% AMI for Cumberland County, Maine per 3(a) above.

c. The above affordability restrictions shall be stated in and secured by a Declaration of Affordable Housing Covenants and Restrictions for the Property, which shall be enforceable by Home Start and the City of Portland, or their designees and shall be recorded in the Cumberland County Registry of Deeds along with an original of this Agreement.

According to the applicant, the proposed accessory dwelling units will be a minimum of four hundred square feet (400 SF) and the whereas statements confirm that they would maintain the single-family appearance of the existing building, as mentioned above in the draft amendment.

As proposed, the ADU would be a permitted use under the amendment and thus, would not be a conditional use, as it is in IR-2. The Board may want to consider including an additional provision in the agreement that reiterates the Whereas clause, which states "the Developer intends to maintain the single family appearance of the Property and complement the adjacent residential neighborhood." The addition of a unit will require a Building Permit and Site Plan review, so such a provision could be considered during the administrative review.

The site is served by public sewer and water. A conceptual site plan and architectural are in Attachment F and G.

V. PUBLIC COMMENTS

Staff recommended that this proposed change be handled as a text amendment. A legal ad for the Board workshop was posted on the city's web page and appeared in the *Portland Press Herald* on May 17th and 18th, 2019. Notices upon receipt of application and for the Planning Board workshop were sent to a hundred and twenty-two (122) property owners within 500 feet of the site and to the interested citizen list. At the time this memo was prepared, the Planning Division has not received any public comment.

VI. RIGHT, TITLE AND INTEREST

The owner of the property is Home Start. The applicant has provided a copy of a short form warranty deed, recorded at the Cumberland County Registry of Deeds (Book 25452 Page 211), which demonstrates their right, title and interest in the property.

VII. COMPREHENSIVE PLAN

The applicant has submitted their analysis on how this text amendment is meeting the Comprehensive Plan ([Attachment E](#)). Staff has identified the following goals and policies which are relevant to the proposed housing development and finds the proposal in conformance with the Comprehensive Plan:

The central vision of Portland's Plan 2030 is represented by the venn diagram demonstrating the integral interrelation of the community's core belief that Portland is equitable, sustainable, connected, dynamic, authentic and secure. The vision conveys the message of the City's need to balance many competing needs to assure the advance of the vision as a unified concept. In this instance, that the City's goals for job growth and transforming Portland through orderly growth and development be balanced with needs for connectivity of the street grid, sustainability of infrastructure and the ability to maintain that infrastructure, and security in the sense of public safety.



Portland Housing Goal: Ensure that an adequate supply of housing is available to meet the needs, preferences, and financial capabilities of all Portland households, now and in the future.

Policies

- Ensure the construction of a diverse mix of housing types that offers a continuum of options across all income levels, which are both renter and owner-occupied, including but not limited to the following:
 - ii. Housing units for decreasing household size, such as young professionals, empty nesters, single-parent households, and senior citizens.
- Encourage higher density housing for both rental and home ownership opportunities, particularly located near services, such as schools, businesses, institutions, employers, and public transportation.
- Increase Portland's rental housing stock to maintain a reasonable balance between supply and demand yielding consumer choice, affordable rents, and reasonable return to landlords.
- Identify vacant land and redevelopment opportunities throughout the City to facilitate the construction of new housing.

VIII. NEXT STEPS

1. Address any additional information requested by the Planning Board.
2. Address and finalize all staff comments before the public hearing.

ATTACHMENTS

PLANNING BOARD MEMO ATTACHMENTS

1. Conditional Rezoning Agreement- C-55, as adopted by Council

APPLICANT'S SUBMITTALS

- A. Application Form
- B. Project Description
- C. Right, Title and Interest
- D. Amendment to Conditional Zone Agreement
- E. Consistency with Comprehensive Plan

- F. Conceptual Site Plan
- G. Conceptual Floor Plan
- H. Architectural Drawing

Order 273-09/10

Given first reading 6/21/10

Public hearing & Passage 7/19/10 8-0 (Skolnik absent)

NICHOLAS M. MAVODONES (MAYOR)

KEVIN J. DONOGHUE (1)

DAVID A. MARSHALL (2)

DANIEL S. SKOLNIK (3)

CHERYL A. LEEMAN (4)

CITY OF PORTLAND

IN THE CITY COUNCIL

JOHN R. COYNE (5)

JOHN M. ANTON (A/L)

DORY RICHARDS WAXMAN (A/L)

JILL C. DUSON (A/L)

AMENDMENT TO CITY CODE SEC. 14-49 (ZONING TEXT AND MAP AMENDMENT) RE: CONDITIONAL REZONING FOR PROPERTY LOCATED ON LUTHER STREET ON PEAKS ISLAND

ORDERED, that the zoning map and text of the City of Portland, dated December 2000 as amended and on file in the Department of Planning & Development, and incorporated by reference into the Zoning Ordinance by Sec. 14-49 of the Portland City Code, is hereby amended to reflect the conditional rezoning as substantially detailed and described below.

CONDITIONAL ZONE AGREEMENT

RE:

HOMESTART

AGREEMENT made this ____ day of _____, 2010 by HOMESTART, a 501 c 3 Non-profit corporation with a place of business in Portland, Maine ("Developer"), and its successors and assigns.

W I T N E S S E T H

WHEREAS, the Developer has acquired land and buildings located at 18 Luther Street, consisting of parcels shown on City of Portland Tax Map 87 Block Z, Lots 15, 16, and 17, and more particularly described in a deed from dated and recorded in the Cumberland County Registry of Deeds in Book 14020, Page 231 (the "Property"); and

WHEREAS, the existing building located on the Property is currently used to house a single family affordable residence; and

WHEREAS, the remaining portion of the Property remains undeveloped; and

WHEREAS, the homes on the Property will constructed to be energy efficient;

WHEREAS, there is available public water and sewer to service the Property;

WHEREAS, the Developer intends to develop two (2) affordable single family homes on the remaining undeveloped land, which shall be sold as affordable to buyers with household incomes one hundred and twenty (120%) percent or less of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine; and

WHEREAS, if Maine State Housing funds are available for such purposes, the Developer intends to rehabilitate or replace the existing house located on Property, which shall be owned by the Developer or an appropriate designee and leased as affordable to tenants with household incomes less than one hundred and twenty percent (120%) of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine; and

WHEREAS, if the Maine State Housing funds are unavailable, the Developer intends to sell the existing house located on the Property as affordable to buyers with household incomes less than one hundred and twenty percent (120%) of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine; and

WHEREAS, the Developer intends to maintain the character of the Property and complement the adjacent residential neighborhood; and

WHEREAS, the existing zoning is IR-2 which requires 20,000 square feet of land area per unit, and which results in a limitation of one (1) unit upon the Property; and

WHEREAS, the Developer has requested a rezoning of the Property in order to permit the proposed redevelopment and reuse of the property from a single family residence to three (3) single family residential units; and

WHEREAS, the Portland Planning Board has determined the rezoning and proposed development would provide needed affordable housing on Peaks Island as is consistent with the housing component of the Comprehensive Plan; and

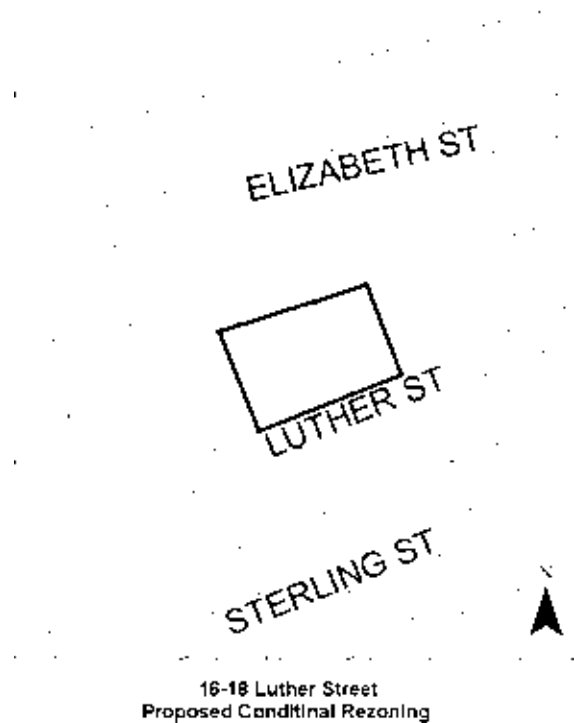
WHEREAS, the Planning Board, after notice and hearing and due deliberation thereon, recommended the rezoning of the Property as aforesaid, subject, however, to certain conditions contained in this Agreement; and

WHEREAS, the Portland City Council, pursuant to 30-A M.R.S.A. § 4352(8) and Portland City Land Use Code (the "Code") §§ 14-60 to 14-62, after notice, hearing and due deliberation thereon, has determined that because of the unusual nature and unique location of the proposed development, and its minimal impact on and compatibility with the surrounding community, it is necessary and appropriate to recommend the rezoning of the Property as aforesaid, with the following conditions and restrictions set forth in this Agreement; and

WHEREAS, the Portland City Council has on _____, 2010 approved this Agreement in its entirety, by City Council Order No. _____, a true copy of which is attached hereto as Attachment 1 (the "Order");

NOW, THEREFORE, in consideration of the rezoning, the Developer covenants and agrees as follows:

1. Pursuant to the Order, the City shall amend the Zoning Map of the City of Portland, dated September, 2000 (as amended from time to time and on file in the Department of Planning and Urban Development, and incorporated by reference into the Zoning Ordinance by § 14-49 of the Code) by adopting the map change amendment shown below to zone the property IR-2, subject to the conditions contained below.



If this Agreement is not recorded within sixty (60) days after the effective date of the City Council's approval of the Order, then the conditional rezoning shall become null and void and the zoning of the Property shall revert to the pre-existing IR – 2 zone.

2. The use of the Property shall be for a maximum of three (3) affordable single-family residential homes (1 existing unit and 2 new units). No additional units shall be developed, and the two (2) new units shall be developed substantially as delineated and depicted on the Site Plan, attached hereto as Attachment 2, entitled "Site Plan – conditional zone 18 Luther Street, Peaks Island, Portland Maine" for HOMESTART Prepared by Walsh Engineering Associates, Inc.

3. The underlying dimensional requirements of the IR-2 zone shall apply and are modified as follows:

a.	Minimum Lot Area	5,300 Sq. ft.
b.	Min Street Frontage	49 ft
c.	Min. Front Yard Setback (Lots 15&16)	10 ft
d.	Min. Front Yard Setback (Lot 17)	1 ft*
e.	Min. Rear Yard Setback	25 ft

f.	Min. Side Yard Setback (Lots 15&16)	8 ft
g.	Min. Side Yard Setback (Lot 17)	6.5 ft.**
h.	Max. Building Height	35 ft
i.	Min. Lot Width	49 ft
j.	Max. Lot Coverage	28% of Lot

* Existing house on Lot 17 currently has a 1-foot front yard setback. If the house is reconstructed, it will be required to meet the 10-foot front yard setback requirement.

** Existing house on Lot 17 currently has a 6.5-foot side yard setback. If the house is reconstructed, it will be required to meet the 8-foot side yard setback requirement.

4. The Developer agrees to maintain the following affordability controls on the proposed development on the Property:

- a. The two (2) new single family units shall be initially developed, marketed and sold to individuals with household incomes at 120% or less of the U.S. Department of Housing and Urban Development moderate-income income figure for metropolitan Cumberland County Maine, as calculated for the year in which the sale takes place (a “Qualified Purchaser”), and shall be priced to be affordable to a Qualified Purchaser. Each of the Qualified Purchasers of these two (2) single family units shall occupy the units as their principal residences, except that a Qualified Purchaser may rent a unit for a period not to exceed twelve (12) months in any thirty-six (36) month period, to enable the Qualified Purchaser to address matters such as divorce, transfer of employment, economic hardship and the like. Transient rentals shall not be permitted. Affordability shall be preserved in perpetuity through a deed restriction and legal documentation. Any such additional affordability restrictions or controls shall be reviewed and approved by the City of Portland corporation counsel’s office. In the event that the purchase price for either of these two (2) single family units is subsidized as a result of public or private funds made available to make the purchase of such unit more affordable, a junior mortgage shall be placed upon such unit, representing the amount of the subsidy received. In the event that an initial Qualified Purchaser sells one of these two (2) units to another Qualified Purchaser, the junior mortgage shall not be repaid, but shall be assumed by the subsequent Qualified Purchaser, who shall own and hold these housing units subject to a junior mortgage in the same manner as an initial Qualified Purchaser.
- b. The existing unit (whether rehabilitated or reconstructed) shall be developed, marketed, sold and resold and/or leased as long as the Property remains a residential unit, to Qualified Purchasers or Tenants

with household incomes at one hundred and twenty percent (120%) of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine, as calculated for the year in which the sale takes place. The Qualified Purchasers/Tenants of this single family unit shall occupy the unit as their principal residence, except that a Qualified Purchaser may rent a unit for a period not to exceed twelve (12) months in any thirty-six (36) month period, to enable the Qualified Purchaser to address matters such as divorce, transfer of employment, economic hardship and the like. Transient rentals shall not be permitted. A junior mortgage may be placed upon such housing unit, to further secure the continued affordability covenants contained in the Declaration of Affordability Covenants for Rental Property Owned by Developer.

- c. All of these affordability restrictions shall be stated in and secured by a Declaration of Affordable Housing Covenants and Restrictions for the purchased and leased property, other deed restriction(s) and/or condition(s) in any deed(s) conveyed out by the Developer, shall be stated in the housing documents, shall be identified on the approved Site Plan for the Property, and shall be reviewed and approved by the City of Portland corporation counsel's office. The affordability covenants contained in the Declaration of Affordable Housing Covenants for the purchased and leased property shall be enforceable by HOMESTART and the City of Portland, or their designees.

5. The Qualified Purchasers/Tenants shall be responsible for ongoing maintenance of the Property, including snowplowing, salting, sanding, sweeping, lighting, trash pickup (at least weekly), mowing, etc. Qualified Purchasers will be required to take a home education course offered through MaineHousing to ensure that these responsibilities are fully outlined.

6. The provisions of this Agreement are intended to replace and/or supersede the requirements of the underlying IR-2 zone. As stated above, to the extent not otherwise altered herein, the zoning requirements for the IR-2 zone shall otherwise apply to the Property.

7. In the event of a breach by the Developer or its successors or assigns (including, but not limited to, any homeowners association) of the zoning provisions contained herein (whether the Zoning Administrator, the Zoning Board of Appeals or a court determines such breach), the Planning Board, after notice and hearing, may recommend to the City Council that the conditional zone and this Agreement be amended, or be rescinded, such rescission to result in the termination of this Agreement and a reversion of the Property to the IR-2 zone requirements in place before the execution of this Agreement.

8. The above stated restrictions, provisions, and conditions are an essential part of the rezoning, shall run with the Property, shall bind and benefit the Developer, any

entity affiliated with the Developer that takes title to the Property, its successors and assigns (including, but not limited to, any homeowners association), and any party in possession or occupancy of said Property or any part thereof, and shall inure to the benefit of and be enforceable by the City of Portland, by and through its duly authorized representatives. The Developer shall file a counterpart original of this Agreement in the Cumberland County Registry of Deeds.

9. This conditional rezoning shall become null and void and the Property shall revert to the existing I-R2 zone in the event that the Developer fails to commence construction within three (3) years from the date of the Council approval of this rezoning. This three (3) year period shall be extended up to an additional one (1) year period if:

- a. The Developer has applied for all required approvals but has not received all required approvals within the aforementioned three (3) year period; or
- b. Any other event beyond the control of the Developer has occurred which will delay the closing on some or all of the parcels and Developer has notified the City of such event.

If any required approval, including the Council's approval of this conditional rezoning, has been appealed, then this rezoning shall become null and void and shall revert if the Developer fails to commence construction within one (1) year from the final disposition of such appeal.

10. This conditional rezoning agreement shall be enforced pursuant to the land use enforcement provisions of state law including, but not limited to, 30-A MRSA § 4452 and the Portland City Code.

11. If any of the restrictions, provisions, conditions, or portions thereof set forth herein is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed as a separate, distinct, and independent provision and such determination shall not affect the validity of the remaining portions hereof.

12. Except as expressly modified herein, the development shall be governed by and comply with the provisions of the Portland City Code and any applicable amendments thereto or replacement thereof.

WITNESS: _____

HOMESTART

BY:

STATE OF MAINE
CUMBERLAND, ss.

_____, 2010

Personally appeared before me the above-named _____, in his/her capacity as _____ of HOMESTART, and acknowledged the foregoing instrument to be his/her free act and deed in his/her said capacity and the free act and deed of said corporation.

Before me,

Notary Public/

CITY OF PORTLAND
Planning & Urban Development Department

TEXT AMENDMENT SUBMISSION CHECKLIST	
Please submit each document as a separate PDF file Please confirm by electronically checking the boxes to the left	
GENERAL APPLICATION DOCUMENTS	
	Project Description Cover Letter with detailed project description
	Proposed Text Amendment Provide proposed language for text amendment(s) and cite the relevant sections to be revised in the Land Use code.
	Consistency with Comprehensive Plan Analysis of the consistency of the zone change request with the goals, policies and land use plan of Portland's Comprehensive Plan.
	Completed Checklist – Text Amendment Application (this document)
	Right, Title and Interest Deeds, leases, or purchase and sales agreements



HOMESTART

Affordable Housing for Peaks Island

April 18, 2019

Barbara Barhydt
Development Review Services Manager
City of Portland
389 Congress Street
Portland, ME 04101

Dear Barbara,

We are writing to submit a zoning text amendment application to amend an existing Conditional Zone Agreement (C-55) ("Existing CZA") for 18, 22, and 26 Luther Street ("CZA Property"). Home Start, a 501(c)(3) non-profit corporation with a mission to create year-round affordable housing on Peaks Island, owns and operates an affordable single family rental unit at 18 Luther Street on Peaks Island. The Existing CZA was entered into in 2011 to create two new affordable single family homes on 22 and 26 Luther Street in addition to the existing affordable rental unit at 18 Luther Street. These two new single family homes were completed in 2013 so there are three existing single family homes on the CZA Property under the Existing CZA.

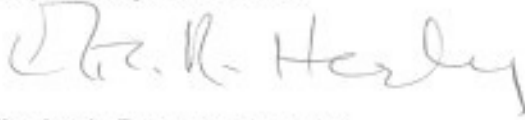
The underlying and surrounding zoning of 18 Luther Street is Island Residential Zone (IR-2), which allows accessory dwelling units (ADUs) as a conditional use. Where the Existing CZA provides that "to the extent not otherwise altered herein, the zoning requirements for the IR-2 shall otherwise apply," Home Start would like to add an ADU to 18 Luther Street to increase the supply of year-round affordable housing on Peaks Island. ADUs are allowed as a conditional use in the IR-2 but the Existing CZA specifically limits the use of the CZA Property to three single family residential units. Therefore, Home Start is seeking to amend the Existing CZA to allow an addition of one ADU on 18 Luther Street while continuing to meet all other requirements of the Existing CZA (e.g. dimensional standards, affordability, etc.). A draft Amendment to Conditional Zone Agreement is attached.

The proposed ADU would be a minimum of four hundred square feet and would maintain the single family appearance of the existing building. The site is served by public sewer and water and is located in the heart of the village, within walking distance to the ferry. A conceptual site plan is attached.



With the recent text amendment to the Peaks ADU ordinance, Home Start wants to show that an ADU can be built affordably here. This will add a year round rental unit to our housing stock and hopefully also encourage others to do the same. We look forward to working with the Planning Board in support of this project.

Respectfully submitted,

A handwritten signature in dark ink, appearing to read "Elizabeth Remage-Healey". The signature is fluid and cursive, with the first name "Elizabeth" and last name "Remage-Healey" clearly distinguishable.

Elizabeth Remage-Healey
President, Home Start

SHORT FORM WARRANTY DEED

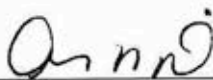
SUSAN MORIARTY CADORETTE, formerly known as Susan Moriarty, of Belchertown, Massachusetts, FOR CONSIDERATION PAID, grants to HOME START, a Maine non-profit corporation having a mailing address of 196 Seashore Avenue, Peaks Island, Portland, Maine 04108, WITH WARRANTY COVENANTS, the following described real property located on Peaks Island, Portland, County of Cumberland and State of Maine:

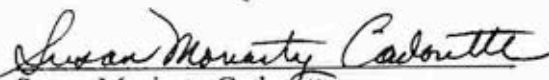
SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

Meaning and intending to convey the same premises described in three (3) deeds from Susan Moriarty Trustee of Moriarty Maine Property Realty Trust to Susan Moriarty, all dated June 4, 1998 and recorded in Cumberland County Registry of Deeds in Book 14020, Page 225, Book 14020, Page 228 and Book 14020, Page 231, respectively.

IN WITNESS WHEREOF, SUSAN MORIARTY CADORETTE has hereunto set her hand and seal this 7th day of September, 2007.

WITNESS:



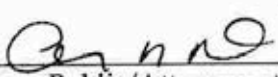

Susan Moriarty Cadorette

STATE OF MAINE
CUMBERLAND, SS.

September 7, 2007

Personally appeared the above-named SUSAN MORIARTY CADORETTE and acknowledged the foregoing instrument to be her free act and deed.

Before me,


Notary Public/Attorney-at-Law

Print Name: Amy N. Denn
My commission expires: N/A

EXHIBIT A
18 Luther Street, Peaks Island, Portland, Maine

Certain lots or parcels of land, with the buildings thereon, situated on Peaks Island, City of Portland, County of Cumberland and State of Maine, bounded and described as follows:

PARCEL 1:

A certain lot or parcel of land with the buildings thereon situated on the northerly side of Luther Street on said Peaks Island, County of Cumberland, bounded and described as follows:

Beginning on the northerly sideline of Luther Street, at a stake or stones located one hundred four and eight tenths (104.8) feet easterly thereon from the southeasterly corner of land conveyed by Luther Sterling to Melville C. Sterling; thence northerly at right angles with Luther Street one hundred eight and one-half (108.50) feet more or less, to a point half way to Elizabeth Street; thence easterly on a line half way between Luther Street and Elizabeth Street, forty nine and eight tenths (49.80) feet to the northwesterly corner of Lot #7 (seven); thence southerly by said Lot #7 (seven) one hundred four (104) feet, more or less, to the northerly side line of Luther Street; thence westerly by Luther Street, forty nine and eight tenths (49.80) feet to the point of beginning. Being Lot #5 (five) on the above mentioned Plan.

Being the same premises conveyed by warranty deed from Susan Moriarty, Trustee of the Moriarty Maine Property Realty Trust to Susan Moriarty dated June 4, 1998 and recorded in the Cumberland County Registry of Deeds in Book 14020, Page 225.

PARCEL 2:

A certain lot or parcel of land at Peaks Island, City of Portland, County of Cumberland and State of Maine, one (1) parcel bounded and described as follows:

A certain lot of land being known as designated as Lot #7 (seven) as shown on Plan of Homestead Lot of late Luther Sterling, Plan E, made by C. H. Howe, C.E. dated November, 1883 and recorded in Cumberland County Registry of Deeds in Book 516, between Pages 210 and 211.

Being the same premises conveyed by warranty deed from Susan Moriarty, Trustee of the Moriarty Maine Property Realty Trust to Susan Moriarty dated June 4, 1998 and recorded in the Cumberland County Registry of Deeds in Book 14020, Page 228.

PARCEL 3:

A certain lot or parcel of land at Peaks Island, City of Portland, County of Cumberland and State of Maine, one (1) parcel bounded and described as follows:

Beginning in the northerly line of Luther Street at a stone, distant two hundred five (205) feet from the home lot now or formerly of Melville C. Sterling; thence easterly by said Luther Street fifty-three and six tenths (53.60) feet to another stone bound and from these two stones extending northerly one-half way to Elizabeth Street, the easterly line of said lot being about ninety seven and one-half (97 ½) feet and the westerly line about one hundred eleven and one-half (111.50) feet in length and being Lot #9 on a plan made by C. W. Howe and recorded in the Cumberland County Registry of Deeds in Book 516, Page 210, being the lot of land conveyed to Elva E. Rich by Luther A. Sterling by deed dated November 3, 1892 and recorded in said Registry of Deeds in Book 596, Page 105.

Being the same premises conveyed by warranty deed from Susan Moriarty, Trustee of the Moriarty Maine Property Realty Trust to Susan Moriarty dated June 4, 1998 and recorded in the Cumberland County Registry of Deeds in Book 14020, Page 231.

Received
Recorded Register of Deeds
Sep 07, 2007 02:44:38P
Cumberland County
Pamela E. Lovley

SHORT FORM QUITCLAIM DEED WITH COVENANT

HOME START, a Maine nonprofit corporation having its principal place of business on Peaks Island in Portland, Maine ("Grantor"), FOR CONSIDERATION PAID, grants to VOLUNTEERS OF AMERICA NORTHERN NEW ENGLAND, INC., a Maine nonprofit corporation with a place of business in Brunswick, Maine and having a mailing address of 14 Maine Street, Suite 301, Brunswick, Maine 04011 ("Grantee"), WITH QUITCLAIM COVENANT, the following described real property located at 22 and 26 Luther Street, Peaks Island in Portland, Cumberland County, Maine, and more particularly described on:

SEE EXHIBIT "A" ATTACHED HERETO AND MADE A PART HEREOF.

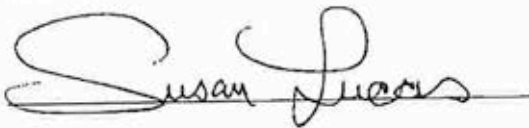
The above-described property is conveyed subject to the terms and conditions of the Conditional Zoning Agreement dated January 5, 2011, attached to the copy of the City Council Order and recorded in the Cumberland County Registry of Deeds at Book 28433, Page 235, including the affordability restrictions that are provided within the Conditional Zoning Agreement. The affordability restrictions restrict the sale or lease of the above-described property to individuals with household incomes at 120% or less of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine. The affordability restrictions shall be binding upon the Grantee, its successors and assigns.

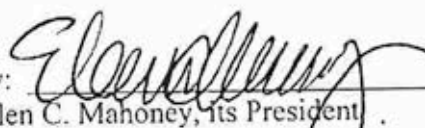
The above-described property is also subject to a Declaration of Affordable Housing Covenants for Home to Be Sold to Qualified Purchasers by Grantee to be recorded of even or near date.

IN WITNESS WHEREOF, HOME START has caused this instrument to be signed and sealed by Ellen C. Mahoney, its duly authorized President, this 24 day of July, 2012.

WITNESS:

HOME START, Grantor



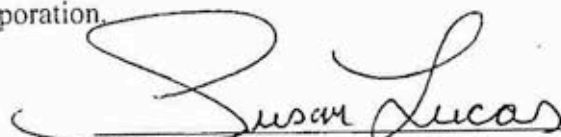
By: 
Ellen C. Mahoney, its President

STATE OF MAINE
CUMBERLAND, SS.

7/24, 2012

Personally appeared the above-named Ellen C. Mahoney, President of HOME START, as aforesaid, and acknowledged the foregoing instrument to be her free act and deed in her said capacity and the free act and deed of said corporation.

Before me,


Notary Public/Attorney-at-Law
Print Name: Susan Lucas
My commission expires: _____

MAINE REAL ESTATE TAX PAID

EXHIBIT A

Two certain lots or parcels of land, together with all improvements thereon and all rights and easements related thereto, located on the northerly side of Luther Street on Peaks Island in Portland, Cumberland County, Maine, described as follows:

Parcel A:

[Map 87, Block Z, Lot 16]

The certain lot or parcel of land together with all improvements thereon and all rights and easements related thereto located on the northerly side of Luther Street on Peaks Island, in Portland, Cumberland County, Maine which is designated as Lot #7 (seven) on the plan entitled "Plan of Homestead of late Luther Sterling, Plan E, made by C.H. Howe, C.E., dated November, 1883", and recorded in the Cumberland County Registry of Deeds in Book 516, between Pages 210 and 211. Said Lot 7 has also been described as follows:

Commencing (but not beginning) at an iron marker found on the northerly side of Luther Street, at the southwesterly corner of land now or formerly of Leslie M. Kaynor and Edward D. Kaynor, (see Book 24723, Page 317);

Thence S 68°04'29" W along said sideline of Luther Street, a distance of 53.60 feet to the true point of beginning;

Thence N 21°55'31" W, along Lot 9 on the aforementioned 1883 plan by Howe, a distance of 104.10 feet to a point and land now or formerly of Samuel S. Saltonstall (see Book 25196, Page 268);

Thence S 71°10'46" W, along said Saltonstall land and land now or formerly of Lisa K. Lynch (See Book 15741, Page 68), a distance of 51.07 feet to a point;

Thence S 21°55'31" E, along being retained by the grantor herein and which is Lot #5 on said 1883 Howe plan, a distance of 106.87 feet to a point on the northerly sideline of said Luther Street;

Thence N 68°04'29" E along said sideline of Luther Street, a distance of 51.00 feet to the point of beginning.

Being and meaning to convey, and hereby conveying, the same premises as designated as "Parcel 2" in the deed to the grantor herein which is recorded in the Cumberland County Registry of Deeds in Book 25452, Page 211. Further reference is made to the plan depicting the herein conveyed parcel and other parcels, entitled "Boundary & Topographic Survey, on Luther Street, Peaks Island, Portland, Maine, Made for Record Owner Homestart (sic)", by Owen Haskell, Inc., dated September 23, 2009, and stamped by John C. Schwanda, PLS No. 1252, which is believed to be unrecorded. Further reference is made to the Subdivision Plan entitled "18 Luther Street, Peaks Island, Portland, Maine, for HOMESTART" dated August 5, 2010, as

revised on September 7, 2010 and further revised on November 22, 2010 by Walsh Engineering Associates, Inc. and recorded on June 13, 2012 in Plan Book 212, Page 177.

Parcel B:
[Map 87, Block Z, Lot 15]

The certain lot or parcel of land together with all improvements thereon and all rights and easements related thereto, located on the northerly side of Luther Street on Peaks Island, in Portland, Cumberland County, Maine which is designated as Lot #9 (nine) on the plan entitled "Plan of Homestead of late Luther Sterling, Plan E, made by C.H. Howe, C.E., dated November, 1883", and recorded in the Cumberland County Registry of Deeds in Book 516, between Pages 210 and 211. Said Lot 9 has also been described as follows:

Beginning at an iron marker found on the northerly side of Luther Street, at the southwesterly corner of land now or formerly of Leslie M. Kaynor and Edward D. Kaynor, (see Book 24723, Page 317);

Thence N 21°55'31" W, along said Kaynor land, a distance of 101.20 feet to another iron marker found;

Thence S 71°10'46" W, along land now or formerly of Samuel S. Saltonstall (see Book 25196, Page 268), a distance of 53.68 feet to a point;

Thence S 21°55'31" E, along Lot #7 on said 1883 plan by Howe, a distance of 104.10 feet to a point on the northerly sideline of said Luther Street;

Thence N 68°04'29" E along said sideline of Luther Street, a distance of 53.60 feet to the point of beginning.

Being and meaning to convey, and hereby conveying, the same premises as designated as "Parcel 3" in the deed to the grantor herein which is recorded in the Cumberland County Registry of Deeds in Book 25452, Page 211. Further reference is made to the plan depicting the herein conveyed parcel and other parcels, entitled "Boundary & Topographic Survey, on Luther Street, Peaks Island, Portland, Maine, Made for Record Owner Homestart (sic)", by Owen Haskell, Inc., dated September 23, 2009, and stamped by John C. Schwanda, PLS No. 1252, which is believed to be unrecorded. Further reference is made to the Subdivision Plan entitled "18 Luther Street, Peaks Island, Portland, Maine, for HOMESTART" dated August 5, 2010, as revised on September 7, 2010 and further revised on November 22, 2010 by Walsh Engineering Associates, Inc. and recorded on June 13, 2012 in Plan Book 212, Page 177.

Received
Recorded Register of Deeds
Jul 25, 2012 03:10:32P
Cumberland County
Pamela E. Lovley

AMENDMENT TO CONDITIONAL ZONE AGREEMENT

RE: C-55

AGREEMENT made this ____ day of _____, 2019 by Home Start, a 501(c)(3) non-profit corporation with a place of business in Portland, Maine (“Developer”), and its successors and assigns.

WITNESSETH

WHEREAS, the Developer owns land and an existing building located at 18 Luther Street, shown on City of Portland Tax Map 87, Block Z, Lot 17, and more particularly described as Parcel 1 in a deed recorded in the Cumberland County Registry of Deeds in Book 14020, Page 231 (the “Property”); and

WHEREAS, the Property is one of three parcels subject to an existing Conditional Zone Agreement, dated January 5, 2011, (“Existing CZA”) which limits the use of the three parcels to three (3) single family residential units; and

WHEREAS, the existing building located on the Property is currently used to house one single family affordable residence and the other two parcels of the Existing CZA are currently used to house one single family residence on each parcel for a total of three (3) single family residential units; and

WHEREAS, the Developer intends to add one (1) accessory dwelling unit (“ADU”) to the Property (the “Proposed Development”), which shall be leased as affordable to households earning one hundred and twenty percent (120%) or less of the U.S. Department of Housing and Urban Development (HUD) Area Median Income (AMI) for Cumberland County, Maine; and

WHEREAS, ADUs are a conditional use in the surrounding and underlying Island Residential Zone (IR-2); and

WHEREAS, the Developer intends to maintain the single family appearance of the Property and complement the adjacent residential neighborhood; and

WHEREAS, the Proposed Development would provide needed affordable housing on Peaks Island and is consistent with the housing component of the Comprehensive Plan;

NOW, THEREFORE, in consideration of this Amendment, the Developer covenants and agrees as follows:

1. The requirements of the Existing CZA shall apply and are modified to allow an addition of one (1) ADU on the Property.
2. The ADU shall be a minimum of four hundred (400) square feet and subject to the applicable dimensional requirements of the Existing CZA, which are restated below:

a. Minimum Lot Area	5,300 sq. ft.
b. Min. Street Frontage	49 ft
c. Min. Front Yard Setback (Lot 17)	1 ft
d. Min. Rear Yard Setback	25 ft
e. Min. Side Yard Setback (Lot 17)	6.5 ft
f. Maximum Building Height	35 ft
g. Min. Lot Width	49 ft
h. Maximum Lot Coverage	28% of Lot

3. The Developer or its designee agrees to maintain the following affordability controls on the Proposed Development on the Property:

- a. The ADU shall be leased on an annual basis to households earning no more than 120% of the HUD AMI for Cumberland County, Maine.
- b. If the entire Property is sold, it shall be sold to a household earning no more than 120% of the HUD AMI for Cumberland County, Maine per the Existing CZA and the maximum sale price shall be calculated per the City of Portland's "Inclusionary Zoning Implementation Guidelines for Developers of Homeownership Housing" (the "Inclusionary Guidelines"). The potential rental income of the ADU shall not be included in determining the buyer's eligibility as a household earning 120% AMI or less, however, in calculating the maximum sale price per the Inclusionary Guidelines, the ADU shall be considered a 1-person household in addition to the 3-person household size of the existing 3-bedroom single family residence. In the event the Inclusionary Guidelines are no longer in effect at the time of sale, the maximum allowable purchase price shall be based on calculating the present value of a 30 year fixed rate mortgage with a 5% down payment, an interest rate based on the average national mortgage rate over the past thirteen years as determined by the Freddie Mac Primary Mortgage Market Survey, and a monthly mortgage payment based on 30% of the gross monthly income for a 4-person household earning 120% AMI minus other monthly housing expenses such as real estate taxes, mortgage insurance, and insurance. Any future owner of the Property shall be required to rent the ADU on an annual basis to households earning no more than 120% AMI for Cumberland County, Maine per 3(a) above.
- c. The above affordability restrictions shall be stated in and secured by a Declaration of Affordable Housing Covenants and Restrictions for the Property, which shall be enforceable by Home Start and the City of Portland, or their designees and shall be recorded in the Cumberland County Registry of Deeds along with an original of this Agreement.

4. In the event of a breach by the Developer or its successors or assigns of the zoning provisions contained herein (whether the Zoning Administrator, the Zoning Board of Appeals or a court determines such breach), the Planning Board, after notice and hearing, may recommend to the City Council that the conditional zone and this Agreement be amended, or be rescinded, such rescission to result in the termination of this Agreement and a reversion of the

Property to the IR-2 zone requirements in place before execution of this Agreement. However, any action by the owner of the other two parcels included in the Existing CZA (identified on the City of Portland Tax Map 87, Block Z, Lots 15 and 16) shall not be determined to be a breach by the Developer of this Agreement.

5. This conditional rezoning agreement shall be enforced pursuant to the land use enforcement provisions of state law including, but not limited to, 30-A MRSA § 4452 and the Portland City Code.

6. If any of the restrictions, provisions, conditions, or portions thereof set forth herein is for any reason held invalid or unconstitutional by any court of competent jurisdiction, such portion shall be deemed as a separate, distinct, and independent provision and such determination shall not affect the validity of the remaining portions hereof.

7. Except as expressly modified herein, the development shall be governed by and comply with the provisions of the Portland City Code and any applicable amendments thereto or replacement thereof.

WITNESS:

HOME START

Print Name:

By:
Its:

STATE OF MAINE
CUMBERLAND, ss.

_____, 2019

Personally appeared before me the above-named _____, in her capacity as President of Home Start, and acknowledged the foregoing instrument to be her free act and deed in her said capacity and the free act and deed of said corporation.

Before me,

Notary Public/Attorney at Law

*Order 118-10/11
Feb 28 12-20-10*

NICHOLAS M. MAVODONES (MAYOR)
KEVIN J. DONOGHUE (1)
DAVID A. MARSHALL (2)
EDWARD J. SUSLOVIC (3)
CHERYL A. LEEMAN (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

JOHN R. COYNE (5)
JOHN M. ANTON (A/L)
DORY RICHARDS WAXMAN (A/L)
JILL C. DUSON (A/L)

**ORDER APPROVING AMENDMENTS TO CONDITIONAL ZONING
AGREEMENT WITH HOME START FOR PROPERTY LOCATED ON
LUTHER STREET ON PEAKS ISLAND**

ORDERED, that the Conditional Zoning Agreement with Home Start approved on July 19, 2010, is hereby amended in substantially the same form as shown on Attachment 1 hereto.

A TRUE COPY
ATTEST: *Kathleen Jones - Acting City Clerk*

Portland, Maine
DATE 1/10/2011

SEAL

CONDITIONAL ZONE AGREEMENT

RE:

Home Start

AGREEMENT made this 5th day of January, 2011 by Home Start, a 501c3 Non-profit corporation with a place of business in Portland, Maine ("Developer"), and its successors and assigns.

WITNESSETH

WHEREAS, the Developer has acquired land and buildings located at 18 Luther Street, consisting of parcels shown on City of Portland Tax Map 87 Block Z, Lots 15, 16, and 17, and more particularly described in a deed from dated and recorded in the Cumberland County Registry of Deeds in Book 14020, Page 231 (the "Property"); and

WHEREAS, the existing building located on the Property is currently used to house a single family affordable residence; and

WHEREAS, the remaining portion of the Property remains undeveloped; and

WHEREAS, the homes on the Property will be constructed to be energy efficient;

WHEREAS, there is available public water and sewer to service the Property;

WHEREAS, the Developer intends to develop two (2) affordable single family homes on the remaining undeveloped land, which shall be sold or leased as affordable to buyers with household incomes one hundred and twenty (120%) percent or less of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine; and

WHEREAS, if Maine State Housing funds are available for such purposes, the Developer intends to rehabilitate or replace the existing house located on Property, which shall be owned by the Developer or an appropriate designee and leased as affordable to tenants with household incomes less than one hundred and twenty percent (120%) of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine; and

WHEREAS, if the Maine State Housing funds are unavailable, the Developer intends to sell the existing house located on the Property as affordable to buyers with household incomes less than one hundred and twenty percent (120%) of the U.S. Department of Housing and Urban Development moderate-income figure for metropolitan Cumberland County Maine; and

WHEREAS, the Developer intends to maintain the character of the Property and complement the adjacent residential neighborhood; and

WHEREAS, the existing zoning is IR-2 which requires 20,000 square feet of land area per unit, and which results in a limitation of one (1) unit upon the Property; and

WHEREAS, the Developer has requested a rezoning of the Property in order to permit the proposed redevelopment and reuse of the property from a single family residence to three (3) single family residential units; and

WHEREAS, the Portland Planning Board has determined the rezoning and proposed development would provide needed affordable housing on Peaks Island as is consistent with the housing component of the Comprehensive Plan; and

WHEREAS, the Planning Board, after notice and hearing and due deliberation thereon, recommended the rezoning of the Property as aforesaid, subject, however, to certain conditions contained in this Agreement; and

WHEREAS, the Portland City Council, pursuant to 30-A M.R.S.A. § 4352(8) and Portland City Land Use Code (the "Code") §§ 14-60 to 14-62, after notice, hearing and due deliberation thereon, has determined that because of the unusual nature and unique location of the proposed development, and its minimal impact on and compatibility with the surrounding community, it is necessary and appropriate to recommend the rezoning of the Property as aforesaid, with the following conditions and restrictions set forth in this Agreement; and

WHEREAS, the Portland City Council has on January 3, 2011 approved this Agreement in its entirety, by City Council Order No. 117-10/11, a true copy of which is attached hereto as Attachment 1 (the "Order");

NOW, THEREFORE, in consideration of the rezoning, the Developer covenants and agrees as follows:

1. Pursuant to the Order, the City shall amend the Zoning Map of the City of Portland, dated September, 2000 (as amended from time to time and on file in the Department of Planning and Urban Development, and incorporated by reference into the Zoning Ordinance by § 14-49 of the Code) by adopting the map change amendment shown below to zone the property IR-2, subject to the conditions contained below.



16-18 Luther Street
Proposed Conditional Rezoning

If this Agreement is not recorded within sixty (60) days after the effective date of the City Council's approval of the Order, then the conditional rezoning shall become null and void and the zoning of the Property shall revert to the pre-existing IR – 2 zone.

2. The use of the Property shall be for a maximum of three (3) affordable single-family residential homes (1 existing unit and 2 new units). No additional units shall be developed, and the two (2) new units shall be developed substantially as delineated and depicted on the Site Plan, attached hereto as Attachment 2, entitled "Site Plan – conditional zone 18 Luther Street, Peaks Island, Portland Maine" for Home Start Prepared by Walsh Engineering Associates, Inc. dated September 7, 2010.

3. The underlying dimensional requirements of the IR-2 zone shall apply and are modified as follows:

a.	Minimum Lot Area	5,300 Sq. ft.
b.	Min Street Frontage	49 ft
c.	Min. Front Yard Setback (Lots 15&16)	10 ft
d.	Min. Front Yard Setback (Lot 17)	1 ft*
e.	Min. Rear Yard Setback	25 ft
f.	Min. Side Yard Setback (Lots 15&16)	8 ft
g.	Min. Side Yard Setback (Lot 17)	6.5 ft.**
h.	Max. Building Height	35 ft
i.	Min. Lot Width	49 ft
j.	Max. Lot Coverage	28% of Lot

* Existing house on Lot 17 currently has a 1-foot front yard setback. If the house is reconstructed, it will be required to meet the 10-foot front yard setback requirement.

** Existing house on Lot 17 currently has a 6.5-foot side yard setback. If the house is reconstructed, it will be required to meet the 8-foot side yard setback requirement.

4. The Developer or its designee agrees to maintain the following affordability controls on the proposed development on the Property:

- a. The two (2) new single family units shall be initially developed, marketed and sold and or leased to individuals with household incomes at 120% or less of the U.S. Department of Housing and Urban Development moderate-income income figure for metropolitan Cumberland County Maine, as calculated for the year in which the sale takes place (a "Qualified Purchaser"), and shall be priced to be affordable to a Qualified Purchaser. Each of the Qualified Purchasers of these two (2) single family units shall occupy the units as their principal residences, except that a Qualified Purchaser may rent a unit for a period not to exceed twelve (12) months in any thirty-six (36) month period, to enable the Qualified Purchaser to address matters such as divorce, transfer of employment, economic hardship and the like. Transient rentals shall not be permitted. Affordability shall be preserved in perpetuity through a deed restriction and legal documentation. Any such additional affordability restrictions or controls shall be reviewed and approved by the City of Portland corporation counsel's office. In the event that the purchase price for either of these two (2) single family units is subsidized as a result of public or private funds made available to make the purchase of such unit more affordable, a junior mortgage shall be placed upon such unit, representing the amount of the subsidy received. In the event that an initial Qualified Purchaser sells one of these two (2) units to another Qualified Purchaser, the junior mortgage shall not be repaid, but shall be assumed by the subsequent Qualified Purchaser, who shall own and hold these housing units subject to a junior mortgage in the same manner as an initial Qualified Purchaser.
- b. The existing unit shall be developed, marketed, sold and resold and/or leased as long as the Property remains a residential unit, to Qualified Purchasers or Tenants with household incomes at one hundred and twenty percent (120%) of the U.S. Department of Housing and Urban Development moderate-income income figure for metropolitan Cumberland County Maine, as calculated for the year in which the sale takes place. The Qualified Purchasers/Tenants of this single family unit shall occupy the unit as their principal residence, except that a Qualified Purchaser may rent a unit for a period not to exceed twelve

(12) months in any thirty-six (36) month period, to enable the Qualified Purchaser to address matters such as divorce, transfer of employment, economic hardship and the like. Transient rentals shall not be permitted. A junior mortgage may be placed upon such housing unit, to further secure the continued affordability covenants contained in the Declaration of Affordability Covenants for Rental Property Owned by Home Start.

- c. All of these affordability restrictions shall be stated in and secured by a Declaration of Affordable Housing Covenants and Restrictions for the purchased and leased property, other deed restriction(s) and/or condition(s) in any deed(s) conveyed out by the Developer, shall be stated in the housing documents, shall be identified on the approved Site Plan for the Property, and shall be reviewed and approved by the City of Portland corporation counsel's office. The affordability covenants contained in the Declaration of Affordable Housing Covenants for the purchased and leased property shall be enforceable by Home Start and the City of Portland, or their designees.

5. The Qualified Purchasers/Tenants shall be responsible for ongoing maintenance of the Property, including snowplowing, salting, sanding, sweeping, lighting, trash pickup (at least weekly), mowing, etc. Qualified Purchasers will be required to take a home education course offered through MaineHousing to ensure that these responsibilities are fully outlined.

6. The provisions of this Agreement are intended to replace and/or supersede the requirements of the underlying IR-2 zone. As stated above, to the extent not otherwise altered herein, the zoning requirements for the IR-2 zone shall otherwise apply to the Property.

7. In the event of a breach by the Developer or its successors or assigns (including, but not limited to, any homeowners association) of the zoning provisions contained herein (whether the Zoning Administrator, the Zoning Board of Appeals or a court determines such breach), the Planning Board, after notice and hearing, may recommend to the City Council that the conditional zone and this Agreement be amended, or be rescinded, such rescission to result in the termination of this Agreement and a reversion of the Property to the IR-2 zone requirements in place before the execution of this Agreement.

8. The above stated restrictions, provisions, and conditions are an essential part of the rezoning, shall run with the Property, shall bind and benefit the Developer, any entity affiliated with the Developer that takes title to the Property, its successors and assigns (including, but not limited to, any homeowners association), and any party in possession or occupancy of said Property or any part thereof, and shall inure to the benefit of and be enforceable by the City of Portland, by and through its duly authorized representatives. The Developer shall file a counterpart original of this Agreement in the Cumberland County Registry of Deeds. Without limiting the generality of the foregoing,

WITNESS: Rouelle Walsh

Home Start

Ellen C. Mahoney
BY: Ellen C. Mahoney
President, Home Start

STATE OF MAINE
CUMBERLAND, ss.

January 5, 2011

Personally appeared before me the above-named Ellen C. Mahoney, in her capacity as President of Home Start, and acknowledged the foregoing instrument to be her free act and deed in her said capacity and the free act and deed of said corporation.

Before me,

Priscilla Webster
Notary Public/Attorney at Law

Priscilla Webster

MY COMMISSION EXPIRES
MAY 20, 2011

Received
Recorded Register of Deeds
Jan 10, 2011 11:16:16A
Cumberland County
Pamela E. Lovley

SEAL

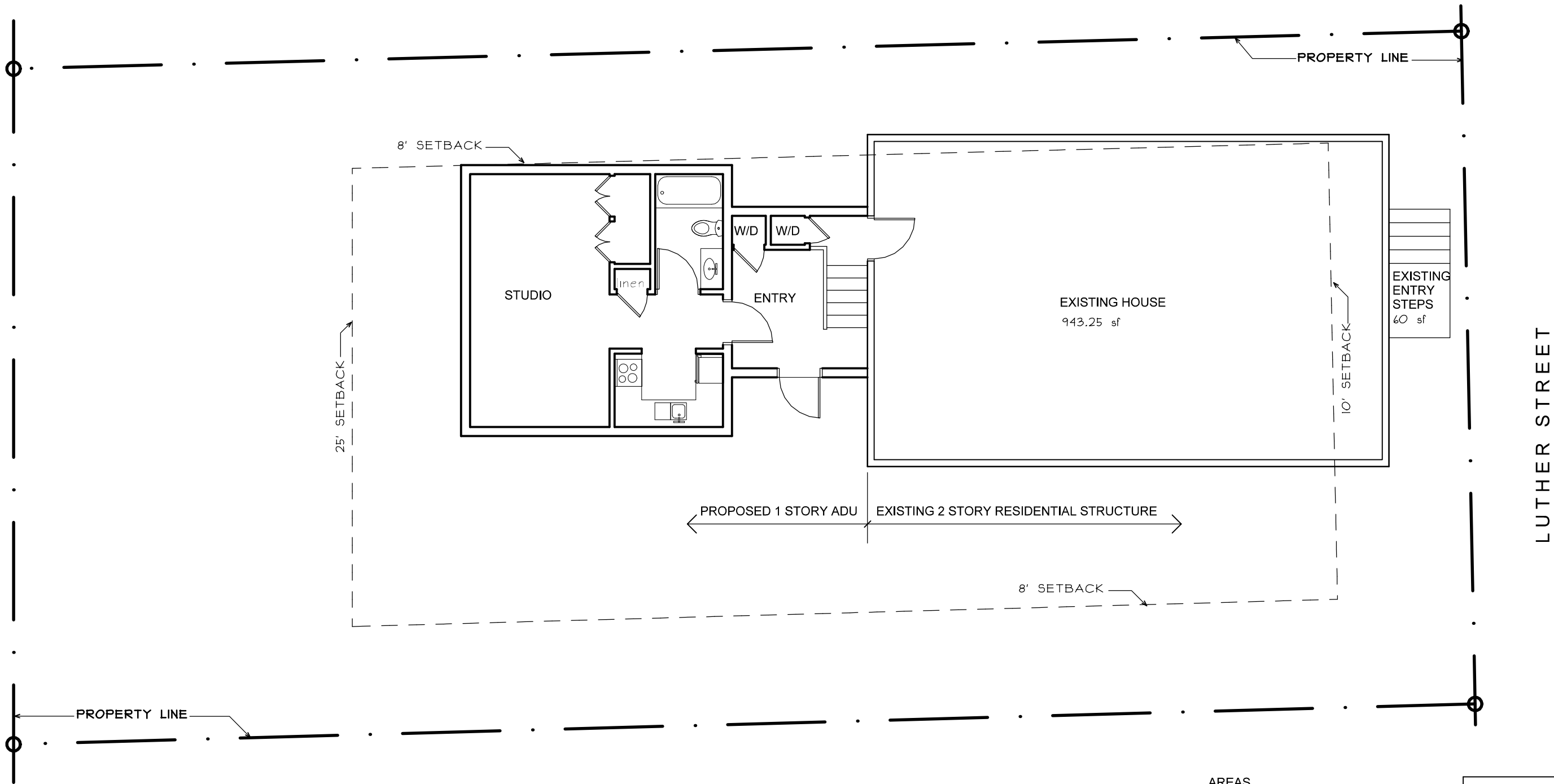
Amendment to Conditional Zone Agreement Re: C-55
Consistency with Comprehensive Plan

The requested Amendment to Conditional Zone Agreement Re: C-55 allowing the addition of a year-round accessory dwelling unit for an income-qualified household in a walkable neighborhood, is consistent with the goals, policies and land use plan of Portland's Comprehensive Plan.

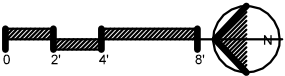
Portland's Plan establishes a vision for a city that is equitable, sustainable, dynamic, secure, authentic, and connected. The proposed amendment would provide equitable, sustainable, and secure housing that contributes to a dynamic and authentic neighborhood in the village of Peaks Island.

The Housing Policy Guide states "the lack of sufficient housing supply and the affordability of that housing for a healthy socioeconomic cross-section of the population remain urgent challenges." It identifies zoning and policy changes as a tool to support a more equitable and diverse housing supply (including facilitating the creation of accessory dwelling units for income-qualified households). Through the creation of a year-round accessory dwelling unit for an income-qualified household in a walkable, complete neighborhood, this Amendment would contribute to the following local goals identified in Portland's Plan: (1) increase, preserve, and modify the overall supply of housing city-wide to meet the needs, preferences and financial capabilities of all Portland residents; (2) encourage additional contextually appropriate housing density in and proximate to neighborhood centers, concentrations of services, and transit nodes and corridors as a means of supporting complete neighborhoods; (3) pursue policies to enable people who work in Portland to have the option to live in Portland; and (4) encourage quality, sustainable design in new housing development. Furthermore, this Amendment is consistent with the City's future strategies for housing, specifically, to "support land use tools that encourage year-round residences in existing and new housing on Portland's islands, while maintaining their unique character and environment."

The village of Peaks Island is also identified as a priority node to be evaluated, an area "where the City recognizes the need to review existing conditions and develop a strategy for future change."

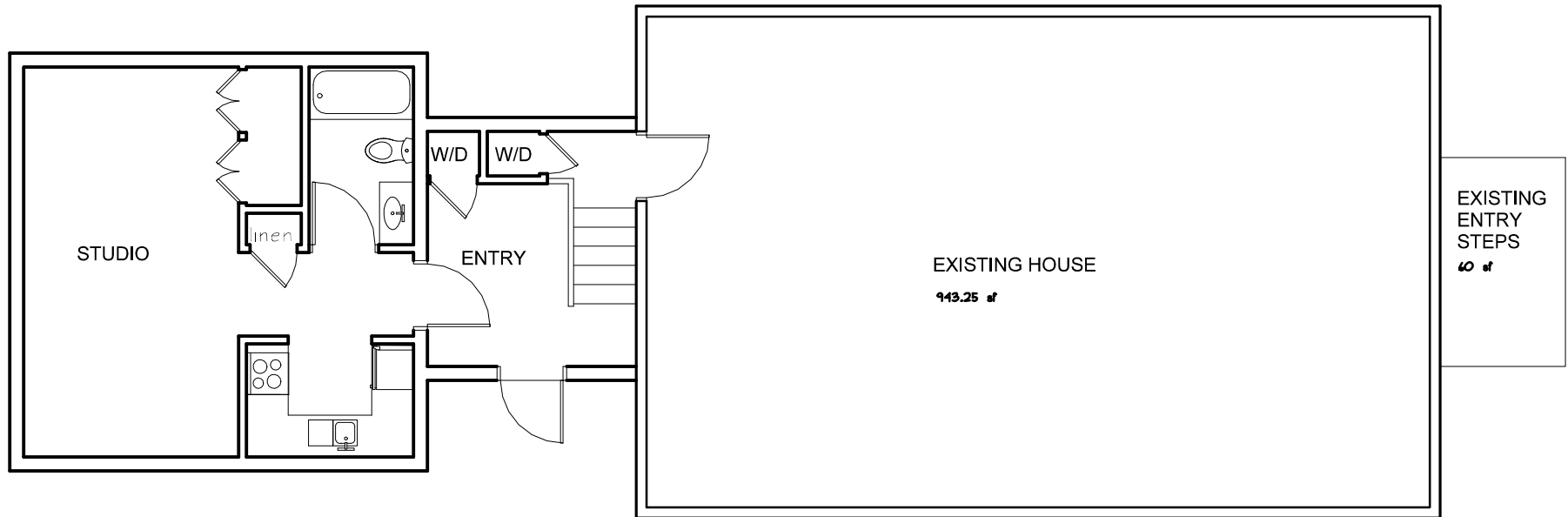


AREAS	
Existing footprint	1,003.25 sf
ADU Addition	525.75 sf
Total footprint	1,529.00 sf
Lot Area	5,389.31 sf
percentage lot coverage	28%



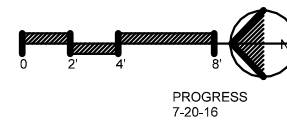
ACCESSORY DWELLING UNIT
18 LUTHER STREET
Peaks Island, Maine

Title:
SITE PLAN
Sheet No.
A-1.1
Scale: 1/8" = 1'-0"
Date: 10-9-17
Revised:



AREAS

Existing footprint	1,003.25 sf
ADU Addition	<u>525.75 sf</u>
Total footprint	1,529.00 sf
Lot Area	5,389.31 sf
percentage lot coverage	28%



ACCESSORY DWELLING UNIT
18 LUTHER STREET
Peaks Island, Maine

Title:
FIRST FLOOR PLAN
Sheet No.

A-1.1

Scale: 1/8" = 1'-0"
Date: 7-20-16
Revised:

Att. H



PROGRESS
8-9-16

ACCESSORY DWELLING UNIT
18 LUTHER STREET
Peaks Island, Maine

Title:
WEST ELEVATION
Sheet No.

A-2.1

Scale: 1/8" = 1'-0"
Date:
Revised:

Genesis

COMMUNITY LOAN FUND

May 20, 2019

Laura Reading
Home Start
PO Box 174
18 Luther Street
Peaks Island, ME 04108

Dear Ms. Reading:

Please accept this letter of interest and statement of terms for a loan for Home Start. Upon approval by its Loan Committee, the Genesis Fund will be prepared to issue a Commitment Letter with the following terms for financing your construction of an accessory dwelling unit and renovations to the existing unit. Terms and parameters would be:

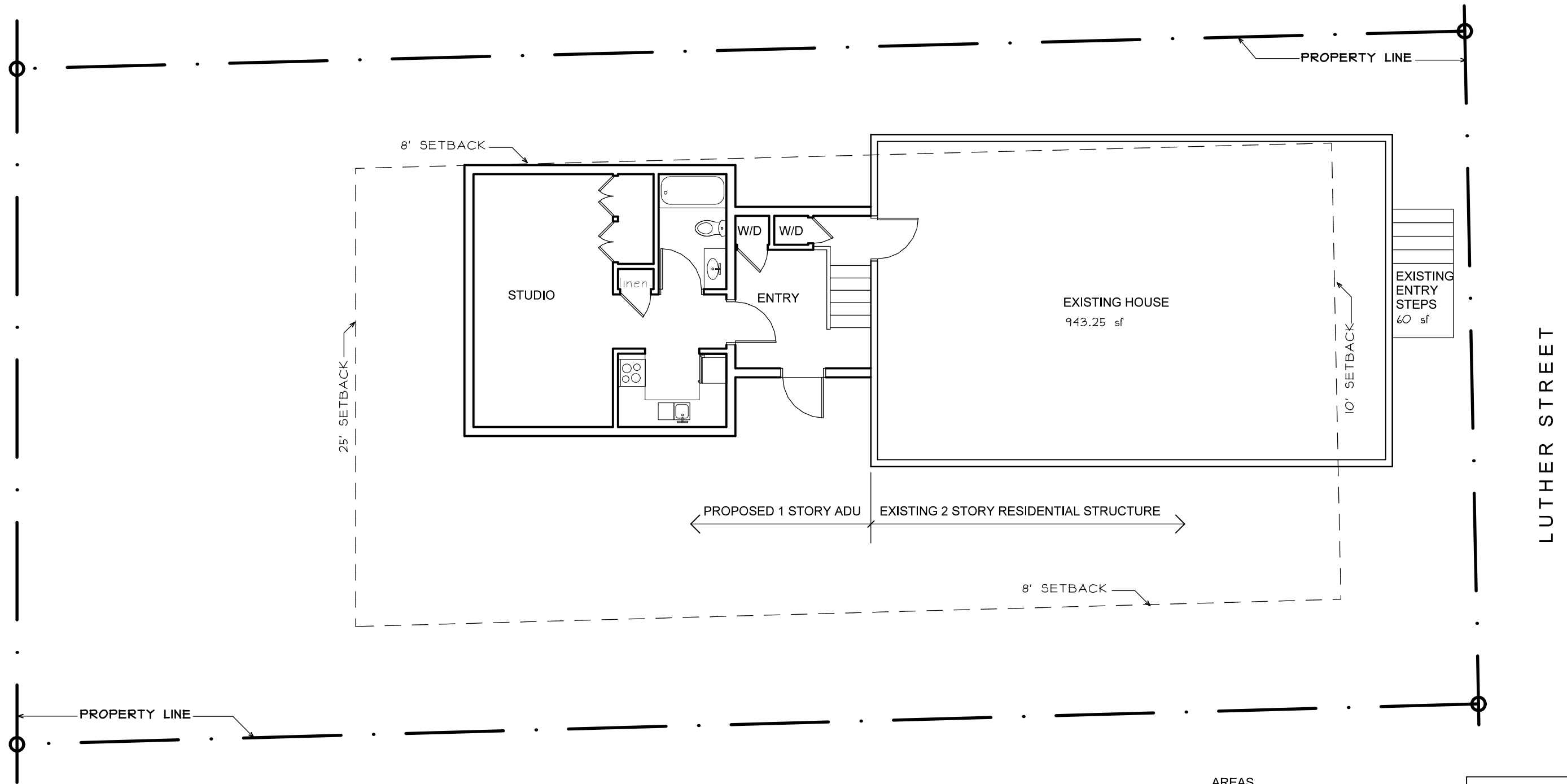
Borrower:	Home Start
Term:	60-months, interest-only for construction period of up to 12 months, then amortizing over 30 years
Purpose:	Construction of an accessory dwelling unit and renovations to the existing unit
Amount:	Seventy-one Thousand Dollars (\$71,000.00).
Origination Fee:	\$710.00
Interest Rate:	5.6% Percent
Collateral:	Collateral for the Loan shall be a first-priority mortgage and security agreement on the property located at 18 Luther Street, Peaks Island, ME 04108, and all related personal property. Seventy-one Thousand Dollars (\$71,000.00).
Projected LTV:	100%
Conditions:	Successfully meeting Genesis Fund terms and conditions

These terms represent a valid expression of interest in providing the loan. It does not represent a formal commitment or agreement to lend. Upon further investigation and underwriting and evidence of the borrower receiving the proposed financing, the Genesis Fund would be prepared to make this loan according to the terms stated above or as may be amended during the formal approval process by its Loan Committee.

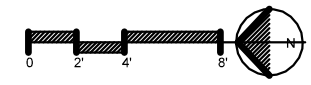
Sincerely,



Elizabeth Fleming-Ives
Deputy Director

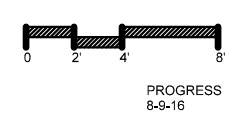


AREAS	
Existing footprint	1,003.25 sf
ADU Addition	525.75 sf
Total footprint	1,529.00 sf
Lot Area	5,389.31 sf
percentage lot coverage	28%



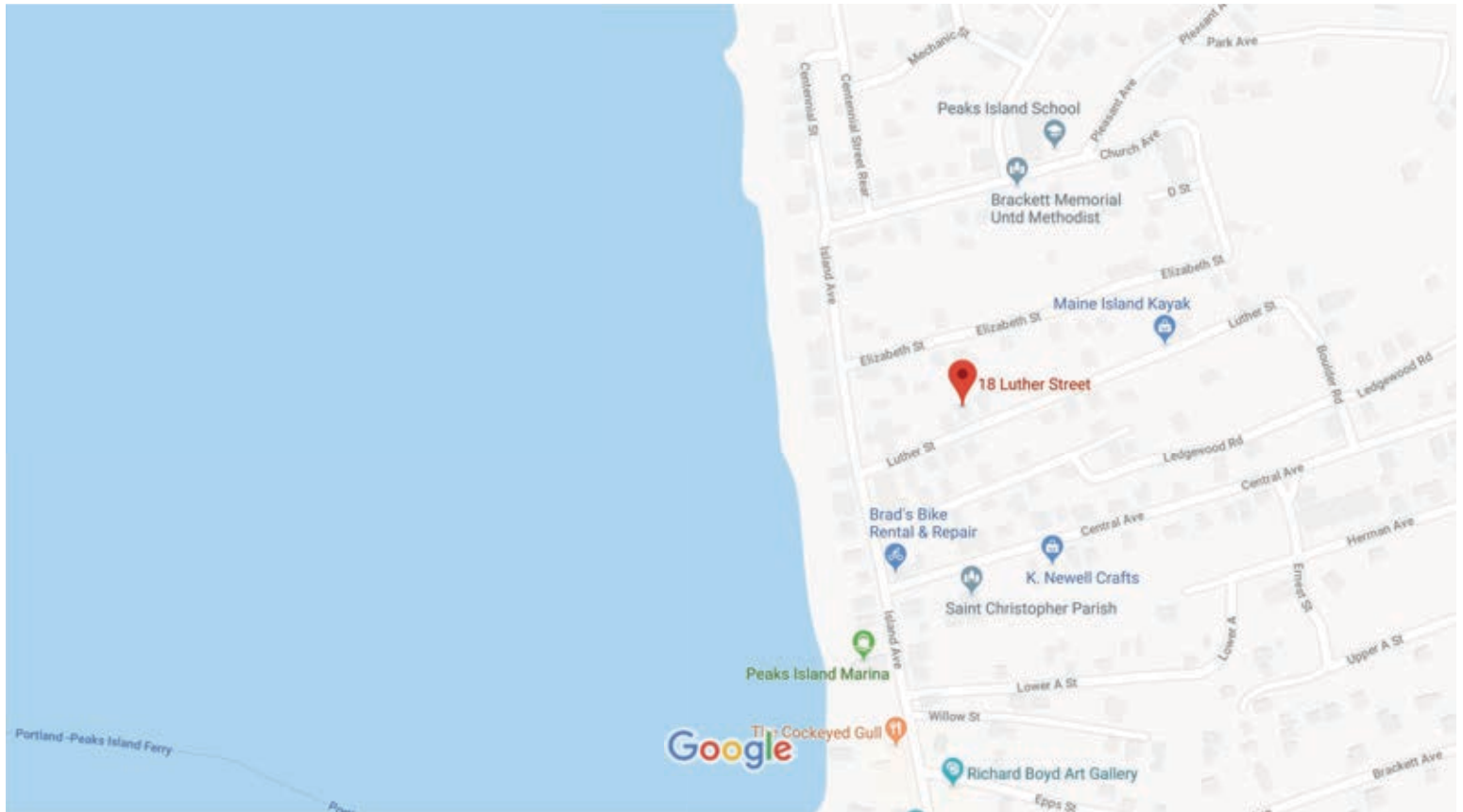
ACCESSORY DWELLING UNIT
18 LUTHER STREET
Peaks Island, Maine

Title:
SITE PLAN
Sheet No.
A-1.1
Scale: 1/8" = 1'-0"
Date: 10-9-17
Revised:



ACCESSORY DWELLING UNIT
 18 LUTHER STREET
 Peaks Island, Maine

Title:
 WEST ELEVATION
 Sheet No.
A-2.1
 Scale: 1/8" = 1'-0"
 Date:
 Revised:



Map data ©2019 Google 200 ft



18 Luther St

Peaks Island, ME 04108



Directions



Save



Nearby



Send to your
phone



Share

DOMESTIC
NONPROFIT CORPORATION

STATE OF MAINE

ARTICLES OF INCORPORATION

Filing Fee \$20.00

File No. 20040408ND Pages 6

Fee Paid \$ 20

DCN 2040411500003 ARTI

---FILED---

02/05/2004

Julie R Flynn
Deputy Secretary of State

A True Copy When Attested By Signature

Julie R Flynn
Deputy Secretary of State

Pursuant to 13-B MRSA §403, the undersigned incorporator(s) execute(s) and deliver(s) the following Articles of Incorporation:

FIRST: The name of the corporation is Home Start

SECOND: ("X" one box only. Attach additional page(s) if necessary.)

- ☒ The corporation is organized as a public benefit corporation for the following purpose or purposes:
to work to create and maintain affordable housing opportunities for residents of Peaks Island, Maine
- ☐ The corporation is organized as a mutual benefit corporation for all purposes permitted under 13-B MRSA, or, if not for all such purposes, then for the following purpose or purposes:

THIRD: The name and registered office of the Registered Agent who must be a Maine resident, whose office is identical with the registered office; or a corporation, domestic or foreign, profit or nonprofit, having an office identical with such registered office:

Marjorie Phyle
(name)

3 Onway Rd, Peaks Island, ME 04108
(physical location - street (not P.O. Box), city, state and zip code)

(mailing address if different from above)

FOURTH: The number of directors (not less than 3) constituting the initial board of directors of the corporation, if the number has been designated or if the initial directors have been chosen, is 6

The minimum number of directors (not less than 3) shall be 3 and the maximum number of directors shall be 9

FIFTH: Members: ("X" one box only.)

- ☒ There shall be no members.
- ☐ There shall be one or more classes of members and the information required by §402 is attached.

SIXTH: (Optional) ☒ (Check if this article is to apply.)

No substantial part of the activities of the Corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the Corporation shall not participate in or intervene in (including the publication or distribution of statements) any political campaign on behalf of any candidate for public office.

SEVENTH: (Optional) ☒ (Check if this article is to apply.)

Other provisions of these articles including provisions for the regulation of the internal affairs of the corporation, distribution of assets on dissolution or final liquidation and the requirements of the Internal Revenue Code section 501(c) are set out in Exhibit A attached hereto and made a part hereof.

INCORPORATORS

[Signature]
(signature)
Marjorie Phye
(type or print name)
[Signature]
(signature)
Barbara A. Hoppin
(type or print name)
[Signature]
(signature)
Donald A. Webster
(type or print name)

DATED

Street 3 Onway Rd
(residence address)
Peaks Island, ME 04108
(city, state and zip code)
Street 196 Seashore Ave.
(residence address)
Peaks Island, ME 04108
(city, state and zip code)
Street 29 Centennial St
(residence address)
Peaks Island, ME 04108
(city, state and zip code)

For Corporate Incorporators*

Name of Corporate Incorporator _____

By _____
(signature of officer)

Street _____
(principal business location)

(type or print name and capacity)

(city, state and zip code)

Acceptance of Appointment of Registered Agent

The undersigned hereby accepts the appointment as registered agent for the above-named domestic nonprofit corporation.

DATED 2/1/04

[Signature]
(signature of registered agent)

Marjorie Phye
(type or print name)

Note: If the registered agent does not sign, Form MNPCA-18 (§304.3) must accompany this document.

*Articles are to be executed as follows:

If a corporation is an incorporator (§401), the name of the corporation should be typed or printed and signed on its behalf by an officer of the corporation. The articles of incorporation must be accompanied by a certificate of an appropriate officer of the corporation, not the person signing the articles, certifying that the person executing the articles on behalf of the corporation was duly authorized to do so.

Please remit your payment made payable to the Maine Secretary of State.

SUBMIT COMPLETED FORMS TO: CORPORATE EXAMINING SECTION, SECRETARY OF STATE,
101 STATE HOUSE STATION, AUGUSTA, ME 04333-0101

FORM NO. MNPCA-6 (2 of 2) Rev. 6/16/2003

TEL. (207) 624-7740

By-Laws of Home Start

A public benefit non-profit Corporation organized pursuant to Title 13-B of the Maine Revised Statutes Annotated.

As adopted June 8, 2003

Article 4a Amended November 18, 2009

Article 1 **Name**

The name of the Corporation (the "Corporation") shall be Home Start.

Article 2 **Office**

The office or mailing address of the Corporation shall be at a location established by the Board of Directors from time to time.

Articles **Purpose**

The Corporation is organized as a public benefit corporation under the Maine Non-Profit Corporation Act and exclusively for charitable, scientific or educational purposes within the meaning of Section 501(c)(3) of the Internal Revenue Code of 1986, as amended. The purpose of the Corporation is to work to create and maintain affordable housing opportunities for residents of Peaks Island, Maine. To further this purpose, the Corporation shall possess and may exercise all of the rights and responsibilities permitted by the Maine Non-profit Corporation Act, limited only by the Articles of Incorporation and these By-laws, as each may be amended from time to time.

Article 4 **Directors**

Except as otherwise provided by these By-laws or by law, all activities of the Corporation shall be managed, and all corporate powers shall be exercised by the Board of Directors. Notwithstanding the generality of the foregoing statement, the Board of Directors has the general power to control and manage the affairs, funds, and property of the Corporation and disburse the Corporation's monies and acquire and dispose of its property in fulfillment of its corporate purpose.

- (a) The number of the Board of Directors shall be a maximum of 20 (amended Nov. 18, 2009, from 9 to 20), but never less than three.
- (b) Directors shall be elected by members in good standing at the annual meeting, which shall be held in the month of May of each year or such other date as shall be chosen by the Directors. Directors shall serve for a term of three (3) years. No Director shall serve for more than three (3) consecutive terms. Directors shall be elected in a staggered fashion to provide the board with continuity, with one third of the seats to turn over each year.
- (c) If a vacancy on the Board of Directors is caused by the resignation or death of a Director, the Board of Directors shall call for a special election. If a vacancy occurs within 90 days before the annual meeting, the board will assess the need for the replacement of the Director and can elect to forgo a special election and fill

the vacancy at the annual meeting.

- (d) The Board of Directors may remove a Director who has clearly demonstrated an unwillingness or inability to serve as a Director. The Board of Directors shall not remove a Director unless the Director is given a written notice of the grounds for removal ten days in advance of a meeting at which removal will be considered. A Director who has been absent without excuse from five (5) consecutive meetings of the Board of Directors shall forfeit the office.
- (e) The Board of Directors may, by resolution, authorize the President or other officer to sign on behalf of the Corporation, contracts, checks and such other instruments and papers as may be necessary to carry out the business of the Corporation.
- (f) At any annual, regular or special meeting of the Board of Directors, a quorum shall consist of a majority of Directors then in office. If less than a quorum is present, then a majority of Directors present shall adjourn the meeting until a quorum is present.
- (g) The Board of Directors shall meet monthly, unless otherwise voted by the Board of Directors, on such dates, times and places as the Board may determine.
- (h) The President or any two Directors may call a special meeting of the Board of Directors by providing ten (10) days advance notice to each Director indicating the date, time and place of the meeting and describing the matters to be discussed and acted upon at the meeting.
- (i) Any action or vote which may be taken by the Board of Directors at any regular or special meeting may also be taken by telephone or electronic mail, provided that the Directors are able to communicate with one another simultaneously (conference call or email conference). Written confirmation of the Directors' approval of any resolution shall be obtained within seven days of the date on which the meeting by telephone or electronic mail took place. No action taken pursuant to this section of the by-laws shall be valid until a majority of the Directors have signed the resolution.
- (j) Any action or vote which may be taken by the Board of Directors at any regular or special meeting may also be taken by a resolution of unanimous consent signed by all Directors entitled to vote. No action taken pursuant to this section of the by-laws shall be valid until all Directors have signed the resolution of unanimous consent.

Article 5

Officers

The Board of Directors of the Corporation shall, on an annual basis, elect from the Board of Directors a President, Vice-president, Secretary and Treasurer and officers for other offices as it may establish by resolution. Officers will be elected at the first board meeting following the annual meeting. The office of Secretary and Treasurer may be held by one person at the discretion of the Board.

- (a) The President shall preside at all meetings of the Board of Directors and exercise such other duties, powers and functions as the Board of Directors may from time to time direct.
- (b) The Vice-President shall, in the absence or inability of, the President, exercise the powers and perform the duties of the President.

- (c) The Secretary shall have the responsibility for the records and documents of the Corporation, except the financial records, and shall take and maintain minutes of the proceedings of all meetings of the Board of Directors. The Secretary shall see that the minutes of the meetings of the board are distributed promptly to all Directors and ensure that a copy is made available for inspection by the membership.
- (d) The Treasurer shall, under the supervision of the Board, be responsible for the financial records of the Corporation and for the maintenance of complete and accurate financial records of the assets, liabilities and transactions of the Corporation. The Treasurer shall pay expenses authorized by the Board of Directors and shall make regular financial reports to the Board of Directors.

Article 6 **Committees**

The Corporation may establish committees from time to time as needs arise.

Article 7 **Amendments**

These by-laws may be altered, amended or repealed In whole or in any part at any duly organized meeting of the membership of the Corporation, by two-thirds majority vote of the members in good standing. Any proposal to amend these By-laws should be included with the notice of the meeting at which the amendment is proposed.

Article 8 **Books, Records and Reports**

The Corporation shall send an annual report to members after at least two weeks prior to the annual meeting. The annual report shall contain a summary of the activities of the Corporation and an income and expense summary for the preceding year. Any member in good standing may inspect the books and records of the Corporation at reasonable times and upon reasonable notice to the Board of Directors.

Article 9 **Finances**

All income, receipts and other funds of the Corporation shall be deposited into one or more checking, savings or Certificate of Deposit accounts, in one or more financial institutions in the State of Maine.

- (a) No withdrawal shall be made nor checks issued from such accounts unless signed by the Treasurer, President, Vice-President, or by another officer authorized by the Board of Directors.
- (b) Withdrawals or checks issued from such accounts over \$ 1,000.00 shall require the signature of two authorized officers.
- (c) The fiscal year of the Corporation shall be October 1 - September 30.

Article 10
Indemnification

The- Corporation shall, to the full extent of its power to do so provided by law, indemnify any current or former Director or officer against any expense, including attorney's fees, damages, and reasonable amounts paid in settlement arising out of any action or proceeding in connection with the Director or officer's duties in the Corporation.

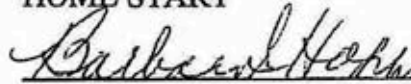
Article 12
Non-Profit Operation

The Corporation is a non-profit public benefit corporation as defined by Maine law.

- (a) The Corporation shall not have or issue shares of stock. No dividends will be paid. No part of the income or profit of the Corporation will be distributed to its members, Directors, or officers. No member, Director, or officer shall have any vested right or interest in the assets or property of the Corporation.
- (b) The Corporation intends to apply to the Internal Revenue Service of the United States of America as a tax exempt organization pursuant to §501(c)(3) of the Internal Revenue Code. To the extent that any portion of these Bylaws is incommensurate with qualification for or maintenance of such tax exempt status under §501(c)(3), that Bylaw or portion thereof is hereby declared void.
- (c) Conversely, if any Bylaw provision required by §501(c)(3) is not contained herein, such provision shall be considered to have been adopted by the Corporation even if it is not set forth herein.

I hereby certify that the foregoing By-laws of Home Start were adopted by its initial Directors this eighth day of June, 2003.

HOME START



Barbara Hoppin; Secretary

HOMESTART Confidentiality Policy

It is the policy of the HOMESTART Board, including committee members and employees, to not disclose or make accessible confidential information obtained through their affiliation with HOMESTART to any person other than those who have a legitimate need for such information and to whom HOMESTART has authorized disclosure. Board members, employees, and committee members may use confidential information solely for performing HOMESTART services. This policy does not prevent disclosure of HOMESTART confidential information as required by law.

Board members, employees and committee members must exercise good judgment and care to avoid unauthorized or improper disclosure of confidential information. Public conversations related to HOMESTART, such as on the ferry, in restaurants and at the terminal should be limited to matters that are not confidential.

All confidential materials, written and in other media, must be returned to the Board at the end of a Board member's term, when an employee leaves the employ of the Board and at the end of a Committee member's term.

(drawn from: BoardSource www.boardsource.org and the Institute for Civic Leadership www.civicleadership.org)

12/09

Homestart

Statement of Financial Position as of 09/30/2018

ASSETS

Current Assets

Cash	\$24,898.83
------	-------------

Accounts Receivable

18 Luther Rental Income	\$2,100.00
-------------------------	------------

Miscellaneous/Overhead	\$122.52
------------------------	----------

Fixed Assets

18 Luther St, Peaks Island, ME (Cost Basis)	\$216,710.31
---	--------------

TOTAL ASSETS	\$243,831.66
---------------------	---------------------

LIABILITIES

Short-term Liabilities

18 Luther Security Deposit	\$1,050.00
----------------------------	------------

Long-term Liabilities

Loan Agreement with Genesis Fund	\$176,000.00
----------------------------------	--------------

Net Assets

Net Assets	\$66,781.66
------------	-------------

TOTAL LIABILITIES AND NET ASSETS	\$243,831.66
---	---------------------

Homestart
Statement of Activities
10/01/2017 through 09/30/2018

Operating Revenue

Earned

18 Luther Rental Income	11,550.00
Grants	18,384.00
Interest	4.10
Earned Operating Revenue	29,938.10

Contributed

Individual	7,090.00
Contributed Operating Revenue	7,090.00

Total Revenue	37,028.10
----------------------	------------------

Operating Expenses

18 Luther	
Interest	10,422.00
Insurance	2,339.20
Utilities	541.13
18 Luther Subtotal	13,302.33
Miscellaneous/Overhead	37.00
Financing/Bank Expense	268.00
Property Taxes	22.74
Memberships	600.00

Total Expenses	14,230.07
-----------------------	------------------

Profit (Loss) from Operations	22,798.03
--------------------------------------	------------------

Homestart

Statement of Financial Position as of 09/30/2017

ASSETS

Current Assets

Cash	\$123.32
------	----------

Accounts Receivable

18 Luther Rental Income	\$2,100.00
-------------------------	------------

Fixed Assets

18 Luther St, Peaks Island, ME (Cost Basis)	\$216,710.31
---	--------------

TOTAL ASSETS	\$218,933.63
---------------------	---------------------

LIABILITIES

Short-term Liabilities

18 Luther Security Deposit	\$1,050.00
----------------------------	------------

Long-term Liabilities

Loan Agreement with Genesis Fund	\$176,000.00
----------------------------------	--------------

Net Assets

Net Assets	\$41,883.63
------------	-------------

TOTAL LIABILITIES AND NET ASSETS	\$218,933.63
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Homestart
Statement of Activities
10/01/2016 through 09/30/2017

Operating Revenue

Earned

18 Luther Rental Income	9,450.00
Grants	0.00
Interest	1.44
Earned Operating Revenue	9,451.44

Contributed

Individual	5,275.00
Contributed Operating Revenue	5,275.00

Total Revenue	14,726.44
----------------------	------------------

Operating Expenses

18 Luther	
Interest	10,296.00
Insurance	1,764.95
Utilities	319.30
18 Luther Subtotal	12,380.25
Miscellaneous/Overhead	126.32
Zoning Study	3,055.72
Website Update	842.00
Memberships	200.00

Total Expenses	16,626.46
-----------------------	------------------

Profit (Loss) from Operations	(1,900.02)
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Homestart

Statement of Financial Position as of 09/30/2016

ASSETS

Current Assets

Cash	\$7,969.64
------	------------

Fixed Assets

18 Luther St, Peaks Island, ME (Cost Basis)	\$208,000.00
---	--------------

TOTAL ASSETS	\$215,969.64
---------------------	---------------------

LIABILITIES

Long-term Liabilities

Loan Agreement with Genesis Fund	\$176,000.00
----------------------------------	--------------

Net Assets

Net Assets	\$39,969.64
------------	-------------

TOTAL LIABILITIES AND NET ASSETS	\$215,969.64
---	---------------------

Homestart
Statement of Activities
10/01/2015 through 09/30/2016

Operating Revenue

Earned

18 Luther Rental Income	11,400.00
Grants	3,500.00
Interest	5.49
Earned Operating Revenue	14,905.49

Contributed

Individual	350.00
Contributed Operating Revenue	350.00

Total Revenue	15,255.49
----------------------	------------------

Operating Expenses

18 Luther

Interest	9,438.00
Insurance	2,148.95
Utilities	187.83
Repairs	1,991.38
18 Luther Subtotal	13,766.16
Miscellaneous/Overhead	110.00
Professional Services	1,944.08
Memberships	200.00

Total Expenses	16,020.24
-----------------------	------------------

Change in Net Assets	(764.75)
-----------------------------	-----------------

Department of the Treasury
Internal Revenue Service

for Tax-Exempt Organization not Required to File Form 990 or 990-EZ

2017

Open to Public Inspection

A For the 2017 Calendar year, or tax year beginning 2017-10-01 and ending 2018-09-30

B Check if available

- ☐ Terminated for Business
- ☒ Gross receipts are normally \$50,000 or less

C Name of Organization: HOME START

44 Cumberland Ave.
Portland, ME, US, 04101

D Employee Identification

Number 25-1907421

E Website:

F Name of Principal Officer: Christopher Roberts

44 Cumberland Ave.
Portland, ME, US, 04101

Privacy Act and Paperwork Reduction Act Notice: We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

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The time needed to complete and file this form and related schedules will vary depending on the individual circumstances. The estimated average times is 15 minutes.

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Department of the Treasury
Internal Revenue Service

for Tax-Exempt Organization not Required to File Form 990 or 990-EZ

2016

Open to Public Inspection

A For the **2016** Calendar year, or tax year beginning **2016-10-01** and ending **2017-09-30****B** Check if available

- ☐ Terminated for Business
☒ Gross receipts are normally \$50,000 or less

C Name of Organization: **HOME START****44 Cumberland Ave.
Portland, ME, US, 04101****D** Employee IdentificationNumber **25-1907421****E** Website:**F** Name of Principal Officer: **Christopher Roberts****44 Cumberland Ave.
Portland, ME, US, 04101**

Privacy Act and Paperwork Reduction Act Notice: We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

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Department of the Treasury
Internal Revenue Service

for Tax-Exempt Organization not Required to File Form 990 or 990-EZ

2015

Open to Public Inspection

A For the **2015** Calendar year, or tax year beginning **2015-10-01** and ending **2016-09-30****B** Check if available

- ☐ Terminated for Business
☒ Gross receipts are normally \$50,000 or less

C Name of Organization: **HOME START****44 Cumberland Ave.**
Portland, ME, US, 04101**D** Employee IdentificationNumber **25-1907421****E** Website:**F** Name of Principal Officer: **Christopher Roberts****44 Cumberland Ave.**
Portland, ME, US, 04101

Privacy Act and Paperwork Reduction Act Notice: We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws.

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Homestart
Statement of Activities
01/01/2019 through 03/30/2019

Operating Revenue

Earned

18 Luther Rental Income	3,150.00
Interest	5.11

Earned Operating Revenue	3,155.11
---------------------------------	-----------------

Contributed

Individual	150.00
------------	--------

Contributed Operating Revenue	150.00
--------------------------------------	---------------

Total Revenue	3,305.11
----------------------	-----------------

Operating Expenses

18 Luther

Interest	2,700.00
----------	----------

Insurance	197.00
-----------	--------

Utilities	42.50
-----------	-------

18 Luther Subtotal	2,939.50
--------------------	----------

Miscellaneous/Overhead	110.78
------------------------	--------

Total Expenses	3,050.28
-----------------------	-----------------

Profit (Loss) from Operations	254.83
--------------------------------------	---------------

AFFORDABLE HOUSING DEVELOPMENT FUNDING REQUESTS BALANCE SHEET 9-11-19**Funds Available**

HOME Funds Available (9-11-19)		0
Housing Trust Funds Available (9-11-19)*	\$	390,427
	\$	390,427

Funding Request for 9-11-19

18 Luther Street (HomeStart)	\$	36,000
	\$	36,000

Funds Available - Funding Requests =	\$	354,427
---	-----------	----------------

* Does not include expected deposit of \$200,000 from 0 Hancock Street.
 Does include allowance to maintain a minimum floor of \$500,000 in the
 Housing Trust fund.
 9-11-19 balance of \$390,427 = 7-10-19 balance of \$1,255,820 plus new
 deposits totaling \$196,341 less committed expenditures of \$136,734 (83
 Middle) and \$425,500 (47 Boyd) less floor of \$500,000.

HOME Funds Available	\$	0
-----------------------------	-----------	----------

Housing Trust Funds Available	\$	390,427
Staff Funding Recommendation with condition on approval		
18 Luther Street (HomeStart)	\$	36,000
Housing Trust Funds Available - Staff HOME Funding Recommendations =	\$	354,427



CITY OF PORTLAND
Planning & Urban Development Department
Housing and Community Development Division

Welcome and Organizational Meeting for the Rental Housing Advisory Committee

- a. Introduction of newly appointed members of the Rental Housing Advisory Committee
- b. Quick overview of the language establishing the committee and respond to questions
- c. Facilitate the Rental Housing Advisory Committee in establishing a meeting schedule

Rental Housing Advisory Committee

		Date of Appointment	Expiration
<u>Landlords (3) Must be Portland Resident</u>			
Norlander	Crow	7/15/2019	3/30/2020
Haynen	Travis	7/15/2019	3/30/2021
Harmon	Wendy	7/15/2019	3/30/2021
<u>Tenants (3) Must be Portland Resident</u>			
Berger	Aaron	7/15/2019	3/30/2020
Cook	Meredith	7/15/2019	3/30/2021
St. John	Thaddeus	7/15/2019	3/30/2021
<u>Not a Landlord or Tenant (1) Must be Portland Resident</u>			
Graves	Nora	7/15/2019	3/30/2020
<u>Legal rights/interests Tenants Must Live or Work in Portland</u>			
McGovern	Katherine	7/15/2019	3/30/2022
<u>Legal rights/interests Landlords Must Live or Work in Portland</u>			
Sweeney	Regan	7/15/2019	3/30/2022

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.

RENTAL HOUSING ADVISORY COMMITTEE

BALLOT FOR CO-CHAIRS

6-225(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.

	Landlord Representative (select one)
☐	Wendy Harmon
☐	Travis Haynen
☐	Crow Norlander
☐	Regan Sweeney

	Tenant Representative(select one)
☐	Aaron Berger
☐	Meredith Cook
☐	Katherine McGovern
☐	Thaddeus St. John

First Meeting Date/Time Options

☐	Thursday, September 19, 5:30 pm
☐	Tuesday, September 24, 5:30 pm
☐	Wednesday, September 25, 5:30 pm
☐	Monday, September 30, 5:30 pm



CITY OF PORTLAND
Planning & Urban Development Department
Housing and Community Development Division

TO: Councilor Duson, Chair
Members of the Housing and Community Development Committee

FROM: Mary Davis, Division Director
Housing and Community Development Division

DATE: September 6, 2019

SUBJECT: Metro Regional Coalition Housing Resolution

The City of Portland has been asked by the Metro Regional Coalition to adopt a Housing Resolution regarding housing affordability in the Greater Portland region. A draft of the resolution is attached along with a Report to the Metro Regional Coalition by Frank O'Hara.

To assist the Housing Committee in its deliberation on goals to recommend to the City Council, Victoria Volent has pulled together the following information. Next month you will see this information in more detail when you review the 2019 Biennial Housing Report.

Comprehensive Plan Goal

- *Portland's Plan 2030* has a population goal (Housing Policy Guide, p. 52) that states that employees in Portland should have the option to live in the City, and targets a sustainable growth target of 75% of the current workforce of 96,000 over the next 10 years.
- The resulting housing production goal is 2,557 housing units over the next ten years, or 256 units per year.

2015 Workforce Housing Study

- 29% of all housing produced is affordable at the median income; should be between 53% and 62%.
- Assuming a goal of 256 units produced a year, 136 to 159 of those units should be affordable at the median income.

2019 Affordable Housing Development Application

- 2019 annual goal of 65 to 90 units affordable at or below the median income, based on available funding.

Housing Demand

- Demand for housing within the Portland-South Portland Housing Market will require an additional 7,200 housing units by 2021.
- 2018 Estimated Demand for New Market-Rate Rental Housing in the Portland- South Portland HMA

Zero Bedrooms		One Bedroom		Two Bedrooms	
Monthly Rent (\$)	Units of Demand	Monthly Rent (\$)	Units of Demand	Monthly Rent (\$)	Units of Demand
1,150 to 1349	150	1,300 to 1,499	460	1,450 to 1,649	250
1,350 to 1549	65	1,500 to 1,699	190	1,650 to 1,849	100
1,550 or more	40	1,700 to 1,899	190	1,850 to 2,049	50
		1,900 or more	95	2,050 to 2,249	50
				2,250 or more	50
Total	250	Total	930	Total	510

Source: HUD Portland-South Portland, Maine Comprehensive Housing Market Analysis June 1, 2018

Housing Production

Multi-Family Rentals

- Construction of new multi-family rental units include: 443 Congress Street, 28 multi-family rental units; Hiawatha, 139 unit multi-family rental units; and 58 Boyd Street, 55 multi-family rental units

Single-Family Houses

- 1700 Westbrook Street (Stroudwater Preserve), 123 Single Family & Townhouses (under construction)

Housing Affordability

- Portland has an affordability gap of \$155,796
- Of 41 city and towns in the Portland- South Portland Area Housing Market, Portland ranks 2nd in unaffordability
- 2018 median priced home in Portland = \$316,000
- Income needed to purchase a median priced home = \$102,173 (almost double the actual median income in Portland of \$51,799)
- Based on the actual median income, affordable home price in Portland is \$160,204.
- Portland has a housing affordability gap of \$155,796 (\$316,000 - \$160,204).

Source: Maine State Housing Authority Annual Homeownership Affordability Index

Housing-Cost Burdened

- 47 percent of renter-occupied households are housing-cost burdened
- Almost 8,000 rental and 4,000 homeowner households are cost-burdened

2019 INCOME LIMITS – PORTLAND HUD METRO FMR AREA

Household Size	1	2	3	4	5	6
Area Median Income (AMI)						
30% (Extremely Low Income)	\$19,550	\$22,350	\$25,150	\$27,900	\$30,170	\$34,590
50% (Very Low Income)	\$32,550	\$37,200	\$41,850	\$46,500	\$50,250	\$53,950
60%	\$39,060	\$44,640	\$50,220	\$55,800	\$60,264	\$64,720
80% (Low Income)	\$52,100	\$59,550	\$67,000	\$74,400	\$80,400	\$86,350
100%	\$65,100	\$74,400	\$83,700	\$93,000	\$100,400	\$107,880
120% (Moderate Income)	\$78,120	\$89,280	\$100,440	\$111,600	\$120,528	\$129,456

Source: U.S. Department of Housing and Urban Development, 2019 Fair Market Area

Staff Recommendation

Staff proposes that Portland goals for the Metro Regional Coalition Resolution on Housing be to continue to focus local and federal resources on the creation of new housing that is affordable at all income levels with the goal of producing 2,557 housing units (256 units per year) by 2027.

Attachments

1. Metro Regional Coalition Council Resolution
2. Report to the Metro Regional Coalition by Frank O'Hara

Draft

Metro Regional Coalition Council Resolution
Regarding the housing affordability crisis in the Greater Portland region

WHEREAS our region is in need of young workers and families to support our existing and future economy, and to offset our region's demographic challenges; and

WHEREAS the region is losing more and more middle income households because of the cost burden of housing; and

WHEREAS the affordability of housing throughout the Greater Portland region continues to decline according to the Maine State Housing Authority; and

WHEREAS the number and location of households in our region struggling with the costs of housing is rising as documented by the Greater Portland Council of Governments; and

WHEREAS travel between home and work in our region is becoming longer, generating more expense to commuting households and more traffic congestion and stress to our transportation systems; and

WHEREAS the cost burden of housing falls heavily on our senior population, making aging in place more difficult; and

WHEREAS these findings show a lack of adequate housing choices for current residents and future workers, and the region faces a crisis of housing affordability; and

WHEREAS our region's economic and community wellbeing depends on expanding housing choices which in turn will support all our residents as well as our current and future economy by easing the challenges detailed above; and

WHEREAS the municipalities that make up the Metro Regional Coalition share a commitment to making housing more affordable for every person no matter their income level; and

WHEREAS all the municipalities of the Metro Regional Coalition have met and jointly agreed to pursue solutions to this crisis by acting singly and together to take steps at the municipal level to encourage the expansion of the number of housing units that lower and middle income households can afford without incurring unacceptable housing costs burden; [and](#)

[WHEREAS the Portland City Council has determined to engage the region's need for expanded housing choices by continuing to focus local and federal resources on the creation of new housing that is affordable at all income levels with the goal of producing 2,557 housing units \(256 units per year\) by 2027; and](#)

[WHEREAS the Portland City Council will document our progress toward that goal by producing an annual report for the Metro Regional Coalition detailing success stories and progress made in the prior 12 months toward expanding regional housing choices in our community;](#)

NOW THEREFORE the _____ Council is hereby RESOLVED to work with the Greater Portland Council of Governments and the Metro Regional Coalition:

TO EXPAND the number of housing units that can be afforded by lower and middle income households in our community by adopting and improving policies and incentives which allow our community to contribute to achieving the overall regional goal of expanding the number of housing units in our region that are affordable to lower and middle income households by 10% no later than 2025.

DATED this ____ day of _____, 2019

Report to the Metro Regional Coalition

Housing and the Region's Future

Frank O'Hara, Hallowell, Maine

Research assistance from Raegan LaRochelle

September 3, 2019

Introduction

The purpose of this paper is to recommend a broad affordable housing strategy to the 7 communities of the Metro Regional Coalition. Part 1 of the paper places affordable housing in its context with transportation and other growth-related issues. The second part (page 8) recommends a strategy that addresses affordable housing in conjunction with related issues of transportation and open space.

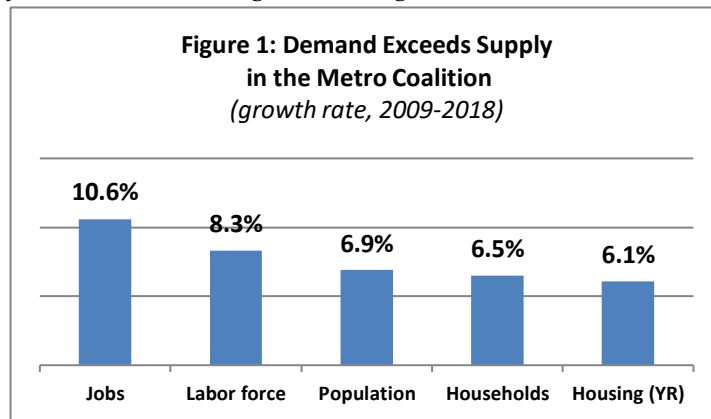
Part 1: The Context for the Affordable Housing Issue in Greater Portland

A. Demand is exceeding supply

The economist Herbert Stein once coined a law which reads: "If something cannot go on forever, it will stop." Since the 2009 recession, demand has exceeded supply in Greater Portland in multiple areas. For the seven communities in Metro Coalition¹, the demand for jobs has exceeded the growth in workforce – creating a labor shortage. The growth in workforce has exceeded the growth in population – meaning that we are squeezing as many workers out of the existing population as we are likely to get. The growth in households has exceeded the growth in year-round housing – meaning that there is not enough housing stock to accommodate the new growth that we need (see Figure 1).

These trends largely held across all of the individual communities in the Metro Coalition (see Table 1). Some differences include: in Falmouth and South Portland, labor force grew faster than local jobs; in Cape, housing units seem to have increased faster than households.

The year-round housing data deserves a special mention. These do not reflect local permit figures for two reasons. First, they are 5-year averages for 2009 and 2018, from the American Community Survey² (see note 2 below). Secondly, they also reflect



¹ Cape Elizabeth, Falmouth, Gorham, Portland, Scarborough, South Portland, and Westbrook

² The numbers in these charts and tables, unless otherwise noted, are from the American Community Survey (ACS). This is an annual survey covering about 3% of US households. In larger cities, like Portland, the sample is sufficient to allow the ACS to make estimates each year. In smaller communities, like the other 6 in the Metro Coalition, the ACS adds up survey results over 5 years to make an estimate. Thus, 2009 data in this report consists of survey results of 2005-2009. 2017 data consists of results from 2013-2017. So the numbers used in this report are an approximation for any given year, but are accurate in terms of long-term trends.

changes in use of the existing stock; for example, every year-round unit converted to Airbnb usage, and every condominium rented to a seasonal owner, moves one unit from the year-round category into seasonal/long term vacant category.

From 2015 to 2017, the American Community Survey (one-year estimate) reports an increase in the City of Portland alone of 660 units of seasonal occupancy (52% change) and 760 of “other vacant” units (72% growth) – the latter being units that are vacant but are not available for sale or rent to year-round residents, which presumably includes much of the short-term rental market.

So even though there was a reported growth of 5,300 units of housing in the Metro communities from 2009 to 2017, only 4,100 are reported to be available for year-round housing.

Table 1: Demand Exceeds Supply, 2019-2018

	Year	County	Portland	Cape	Falmouth	Gorham	Scarboro	So Portland	Westbrook
Jobs in community	2009	168,160	66,412	1,258	5,836	4,162	14,382	22,980	12,151
	2018	185,390	72,760	1,561	6,409	5,257	15,872	23,923	14,836
<i>Change 2009-2018</i>		17,230	6,348	303	573	1,095	1,490	943	2,685
<i>Percent</i>		10.2%	9.6%	24.1%	9.8%	26.3%	10.4%	4.1%	22.1%
Labor Force	2009	156,176	37,040	4,633	5,396	9,023	10,780	13,891	8,758
	2018	165,409	39,043	5,244	6,608	10,533	11,034	14,803	9,679
<i>Change 2009-2018</i>		9,233	2,003	611	1,212	1,510	254	912	921
<i>Percent</i>		5.9%	5.4%	13.2%	22.5%	16.7%	2.4%	6.6%	10.5%
Total population	2009	276,227	63,153	8,813	10,668	15,511	19,017	23,824	16,373
	2017	289,173	66,715	9,235	11,868	17,147	19,620	25,431	18,156
<i>Change 2009-2018</i>		12,946	3,562	422	1,200	1,636	603	1,607	1,783
<i>Percent</i>		4.7%	5.6%	4.8%	11.2%	10.5%	3.2%	6.7%	10.9%
Total households	2009	114,142	28,990	3,544	4,239	4,894	7,611	10,419	7,017
	2018	118,807	30,167	3,803	4,655	6,101	7,640	10,663	8,054
<i>Change 2009-2018</i>		4,665	1,177	259	416	1,207	29	244	1,037
<i>Percent</i>		4.1%	4.1%	7.3%	9.8%	24.7%	0.4%	2.3%	14.8%
Year-round housing	2009	116,332	29,892	3,544	4,291	5,003	7,811	10,544	7,096
	2017	120,769	30,834	3,829	4,655	6,169	7,784	10,790	8,250
<i>Change 2009-2018</i>		4,437	943	285	364	1,166	-27	246	1,155
<i>Percent</i>		3.8%	3.2%	8.0%	8.5%	23.3%	-0.3%	2.3%	16.3%

B. It's Harming our Quality of Life

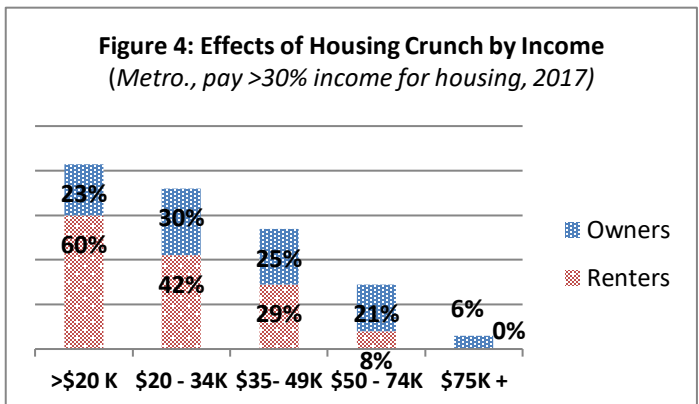
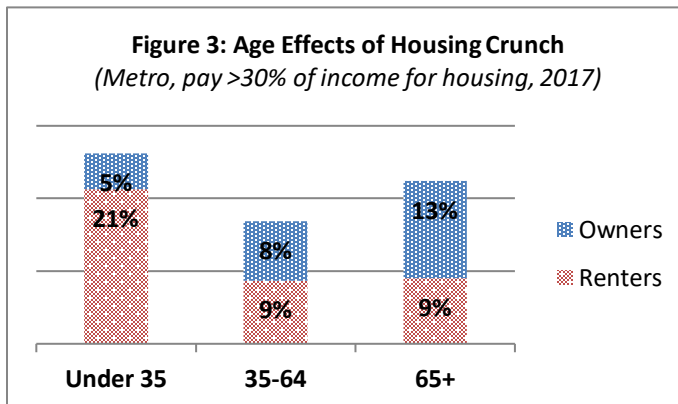
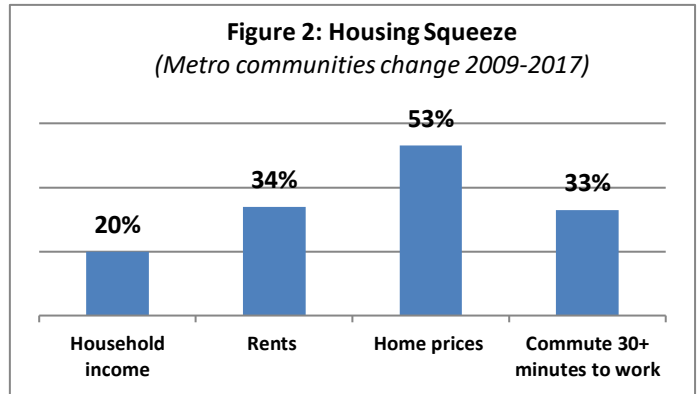




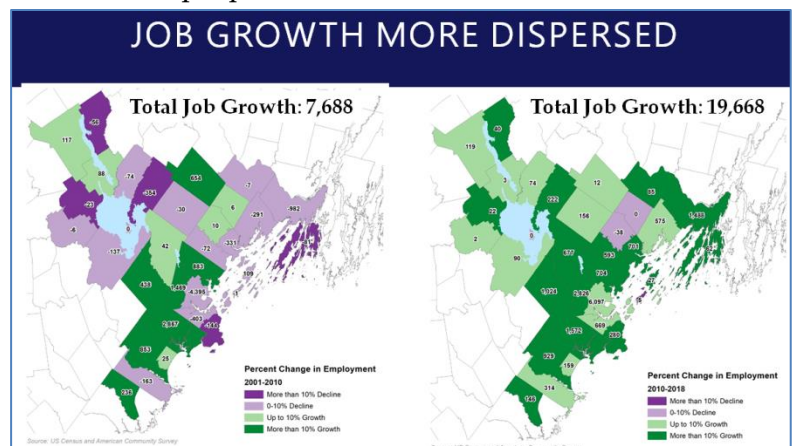
There are some positive aspects to demand exceeding supply. For those looking for work, there are more choices, and higher salaries. For those who already own a home, their house value appreciates and contributes to greater household wealth.

But for those moving to the area, or the young trying to set up a household, or automobile commuters, or renters, or older people facing higher property taxes and living costs, or employers, there is a loss of quality of life.

The housing cost crunch is hitting young people particularly hard, as well as those in the lower and middle income range. One in four households under the age of 35 pays 30% or more of its income for housing. These are also households burdened by high college loan repayments. Over half of working families with incomes between \$35,000 and \$50,000 pay over 30% of their income for housing.



Another effect of the housing cost crunch is that it is harder for people to move, and harder to find housing near places of employment. The number of workers commuting over 30 minutes to work increased by a third since the recession. Traffic has also increased in volume. The available data is difficult to generalize about on a community or regional level. But a proxy for traffic might be the Maine Turnpike. The Turnpike has seen an 18% increase in cars since the trough of the recession. The road network in Greater Portland is largely fixed, and has



been so for years, so continuing traffic increases can be expected to lead to more congestion



Table 2: Less Choice, Higher Costs, Longer Commutes

Data	Year	County	Portland	Cape	Falmouth	Gorham	Scarboro	S Portland	Westbrook
Unemployment Rate	2009	6.5%	7.1%	5.7%	5.3%	5.4%	5.7%	6.9%	8.4%
	2018	2.7%	2.6%	2.3%	2.3%	2.7%	2.6%	2.6%	3.1%
<i>Change 2009-2018</i>		-3.8%	-4.5%	-3.4%	-3.0%	-2.7%	-3.1%	-4.3%	-5.3%
Renter vacancy rate	2010	5.7%	5.3%	0.0%	5.8%	14.3%	12.3%	3.2%	3.0%
	2017	5.0%	3.8%	5.6%	0.0%	6.8%	8.6%	3.0%	6.1%
<i>Change 2009-2017</i>		-0.7%	-1.5%	5.6%	-5.8%	-7.5%	-3.7%	-0.2%	3.1%
Owner vacancy rate	2010	1.5%	1.9%	0.0%	0.4%	0.0%	0.9%	0.8%	0.2%
	2017	1.2%	0.5%	2.1%	0.0%	1.1%	0.0%	1.0%	0.5%
<i>Change 2009-2017</i>		-0.3%	-1.4%	2.1%	-0.4%	1.1%	-0.9%	0.2%	0.3%
Median Home Price	2009	\$235,000	\$206,950	\$267,000	\$350,000	\$215,000	\$290,500	\$182,950	\$175,000
	2018	\$303,000	\$316,000	\$543,000	\$533,500	\$295,000	\$395,000	\$288,000	\$250,942
<i>Change 2009-2018</i>		\$68,000	\$109,050	\$276,000	\$183,500	\$80,000	\$104,500	\$105,050	\$75,942
<i>Percent</i>		28.9%	52.7%	103.4%	52.4%	37.2%	36.0%	57.4%	43.4%
Median Gross Rent	2009	\$851	\$840	\$1,133	\$1,036	\$813	\$1,110	\$881	\$788
	2017	\$1,029	\$1,018	\$1,060	\$1,657	\$1,024	\$1,308	\$1,119	\$899
<i>Change 2009-2017</i>		\$178	\$178	-\$73	\$621	\$211	\$198	\$238	\$111
<i>Percent</i>		20.9%	21.2%	-6.4%	59.9%	26.0%	17.8%	27.0%	14.1%
Median HH income	2009	\$54,342	\$43,601	\$80,644	\$83,139	\$68,014	\$74,389	\$50,319	\$43,588
	2017	\$65,702	\$51,430	\$106,157	\$108,547	\$76,267	\$89,255	\$59,515	\$51,062
<i>Change 2009-2017</i>		\$11,360	\$7,829	\$25,513	\$25,408	\$8,253	\$14,866	\$9,196	\$7,474
<i>Percent</i>		20.9%	18.0%	31.6%	30.6%	12.1%	20.0%	18.3%	17.1%
Travel 30+ minutes to work	2009	36,119	4,265	731	398	2,376	1,494	2,166	1,194
	2017	41,677	5,901	981	912	3,483	1,296	2,041	2,131
<i>Change 2009-2017</i>		5,558	1,636	250	514	1,107	-198	-125	937
<i>Percent</i>		15.4%	38.4%	34.2%	129.1%	46.6%	-13.3%	-5.8%	78.5%

A final effect of the housing cost crunch is that it is increasing the cost of land, and pushing buyers to get land in more rural areas. For this paper, we examined land sales in the seven Metro communities for the last three years. We limited the sample to residential land sales of fewer than 5 acres, to be sure that commercial uses were not mixed in.

In 195 transactions sampled, the average sale was \$136,900. On a per-acre basis, the average cost was \$117,000. A rule of thumb in real estate is that, in building a house, raw land costs should not consume more than 20% of the budget (improved land can be 25%). Using these ratios, the residential land is appropriate for new housing construction with average price in the \$500,000 to \$600,000 range.

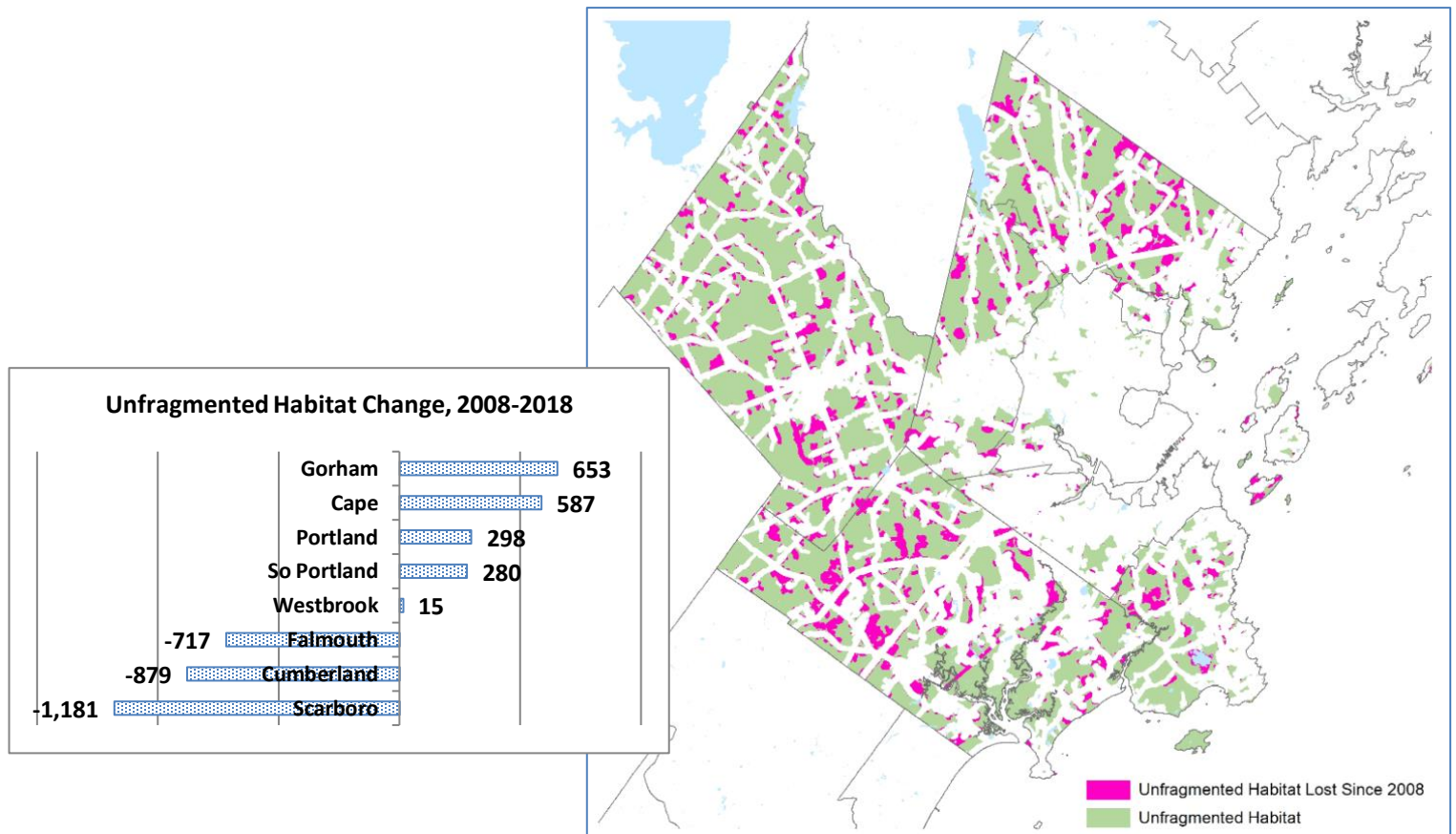
Note also that the per acre cost of land in Gorham is much less expensive than land in the urban area.

Table 4: Residential Land Sale Prices, Under 5 acre parcels, 2017-2019

Municipality	Residential land sales (<5 acres)	Acres	Per sale	Per acre
Cape Elizabeth	12	25.4	\$310,500	\$146,500
Falmouth	33	38.7	\$186,700	\$159,400
Gorham	35	59.1	\$99,700	\$59,100
Portland	45	22.1	\$129,200	\$263,300
Scarborough	38	49.6	\$120,800	\$92,600
South Portland	8	3.3	\$102,800	\$249,200
Westbrook	24	30.0	\$87,200	\$69,700
Region	195	228.1	\$136,900	\$117,026

The spreading out of growth is having a negative effect on open space and wildlife habitat. From 2008 to 2018, the Metro communities together lost a net of about 1,000 acres of unfragmented habitat.

Figure 5: Change in Unfragmented Habitat (source GPCOG)

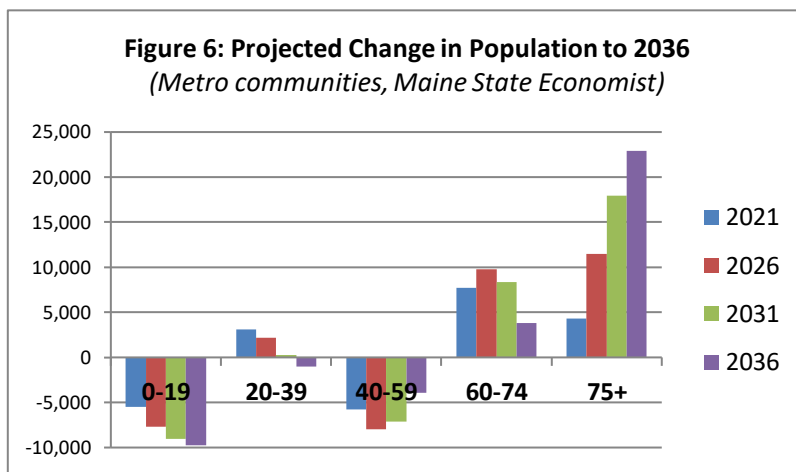


C. Why Not Just Stop Growing?

If growth causes all of these problems, then why not stop growing? This choice was addressed by economists Michael LeVert and Catherine Reilly in Appendix A of the study *Greater Portland Tomorrow: Choices for Sustained Prosperity*³. LeVert and Reilly modeled the economic consequences of a policy that had *no new net in-migration* to Greater Portland between 2017 and 2034. What they found was that population would still grow by 1,700 due to natural increase – the excess of births over deaths.

Nevertheless, the labor force would drop by 15,400 – because a higher proportion of the population would then be elderly.

Employment would drop by 14,600 – because there would not be enough workers for employers to create jobs. And municipal and state tax revenues from the region would drop precipitously – by \$53 million.



This is a future in which elementary schools are closing due to a lack of students; transportation services for air, mass transit, and roads, deteriorate; health care takes up an increasing share of local and state government budgets; parks and trails are not maintained; cultural institutions struggle to maintain activities.

Table 5: No Growth Scenario Consequences in 2034

No growth scenario	Change	
	Value	Percent
Population	+ 1,700	+ 0.7%
Labor Force	- 15,400	- 9.5%
Employment	- 14,600	- 9.4%
Earnings from Work	- \$694 million	- 9.4%
Tax Revenues	- \$53 million	- 9.4%

LeVert and Reilly also modeled the effects of the status quo – continuing in-migration at the rate now occurring. The status quo alternative is not much better than no-growth. It results in a 3% reduction in jobs, workforce, and tax revenues.

Finally, they modeled the effect of attracting an additional 1,500 new residents between the ages of 20 and 34 to the region each year. This was a totally different picture, and turned the equations around. The result is a net positive for jobs, income, and tax revenues.

³ Barringer, McDonnell, O'Hara, *Greater Portland Tomorrow: Choices for Sustained Prosperity*, 2017; available online at <http://digitalcommons.usm.maine.edu/muskie>

Table 6: The Effects in 2034 of 1,500 new 20-34 Year-old In-migrants Annually

No growth scenario	Change	
	<i>Value</i>	<i>Percent</i>
Population	+ 42,000	+ 17.7%
Labor Force	+ 15,700	+ 9.7%
Employment	+ 14,900	+ 9.6%
Earnings from Work	+ \$498 million	+ 6.7%
Tax Revenues	+ \$38 million	+ 6.7%

D. Can There Be Growth Without a Loss of Quality of Life?

So we are confronted with a paradox. We need growth to continue to enjoy the quality of jobs, public services, and amenities offered by the region. However, in the current development pattern more growth means more cars, more traffic congestion, more driving around in circles to find a parking space, less open space and habitat, more carbon and climate change harm, and more expensive housing.

Is there a third way? Is there a way to have growth but at the same time create more open spaces, reduce the need for automobile travel, and provide housing at a price that local people could afford?

The answer is that there is a third way. But it means a whole different approach to zoning, transportation planning, and housing preferences. This is one that has been under development at the Greater Portland of Governments for the past ten years.

Part 2: An Integrated Approach to Housing Solutions

The preceding section makes it clear that solutions for the affordable housing problem cannot be found in the absence of solutions for transportation and open space at the same time. It's not enough for each community to simply commit to building one or two "affordable projects" in the next decade. A more radical "systems" approach is needed.

Such a model has been under discussion in Southern Maine for the past ten years. It is called "Centers of Opportunity," and is described in a 2013 study by the Greater Portland Council of Governments⁴ and was integrated into PACTS' long-range transportation plan, *Destination 2040*. The centers and corridors are currently being refined by PACTS communities and PACTS committees in the Transit Tomorrow project.

Here is how a "Center of Opportunity" is defined:

"Centers of opportunity are places that are – or can be – highly competitive for the next generation of jobs and housing in Southern Maine. They are well positioned to tap into the market's desires for safe, livable, and walkable neighborhoods, with choices of housing and transportation. They will be the targets of focused investments in infrastructure to meet the needs of 21st century businesses and their workers."

The initial GPCOG study identified more than 160 potential town and neighborhood centers in southern Maine that could serve this function. The study then identified nine to serve as "pilot projects" for the concept – including Prides Corner in Westbrook, Mill Creek in South Portland, India Street in Portland, and Dunstan Corner in Scarborough.

What these centers have in common are:

- *Mixed use, with residential, commercial, and often civic or open space components – in different ratios based on the type of center*
- *Generally no more than a half-mile in diameter, or with the periphery of residences no more than a quarter-mile from the commercial spine or center;*
- *Utilities, telecommunications, and transportation infrastructure to support residential development, the demands of 21st century businesses, and easy movement by car, walking, bicycle, and in some instances transit within the center; and*
- *Connections between the centers by different modes of transportation. Travel from center to center is common, since, except for the most urban centers, most will not be self-contained or able to meet all the needs of those who live and work in them. Rather, the centers work in combination to meet a range of employment, shopping, service, and recreational needs.*

Through Sustain Southern Maine, planners worked with citizens in each community, and emerged with design concepts that would enable 1,200+ housing units and 1,000+ jobs in the four Metro communities working with the project (see Table 5).

⁴ Richert et al, *Centers of Opportunity Pilot Projects*, GPCOG, 2013. See <http://sustainsouthernmaine.org/pilot-communities/>

Table 7: Centers of Opportunity Planning results

Municipality	Pilot Center	Acres	Potential new		
			Housing units	Commercial Square feet	Jobs
Scarborough	Dunstan Corner	112	500	150,000	300
Portland	India Street	57	550	180,000	350
South Portland	Mill Creek	38	120-240	85,0000 - 150,000	165 - 330
Westbrook	Pride's Corner	115	90 - 180	1650000 - 175,000	330 - 350
Total		322	1,260 - 1,370	580,000 - 655,000	1,175 - 1,260

Figure 6: Citizen Plans for (clockwise from top right) Pride's Corner, Mill Creek, India Street, and Dunstan's Corner.



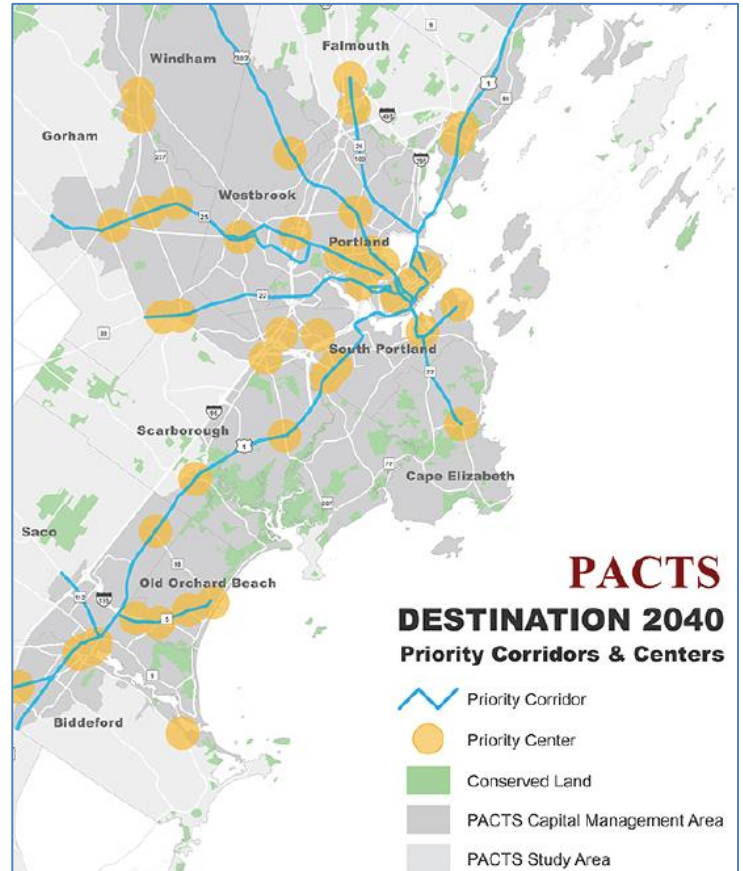
priority centers and corridors were integrated into *Destination 2040* with the intention of public transportation corridors being planned to connect these centers.

But the integrated approach will only work if higher-density housing is planned for and zoned for in the identified centers. For just as housing needs transportation, transportation needs housing at a sufficient density to generate passengers and make routes help to pay their way.

In addition, it will work best if the centers have housing appropriate to a range of incomes at each location.

This requires each municipality to:

- 1) **Rezone its potential centers of opportunity** to allow higher density residential housing and commercial housing. Preferably, this will be a community-initiated endeavor (as the “Centers of Opportunity” project was), and not a developer-initiated proposal.
- 2) **Make use of existing tools** to provide affordable rents and owner units within the project using a variety of tools:
 - a. The **State of Maine Affordable Housing Tax Increment Financing** tool allows municipalities to use the TIF tool to support housing that serves households with incomes up to 120% of median (in Greater Portland, this would be \$95,000). This is a vastly underused tool that can support middle income and working family housing without the need for any additional state or federal appropriations.⁵
 - b. Local **density bonus** ordinances such as that in the City of Portland⁶ provide density bonuses of up to 2.5 times the base density, increased building heights, and decreased setbacks to developers who include workforce housing in their ordinances.
 - c. Make use of **subsidized housing and infrastructure** programs -- such as those from MaineHousing and the Federal Home Loan Bank Board and HUD and DECD – to lower development costs for the project.



It also requires the region – municipalities, Greater Portland COG, PACTS, the County – to collectively create (with the help of the state and federal governments) **new tools for regional infrastructure development**. The proposed new development pattern will require high upfront costs to create the transportation and utility infrastructure for new Centers of Opportunity. This will not be covered entirely by private or by local government investments. New external funding sources are needed.

⁵ See <https://www.mainehousing.org/programs-services/housing-development/developmentdetails/affordable-housing-tax-increment-financing>

⁶ See <https://www.portlandmaine.gov/2037/Affordable-Housing-Ordinance-Revisions>

Part 3: Conclusion and Recommendation

This paper is an argument for viewing the affordable housing challenge in the context of a bigger picture – namely, that the current development pattern in Greater Portland is unsustainable, and will lead to a shrinking economy within the coming twenty years if it is not changed. The corollary is that affordable housing cannot be effectively developed in the absence of non-auto-based transportation alternatives, and public transportation can't survive without greater housing density. In the words of Portland Press Herald Editorial Page Editor Greg Kesich wrote, "Housing is a transportation issue (and vice versa)."⁷

What is the first step towards this new approach? We would suggest:

- 1) That each member of the Metro Coalition commit to planning the zoning and infrastructure planning needed to develop a new "Center of Opportunity" within the community, consistent with the PACTS-identified potential centers map, currently being refined. An Affordable Housing Tax Increment Financing District should be included within the proposed center.**
- 2) That the Greater Portland Council of Governments provide technical assistance to communities in this effort, and develop model zoning, infrastructure, and financing components.**
- 3) That PACTS funding formulas and transit service plans be adjusted to prioritize public transit services for new Centers of Opportunity.**
- 4) That the Greater Portland Council of Governments and Cumberland County collaborate to develop ideas for a new major infrastructure funding source for the region.**

⁷ See <https://www.centralmaine.com/2019/07/14/greg-kesich-housing-is-a-transportation-issue-and-vice-versa/>



CITY OF PORTLAND
Permitting and Inspections Department

Memorandum

TO: Housing Committee
CC: Mary Davis
FROM: Jessica B. Hanscombe, Licensing and Housing Safety Manager
DATE: August 30, 2019
RE: Yearly update

The Licensing and Housing Safety Division is a division of the Permitting and Inspections Department. We are a staff of 9 employees: Licensing and Housing Safety Manager, 2 Licensing and Registration Assistants, 2 Health Inspectors and 4 Housing Safety Inspectors. This division is responsible for all Long Term and Short Term Rental Registrations, Housing Inspections, Business Licenses and Health Inspections for the City of Portland.

Listed below are some highlights and figures from our division for 2019.

Long Term Rental Registration:

There were no changes in 2019 for Long Term Rental Registrations. Although, as part of the budget a late fee was created for 2020. The automatic late fee of \$10.00 per unit will be for any units not registered by February 1st of each year. I have included a copy of the most current application. (Attachment A) This can be found on our website or in room 307.

2019 Long Term Registrations (as of 8/26/2019):

Type	Amount
Properties	4338
Units	18076

Short Term Rental Registration:

2019 brought on some changes in how the units were defined and a new cap limit was put into place. The new cap of 400 was met in May, 2019. We currently have 40 units on the wait list for non-owner occupied units. The city continues to work with Host Compliance to ensure that all units are registered. I have included a copy of the most current application. (Attachment B) This can be found on our website or in room 307.

2019 Short Term Registrations (as of 8/29/2019):

Type	Total Amount	Island	Non Owner Occupied	Owner Occupied	Tenant Occupied
Property	732	128	288	287	29
Units	872	131	400	312	29



CITY OF PORTLAND
Permitting and Inspections Department

Joint Housing Safety and Fire Prevention Staff Meetings:

In July 2019, we kicked off the first Joint Housing Safety and Fire Prevention Meeting. Staff will be meeting monthly to discuss Housing and Fire Code compliance and enforcement. I have included a copy of the agendas from the first two meetings, minutes and a schedule of dates for 2019. (Attachment C)

Department Organizational Changes:

Also in July 2019, we updated our Department organization and combined the Licensing and Housing Safety Divisions. This created greater efficiency with staff. I have included a copy of the most current organizational chart. (Attachment D)

Financials for Fiscal year 2019

Please see the attached document for both Fiscal Year 2019 (7/1/2018-6/30/2019) and what is projected for Fiscal Year 2020 (7/1/2019-6/30/2020). (Attachment E)

2019 Inspections (1/1/2019-8/26/2019):

Please see the below chart for a breakdown of Inspections for the last 8 months for the Housing Inspectors.

Type	Amount
Housing Safety (Long & Short Term Inspections)	936
Housing Safety (Long & Short Term Re-Inspections)	753
Illegal Unit Inspections	25
Illegal Unit Re-inspections	17
Complaints/Single Units/Infestations Inspections	580
Complaints/Single Units/Infestations Re-Inspections	275
Total	2586

Outreach:

I met with the Southern Maine Landlord Association President. We came up with a bucket list for the upcoming year. For example:

- Chief Gautreau and I will attend SMLA meetings to answer questions and provide information about the program.
- Send reminder notices through SMLA email. For example: Rental Registrations are due, Heat reminders, late fees etc.
- Workshops to walk landlords through the Citizens Self Service



CITY OF PORTLAND
Permitting and Inspections Department
LONG TERM RENTAL UNIT REGISTRATION APPLICATION

Please use this application to register a rental unit. A rental unit is any portion of a residential structure that is available to rent for any length of time to an individual. The Code of Ordinances (Chapters 6 & 14, Article VI) requires an owner, manager, and a person/entity to register a rental unit. Registration is due annually by January 1 or within thirty (30) days of renting a new property. A registration application is not complete until payment is received.

Please follow these steps to register a rental unit:

1. Fill out this application.
2. Calculate the fee owed with the table below.
3. Estimate applicable discounts.
4. Submit valid supporting documentation for discounts. Please see Page 3 for examples.
5. Invoice provided to the party certifying registration
6. Pay fee owed after staff verifies fee discount documentation.
7. Repeat Steps 1-6 on an annual basis.

Long Term Rentals (LTR)

A long-term rental is more than 30 days. The annual registration fee for a long-term rental is \$35 per rental unit minus any discounts of no more than \$20 per unit.



CITY OF PORTLAND
Permitting and Inspections Department
RENTAL UNIT REGISTRATION APPLICATION

SECTION 1: PROPERTY INFORMATION

Street Number	Street Name – Unit #	CBL- Chart, Block, Lot Number (e.g. 001A__A001)
---------------	----------------------	---

SECTION 2: OWNER INFORMATION -MUST COMPLETE ONE

Individual Ownership:

Owner First Name	Owner Last Name	Primary Telephone Numbers
Mailing Address		Email Address
Owner is (Please Circle): Partnership Corporation LLC Other (Please explain), A Completed Supplemental Corporation Sheet must be submitted with the application		
Corporate Name		Primary Telephone Numbers
Mailing Address		Email Address

SECTION 3: AUTHORIZED AGENT (if different than owner)

All properties must have an authorized agent for purposes of service. If property owner is a partnership, corporation, LLC or any other form of business entity, the authorized agent must be an individual who resides in the State of Maine.

Registered Agent First Name	Registered Agent Last Name	Telephone Number
Mailing Address		Email Address



CITY OF PORTLAND
Permitting and Inspections Department

SECTION 4: PROPERTY MANAGER (if different than owner)	
Property Manager Name	Telephone Number
Mailing Address	Email Address

SECTION 5: EMERGENCY CONTACT FOR PROPERTY (if different than owner)	
Emergency Contact Name	Telephone Number

SECTION 6: RENTAL UNIT REGISTRATION	
Total Number of Units in Building:	
Total Number of Long Term Rental Units:	

SECTION 7: FEE DISCOUNTS*			
Type of Discount	Valid Verification Documents	Discount	Number of Rental Units
Fully Sprinklered Building	Testing or Maintenance Report or Maintenance Contract from Preceding Year	\$10.00/unit	
Off-site Monitored Fire Alarm System	Fire Alarm System Monitoring Annual Contract	\$7.50/unit	
Subsidized Housing Housing Quality Standard (HQS)	HQS Inspection Report from Preceding Year	\$5.00/unit	
Public Housing Uniform Physical Condition Standard (UPCS)	UPCS Inspection Report from Preceding Year	\$10.00/unit	
No Smoking Lease	Copy of Signed Lease Language or Smoking Disclosure Form	\$2.50/unit	

*Please note there is a maximum of \$20 discount per rental unit.

A3



CITY OF PORTLAND
Permitting and Inspections Department

SECTION 8: TOTAL ANNUAL CHARGES

Number of Rental Units Registering =	<u>Long Term</u>
Rental Unit Fees =	
Registration Fees (\$35 x Number of Long-Term Rental Units)	
Fee Discounts =	
Total Annual Rental Registration Fee =	

Did you complete?

- Rental Housing Registration Form
- Provide all fee discount verification documents

Payment Information:

Pay the registration fee:

- in person by cash, check, or credit card;
- mail a check - Make checks payable to "City of Portland" and note the CHART, BLOCK, AND LOT (CBL) on the check.

Please return completed application, documents and fees to:

Permitting and Inspections Department
Room 307
389 Congress St
Portland ME 04101

For More Information:

See www.portlandmaine.gov/housingsafety

To the best of my knowledge, I certify that the information being registered is true and correct.

Name (print only)		Telephone Number
Relationship to Property	Date	Email Address



CITY OF PORTLAND
Permitting and Inspections Department
Corporate Supplement

Questions 1 to 4 must match information on file with the Maine Secretary of State's office. If you have questions regarding this information, please call the Secretary of State's office at (207) 624-7752.
Please clearly complete this form in its entirety.

1. Exact legal name: _____
2. Doing Business As, if any: _____
3. Date of filing with Secretary of State: _____ State in which you are formed: _____
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine: _____
5. List the name and addresses, titles of officers, directors and list the percentage ownership: (attached additional sheets as needed)

NAME	ADDRESS (5 YEARS)	TITLE	Ownership %

(Stock ownership in non-publicly traded companies must add up to 100%.)

Signature: _____ **Date:** _____
Signature of Owner or Corporate Officer

Print Name of Owner or Corporate Officer



CITY OF PORTLAND
Permitting and Inspections Department

SHORT TERM RENTAL UNIT REGISTRATION APPLICATION

Please use this application to register or renew a short term rental unit. A rental unit is any portion of a residential structure that is available to rent for any length of time to an individual. The Code of Ordinances (Chapters 6 & 14, Article VI) requires an owner, manager, and any other person/entity responsible for the property to register a rental unit. Registration is due annually by January 1 or within thirty (30) days of renting a new property. A registration application is not complete until payment is received.

Short Term Rentals (STR)

A short-term rental is less than 30 days.

Registration Fees:

Owner Occupied Units, Tenant Occupied Units, Island Short Term Rental	First Unit	\$ 100.00
	Second Unit	\$ 250.00
	Third Unit	\$ 500.00
	Fourth Unit	\$ 1,000.00
	Fifth Unit	\$ 2,000.00
Non-Owner Occupied Mainland Units	First Unit	\$ 200.00
	Second Unit	\$ 500.00
	Third Unit	\$ 1,000.00
	Fourth Unit	\$ 2,000.00
	Fifth Unit	\$ 4,000.00

Building Limits:

<u>Non Owner-Occupied Building</u>	<u>Owner-Occupied Building</u>
1-2 total units=1 Short Term Rental	1-2 total units=1 Short Term Rental
3-5 total units= 2 Short Term Rentals	3 total units= 2 Short Term Rentals
6-9 total units=4 Short Term Rentals	4 total units= 3 Short Term Rentals
10+ total units=5 Short Term Rentals	5 total units= 4 Short Term Rentals
	6+ total units=5 Short Term Rentals

Note: Tenant, owner and non-owner occupied units will all be counted towards these limits. Owners may register up to five units within their primary residence.

Version 12/7/18

389 Congress Street, Room 307 • Portland, Maine 04101 • 207-756-8131
housingsafety@portlandmaine.gov • www.portlandmaine.gov

B1



CITY OF PORTLAND
Permitting and Inspections Department
SHORT TERM RENTAL UNIT REGISTRATION APPLICATION

SECTION 1: PROPERTY INFORMATION		
Street Number	Street Name	CBL- Chart, Block, Lot Number (e.g. 001A__A001)

Type of Property*	
Total Number of Units in Building:	

*If located in a condominium or homeowners association, you attest that the use of the unit as a short term rental is allowed. Yes ☐ No ☐

SECTION 2: OWNER INFORMATION (COMPLETE AT LEAST ONE LISTED BELOW)		
A. Individual Ownership:		
Owner First Name	Owner Last Name	Primary Telephone Numbers
Mailing Address		Email Address
B. Corporate Ownership:		
**A completed Supplemental Corporation Sheet must be submitted with the application.		
Ownership form (please circle): Partnership Corporation LLC Other (please explain)		
Corporate Name		Primary Telephone Numbers
Mailing Address		Email Address

B2



CITY OF PORTLAND
Permitting and Inspections Department

SECTION 3: AUTHORIZED AGENT (if different than owner)

If property owner is a partnership, corporation, LLC or any other form of business entity, the authorized agent must be an individual who resides in the State of Maine.

Registered Agent First Name	Registered Agent Last Name	Telephone Number
Mailing Address		Email Address

SECTION 4: PROPERTY MANAGER (if different than owner)

Property Manager Name	Telephone Number
Mailing Address	Email Address

SECTION 5: EMERGENCY CONTACT FOR PROPERTY (if different than owner)

Emergency Contact Name	Telephone Number
Address	Email Address

**SECTION 6: RENTAL UNIT
REGISTRATION**

Please describe the rental unit(s) by indicating the following:

Unit # (Describe rooms*)	Number of nights (Short Term)**	Number of nights (Long Term)**	Mainland	Island	Owner Occupied	Tenant Occupied	Non Owner Occupied

*If renting a room(s), please describe as Guest bedroom A, Master bedroom, Basement bedroom, etc.

**Report the number of nights rented the previous year from 11/1 through 10/31.

Note: Owner Occupied is defined as the unit the owner lives in for more than 6 months of the year.



CITY OF PORTLAND
Permitting and Inspections Department

SECTION 7: FEE DISCOUNTS*			
Type of Discount	Valid Verification Documents	Discount	Number of Rental Units
Fully Sprinklered Building	Testing or Maintenance Report or Maintenance Contract from Preceding Year	\$10.00/unit	
Off-site Monitored Fire Alarm System	Fire Alarm System Monitoring Annual Contract	\$7.50/unit	
Subsidized Housing Housing Quality Standard (HQS)	HQS Inspection Report from Preceding Year	\$5.00/unit	
Public Housing Uniform Physical Condition Standard (UPCS)	UPCS Inspection Report from Preceding Year	\$10.00/unit	
No Smoking Lease	Copy of Signed Lease Language or Smoking Disclosure Form	\$2.50/unit	

*Please note that there is a maximum \$20 discount per rental unit.

SECTION 8: TOTAL ANNUAL CHARGES

	<u>Short Term</u>
Number of Rental Units Registering =	
Rental Unit Fees =	
Fee Discounts =	
Total Annual Rental Registration Fee =	

Did you complete?

- Rental Housing Registration Application
- Provide all fee discount verification documents.
- Provide a notarized Primary Residence Affidavit (unless a non-owner occupied unit).
- Provide a notarized Landlord Statement of Permission for a Tenant occupied unit.
- Corporate Disclosure
- Evidence of primary residence



CITY OF PORTLAND
Permitting and Inspections Department

Payment Information:

Pay the registration fee:

- in person by cash, check, or credit card;
- mail a check - Make checks payable to "City of Portland" and note the address on the check.

Please return completed application,
documents and fees to:

Permitting and Inspections Department
Room 307
389 Congress St
Portland ME 04101

For More Information:

See www.portlandmaine.gov/housingsafety

To the best of my knowledge, I certify that the information being registered is true and correct.

Name (print only)		Telephone Number
Relationship to Property	Date	Email Address

*****Office Use Only*****

B5



CITY OF PORTLAND
Permitting and Inspections Department
CORPORATE DISCLOSURE

The answers to questions 1-4 must match the information on file with the Maine Secretary of State's office. Your certification must be in good standing. If you have questions regarding this information, please call the Secretary of State's office at (207) 624-7752. Please clearly complete this form in its entirety. Thank you.

1. Exact legal name: _____
2. Doing Business As, if any: _____
3. Date of filing with Secretary of State: _____ State in which you are formed: _____
4. If not a Maine business entity, date on which you were authorized to transact business in the State of Maine: _____
5. List the names, addresses, and titles of the officers and directors and list the percentage of ownership (attach additional sheets as needed):

NAME	CURRENT ADDRESS	TITLE	OWNERSHIP %

(Stock ownership in non-publicly traded companies must add up to 100%.)

Signature: _____
Signature of Owner or Corporate Officer

Date: _____

Print Name of Owner or Corporate Officer



CITY OF PORTLAND
Permitting and Inspections Department
PRIMARY RESIDENCE AFFIDAVIT

I, _____, represent under oath that the following statements are true and correct to my personal knowledge:

1. I reside at _____, Portland, Maine, CBL _____ (the "Residence").
2. The Residence is currently my legal residence for government purposes, including property taxes and exemptions, voting, vehicle taxes and registration, licensing, benefits, and others, as applicable.
3. I reside at the Residence for more than one-half of the calendar year.
4. The Residence will remain my legal residence for more than one-half of the calendar year.
5. I have provided one of the following documents:
 - a. Valid Driver's License or State issued Identification _____
 - b. Valid motor vehicle registration _____
 - c. Proof of homestead exemption: _____
 - d. Other (please list): _____

Date: _____

Signature

Personally appeared before me the above-named affiant and made oath that the foregoing affidavit is true and correct to his/her personal knowledge.

Date: _____
Notary Public/Attorney at Law

Staff Use Only:

Type of Verification Document:		Staff Initials:	
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CITY OF PORTLAND
Permitting and Inspections Department
LANDLORD STATEMENT OF PERMISSION

I, _____, am the (authorized agent of the record owner/record owner) of the property at _____, Portland, Maine, CBL _____ (the "Property").

_____ ("Tenant"), is a lawful tenant at (unit/apartment) ____ at the Property (the "Residence"). I give Tenant permission to rent the Residence as a Short Term Rental ("STR") pursuant to the City of Portland Code of Ordinances ("City Code") §§ 6-150 *et seq.*

I have reviewed the relevant portions of the City Code and understand the potential consequences of Tenant's use of the Residence as a STR. I understand that Tenant's use of the Residence as a STR may impact my ability to rent other units as STRs, or may impact the registration fee for renting other units as STRs. I also understand and agree that I am responsible for maintaining the Property in full compliance with state laws and local ordinances, including City Code §§ 6-200 *et seq.*, regarding Disorderly Houses.

Date:

Signature

Personally appeared before me the above-named affiant and made oath that the foregoing affidavit is true and correct to his/her personal knowledge.

Date:

Notary Public/Attorney at Law

BT

Agenda

Joint Housing Safety & Fire Prevention Meeting

July 25, 2019

8:30am-9:30am

City Hall Room 209

1. Introductions
2. Mission statement and Welcoming remarks
3. Topics for next meeting

Joint Housing Safety & Fire Prevention Meeting

July 25, 2019

8:30am-9:30am

City Hall Room 209

Present: Chief Gautreau, Jessica Hanscombe, Sandy Driscoll, Chuck Fagone, Matt Sarapas, Misch Budischewsky, Kevin Hanscombe, Jason Grant, Captain Nichols, Captain Bridges, Keri Ouellette, Division Chief Thompson, Danielle Buck

The Purpose of this meeting was an introduction to what this group will be working towards.

Staff was asked what the biggest hurdles they saw was:

1. Scheduling- who does what and when
2. Joint Inspections- who is the lead
3. Consistency with what is told to the owners
 - a. Windows-Size, permits required
 - b. Doors-
 - c. Smoke alarms-hard wired vs Batteries
4. Documentation
5. Technology issues

Management will work on a checklist that both divisions can utilize. They will provide a document for windows, doors and smoke detectors that both divisions will go by.

Next meeting is August 29, 2019 at 8:30am. Topic will center on the joint inspection checklist.

C2

Agenda

Joint Housing Safety & Fire Prevention Meeting

August 29, 2019

8:30am-9:30am

City Hall Room 209

1. Minutes from 7/25/2019 Meeting
2. Windows
 - a. Current policy- see handout
 - b. What works
 - c. What doesn't work
3. Topic for Next meeting
 - a. Doors
 - b. Smokes
 - c. Checklist



Permitting and Inspections Department
Michael A. Russell, MS, Director

Jonathan Rioux, Inspections Director

Information Bulletin: 2018-01

Secondary Means of Escape and Rescue Openings

Adopted: 02/02/2018 /MR

Background

The City of Portland has adopted the NFPA Life Safety Code (NFPA 101) and the NFPA Fire Code (NFPA 1), along with other building codes (MUBEC), which have minimum requirements for means of escape from residential dwellings, up to four stories in height.

NFPA 101 requires that new and existing dwellings provide for both a primary and a secondary means of escape from each sleeping room and living area.[1] NFPA 101 (2009) §§ 24.2.2.1.1, 31.2.1.2. A window may be used as the secondary means of egress or escape where the window is:

1. operable from the inside without the use of tools, keys, or special effort;
2. provides a net clear opening of not less than 5.7 sq. ft.;
3. not less than 20" wide;
4. not less than 24" high;
5. not more than 44" above the floor; and
6. meets one or more conditions for accessibility of fire department rescue apparatus.

Id. §§ 24.2.2.2.3.3, 31.2.1.2.

Windows in new construction have to meet the requirements of NFPA 101, as well as MUBEC, including the 5.7 sq. ft. net clear opening requirement. Note: The new construction provisions will also apply to replacement windows as part of the approval requirements for a change of use or occupancy.

Enforcement of Minimum Window Size

The City will generally not require existing windows to be replaced, even where they do not meet all of the above criteria numbered 1-6, as long as the existing windows meet certain minimum standards for safety.[2] The circumstances under which undersized, existing windows will be allowed to remain depends on:

1. When the existing window was installed,
2. The size of the window, and if
3. Changes are being proposed to the building.

Windows installed before 1976 will be considered acceptable to the City and do not need to be replaced, if the windows meet the minimum requirements outlined in the State Fire Marshal's "Policy for clarification



Permitting and Inspections Department
Michael A. Russell, MS, Director

Jonathan Rioux, Inspections Director

of existing egress windows" memo dated October, 17, 2013. These windows meet all of the requirements numbered 1-6 on Page 1 of this informational bulletin with the exception of number 2. Number 2 shall be replaced with, "2. provides a net clear opening of at least 3.3 sq. ft. and an overall opening size of 5.0 sq. ft. if all window parts are removed".

Windows installed after 1976 must be replaced by windows meeting all of the requirements numbered 1-6 on Page 1 of this informational bulletin. This includes a net clear opening of not less than 5.7 sq. ft.

Renovations or projects involving a change of use or occupancy, legalization of nonconforming units, or renovations to exterior walls. Where a renovation or project involves a change of use, the legalization of nonconforming units, or renovations to exterior walls, windows must be installed that meet all of the requirements numbered 1-6 on Page 1 of this informational bulletin.

Other renovations. The replacement window may be the same size as the existing window if:

1. No other renovations to the exterior wall are proposed,
2. No change of use or legalization of a nonconforming unit is proposed,
3. The window has a minimum net clear opening of at least 3.3 sq. ft. for a double hung or,
4. 5.0 sq. ft. for a casement-style, and,
5. Meets all of the other requirements numbered 1-6 on Page 1 of this informational bulletin.

However, when the rough opening for the replacement window is large enough to allow installation of a window with a minimum of 5.7 sq. ft. net clear opening, that requirement must be met, even if the window operation is different than the original window. If it is not possible to meet the 5.7 sq. ft. net clear opening, the replacement window must be the manufacturer's largest standard size window that will fit within the existing window frame or existing rough opening. The replacement window shall either be of the same operating style as the existing window or a style that provides for a greater window opening area than the existing window.

The City reserves the right to require installation or replacement of any window to meet the safety requirements of NFPA 1 and 101, MUBEC, City Code of Ordinances and any other relevant standards.

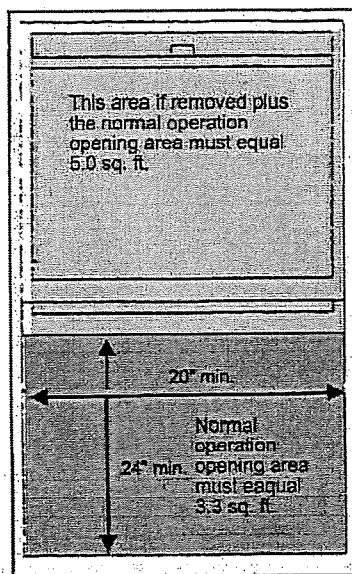
[1] Exceptions to this requirement are available where the sleeping room or living area has a door leading directly to the outside at or to the finished ground level, or where the dwelling unit is fully sprinkled.

[2] The City may allow windows to remain that are an "existing approved means of escape." *Id.* § 24.2.2.3. An approved existing condition is "That which is already in existence on the date [the NFPA code] goes into effect and is acceptable to the authority having jurisdiction." *Id.* § 3.3.75.1.

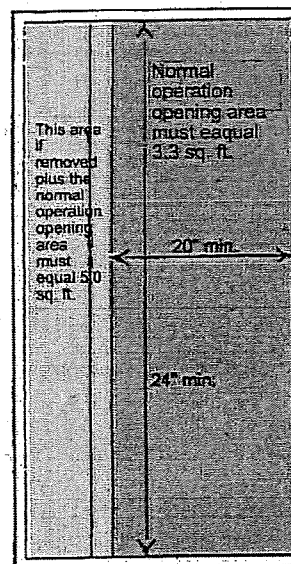
C5

Existing Buildings Built Before 1976

THE EGRESS WINDOW



double-hung



casement

When the window is in the normal operation maximum open position the opening must comply with all of the following:

1. The minimum width of the opening shall be at least 20 inches
2. The minimum height of the opening shall be at least 24 inches
3. The total opening shall provide at least 3.3 square feet of escape area.

In addition to all of the the above the total window frame opening must equal 5.0 square feet

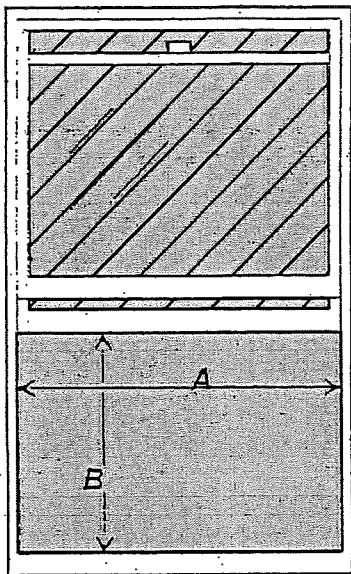
The height in inches times the width in inches must equal at least 480 square inches.

$20 \times 24 = 480$ square inches divided by 144 equals 3.333 square feet.

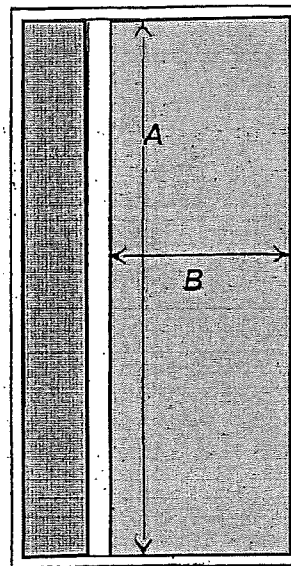
 = normal operation opening of window

 +  = The total window frame opening size if the window's moving parts were removed from the opening.

THE EGRESS WINDOW



double-hung



casement

When the window is in the normal open position the opening must be at least 5.7 square feet in area.

A times B must equal at least 820.8 square inches.

The width of the opening must be at least 20 inches.

The height of the opening must be at least 24 inches.

20 x 24 only equals 480 square inches, not enough.

32 x 26 = 832 square inches. 832 divided by 144 equals 5.7777 square feet.

Joint Housing Safety and Fire Prevention

Meeting Schedule 2019

Room 209 City Hall

July 25

August 29

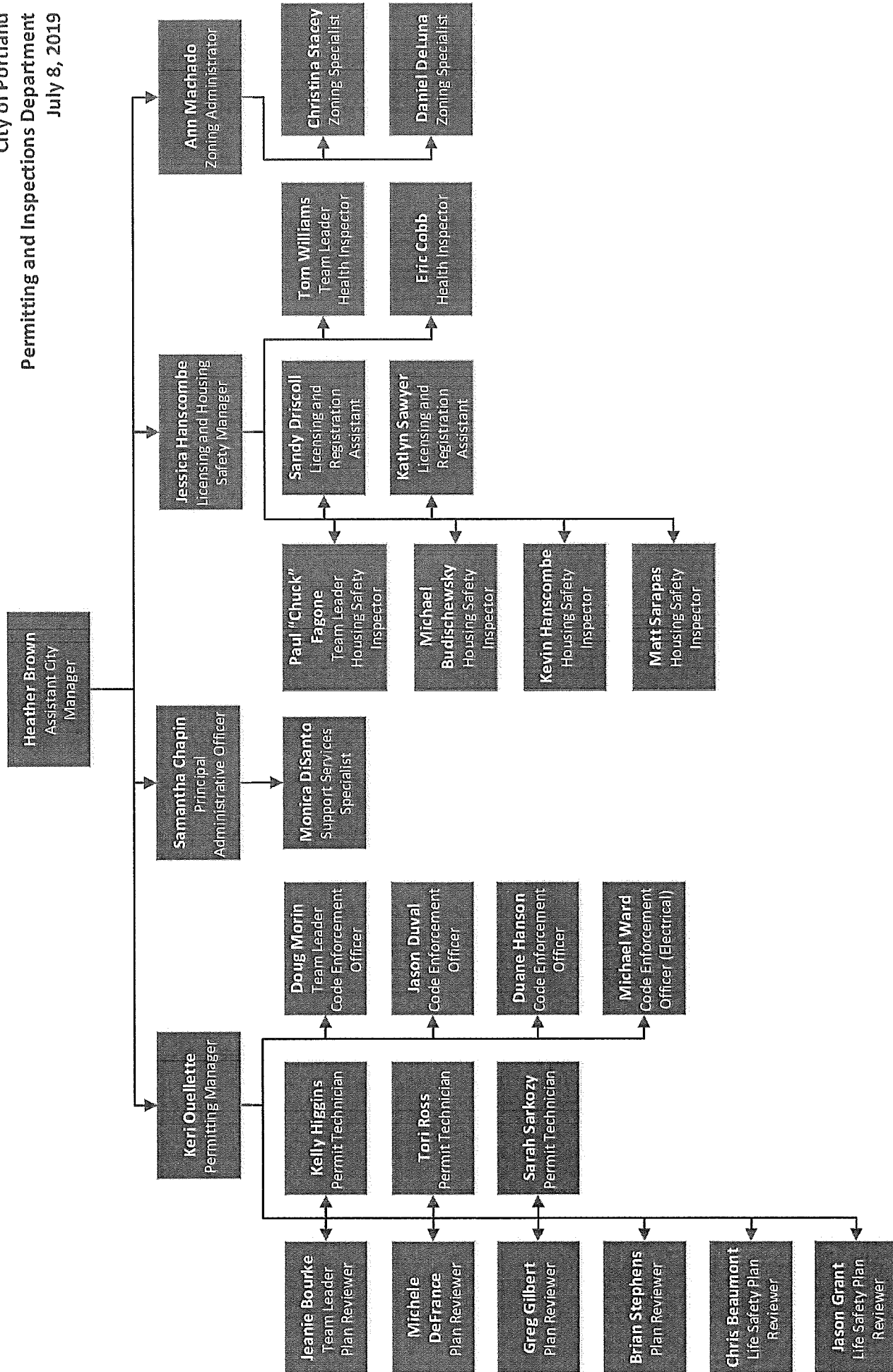
September 19

October 25

November 22

December 19

City of Portland
Permitting and Inspections Department
July 8, 2019



Permitting & Inspections - Housing Safety Office

Fiscal Year 2019 Actual

Total Revenue: \$595,279

Total Expenditures: \$473,522

Direct Costs:

Salaries:

Licensing & Registration Assistants (2 @ 50%) \$38,455

Housing Safety Inspectors (4) \$196,281

Licensing & Registration Coordinator (40%) \$ 23,863

Inspections Director (40%) \$38,689

Uniforms/Cell Phones: \$4,264

Admin Costs (Training/Postage/Memberships/Travel): \$3,654

Contractual (Mileage, Host Compliance, Printing): \$33,826

Office equipment rental: \$339

Supplies and Equipment \$1,503

Indirect costs including salaries of staff time working on housing safety tasks, not charged to housing safety budget, and fringe for all staff.

Salaries:

Permitting & Inspections Director (10%) \$10,464

Principal Administrative Officer (20%) \$11,914

Support Services Specialist (20%) \$4,545

Fringe (All Staff) (32.61%) \$105,725

Fiscal Year 2020 Budget:

Revenue (Registrations): \$591,422 (\$101,092 STR, \$490,330 LTR)

Expenditures: \$551,030

Direct Costs:

Salaries:

Housing Safety Inspectors (4): \$213,196

Licensing & Registration Assistant: \$44,767

Licensing and Housing Safety Manager (50%) \$40,911

Life Safety Code Enforcement Officer/Plan Reviewer \$52,060

Uniforms/Cell Phones: \$5,280

Admin Costs (Training/Postage/Memberships/Travel): \$7,640

Contractual (Mileage, Host Compliance, Printing): \$38,505

Office equipment rental: \$504

Supplies and Equipment \$4,750

Indirect costs including salaries of staff time working on housing safety tasks, not charged to housing safety budget, and fringe for all staff.

Salaries:

Permitting & Inspections Director(budgeted half year only FY'20): (10%) \$6,249

Principal Administrative Officer: (20%) \$12,721

Support Services Specialist: (20%) \$3,887

Fringe: (32.61%) \$120,560

E /



CITY OF PORTLAND
Fire Department
Keith Gautreau, Fire Chief

MEMORANDUM

To: Housing Committee, Chair Councilor Duson
From: Keith Gautreau, Fire Chief
Date: September 4, 2019
Re: Update on Fire Department Inspection Program

The following information and data is being provided as an update to the Committee per the request of Chair Councilor Duson. We continue to collaborate with the Housing Safety Office (HSO) working together on proactive inspections, scheduling, on-going training, education, re-inspections and answering complaints. Recently we established regular monthly HSO / Fire Department staff meetings to improve efficiency and customer service. Both Departments continue to focus on; Life Safety, Consistency, Being Reasonable, Communication & follow up.

Fire Prevention Bureau / Community Outreach
Life Safety Inspection Program Highlights

- o The Fire Prevention Bureau (FPB) consists of; 1 Division Chief, 2 Fire Captains, 1 Fire Alarm Technician and 1 Admin Support. See organizational chart, FPB highlighted in yellow. (Attachment A)
- o Our efforts still remain on Residential Housing; Apartment buildings 3 units and greater
- o The Focus is on following up on Life Safety and communicating with the landlord to bring their property into compliance
- o We've scheduled National Fire Protection Association (NFPA) training for both departments on the new 2018 edition of the Fire Code for this fall
- o We have eliminated proactive joint inspections established in 2018
- o Court appearances / pursuing legal action for extreme cases
- o Re-establish regular Outreach / Education meetings with Southern Maine Landlord Assoc.
- o Continue to communicate with Landlords and Management Companies prior to inspection with Life Safety information. (Attachment B)
- o Both HSO / FPB are using the same process for scheduling and enforcement



CITY OF PORTLAND
Fire Department

Fire Prevention Inspections

January 1, 2019 – September 4, 2019

Fire Company	Total
Fire Prevention Routine Inspections	127
Fire Prevention Re-Inspections	120
Prevention Bureau Finals (C of O)	290
Fire Hazmat Tier II Inspections	60
Fire Prevention Permit Inspections	127
TOTAL	724

I look forward to discussing this memo more in detail and answer any follow up questions or concerns that members of the Committee or the public may have on September 11th's meeting.

Respectfully,

Keith Gautreau, Fire Chief



**CITY OF PORTLAND
Fire Department**

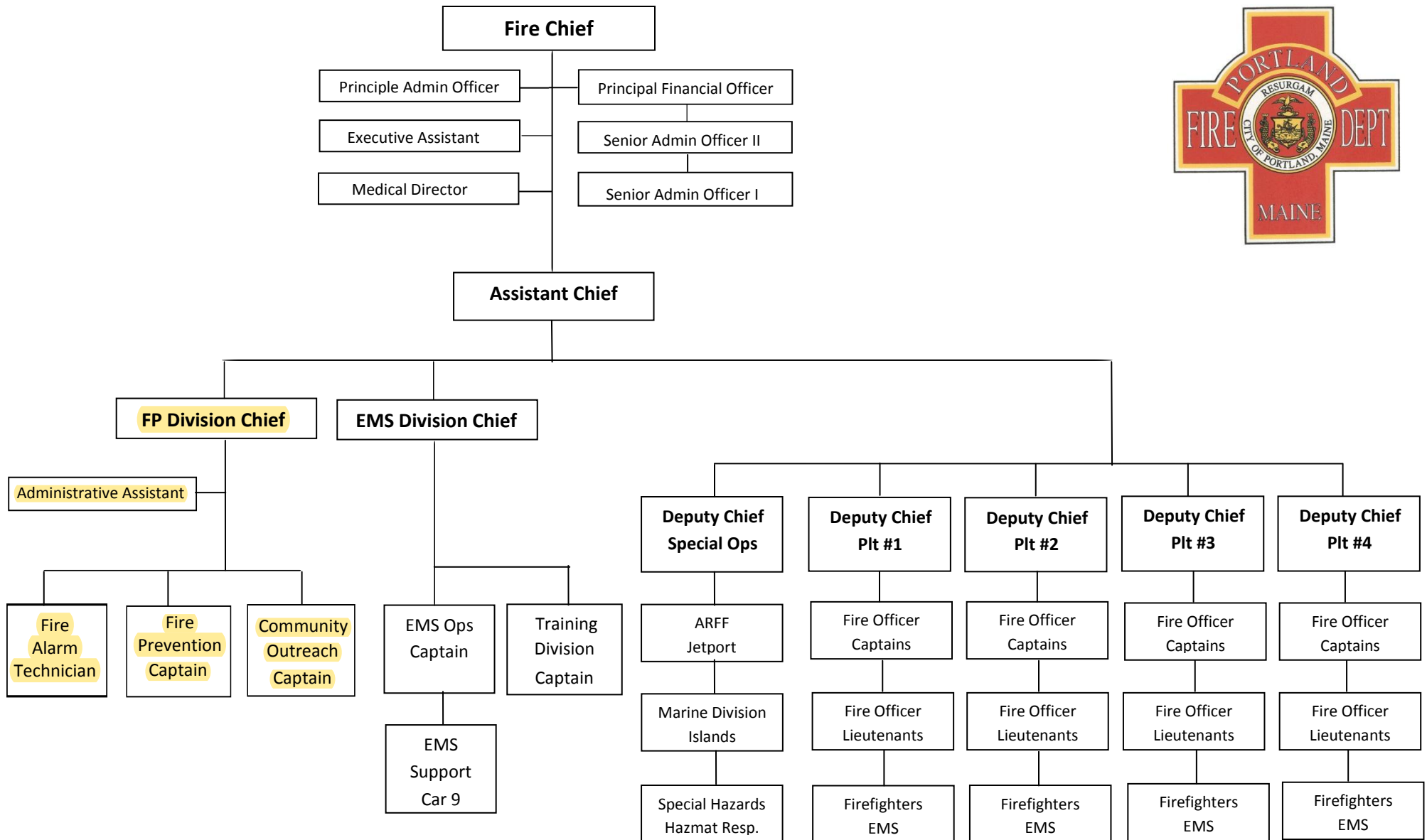
Attachment B;

Fire Prevention Bureau & Community Outreach Branch

Items Commonly Examined During Inspections

The fire inspector will conduct a thorough inspection to ensure satisfactory life safety conditions on your property. The conditions to be reviewed include, but are not limited to :

- ⌘ Condition of exits including stairwells and fire escapes
- ⌘ Interior finish – type and condition of walls and ceilings
- ⌘ Condition of basement
- ⌘ Operation of exit doors
- ⌘ Rating and operation of fire doors - self closing and latching
- ⌘ Emergency lighting
- ⌘ Exit signs
- ⌘ Smoke alarms and CO alarms
- ⌘ Components of fire-resistive construction
- ⌘ Grills on balconies
- ⌘ Proper addressing of the building
- ⌘ Proper addressing of the units
- ⌘ Building exit discharge areas
- ⌘ Fire alarm inspection sticker
- ⌘ Smoke detectors/heat detectors
- ⌘ Records for fire alarm and fire protection systems





CITY OF PORTLAND
Planning & Urban Development Department
Housing and Community Development Division

TO: Councilor Duson, Chair
Members of the Housing and Community Development Committee

FROM: Mary Davis, Division Director
Housing and Community Development Division

DATE: September 5, 2019

SUBJECT: Communication Item
Draft 2018-2019 HUD Consolidated Annual Performance Evaluation
Report (CAPER)

Attached is a draft of the narrative portion of the CAPER for FY 2018-2019. The CAPER is a report required by HUD in which the City of Portland reports accomplishments for the CDBG, HOME and ESG Programs. The CAPER must be submitted to HUD by September 30.

There have been some challenges in completing the report this year, including discrepancies with the data reported in the HUD system. We are working with the HUD Technical Assistance Office to solve this issue and will make any revisions required before the final report is submitted to HUD at the end of September.

This is presented as a communication item. No Committee action is required.

CR-05 - Goals and Outcomes

Progress the jurisdiction has made in carrying out its strategic plan and its action plan. 91.520(a)

This could be an overview that includes major initiatives and highlights that were proposed and executed throughout the program year.

This CAPER is for Year 3 of the City of Portland's 2016-2020 Five-Year Consolidated Plan. In preparation for the 2016-2020 Consolidated Plan, the City of Portland created a new set of goals and priorities to address the needs in our community. The City placed these needs, goals, and priorities into four categories: Addressing the Needs of the Growing Homeless Population; Housing Availability; Economic Opportunity; and Neighborhood Investment and Infrastructure. The four categories of needs, goals and priorities that are guiding our Consolidated Plan are based on a combination of HUD-provided data, independent research, community outreach, consultation with various agencies and service providers, and the established goals and priorities of the City of Portland and the Cumberland County HOME Consortium.

All projects and activities funded during PY2018 were selected in order to help address a need in one of the four categories. The vast majority of projects, particularly in the CDBG social services category, met or exceeded their project goals. While Portland, like many cities, is continuing to struggle with a shortage of affordable housing, as well as an Opioid crisis, the City is carefully administering the HOME, ESG, and CDBG Programs to maximize the impact of these funds within our community.

Comparison of the proposed versus actual outcomes for each outcome measure submitted with the consolidated plan and explain, if applicable, why progress was not made toward meeting goals and objectives. 91.520(g)

Categories, priority levels, funding sources and amounts, outcomes/objectives, goal outcome indicators, units of measure, targets, actual outcomes/outputs, and percentage completed for each of the grantee's program year goals.

Goal	Category	Source / Amount	Indicator	Unit of Measure	Expected – Strategic Plan	Actual – Strategic Plan	Percent Complete	Expected – Program Year	Actual – Program Year	Percent Complete
Address the Needs for Growing Homeless Population	Homeless	CDBG: \$ / ESG: \$ / Competitive McKinney-Vento Homeless Assistance Act: \$ / Section 8: \$	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit	Households Assisted	0	0		200	18	9.00%
Address the Needs for Growing Homeless Population	Homeless	CDBG: \$ / ESG: \$ / Competitive McKinney-Vento Homeless Assistance Act: \$ / Section 8: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	78250	7693	9.83%	11650	7693	66.03%

Address the Needs for Growing Homeless Population	Homeless	CDBG: \$ / ESG: \$ / Competitive McKinney-Vento Homeless Assistance Act: \$ / Section 8: \$	Homeless Person Overnight Shelter	Persons Assisted	3500	325	9.29%	0	325	
Address the Needs for Growing Homeless Population	Homeless	CDBG: \$ / ESG: \$ / Competitive McKinney-Vento Homeless Assistance Act: \$ / Section 8: \$	Overnight/Emergency Shelter/Transitional Housing Beds added	Beds	0	0		0	0	
Economic Opportunity	Economic Development	CDBG: \$ / Section 108: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	449		1378	449	32.58%
Economic Opportunity	Economic Development	CDBG: \$ / Section 108: \$	Jobs created/retained	Jobs	115	1	0.87%	14	1	7.14%
Economic Opportunity	Economic Development	CDBG: \$ / Section 108: \$	Businesses assisted	Businesses Assisted	35	7	20.00%	6	7	116.67%

Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Brownfield acres remediated	Acre	1	0	0.00%			
Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Rental units constructed	Household Housing Unit	75	0	0.00%	10	0	0.00%
Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Rental units rehabilitated	Household Housing Unit	75	8	10.67%	8	8	100.00%

Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Homeowner Housing Added	Household Housing Unit	10	0	0.00%			
Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Homeowner Housing Rehabilitated	Household Housing Unit	125	2	1.60%	10	2	20.00%
Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Direct Financial Assistance to Homebuyers	Households Assisted	10	0	0.00%			

Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Tenant-based rental assistance / Rapid Rehousing	Households Assisted	1000	0	0.00%			
Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Housing for Homeless added	Household Housing Unit	0	0		0	0	
Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Housing for People with HIV/AIDS added	Household Housing Unit	0	0		0	0	

Housing Availability	Affordable Housing Public Housing	CDBG: \$ / HOME: \$ / ESG: \$ / Housing Trust Fund: \$ / LIHTC: \$ / Program Income: \$	Buildings Demolished	Buildings	1	0	0.00%			
Neighborhood Investment & Infrastructure	Non-Housing Community Development	CDBG: \$	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit	Persons Assisted	75000	3150	4.20%	1448	3150	217.54%
Neighborhood Investment & Infrastructure	Non-Housing Community Development	CDBG: \$	Public service activities other than Low/Moderate Income Housing Benefit	Persons Assisted	0	9074		5000	9074	181.48%
Neighborhood Investment & Infrastructure	Non-Housing Community Development	CDBG: \$	Facade treatment/business building rehabilitation	Business	15	0	0.00%			
Neighborhood Investment & Infrastructure	Non-Housing Community Development	CDBG: \$	Buildings Demolished	Buildings	1	0	0.00%			

Table 1 - Accomplishments – Program Year & Strategic Plan to Date

Assess how the jurisdiction's use of funds, particularly CDBG, addresses the priorities and specific objectives identified in the plan,

giving special attention to the highest priority activities identified.

CDBG funds were directly used to address the priority and specific objectives identified in the 5 year consolidated plan and year 3 annual action plan. As mentioned above all of the CDBG activities funded in program year 2018 address at least one need, goal and priority in our community. All the planning/administration and public service projects were completed within the program year, these included Community Policing, Preble Street's Teen Shelter, Florence House Women's shelter, Resource Center, and Emergency Food programs, Catherine Morrill Day Nursery Child Care Voucher Program, Milestone Foundation, Wayside Foods Program, Amistad Peer Coaching Initiative, Catholic Charities and the Immigrant Legal Advocacy Project Immigrant Legal Services, Social Services Long Term Stayers Program, and Public Health Mobile Medical Outreach Program.

Similar to last year, several of the City's social services programs provided more units of service (bed nights, meals, interventions, etc.) than their anticipated goal, yet they served a smaller number of unduplicated individuals. After discussing this with several of the social service providers, it became clear that the affordable housing shortage in the greater Portland area is causing there to be less turn over in what should be emergency only services. For this reason, the City fell short of the estimated number of people served for 'Public service activities, even though the social service providers were running at full capacity and completed their estimated units of service.

During PY2018 the City funded a microenterprise assistance program that created a total of 6 new Portland based businesses. Through the PY2018 funded economic development Business Assistance Program, 5 businesses received financial assistance and were able to expand their businesses to create 12 net new full time jobs, all filled by low or moderate income Portland residence, the data is only reporting on 1 job due to other grantees still having funds available to draw.

The one public infrastructure project funded through PY2018 has undergone design, was put out to bid in the spring, and was awarded in July 2019. The City completed two prior year infrastructure projects: Cumberland Ave. and State Street. There are three prior year projects that will be finishing up before the end of PY2019, ADA Curb Ramps, Oxford Street Sidewalks, Greenleaf Street Sidewalks, and a non-profit rehab project, Catherin Morrill Day Nursery Toddler Room Expansion.

CR-10 - Racial and Ethnic composition of families assisted

Describe the families assisted (including the racial and ethnic status of families assisted).

91.520(a)

	CDBG	HOME	ESG*
White	6,468	77	0
Black or African American	1,695	18	0
Asian	125	2	0
American Indian or American Native	130	0	0
Native Hawaiian or Other Pacific Islander	33	0	0
Total	8,451	97	0
Hispanic	352	1	0
Not Hispanic	8,099	96	0

Table 2 – Table of assistance to racial and ethnic populations by source of funds

This data to be included in SAGE Reports.

Narrative

According to the ACS estimates for 2017, the City of Portland is 83.5% white, 10.5% Black/ African American, 3% Asian, and less than 3% of all other races/multiracial. The CDBG program served 69% white, 27% African American, 2% Asian, and 2% other races/multiracial. The higher percentage of African American's served by the CDBG program, compared to the City makeup, is due to several CDBG programs that target Portland's immigrant and refugee populations, most of who are coming from central and northern African nations.

The HOME program serves all of Cumberland County. According to the ACS estimates for 2017, 91.9% of Cumberland County is white, 3% are black/African American, 2.3% are Asian, and less than 3% are other races/multiracial. Comparable to the CDBG program, the HOME program serves a larger percentage of black/African American than the general makeup for Cumberland County, with 71% white, 27% black/African American, 1.5% Asian, and less than 1% of all other races/multiracial.

*The ESG race and ethnicity data is pulled directly from the eCart/Sage Report. The eCart/Sage Report breaks down race and ethnicity into more categories than are listed in the CAPER report, causing a mismatch between the totals for Hispanic/non-Hispanic and race/ethnicity. The racial makeup of the City's family shelter is very different than the racial makeup of the Oxford Street shelter. The majority of clients at family shelter are refugees and asylum seekers from other nations, whereas the Oxford Street shelter serves a racial population similar to the make-up for Portland as a whole.

CR-15 - Resources and Investments 91.520(a)

Identify the resources made available

Source of Funds	Source	Resources Made Available	Amount Expended During Program Year
CDBG	public - federal	2,134,904	1,643,559
HOME	public - federal	1,889,957	1,159,367
ESG	public - federal	157,131	116,823
Housing Trust Fund	public - local	913,502	
Section 108	public - federal	7,983,999	
Other	public - federal	170,866	

Table 3 - Resources Made Available

Narrative

Community Development Block Grant funds were spent on a combination of current year's allocation of administration and planning activities, social services programs, economic development projects, and a select number of infrastructure improvement projects. Funding was also expended during this fiscal year on past years funded economic development, non-profit rehabilitation, and infrastructure improvement projects.

Of the CDBG funds expended in the past fiscal year, \$389,184 was spent on Administration and Planning, \$211,535.72 was spent on Infrastructure projects located in the City of Portland's eligible areas, \$119,708 was spent on Economic Development projects including business assistance, façade improvements, job creation, and microenterprise assistance, and \$191,081.95 was spent on nonprofit rehabilitation including expansion of a childcare facility, installation of hot water heaters in a group home, and clearing land for a large affordable housing project. \$645,644 was spent on social service programs including community policing, childcare, shelters, homeless resource centers, peer center and support services for persons with mental illness, food programs, and assistance to homeless individuals. \$20,000 from former UDAG funds was expended on the Florence House Woman's Shelter. The city expended \$86,405.47 from the HDF account, which is CDBG housing program income, for rehabilitation of 15 residential units; all 15 units were completed in PY18.

HOME Funds are divided by program and by location. HOME is spent on administration, owner-occupied rehabilitation, tenant based rental assistance, and affordable housing development. In this fiscal year, \$93,961.11 was spent on administration, \$159,853.24 on owner occupied rehabilitation (\$ 54,733.50 within the City of Portland and \$105,119.74 in Cumberland County), \$118,529 on tenant based rental assistance and \$787,024.14 on affordable housing development. The affordable housing development projects underway or completed this year include 58 Boyd Street will create 55 new units, Avesta Deering Place which will create 62 new and 13 rehabilitated rental units 178 Kennebec Street which will create 40 new units, 977 Brighton Avenue will create 34 rental units, the West End Apartments will create 64 new units, and Harnois Apartments will create 61 new units. These projects will create or

maintain 329 units of rental housing of which 266 will be affordable to households earning at or below 60% of the area median income.

The Emergency Shelter Grant is divided into programs as well as administration, operations and essential services, homeless prevention and rapid rehousing. In the past fiscal year \$11,781 was spent on administration, \$16,283.95 on operations and essential services, and \$54,522.40 on homeless prevention and \$34,236.06 was spent on rapid rehousing.

Identify the geographic distribution and location of investments

Target Area	Planned Percentage of Allocation	Actual Percentage of Allocation	Narrative Description
Bayside Neighborhoods	10	21	Planned Percentage and Actual Percentage differ due to on-going public improvement projects
CDBG Target Neighborhoods	12	35	Planned Percentage and Actual Percentage differ due to completion of prior year projects
Cumberland County	15	0	Planned Percentage and Actual Percentage differs due to on-going housing projects
Eligible Census Tracts	5	0	
PORTLAND, MAINE	58	44	Planned Percentage and Actual Percentage differ due to completion of prior year projects.

Table 4 – Identify the geographic distribution and location of investments

Narrative

The actual percentage of the allocation is higher than the planned percentage for PY2018 in CDBG Target Neighborhoods and throughout the city as a whole. With that said, the percentage of actual funds spent in each target area during PY2018 does not match the above numbers due to the build out time for public infrastructure, HOME Affordable Housing and Homeowner Rehabilitation projects. Over the course of the 2016-2020 consolidated plan, we estimate that the planned percentages and actual funds spent in each target area will match quite closely.

Leveraging

Explain how federal funds leveraged additional resources (private, state and local funds), including a description of how matching requirements were satisfied, as well as how any publicly owned land or property located within the jurisdiction that were used to address the needs identified in the plan.

Housing resources are highly leveraged. The Cumberland County HOME Consortium leveraged HOME resources in the construction of new affordable housing. The Housing Rehabilitation Program leveraged \$33,850 in Lead Hazard Control Grant funds; the Affordable Housing Development Program leveraged over \$37.7 million in new investment including low-income housing tax credits, Maine State Housing Authority and private development funds. HOME match is generated by housing assistance provided by the City through General Assistance (less amount used as match for ESG).

CDBG is also highly leveraged, especially by the non-profit programs funded. The CDBG funds leveraged \$9,828,130 in PY2018. Of that, \$7,544,937 were funds leveraged from public service programs funded and expended over the past year, \$208,000 is leveraged through matching funds for economic development, and \$917,600 through public infrastructure and non-profit rehab projects. Emergency Solution Grant funding is equally matched dollar for dollar. For every dollar expended from federal resources an equal match was spent from City funds through housing assistance provided through the General Assistance.

In 2012, the City Council adopted a Housing Investment Policy that requires the Housing & Community Development Committee (HCDC) to complete an annual review of program priorities that includes the type and location of housing, and an analysis of tax acquired or City-owned property that may be a development resource. In its 2014 Common Goals and Objectives the City Council identified the promotion of housing availability as a goal with one objective being the assessment of city owned property to construct affordable housing. The City recently sold the former Public Works Department site and anticipate the redevelopment of the site will leverage the creation of more than one hundred units of workforce and affordable housing. In 2017 the City implemented a short term rental registration ordination which has resulted in over \$221,000 for the City's local Housing Trust Fund.

Fiscal Year Summary – HOME Match	
1. Excess match from prior Federal fiscal year	49,631,889
2. Match contributed during current Federal fiscal year	215,071
3. Total match available for current Federal fiscal year (Line 1 plus Line 2)	49,846,960
4. Match liability for current Federal fiscal year	215,071
5. Excess match carried over to next Federal fiscal year (Line 3 minus Line 4)	49,631,889

Table 5 – Fiscal Year Summary - HOME Match Report

Match Contribution for the Federal Fiscal Year								
Project No. or Other ID	Date of Contribution	Cash (non-Federal sources)	Foregone Taxes, Fees, Charges	Appraised Land/Real Property	Required Infrastructure	Site Preparation, Construction Materials, Donated labor	Bond Financing	Total Match
GA062019	06/30/2019	215,071	0	0	0	0	0	215,071

Table 6 – Match Contribution for the Federal Fiscal Year

HOME MBE/WBE report

Program Income – Enter the program amounts for the reporting period				
Balance on hand at beginning of reporting period \$	Amount received during reporting period \$	Total amount expended during reporting period \$	Amount expended for TBRA \$	Balance on hand at end of reporting period \$
276,761	207,275	169,075	133,342	314,961

Table 7 – Program Income

Minority Business Enterprises and Women Business Enterprises – Indicate the number and dollar value of contracts for HOME projects completed during the reporting period						
	Total	Minority Business Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Contracts						
Dollar Amount	136,427	0	0	0	0	136,427
Number	10	0	0	0	0	10
Sub-Contracts						
Number	0	0	0	0	0	0
Dollar Amount	0	0	0	0	0	0
	Total	Women Business Enterprises	Male			
Contracts						
Dollar Amount	136,427	0	136,427			
Number	10	0	10			
Sub-Contracts						
Number	0	0	0			
Dollar Amount	0	0	0			

Table 8 - Minority Business and Women Business Enterprises

Minority Owners of Rental Property – Indicate the number of HOME assisted rental property owners and the total amount of HOME funds in these rental properties assisted						
	Total	Minority Property Owners				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	2	0	0	0	0	2
Dollar Amount	23,510	0	0	0	0	23,510

Table 9 – Minority Owners of Rental Property

Relocation and Real Property Acquisition – Indicate the number of persons displaced, the cost of relocation payments, the number of parcels acquired, and the cost of acquisition						
Parcels Acquired		0		0		
Businesses Displaced		0		0		
Nonprofit Organizations Displaced		0		0		
Households Temporarily Relocated, not Displaced		0		0		
Households Displaced	Total	Minority Property Enterprises				White Non-Hispanic
		Alaskan Native or American Indian	Asian or Pacific Islander	Black Non-Hispanic	Hispanic	
Number	0	0	0	0	0	0
Cost	0	0	0	0	0	0

Table 10 – Relocation and Real Property Acquisition

CR-20 - Affordable Housing 91.520(b)

Evaluation of the jurisdiction's progress in providing affordable housing, including the number and types of families served, the number of extremely low-income, low-income, moderate-income, and middle-income persons served.

	One-Year Goal	Actual
Number of Homeless households to be provided affordable housing units	162	78
Number of Non-Homeless households to be provided affordable housing units	40	19
Number of Special-Needs households to be provided affordable housing units	0	0
Total	202	97

Table 11 – Number of Households

	One-Year Goal	Actual
Number of households supported through Rental Assistance	162	78
Number of households supported through The Production of New Units	14	9
Number of households supported through Rehab of Existing Units	26	10
Number of households supported through Acquisition of Existing Units	0	0
Total	202	97

Table 12 – Number of Households Supported

Discuss the difference between goals and outcomes and problems encountered in meeting these goals.

The City of Portland/Cumberland County HOME Consortium had four projects from previous years that were completed in PY18. Four projects are under construction. Typically, new construction projects have a delay of 12-months or more from when the construction loan closing occurs and when the project is complete and leased. This delay creates a discrepancy between annual goals and accomplishments. Motherhouse, St. Dominics Apartments, Westbrook Larabee Commons, and Westbrook Riverview Terrace were completed in PY18.

The one-year goal numbers noted in Table 11 do not include Rapid Re-housing efforts at the Oxford Street Shelter utilizing ESG program funds that cover staffing costs. Actual numbers for the ESG program are included in the SAGE report included as an appendix to this CAPER. The numbers reported in Tables 11 and 12 above include households assisted through the TBRA, housing rehab and affordable housing development programs.

Discuss how these outcomes will impact future annual action plans.

The City of Portland/Cumberland County HOME Consortium will continue to allocate a portion of our future HOME entitlement towards the development of new affordable rental housing. Since 2001 the City of Portland and the Cumberland County HOME Consortium have contributed more than \$11 million dollars towards the creation of 36 new rental housing developments with 1326 new units of which 1156 were available to households earning at or below 60% of the area median income. In addition, it is likely that the City will continue to fund the Tenant Based Rental Assistance Program. The TBRA Program has proven to be a successful tool in the City's efforts to prevent and end homelessness.

Include the number of extremely low-income, low-income, and moderate-income persons served by each activity where information on income by family size is required to determine the eligibility of the activity.

Number of Households Served	CDBG Actual	HOME Actual
Extremely Low-income	3	89
Low-income	1	6
Moderate-income	1	2
Total	5	97

Table 13 – Number of Households Served

Narrative Information

Portland is blessed with many assets. It is a community that offers a balance between urban living and the outdoors, this has helped drive development. The City of Portland is experiencing a housing boom, with several hundred housing units permitted over the last several years. This demand is driving up the cost of existing housing and new housing is often priced for the more affluent. In 1999, six in 10 households who rented were able to find homes that did not cost more than 30 percent of their income. By 2012, the number had reversed, with six in 10 households spending more than they can afford to rent in Portland. The 2015 Portland Economic Scorecard issued by the Portland Community Chamber also highlighted housing affordability as a "lagging" indicator that needs to be addressed. While gentrification is an issue, it is a far better challenge to have than disinvestment. However the City needs to respond to the trend with proactive planning.

The City is utilizing many tools towards this effort. Examples include recent updates to the zoning code to allow for more residential density and a mandate for inclusionary zoning which requires new housing

developments to keep 10% of the units priced right for working families. The City also revised its zoning code to allow construction of additional housing units that would have been very difficult to build under previous zoning. These changes have allowed for significant housing growth to occur organically, in ways that match the existing fabric of the City's neighborhoods. In addition the City is undertaking a task titled "ReCode Portland", which is the first rewriting of the City's Land Use Code in over 40 years. ReCode Portland will create a new, unified development code to serve Portland for the 21st century. The new code will be more user-friendly, will advance the goals of the city's new Comprehensive Plan, *Portland's Plan 2030*, and be better equipped to meet the myriad needs of the city in such areas as housing, design, preservation, conservation, the working waterfront, energy, and transportation. This is a multi-phased process. First steps include creation of an impact fee system, new regulations for signs, and an organizational restructuring of the land use code. As developers profit from building high-end housing, the City instituted a new inclusionary zoning ordinance mandating 10% of all new projects of ten units or more be reserved as workforce housing. In addition, hotels are subject to inclusionary zoning as well. Several projects have been approved under inclusionary zoning and are now beginning to reach the start of construction. The City has several non-profit partners who build affordable and work force housing. City leaders are working with staff to identify city-owned parcels where housing for middle-class families could be developed.

The City is exploring ways to better capitalize its Housing Trust Fund, which provides funds for projects that may not meet the requirements of federal programs but are nonetheless worthy of City support. The City is also working on ways to inspire the creation of additional units outside of its downtown by revising zoning along transportation corridors and transit nodes. The City has a dedicated housing program manager that works with the City Council's Housing Committee, other agencies and the community to build on our existing housing programs and provide a consistent resource to continue to move housing policy forward.

CR-25 - Homeless and Other Special Needs 91.220(d, e); 91.320(d, e); 91.520(c)

Evaluate the jurisdiction's progress in meeting its specific objectives for reducing and ending homelessness through:

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The City of Portland continues to be a leader in responding to the needs of people experiencing homelessness. The City's Health & Human Services Dept. operates the Oxford Street Shelter, the Family Shelter and the Community Overflow Shelter(s). Our shelter programs provide a safe haven on a temporary basis for Portland's homeless population as well as efficient and effective support services to promote rapid re-stabilization and the achievement of permanent housing.

The City meets the HUD recommendation for a centralized or coordinated homeless assessment and intake process that includes a comprehensive and standardized assessment process with a client centered plan focused on locating and retaining housing. This approach reflects our belief that early intervention and immediate connection to housing and casework services can make a difference in reducing the number and length of homeless occurrences. This results in an overall reduction in the need for emergency shelter, allows for a more focused effort, increases resources to assist those in the shelter with the longest lengths of stay, leads to permanent housing and ultimately self-sufficiency.

Shelter staff assist each new client through the Intake Process. A new client is any person who has never been to the shelter or who has been away for more than 90 consecutive days. During intake staff will:

- Welcome the client, acknowledge the extreme stress and possible resulting trauma that the person is experiencing having to resort to accessing a shelter and provide the client with a copy of the Welcome to the Shelter document
- Inform the client that the shelter is intended to provide temporary emergency shelter and professional support and services will be available to help them through the process
- Reassure the client that Housing Counselors are available to assist in locating housing
- Whenever possible, introduce the client to a Housing Counselor
- Explain the purpose of the daily Orientation Meeting
- Inform the client of the date, time and location of the next Orientation Meeting
- Review the weekly open access hours for Housing Triage so that the client and Triage Counselor can develop a self-sufficiency/housing plan
- Assess the client for vulnerability using the Vulnerability Index Service Prioritization Decision Assistance Tool (Vi-SPDAT)

The Intake Worker or Housing Counselor will then make a referral to community mental health services for diagnostic assessment, as needed, in order to help the person gain housing and access to community resources such as housing subsidies and mental health or recover treatment and/or counseling. Every

attempt will be made to have clients engage in orientation within seven (7) days after the initial intake.

The Family Shelter also serves as a Welcome House for New Mainers or refugees/immigrants. New Mainers often arrive in Maine without resources or housing, speaking limited or no English. New Mainers initially present themselves to the Family Shelter as homeless. In PY18, a total of 589 of the 639 individuals served by the Family Shelter are of Refugee/Immigrant status. Refugees/Immigrants present from a variety of nations, but the majority of New Mainers are from Angola, the Democratic Republic of Congo, Burundi, Rwanda and Djibouti. In June of 2019, the Family Shelter had a large influx of asylum seekers from the southern border. Our normal overflow was not adequate enough, so we had to open our Exposition Building. Nearly 300 asylum seekers have entered our overflow system since June 9th, 2019.

Addressing the emergency shelter and transitional housing needs of homeless persons

The City of Portland's Health and Human Services Department, Social Services Division operates two shelters, the Oxford Street Shelter and Family Shelter.

The Oxford Street Shelter is the largest emergency shelter in the State of Maine. This low-barrier shelter provides safe, temporary housing for homeless adults. The Shelter offers a variety of support services to assist homeless individuals enhance their self-esteem, secure housing, and work towards a self-sufficiency plan. The shelter has a capacity of one hundred and fifty-four (154) mats and raised beds. This year the shelter housing staff has worked hard to house many vulnerable, medically compromised clients. This has allowed the shelter to maximize its space and accommodate 154 people at the main Oxford Street location. The Oxford Street Shelter reaches full capacity on a regular basis, requiring staff to operate up to two additional facilities. The Preble Street Resource Center is currently used as an emergency overflow for men with an additional 75 additional mats. When both locations are full, staff opens the General Assistance lobby for 16 more beds or opens up for a warming center which can serve up to 75 individuals in chairs depending on need. The Oxford Street Shelter served 1,297 men, 433 women and 6 transgender individuals and 3 gender non-conforming individuals for a total of 1,749 individuals (unduplicated numbers) in PY2018. This represents a decrease of around 5.8% compared to last year. The shelter provided 78,438 bed nights in PY2018, which represents an increase of 1.6% in bed usage compared to last year. The Family Shelter is the largest shelter for families in the State of Maine. The Family Shelter provides temporary housing to families with children under the age of 18. It offers both preventative services for families at risk of experiencing homelessness and support services to assist families in locating housing and achieve stability. Combined, there is a total capacity of 146 beds in an apartment style living environment. The Family Shelter provided shelter for 188 families consisting of 639 individuals for a total of 50,397 bed nights.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: likely to become homeless after being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections

programs and institutions); and, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs

Foster Care: Maine DHHS oversees foster care and contracts with The Opportunity Alliance (TOA) to help youth & families develop healthy transition plans to help youth aging out obtain TH, PH, PSH, or remain in care until they finish their education. TOA & the Teen Shelter work to prevent & actively monitor whether teens are discharged from foster care to the streets or shelters & advocate with Maine DHHS for improved policies and resources. Youth can remain with their foster parents past age 21 to complete their education.

Health Care: Preble Street, through a collaboration with Maine Medical, has opened a triage medical clinic whose goal is to bring unserved homeless and low-income individuals into low barrier medical care (wound management, basic screenings, etc.) and connect them with primary care. Portland's FQHC, Greater Portland Health, has also opened an office near the shelter that offers primary and mental health care for unserved, homeless populations which include walk in hours every day at 9am and 1pm. Additionally, the Oxford Street Shelter has collaborated with the Portland Fire Department to create a Paramedicine program to assist guests with medical needs within the shelter and the neighborhood. The paramedic on duty also helps triage medical emergencies and assists with administering Narcan and addressing overdoses.

Mental Health: 2 of Maine's publicly-funded MH hospitals have a discharge planning process that begins at admission & is pursued during the hospital stay to connect clients back to community supports & housing. A treatment team works with clients and community partners to identify community-based housing & services needed. Maine DHHS' top priority is to use BRAP (TH vouchers) to house those being discharged from psychiatric hospitals. Portland homeless providers have regular discharge meetings with hospitals for "difficult to discharge" patients.

Corrections: The Portland CoC and the Statewide Homeless Council (SHC) oppose any policy language allowing the release to a shelter or the streets, for any length of time. Maine Department of Corrections (DOC) goal is to not release to shelters but no written policy exists yet.

Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again

Homeless prevention: The Family Shelter utilizes crisis intervention, case management and advocacy, to prevent homelessness for 5 families, or 18 individuals. Likewise at Oxford Street Shelter through the Emergency Shelter Grant they prevented 5 individuals from becoming homeless.

Permanent Housing: The Family shelter placed 143 families into permanent housing without a subsidy, 1 families were reunified with other family, 2 families secured a Shelter+Care Subsidy, 3 families secured a subsidy of another type, and 8 families secured a STEP Voucher. Of the 188 families that entered the Family shelter in 2018, 161 were successfully placed into permanent housing. Likewise the Oxford Street Shelter staff located permanent housing for 192 homeless individuals, 165 men and 27 women, (including 10 Veterans and 48 chronically homeless individuals). The intensive outreach approach is very successful in terms of the long-term outcomes. An estimated 85% will remain stably housed within a year of moving into permanent housing.

Initiatives:

The Long Term Stayer Initiative is a State-wide effort to end homelessness for those individuals who have been homeless 180 days or more during the year. The Long Term Stayer Initiative is based on the theory that if the program is successful in securing housing for individuals who are chronically homeless, it will create capacity in the shelters and free up resources that can be made available for others. At Oxford Street Shelter, a significant portion of housing resources are prioritized for those who have been in the shelter the longest and those that are assessed to be more vulnerable.

The goal of the ESG program is to help people who become homeless by quickly moving them into permanent housing and to also prevent individuals and families living in the City of Portland from becoming homeless in the first place. By using ESG in the shelters, and in the community it helps ensure individuals and families do not become Long Term Stayers. When a family or individual is enrolled in ESG, we work quickly to identify any barriers to self-sufficiency. Once barriers are identified they are addressed. In PY2018, 142 individuals received a wide range of comprehensive housing related services, including: full assessments to identify barriers to housing and housing stability, connection to appropriate mainstream resources in the community, employment and training opportunities, as well as at least three months of follow-up services after housing placement. Of the 142 enrolled in the program this year: 71 individuals and 10 families were rapidly re-housed, and 23 individuals were prevented from becoming homeless.

CR-30 - Public Housing 91.220(h); 91.320(j)

Actions taken to address the needs of public housing

Public Housing Program & Facilities: In FY2019, PHA's Public Housing Program housed 95 new families & administered 20 unit transfers. Of the 95 new lease-ups, 12 qualified as previously homeless. PHA remains a Standard Performer under HUD's Public Housing Assessment System. In FY2019, 595 applicants were called in off the waiting list, 146 were determined to be eligible. At the end of the fiscal year, there were 1,435 applicants on the Public Housing waiting list. In regard to lease enforcement & evictions, 57 evictions were filed, resulting in 25 tenants moving out & 32 placed on probation.

Public Housing & Redevelopment: The 58 Boyd St. development has begun, The building will have 55 units, half of the units will be subsidized with project based vouchers. The project is financed with Low Income Housing Tax Credits & other state & local resources. PHA's Front St. redevelopment project finalized its design concept & financing plan. The plan will demolish the 50 units of public housing & build 105 new units. By the end of FY19 the application for planning board approval had been submitted & the application for Low Income Housing Tax Credits was being prepared for submission. The project also received the City's commitment for HUD HOME funds & the Housing Trust Fund. PHA's development affiliate purchased & renovated 841 Congress St. This project added 5 more rental units of affordable housing in Portland.

HUD Rental Assistance Demonstration Program (RAD): In November 2018, PHA received HUD approval for its application for a RAD conversion. The plan calls for conversion & renovation of 945 units to the HUD Section 8 platform. Phase I of the RAD Projects includes; 4 PHA properties, a conversion of 367 units. Planning for the remaining phases of the RAD conversion will be ongoing for the next 5 to 8 years.

Safety & Security: The safety & security of PHA residents remains a high priority. Franklin Towers continued to be the primary challenge due to its population & location in the downtown. In FY2019 we continued to provide additional private security & aggressive lease enforcement which improved conditions. PHA continues its strong partnership with the Portland Police Department. Quarterly meetings between PPD & PHA staff are held to discuss problems & strategies. The community policing substations within PHA properties continue to have a very positive impact on the safety & security of our residents.

Capital Improvements in Public Housing: During FY2019 capital improvements focused on the new fire alarm system in Franklin Towers, siding in Riverton park, roofing in Sagamore Village, as well as apartment renovations & smoke/co detector installations across all sites.

Public Transit: During FY2019 over 90 residents took advantage of PHA's bus pass program that began in FY2016. The program provides discount monthly bus passes to Portland's METRO bus system. Revenue from the PHA vehicle registration fee charged to tenants is used to subsidize the bus pass program.

Actions taken to encourage public housing residents to become more involved in management and participate in homeownership

The PHA Board of Commissioners continued its effort to hold Board meetings at the developments in order to hear comments and concerns directly from residents. Meetings were held at several sites to keep residents informed about the conversion from public housing to RAD, the timing, and any changes they can expect. The Tenants Council became more active at Franklin Towers during FY19, staff attended several meetings to discuss safety and PHA policy.

Portland Invest Health: PHA continued its participation in the National Invest Health Initiative. Working with the Portland Invest Health Leadership team of PHA, United Way of Greater Portland, City of Portland and Maine Health, PHA and residents of Sagamore Village have undertaken a process to identify areas and develop strategies to increase health outcomes for the neighborhood. Several meetings were held and a major strategy is the need to redevelop the community building in Sagamore Village to allow more program space and facilitate resident participation.

Actions taken to provide assistance to troubled PHAs

N/A

CR-35 - Other Actions 91.220(j)-(k); 91.320(i)-(j)

Actions taken to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment. 91.220 (j); 91.320 (i)

The City is undertaking a task titled "ReCode Portland", which is the first rewriting of the City's Land Use Code in over 40 years. ReCode Portland will create a new, unified development code to serve Portland for the 21st century. The new code will be more user-friendly, will advance the goals of the city's new Comprehensive Plan, *Portland's Plan 2030*, and be better equipped to meet the myriad needs of the city in such areas as housing, design, preservation, conservation, the working waterfront, energy, and transportation. This is a multi-phased process. First steps include creation of an impact fee system, new regulations for signs, and an organizational restructuring of the land use code.

Within the last year, the Planning Department has created or revised a variety of ordinances to help promote additional housing development and preserve housing affordability. The City of Portland allows for the use of additional dwelling units (beyond the zoning density limits) within the R-5 zone when the owner agrees to rent the additional dwelling unit to eligible households earning at or below 80% of the Area Median Income. The maximum rent is limited to 80% AMI as published annually by HUD for the Portland Metropolitan Statistical Area. Fourteen units of low-income housing have been approved since 2016. The Portland Development Corporation (PDC) By-Laws were amended to allow the PDC Board to provide Brownfields funds for assessment activities and for remediation/cleanup of properties for multi-family housing development with certain affordability restrictions and public open space. Without the change, residential projects in Portland could not apply for funding. During 2019, the amendment allowed for 55 units of affordable housing to receive funding for cleanup of soils contaminated with lead and arsenic. During 2018, Portland adopted Hotel Inclusionary Zoning, which requires development projects of 10 or more guest-rooms to provide one unit of low-income housing for rent for every 28 guest-rooms, or pay a fee-in-lieu per room, which is deposited into the Housing Trust Fund to fund affordable housing. The influx of hotel workers into the rapidly expanding hospitality industry creates a dynamic of adding additional pressure to the housing market for all households and accordingly, increases pressure on housing availability across sectors. Two hotel projects, approved by the Planning Board during 2019, elected to provide a total of \$555,676 as a fee-in-lieu. Another barrier to affordable housing development is the availability of land. Consistent with our zoning regulations, the City has utilized resources such as surplus and tax acquired land to establish additional affordable housing resources. The City is reviewing the development of a forty-four unit affordable housing project on a city-owned surface parking lot. The City would lease the land to the developer as an additional layer of financial assistance to expand and deed restrict affordable housing.

Actions taken to address obstacles to meeting underserved needs. 91.220(k); 91.320(j)

In the City of Portland the majority of allocations for PY2018 addressed underserved needs of the City,

including:

- Food- 643,947 soup kitchen meals to 1627 persons and 10,1230 community meals to 2526 community members.
- Safety- community policing coordinators served four neighborhoods which assisted 9074 persons through 9750 hours of service
- Shelter- 1257 persons served in a day shelter and provided 729,897 client contacts to those persons. 14,396 bed nights to 224 women and 6646 bed nights to 144 to homeless teens.
- Child care- 33 low to moderate income families providing 272.8 weeks of subsidized child care.
- Support for persons with Mental Illness- 1363 people received 1363 support sessions with a peer coach.
- Homeless Outreach- 683 intoxicated homeless persons received support and resources from an outreach team 11524 times. 181 individuals received 6487 sessions of housing case management. 177 individuals received 794 hours of medical care from the mobile medical outreach team at the shelter.
- Tenant Based Rental Assistance – 153 families received short term rental assistance, security deposits and utility payments.
- Microenterprise assistance: 70 people received assistance in starting their own businesses, of which 6 businesses were created.
- Job creation- 12 net new jobs were created by a local for-profit businesses through the City's business assistance program.

Residential Rehab – 12 owner occupied Single family homes were rehabilitated assisting low to moderate income families.

Actions taken to reduce lead-based paint hazards. 91.220(k); 91.320(j)

The City of Portland has been committed to eliminating lead poisoning in children since 1995 when it received its first HUD Lead Hazard Control Grant. The control and elimination of lead-based paint remains a critical focus of the City of Portland in the housing rehabilitation program and over the years, 450 units have been made lead-safe in Portland. Within the Lead Hazard Control grant program, Portland has effectively and successfully addressed lead hazards that are prevalent in the City's older housing stock. These efforts will continue through the housing rehabilitation program.

In addition, this program is geared to benefit low and moderate-income families and households. A grant applicant who is in an owner-occupied building in the City of Portland must prove that their income is less than 80% of the median area income with a child under six years of age residing in the unit. In multi-unit, non-owner-occupied buildings, 50% of the units must qualify at 50% of the area median income. Priority is given to rental units where there is an active abatement order or where young children reside. Projects outside the City of Portland need to meet HUD income eligibility limits established for Cumberland County. Wherever possible, the City will utilize housing rehab program funds in combination with lead program income funds to complete additional units.

The 2016-2019 Lead Hazard Control grant from HUD will complete lead hazard control work in 88 units. A Healthy Homes inspection is also performed on all qualifying units, and in conjunction with HOME and CDBG funds, the program is able to address code violations, and health and safety issues.

Portland also addresses lead-safe practices by leveraging funds as the lead entity for the Cumberland County HOME Consortium (CCHC). The Consortium allows both programs to reach a much wider audience with their lead outreach and education efforts, as well as produce a number of lead-safe units in other communities across Cumberland County. This joint effort results from a desire to provide cost-effective, efficient programs to benefit all communities in the region.

Actions taken to reduce the number of poverty-level families. 91.220(k); 91.320(j)

Through the City's HOME program housing opportunities are provided for individuals and families at varying income levels. CDBG funds are used to focus on child care, mental health, and future employment opportunities.

For those who own their own homes, we have an Owner Occupied Rehabilitation program. This program is targeted to low and moderate-income homeowners many of whom are elderly and/or disabled. Rehabilitation enables owners to remain in their homes. Over the last year \$159,853.24 in HOME funds and were spent on the owner-occupied rehabilitation program in the City of Portland and throughout Cumberland County; \$54,733.50 were spent in the City of Portland and \$105,119.74 were spent in Cumberland County.

HOME funding was made available for tenant based rental assistance targeted at individuals or households residing in homeless shelters earning less than 30% of the area median income and is designed to prevent homelessness or rehouse those in need. \$110,529 was expended on short term tenant based rental assistance (rent, security deposits, utility deposits) for 65 households who were either homeless or in danger of becoming homeless.

Portland and Cumberland County have a shortage of affordable rental units. For that reason HOME funds are used to build new and rehab existing units to create affordable rental housing for low and moderate-income families and individuals. Four construction projects were completed during the program year and provided 200 units affordable to households earning 60% or less of the area median income. Four other developments are underway and should be completed before the end of PY 2019.

In order to climb out of poverty an individual needs more than just housing, they need stable work and families need child care. During the PY2018, CDBG funds were used to provide child care vouchers which served 33 families and provided 273 weeks of subsidized child care. This assistance helped provide a stable environment for the child while the parent obtains or maintains employment, applies for a state funded voucher, seeks mental health and substance abuse services, or other challenge that could jeopardize other program subsidies or their ability to maintain employment.

The City of Portland is dedicated to economic development through job training, job creation, business assistance and façade improvements. The City has put policies in place that will help to increase the coordination between employers, job seekers, and employment training services. Although the CDBG program no longer has a set-aside specifically for economic development, the economic development applications tend to score high and receive full funding during the CDBG allocation process. This year, the City completed business assistance and microenterprise creation programs that created 20 net new jobs. Additionally the City of Portland's new Office of Economic Opportunity, continued its efforts specifically targeted at helping New Americans and those who are hard to employ find work.

Actions taken to develop institutional structure. 91.220(k); 91.320(j)

The City is continually evaluating and improving our priority setting process by engaging various community members, stakeholders, applicants and experts. In the development of the 2016-2020 Consolidated Plan the City held several meetings with community members, social service providers, various stakeholders, and industry experts. The purpose of these meetings was to create a cohesive set of needs, goals, and priorities for the next five years. These goals and priorities were approved by the City Council in the fall of 2015 and implemented into the City's 2016-2020 Consolidated Plan. Since this time, City staff have continued to work with community members and other stakeholders to monitor the success of these goals and offer minor priority changes in order to keep the City on track toward its 2020 goals. Prior to the 2015 reorganization of goals and priorities, the City had done extensive work to evaluate the needs of our community. A Working Group in 2013 focused on improving the City's use of CDBG funds. Prior groups such as the Priorities Task Force of 2012, the Priorities Task Force of 2008, the HCD Task Force of 2007, and the Shapiro-Boxer Memo to the City Manager in June of 2006 were all part of an ongoing process that has been examining and improving how Portland utilizes CDBG funds.

Actions taken to enhance coordination between public and private housing and social service agencies. 91.220(k); 91.320(j)

Over the last year the City of Portland carried out its Housing and Community Development Plan in partnership with the other management and delivery entities for housing and community development activities. These organizations include the City's Housing and Community Development Division, Social Services Division, the Portland Housing Authority and a network of individual non-profit housing and social service providers.

City of Portland Housing and Community Development Division administers the City's housing rehabilitation, new construction and homebuyer programs and was responsible for overseeing the budget and distribution of the City's CDBG, HOME and ESG entitlement funds. In addition, the division was responsible for the development of the Five-Year Consolidated Plan, Annual Action Plan and CAPER.

City of Portland Social Services Division administers the General Assistance Program, the City's emergency shelters for single male adults and families, transitional housing facilities, housing location services, job readiness training and employment services and several other support activities in

coordination with non-profit housing and social service agencies. The Social Services director manages the Continuum of Care.

Portland Housing Authority owns and manages numerous public housing developments with over a 1,174 dwelling units and administers over 1,934 HUD Section 8 rental subsidies. PHA is a partner in the Family Investment Center and funds other resident initiatives to improve residents' skills and education. PHA also oversees the modernization of its developments to improve their livability.

Non-Profit Housing and Social Service Agencies play a large role in directly providing housing and services to low income and special needs populations throughout Portland and Cumberland County. Many outside organizations are funded through the City of Portland's CDBG Program or are part of the Continuum of Care, managed by the Social Service Division.

Working collaboratively, these entities implemented the City's Housing and Community Development Plan. The system's strengths include the collaborative manner in which these diverse groups work together to maximize available resources. Portland is a large enough City to have many institutional resources, yet small enough to be able effectively communicate and collaborate.

Currently there are no gaps in types of housing and services, but there is a lack of adequate amounts of both due to insufficient resources. The City and its partners will continue to seek additional resources to improve the system's ability to meet community needs.

Identify actions taken to overcome the effects of any impediments identified in the jurisdictions analysis of impediments to fair housing choice. 91.520(a)

The City is committed to minimizing the impediments to fair housing choices and will continue to work with housing developers and housing providers to address any found impediments. In 2013, the City Council approved an updated Analysis of Impediments (AI) to Fair Housing which identified the following impediments to fair housing choice: geographic concentrations of race and poverty in certain neighborhoods of the city, landlords in need of information regarding fair housing/accommodations for persons with disabilities, and high cost of both rental and home ownership housing.

Recommended Actions included: Actively pursue regional partnerships that work to widen the public transportation network and provide housing opportunities for a diversity of people throughout the region, prioritize mixed income housing developments, promote the development of affordable housing in a variety of locations in Portland and work to encourage other communities in the region to develop affordable housing, set-up a City tenant-based rental assistance program, create a partnership with the Cumberland County Community Development Office and local landlord associations to provide landlord awareness workshops, set up a housing liaison system to resolve landlord/tenant issues. The City then worked with Regional partners to create and adopt a regional Analysis of Impediments. As a result Portland benefited from the assistance and collaboration of the communities and partners and better met its requirements under the Federal Fair Housing Act.

CR-40 - Monitoring 91.220 and 91.230

Describe the standards and procedures used to monitor activities carried out in furtherance of the plan and used to ensure long-term compliance with requirements of the programs involved, including minority business outreach and the comprehensive planning requirements

For social service programs, our staff ensures compliance on a monthly or quarterly basis through Performance Reporting and Fund Requisitions or Invoices from each Agency. Staff tracks the units of service, number of clients served, and the income level of those clients. Staff also tracks the disbursements and revenues of each agency. This ensures that each agency is using the Grant for the proposed use in the signed contract. In addition, staff implemented on site monitoring half way through the program year to monitor financial, employee, and reporting policies and procedures, this gave staff and subrecipients that opportunity to address any performance measure issues and create a remediation plan.

For development activity projects, federal requirements are included in every contracts. Staff conducts environmental reviews for all projects, and where applicable receives the appropriate approval from the State Historic Preservation Office. Davis Bacon requirements, and Section 3 when applicable, are explained to each sub-recipient and staff presents the information and reporting requirements to contractors and sub-contractors. Before payment is released each project must submit a request for payment, supporting invoices from subcontractors and correct Davis Bacon paperwork. Onsite inspections are also typical prior to the release of funds.

CDBG and HOME housing projects are monitored regularly to ensure that rent levels, income guidelines and occupancy are being met. Owner occupied properties are monitored through an annual mailing to ensure occupancy and tenant requirements are being met. Large rental projects are monitored through annual contact with property management staff. Site inspections of the projects are conducted every two-three years. Typically tenant income certifications are completed in the spring and site inspections are completed in the fall. Site inspections were completed by the City's Housing Rehabilitation Specialist and included inspection of all HOME assisted units as well as common areas and exterior of each property.

Citizen Participation Plan 91.105(d); 91.115(d)

Describe the efforts to provide citizens with reasonable notice and an opportunity to comment on performance reports.

The City continues to use the traditional method of providing reasonable notice & opportunity to comment on performance reports or participate in public meetings through advertisements in the newspaper & postcard mailings. City Staff have also started to use social media & the City's website as a way to get reach a larger audience. Staff also work with the City's Communications Director to do press releases & appearances on the local cable access channel. City staff also strive to provide documents in multiple languages, an interpreter, or technical assistance when needed.

The City of Portland strongly encourages citizen participation in the CDBG, HOME & ESG allocation process. The City follows the guidelines written in our Citizen Participation Plan. The public is given an opportunity to learn about the programs & budgets as well as speak at the following meetings: District meetings in the fall, CDBG Allocation Committee meetings, ESG meetings at the Maine Continuum of Care & Emergency Shelter Assessment Committees, Housing Program Budget meeting at the Council's Housing Committee, & two public hearings in March & April with the full City Council. Additionally, staff encourage any member of the public that has questions about the programs or budgets to set up a meeting with staff.

This year staff teamed up with the City's executive branch to host the well-established district meetings. The decision was made to co-host these meetings as a way to reach residents that do not normally attend the community development meetings. The meetings informed the public of CDBG & HOME programs & services available to them. The meetings also helped to gather public comment & input on the needs in our community.

In addition, the City participated in Community Development week in April. The week included an information display in City Hall as well as daily social media posts relaying information & facts about our programs. The City of Portland ranked 1st in the country for highest social media impacts for the week. A survey was also provided online & in paper form to gather feedback on the current consolidated plan goals & the direction the City should move in as we head into the next 5 year plan. The survey received 2 paper responses & 68 online responses.

For CDBG, there was a mandatory applicants meeting to inform all potential CDBG applicants of the information needed to apply for CDBG funding. The CDBG Allocation Committee met eight times. Each meeting was advertised on the City calendar & website. The committee reviewed & discussed CDBG applications at these meetings. HOME funds were reviewed & discussed at a Housing Committee meeting. Priorities & funding allocations were reviewed & approved at these meetings. Public comment, if any, was taken. The Emergency Solutions Grant was presented & discussed at the Portland Continuum of Care meetings & also the Emergency Shelter Assessment Committee meetings. The Continuum of Care voted to approve the funding allocations & priorities unanimously. The funding allocations & action plan were advertised in the paper. The entire Action Plan, including estimated budgets for CDBG, HOME & ESG were presented to the City Council at the March 19 & April 18 Council Meetings.

Prior to submission of the Consolidated Annual Performance Evaluation Reports (CAPER), the City makes it available on the City website so citizens & public agencies, as well as other interested parties, can view

the document. A notice of availability of the report is published in the local daily newspaper. A reasonable number of free hard copies are made available for review at City Hall in the Housing & Community Development Office.. There is a 15 day comment period for the Consolidated Annual Performance Evaluation Reports (CAPER).

DRAFT

CR-45 - CDBG 91.520(c)

Specify the nature of, and reasons for, any changes in the jurisdiction's program objectives and indications of how the jurisdiction would change its programs as a result of its experiences.

In the past, the City of Portland has spread its federal funds thinly between social service agencies and sidewalk and park projects, balanced between the eligible districts. While this method succeeded in keeping neighborhoods and District Councilors relatively content by distributing a small amount of money for a multitude of projects, it dilutes the effectiveness of available funding, and has not allowed the Community Development grant to make a significant impact in any one area of need or area of the City. The program would have a bigger impact if funds were focused by strategic issues and by geographic location.

For the reasons listed above the City has created a public infrastructure target area. The first target area was identified as the Bayside and East Bayside Neighborhoods. The goal is to improve sidewalks, lighting, safety, and street scape aesthetic in a concentrated areas that was in much need of improvements before moving on to another neighborhood. By concentrating the public infrastructure funds in one area, the City has been able to leverage more private investment and economic development in this section of the City.

Although the City's HOME program, CDBG economic development programs and social service programs are not targeted towards a specific neighborhood, many of the funds from these programs are being utilized in the Bayside and East Bayside neighborhoods.

Does this Jurisdiction have any open Brownfields Economic Development Initiative (BEDI) grants?

Yes

[BEDI grantees] Describe accomplishments and program outcomes during the last year.

In 2007, the City of Portland applied for HUD funds in an amount of \$1.8 million in Brownfields Economic Development Initiative (BEDI) and \$10.2 million in Section 108 loan funding. The funds were awarded in February 2008. The combined \$12 million will revitalize the distressed area of Bayside by stimulating residential and commercial economic development activities and creating jobs. To date, Portland has invested \$1,993,000 of combined BEDI/108 funds in the following types of activities:

- a.) Acquire and relocate one scarp yard
- b.) Public infrastructure upgrades to support Whole Foods, a large scale specialty grocery store.

As part of the revitalization efforts in Bayside, in 2012, the City underwent negotiations with Federated

Companies for the purchase and sale of seven parcels of land. The Section 108 funds are slated for the construction of an 840 parking space garage with 43,000 sq ft of retail/commercial space on the ground level. The construction of the parking garage will leverage the creation of three new buildings consisting of approximately 715,000 square feet, including 90,000 square feet of direct street access retail space at the ground level, and 445 new apartments (from 400 sq. ft studios to 1050 sq. ft. two-bedroom units).

The project received Portland Planning Board approval in January 2014. A legal appeal filed by opponents of the project has been settled. In March 2015, the Portland Planning Board approved revisions to the original plan. Despite unanticipated delays, the city is hopeful that the parking garage will be under construction during FY2019.

DRAFT

CR-50 - HOME 91.520(d)

Include the results of on-site inspections of affordable rental housing assisted under the program to determine compliance with housing codes and other applicable regulations

Please list those projects that should have been inspected on-site this program year based upon the schedule in §92.504(d). Indicate which of these were inspected and a summary of issues that were detected during the inspection. For those that were not inspected, please indicate the reason and how you will remedy the situation.

CDBG and HOME Housing Projects are monitored regularly to ensure that rent levels, income guidelines and occupancy are being met. Owner Occupied properties are monitored through annual mailing to ensure owner occupancy and tenant occupancy requirements are being met. Large rental projects are monitored through an annual contact with the property management staff at each project. Site inspections for large rental projects are conducted every two to three years. Typically, tenant income certifications are completed in the spring and site inspections are completed in the fall and early winter. Site inspections were completed at 53 Danforth, 90 High St., 315 Valley St., 409 Cumberland Avenue, Peninsula Community LP I, II and III, Bartlett Woods, Bayside Anchor, Blackstone, Elm Terrace, Pearl Place I and II, Rosa True, Island View, Logan Place, Unity Village, Iris Park, Thomas Heights, Motherhouse, Oak Street Lofts, Sandy Creek, St. Dominics, Steeple Square, Walker Terrace, Wellesley Estates, Yale Court. There were no issues detected in these inspections. The City of Portland utilizes a database to track HOME-assisted affordable housing development projects. The database tracks all project data from project name and address, to developer and property manager contact information, as well as tenant monitoring and site inspection completion dates. It is sorted by date to identify the projects due for a site inspection.

Provide an assessment of the jurisdiction's affirmative marketing actions for HOME units. 92.351(b)

The City of Portland/Cumberland County HOME Consortium (CCHC) requires developers receiving HOME funds for new construction to provide a copy of their Affirmative Marketing Policy. Additionally, the Housing and Community Development office is updating its Policies and Procedures and will be recommending a new Affirmative Marketing Policy with other program policy and procedure updates in 2019.

The City/CCHC will continue its efforts to serve minority and female-heads of households with its programs. The City/CCHC broadly markets its housing rehabilitation programs by advertising in local newspapers, radio public service announcements, press releases, and the local cable access channel and on the city's website, the County Community Development Office website, and the websites of several of the CCHC member communities. Technical assistance for small, woman or minority owned businesses is available through the City's Economic Development Department.

Refer to IDIS reports to describe the amount and use of program income for projects, including the number of projects and owner and tenant characteristics

During the PY 2018 \$405,991 in HOME program income was receipted in IDIS for both the City HOME funds and the County HOME funds. The attached Schedule of HOME Program income details the program income received on a monthly basis for both the City and County. Program income funds are tracked on a monthly basis through the City's accounting system. Program income is budgeted yearly as a part of the annual budget process and budget allocations are reported to HUD in the Annual Action Plan. \$315,733.99 of program income was expended throughout 2018-2019. This expenditure is reflected in various housing rehabilitation projects completed during the program year. Four projects were funded in whole or in part with HOME program income in our Owner Occupied Rehab Program. Of those projects, two were white female headed households, and two were white male headed households.

Describe other actions taken to foster and maintain affordable housing. 91.220(k) (STATES ONLY: Including the coordination of LIHTC with the development of affordable housing). 91.320(j)

Portland administers housing programs for housing rehabilitation and new construction of rental housing throughout Cumberland County. The Cumberland County HOME Consortium (CCHC) is a partnership between the City of Portland and the communities of Cumberland County. The goal of the consortium is to expand financial resources for various eligible affordable housing activities in the region. While the City of Portland has traditionally received an annual allocation of HUD HOME funds, those funds have not been available to the communities of Cumberland County. The City of Portland retains independent operation of its HUD HOME program and acts as lead entity for consortium activities. A priority of our housing rehabilitation program, which provides forgivable and low interest loans to assist low/moderate income homeowners with housing rehabilitation needs, is to provide each applicant with an energy audit and to incorporate energy efficient improvements into each project. By providing this service, we help the homeowners who participate in our program with property improvements that help to lower their home energy expenses.

The City of Portland and the Cumberland County HOME Consortium provides a significant portion of its annual HOME allocation to affordable housing development. Funds are made available through an application process. Four projects were completed this year; Motherhouse and St. Dominics in Portland, and Riverview Terrace and Larrabee Commons in Westbrook for a total of 188 new units and 12 renovated units. The City is committed to the creation of new affordable housing. The goal is to encourage housing development by removing barriers to traditional urban housing types while ensuring the inclusion of workforce housing in significant development projects.

Within the past two years the Planning Department has created or revised a wide variety of ordinances to help promote additional housing development and preserve housing affordability. Several zoning

changes were approved to help minimize the barriers to building affordable housing, including changes to the B2 zone to increase allowed housing densities to 100 units/acre and revisions to the R6 zone that would increase density from 45 to 60 units/acre, reduced parking requirements and reduced minimum lot sizes. Parking requirements were reduced for residential uses in the B3, B5, B6 and B7 business zones. Revisions in the B1 and B2 business zones eliminated residential density limits. Housing height limits were increased from 45' to 60' in certain areas of the City. In addition the City expanded projects that qualify for density bonuses associated with the creation of affordable housing.

In 2016, the City Council passed a Tenant Housing Rights Ordinance aimed at providing additional education and protections for tenants. The ordinance established a new tenant/landlord committee, required landlords provide a City issued document describing tenancy at will to tenants, and extended minimum rent increase notices to 75 days.

Following the implementation of the City's new Comprehensive Plan in 2017, the City is in the process of rewriting the land use zoning code. Portland's Land Use Code includes zoning, historic preservation, site plan and subdivision standards, environmental regulations, affordable housing provisions, and more.

CR-60 - ESG 91.520(g) (ESG Recipients only)

ESG Supplement to the CAPER in *e-snaps*

For Paperwork Reduction Act

1. Recipient Information—All Recipients Complete

Basic Grant Information

Recipient Name	PORTLAND
Organizational DUNS Number	071747802
EIN/TIN Number	016000032
Identify the Field Office	BOSTON
Identify CoC(s) in which the recipient or subrecipient(s) will provide ESG assistance	

ESG Contact Name

Prefix	Mr
First Name	Aaron
Middle Name	0
Last Name	Geyer
Suffix	0

Title Social Services Administrator

ESG Contact Address

Street Address 1 196 Lancaster Street
Street Address 2 0
City Portland
State ME
ZIP Code 04101-
Phone Number 2074825131
Extension 0
Fax Number 0
Email Address aeg@portlandmaine.gov

ESG Secondary Contact

Prefix Ms
First Name Mary
Last Name Davis
Suffix 0
Title HCD Director
Phone Number 2078748711
Extension 0
Email Address mpd@portlandmaine.gov

2. Reporting Period—All Recipients Complete

Program Year Start Date 07/01/2018
Program Year End Date 06/30/2019

3a. Subrecipient Form – Complete one form for each subrecipient

Subrecipient or Contractor Name
City
State
Zip Code
DUNS Number
Is subrecipient a victim services provider
Subrecipient Organization Type
ESG Subgrant or Contract Award Amount

CR-65 - Persons Assisted**THIS SECTION INTENTIONALLY LEFT BLANK****4. Persons Served****DATA INCLUDED IN SAGE REPORTS TO BE ATTACHED TO
FINAL CAPER****4a. Complete for Homelessness Prevention Activities**

Number of Persons in Households	Total
Adults	0
Children	0
Don't Know/Refused/Other	0
Missing Information	0
Total	0

Table 16 – Household Information for Homeless Prevention Activities**4b. Complete for Rapid Re-Housing Activities**

Number of Persons in Households	Total
Adults	0
Children	0
Don't Know/Refused/Other	0
Missing Information	0
Total	0

Table 17 – Household Information for Rapid Re-Housing Activities**4c. Complete for Shelter**

Number of Persons in Households	Total
Adults	0
Children	0
Don't Know/Refused/Other	0
Missing Information	0
Total	0

Table 18 – Shelter Information

4d. Street Outreach

Number of Persons in Households	Total
Adults	0
Children	0
Don't Know/Refused/Other	0
Missing Information	0
Total	0

Table 19 – Household Information for Street Outreach

4e. Totals for all Persons Served with ESG

Number of Persons in Households	Total
Adults	0
Children	0
Don't Know/Refused/Other	0
Missing Information	0
Total	0

Table 20 – Household Information for Persons Served with ESG

5. Gender—Complete for All Activities

	Total
Male	0
Female	0
Transgender	0
Don't Know/Refused/Other	0
Missing Information	0
Total	0

Table 21 – Gender Information

6. Age—Complete for All Activities

	Total
Under 18	0
18-24	0
25 and over	0
Don't Know/Refused/Other	0
Missing Information	0
Total	0

Table 22 – Age Information

7. Special Populations Served—Complete for All Activities

Number of Persons in Households				
Subpopulation	Total	Total Persons Served – Prevention	Total Persons Served – RRH	Total Persons Served in Emergency Shelters
Veterans	0	0	0	0
Victims of Domestic Violence	0	0	0	0
Elderly	0	0	0	0
HIV/AIDS	0	0	0	0
Chronically Homeless	0	0	0	0
Persons with Disabilities:				
Severely Mentally Ill	0	0	0	0
Chronic Substance Abuse	0	0	0	0
Other Disability	0	0	0	0
Total (Unduplicated if possible)	0	0	0	0

Table 23 – Special Population Served

CR-70 – ESG 91.520(g) - Assistance Provided and Outcomes

10. Shelter Utilization

Number of New Units - Rehabbed	0
Number of New Units - Conversion	0
Total Number of bed-nights available	109,500
Total Number of bed-nights provided	128,835
Capacity Utilization	117.66%

Table 24 – Shelter Capacity

11. Project Outcomes Data measured under the performance standards developed in consultation with the CoC(s)

CR-75 – Expenditures

11. Expenditures

11a. ESG Expenditures for Homelessness Prevention

	Dollar Amount of Expenditures in Program Year		
	2016	2017	2018
Expenditures for Rental Assistance	0	0	0
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	0	0
Expenditures for Housing Relocation & Stabilization Services - Services	0	0	0
Expenditures for Homeless Prevention under Emergency Shelter Grants Program	66,169	65,613	64,367
Subtotal Homelessness Prevention	66,169	65,613	64,367

Table 25 – ESG Expenditures for Homelessness Prevention

11b. ESG Expenditures for Rapid Re-Housing

	Dollar Amount of Expenditures in Program Year		
	2016	2017	2018
Expenditures for Rental Assistance	0	0	0
Expenditures for Housing Relocation and Stabilization Services - Financial Assistance	0	0	0
Expenditures for Housing Relocation & Stabilization Services - Services	55,200	55,200	42,565
Expenditures for Homeless Assistance under Emergency Shelter Grants Program	0	0	0
Subtotal Rapid Re-Housing	55,200	55,200	42,565

Table 26 – ESG Expenditures for Rapid Re-Housing

11c. ESG Expenditures for Emergency Shelter

	Dollar Amount of Expenditures in Program Year		
	2016	2017	2018
Essential Services	28,327	28,327	23,666
Operations	0	0	0
Renovation	0	0	0
Major Rehab	0	0	0
Conversion	0	0	0
Subtotal	28,327	28,327	23,666

Table 27 – ESG Expenditures for Emergency Shelter

11d. Other Grant Expenditures

	Dollar Amount of Expenditures in Program Year		
	2016	2017	2018
Street Outreach	0	0	0
HMIS	12,092	12,092	11,781
Administration	0	0	0

Table 28 - Other Grant Expenditures**11e. Total ESG Grant Funds**

Total ESG Funds Expended	2016	2017	2018
	161,788	161,232	142,379

Table 29 - Total ESG Funds Expended**11f. Match Source**

	2016	2017	2018
Other Non-ESG HUD Funds	0	0	0
Other Federal Funds	0	0	0
State Government	0	0	0
Local Government	478,106	1,142,387	857,165
Private Funds	0	0	0
Other	0	0	0
Fees	0	0	0
Program Income	0	0	0
Total Match Amount	478,106	1,142,387	857,165

Table 30 - Other Funds Expended on Eligible ESG Activities**11g. Total**

Total Amount of Funds Expended on ESG Activities	2016	2017	2018
	639,894	1,303,619	999,544

Table 31 - Total Amount of Funds Expended on ESG Activities



CITY OF PORTLAND
Planning & Urban Development
Christine Grimando, AICP, Acting Director

TO: Councilor Duson, Chair
Members of the Housing Committee

FROM: Christine Grimando, Acting Director, Planning & Urban Development

DATE: September 5, 2019

SUBJECT: Bayside Village/132 Marginal Way

Background

On August 13, 2019 the Planning Board held a public hearing and approved the application for a site plan, subdivision, and conditional use application for a mixed use, commercial and residential project at 132 Marginal Way. The project was proposed by Tom Watson & Co., LLC. The proposed project included the conversion of 100 four-bedroom lodging units into 193 apartments in a mixture of efficiencies, one-, two, and four- bedroom units. The existing ground floor retail uses remained. The property is a 57,075 square foot parcel in Bayside, in the B-7 Zone.

Planning Board Review

The Planning Board has no jurisdiction of the sale of the property, which has had other changes in ownership since the 2006 approval, and did not weigh in on any aspect of the sale of the property in the course of the review. The original, 2006 approval for the project (Attachment 1) was for a student lodging house. Lodging houses are a distinct category in the City's Land Use Code, and not considered a residential dwelling unit under the Zoning Ordinance. When the applicant proposed to convert the student lodging to apartments this constituted a new use category for the site, and this triggered site plan, subdivision, and inclusionary zoning reviews. Ground floor commercial uses remain an unchanged component of the project. The thresholds for each category of review are as follows:

- A change in use of 20,000 sf or more - Level III Site Plan
- New multiple-family development (buildings with 3+ dwellings): Level III Site Plan and Subdivision

- The addition of one or two dwelling units to a building if within a five-year period): Level III Site Plan and Subdivision
- The creation of 10 or more dwelling units: Inclusionary Zoning (Sec. 14-487, Ensuring Workforce Housing)

Noticing

Noticing for Planning Board meetings, and specific applications occurs in multiple, required ways: newspaper ads, website postings, direct mailings, and neighborhood meetings. Noticing standards for Level III Site Plans and subdivisions (sec. 14-525) require notices be mailed to all property owners within 500 feet of the property, and for the item to be noticed with the publication of a local newspaper at least two times, the date of the first publication to be at least seven days prior to the hearing. The notice also must appear on the City's website.

The notice appeared on the website, and a total of 41 notices were sent to property owners within 500 feet of the site and a legal ad ran in the August 2nd & August 3rd editions of the Portland Press Herald.

The Land Use Code required that the applicant host a neighborhood meeting within 21 days of filing their application and no less than seven days before the public hearing. Notice is required to be mailed to property owners within 500 feet of the property within 10 days of the meeting, and submit the City documentation of the notice, attendance, and content of the meeting. Neighborhood meeting requirements were met (Planning Board materials, including notice materials: <https://portlandme.civicclerk.com/Web/Player.aspx?id=279&key=-1&mod=-1&mk=-1&nov=o>).

Current noticing requirements for applications to the Planning & Urban Development Department are to owners only. Tenant notices are not required in part because, unlike property owners, there is not a system to track, maintain, or distribute tenant names and addresses.

TIFs

In 2006 the project received a Credit Enhancement Agreement which expired in FY2018 (Attachment 2). The property is currently in the wider Bayside TIF (an overview of City TIF districts can be found in the recent Tax Increment Financing Annual Report: <https://portlandme.civicclerk.com/Web/GenFile.aspx?ad=3041>). There are no affordability restrictions for 132 Marginal Way included in the expired CEA, in the Bayside TIF, or in the original approval.

Attachments

1. 2006 Approval Letter
2. 2006 Credit Enhancement Agreement

CITY OF PORTLAND, MAINE

PLANNING BOARD

November 20, 2006

Mr. Ed Marsh
Realty Resources (Southern Maine Student Housing, LLC)
247 Commercial Street
Rockport, Maine 04856

Kevin Beal, Chair
Michael Patterson, Vice Chair
Bill Hall
Lee Lowry III
Shalom Odokara
David Silk
Janice E. Tevanian

RE: Bayside Village Student Housing; Southern Maine Student Housing, LLC, (Applicant); 120 Marginal Way; #2006-0125; CBL- 034A-B-001

Dear Mr. Marsh:

The Planning Board considered the proposal by Southern Maine Student Housing, LLC to create a 400 bed student lodging house in the vicinity of 120 Marginal Way and voted on the motions described in this letter.

On October 10, 2006, the Planning Board voted 5-0 (Hall and Tevanian absent) that the Bayside Village housing development was in conformance with the Conditional Use (parking garage) Standards of the Land Use Code.

On November 14, 2006, the Planning Board voted 5-2 (Silk and Tevanian opposed) that the Bayside Village housing development was in conformance with the Site Plan Ordinance of the Land Use Code, including Traffic Movement Permit. The approval was granted for this project with the following conditions:

- i. That the Applicant shall revise the plan and implement the recommendations contained in Tom Errico's (Traffic Review Consultant) memo dated October 20, 2006, except that the Applicant shall not be required to operate a car-share program.
- ii. The Applicant shall contribute \$90,000 towards a Transportation Demand Management Fund to be established by the City of Portland to implement Transportation Demand Management measures in Bayside. The parking monitoring study of the site, which will be performed by the Applicant as noted in Mr. Errico's memo, will be used to guide the use of those funds. For the purposes of conducting the monitoring study full occupancy shall be considered 90% of the beds.
- iii. That the pedestrian easement for the easterly side of the building shall be submitted for City staff review and approval.
- iv. That all exterior signs shall be subject to Planning staff review and approval.
- v. That the project lighting shall be subject to Planning staff review and approval.
- vi. That final details and materials of the building façade shall be subject to Planning staff review and approval.
- vii. In the event that the project changes from student housing as presented by the Applicant to another use, the Applicant shall submit such changes to the Planning Board for review and approval.
- viii. The project is approved for a maximum of 400 beds with one occupant per bed.
- iv. Applicant shall provide a binding lease agreement for off-hours parking at 84 Marginal Way.

The approval is based on the submitted site plan and the findings related to site plan and conditional use review standards as contained in Planning Report 52-06 and Planning staff memo dated for November 14, 2006.

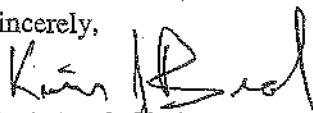
Please note the following provisions and requirements for all site plan approvals:

1. Where submission drawings are available in electronic form, the Applicant shall submit any available electronic Autocad files (*.dwg), release 14 or greater, with seven (7) sets of the final plans.
2. A performance guarantee covering the site improvements as well as an inspection fee payment of 2.0% of the guarantee amount and 7 final sets of plans must be submitted to and approved by the Planning Division and Public Works prior to the release of the building permit. If you need to make any modifications to the approved site plan, you must submit a revised site plan for staff review and approval.
3. The site plan approval will be deemed to have expired unless work in the development has commenced within one (1) year of the approval or within a time period agreed upon in writing by the City and the applicant. Requests to extend approvals must be received before the expiration date.
4. A defect guarantee, consisting of 10% of the performance guarantee, must be posted before the performance guarantee will be released.
5. Prior to construction, a pre-construction meeting shall be held at the project site with the contractor, development review coordinator, Public Work's representative and owner to review the construction schedule and critical aspects of the site work. At that time, the site/building contractor shall provide three (3) copies of a detailed construction schedule to the attending City representatives. It shall be the contractor's responsibility to arrange a mutually agreeable time for the pre-construction meeting.
6. If work will occur within the public right-of-way such as utilities, curb, sidewalk and driveway construction, a street opening permit(s) is required for your site. Please contact Carol Merritt at 874-8300, ext. 8828. (Only excavators licensed by the City of Portland are eligible.)

The Development Review Coordinator must be notified five (5) working days prior to date required for final site inspection. The Development Review Coordinator can be reached at the Planning Division at 874-8632. Please make allowances for completion of site plan requirements determined to be incomplete or defective during the inspection. This is essential as all site plan requirements must be completed and approved by the Development Review Coordinator prior to issuance of a Certificate of Occupancy. Please schedule any property closing with these requirements in mind.

If there are any questions, please contact Richard Knowland at 874-8725.

Sincerely,


Kevin Beal, Chair
Portland Planning Board

cc: Lee D. Urban, Planning and Development Department Director
Alexander Jaegerman, Planning Division Director
Sarah Hopkins, Development Review Services Manager
Richard Knowland, Senior Planner
Jay Reynolds, Development Review Coordinator
Marge Schmuckal, Zoning Administrator
Jeanne Bourke, Inspections Division
Michael Bobinsky, Public Works Director
Eric Labelle, City Engineer
Bill Clark, Public works

Jim Carmody, Transportation Manager
Jeff Tarling, City Arborist
Penny Littell, Associate Corporation Counsel
Captain Greg Cass, Fire Prevention
Assessor's Office
Approval Letter File
Robert Metcalf, Mitchell Associates, 70 Center Street, Portland, ME 04103

CREDIT ENHANCEMENT AGREEMENT

between

CITY OF PORTLAND, MAINE

and

SOUTHERN MAINE STUDENT HOUSING, LLC

Dated as of June 21, 2006

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THIS CREDIT ENHANCEMENT AGREEMENT dated as of June 21, 2006, between the City of Portland, Maine (the "City"), a municipal body corporate and politic and a political subdivision of the State of Maine, SOUTHERN MAINE STUDENT HOUSING, LLC, a limited liability company duly organized and existing under the laws of the State of Maine, with a place of business in Portland, Maine (the "Company").

WITNESSETH THAT

WHEREAS, the City designated the Bayside Redevelopment Municipal Development District and Tax Increment Financing District (the "District") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes by action of the Portland City Council on March 3, 2003 (the "Vote"), and pursuant to the same Vote adopted a development program and financial plan for the District (the "Development Program"); and

WHEREAS, the City amended the Bayside Redevelopment Municipal Development District and Tax Increment Financing District (the "Amended District") pursuant to Chapter 206 of Title 30-A of the Maine Revised Statutes by action of the Portland City Council on July 6, 2005, and pursuant to such vote adopted an amended development program and financial plan for the Amended District (the "Amended Development Program"); and

WHEREAS, upon submission of an application to DECD, the City expects DECD to review and approve the Amended Development Program; and

WHEREAS, the City adopted the Amended Development Program and entered into this Agreement in order to induce the Company to build the Project by enabling the City to contribute toward the capital cost of the Project the amounts contemplated by the Amended Development Program and this Agreement; and

WHEREAS, in connection with the Amended Development Program, and as contemplated thereby, the City and the Company have agreed to execute and deliver this Agreement; and

WHEREAS, the City and the Company desire and intend that this Agreement be and constitute the credit enhancement agreement contemplated by and described in the Amended Development Program;

NOW, THEREFORE, in consideration of the foregoing and in consideration of the mutual promises and covenants set forth herein, the parties hereby agree as follows:

**ARTICLE I
DEFINITIONS**

Section 1.1. Definitions.

The terms defined in this Article I shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise. All other capitalized

terms not otherwise defined herein shall have the meaning given such terms in the Development Program.

“Account” shall mean the Project Cost Account, also known as the Bayside Redevelopment Program Fund.

“Act” means Chapter 206 of Title 30-A of the Maine Revised Statutes, as amended.

“Agreement” shall mean this Credit Enhancement Agreement dated as of the date set forth above between the City and the Company, as such may be amended by the parties from time to time.

“Amended District” shall have the meaning given such term in the recitals hereto.

“Captured Assessed Value” means the annual percentage of Increased Assessed Value attributable to the Project, retained in the District in each tax year during the term of the District, as specified in Section 3.1 hereof.

“Cash Flow Coverage Ratio” means net income after taxes plus depreciation plus amortization plus interest expense plus or minus non-recurring items divided by annual principal and interest on all Project debt. For purposes of computing the Cash Flow Coverage Ratio, annual property management fees shall be limited to six percent (6%) of annual gross revenue for the Project and annual contributions to reserve accounts (e.g., debt service, tenant improvement, capital repair and replacement) shall be limited to the greater of (i) those required by Project lenders or (ii) \$100,000.00. Project expenses, even if not included in the proforma expenses submitted to the City, shall be factored into the Cash Flow Coverage Ratio if such expenses are customary for projects similar to the Project or if such expenses are required by Project lenders. The Cash Flow Coverage Ratio shall be determined according to generally accepted accounting principles consistently applied and in a manner consistent with the calculation of debt service coverage ratios by Project lenders.

“City” shall have the meaning given such term in the recitals hereto.

“City Tax Increment Revenues” means in each year this Agreement is in effect, an amount of money equal to the Retained Tax Increment Revenues allocated to the City at the time and according to the schedule specified in Section 3.1 hereof.

“City TIF Account” means the account described in the Financial Plan section of the Development Program and established and maintained pursuant to the Development Program and Article II hereof.

“Company” shall have the meaning given such term in the first paragraph hereto, and shall also mean and include any assignee or successor thereof.

“Company TIF Account” means the account described in the Financial Plan section of the Development Program and established and maintained pursuant to the Development Program and Article II hereof.

“Company Tax Increment Revenues” means in each year this Agreement is in effect an amount of money equal to the Retained Tax Increment Revenues allocated to the Company at the times and according to the schedule specified in Section 3.1 hereof.

“Current Assessed Value” means the then current assessed value of the Property located within the District to be determined by the City’s Assessor as of April 1 of each year that this Agreement remains in effect.

“DECD” means the State of Maine Department of Economic and Community Development.

“Development Program” means the development program and financial plan for the District adopted by the City as described in the document entitled “ Bayside Redevelopment Tax Increment Financing District Application”, as amended, a copy of which is attached hereto as Appendix A.

“District” shall have the meaning given such term in the recitals hereto.

“Financial Plan” means the financial plan described in the “Financial Plan” section of the Development Program.

“Fiscal Year” means the time period from July 1 through June 30 (for example, the 2008 Fiscal Year is the period from July 1, 2007 to June 30, 2008).

“Increased Assessed Value” means the valuation amount by which the Current Assessed Value exceeds the Original Assessed Value. If the Current Assessed Value is less than or equal to the Original Assessed Value in any year, there is no Increased Assessed Value in that year.

“Original Assessed Value” means \$0, the assessed value of the Property located within the District as of March 31, 2006.

“Project” means the minimum 100 unit or 400 bed student housing and 120 car parking garage as depicted on a certain site plan dated March 13, 2006 prepared by Mitchell & Associates, or any subsequent revisions of that proposal as approved by City and as described in the Development Program, and located on a parcel of land depicted as the easterly portion of City tax map 34A, Block B, Lot 1.

“Project Cost Account” means the account in the Development Program Fund described in the Development Program and established and maintained pursuant to the Development Program and Article II hereof.

“Project Costs” means all costs incurred by the Company on the Project within the meaning set forth in 30-A M.R.S.A. §5222(14), as amended.

“Property” means all real property that is part of the Project, now or hereafter located within the District, whether or not the Company owns such Property or is otherwise liable for property taxes imposed and assessed thereon by the City.

“Property Taxes” means any and all ad valorem property taxes actually paid to the City with respect to the Property.

“Qualified Investments” shall mean any and all securities, obligations or accounts in which municipalities may invest their funds under applicable Maine law, and which are of the same type and tenor as the investments in which the City invests its own funds.

“Retained Tax Increment” means that portion of Property Taxes assessed and collected by the City on the Captured Assessed Value.

“Tax Payment Date” means the later of the date(s) on which Property Taxes assessed by the City with respect to the Property are due or are paid, or if any such day is not a business day, the next succeeding business day.

Section 1.2. Interpretation and Construction.

In this Agreement, unless the context otherwise requires:

a. The terms “hereby,” “hereof,” “hereto,” “herein,” “hereunder” and any similar terms, as used in this Agreement, refer to this Agreement, and the term “hereafter” means after, and the term “heretofore” means before, the date of delivery of this Agreement.

b. Words importing a particular gender mean and include correlative words of every other gender and words importing the singular number mean and include the plural number and vice versa.

c. Words importing persons mean and include firms, associations, partnerships (including limited partnerships), trusts, corporations and other legal entities, including public or governmental bodies, as well as any natural persons.

d. Any headings preceding the texts of the several Articles and Sections of this Agreement, and any table of contents or marginal notes appended to copies hereof, shall be solely for convenience of reference and shall not constitute a part of this Agreement, nor shall they affect its meaning, construction or effect.

e. All notices to be given hereunder shall be given in writing and, unless a certain number of days is specified, within a reasonable time.

f. If any clause, provision or Section of this Agreement shall be ruled invalid by any court of competent jurisdiction, the invalidity of such clause, provision or Section shall not affect any of the remaining provisions hereof except as expressly provided in Section 3.4.

ARTICLE II DEVELOPMENT PROGRAM FUND AND FUNDING REQUIREMENTS

Section 2.1. Creation of Development Program Fund.

The City hereby confirms the creation and establishment of a segregated account in the name of the City designated as the "Bayside Redevelopment Program Fund" pursuant to, and in accordance with the terms and conditions of, the Development Program and 30-A M.R.S.A. §5227(3), as amended from time to time. The Account shall consist of a Project Cost Account that is pledged to and charged with the payment of project costs as outlined in the Financial Plan of the Development Program and as provided in 30-A M.R.S.A. §5227(3)(A)(1), as amended from time to time. The Project Cost Account shall include two subaccounts designated as the "Company TIF Account" and "City TIF Account".

Section 2.2. Deposits into Account.

There shall be deposited into the Account contemporaneously with each payment of property tax by the Company an amount equal to that portion of the property tax payment constituting Retained Tax Increment for the period to which the payment relates. Any and all revenues, if any, resulting from investment of monies on deposit shall be retained by the City and withdrawn from the Account contemporaneously with payment to the Company TIF Account.

Section 2.3. Use of Monies in Account.

Monies deposited in the Account shall be used and applied exclusively to fund the City's payment obligation described in Article III hereof. Monies deposited into the Account and any earnings thereunder shall be designated and appropriated by City Council annually in the municipal budget in accordance with Chapter 206 of Title 30-A, and in accordance with the Development Program.

Section 2.4. Monies Held in Trust.

All monies required to be paid into the Company TIF Account under the provisions hereof and the provisions of the Development Program, other than investment earnings thereon, shall be held by the City, in trust, for the benefit of the Company.

Section 2.5. Investments.

Any monies in the Account shall be invested and reinvested in Qualified Investments as determined by the City. The City shall have discretion regarding the investment of such monies, provided such monies are invested in Qualified Investments. As and when any amounts thus invested may be needed for disbursements, the City shall cause a sufficient amount of such investments to be sold or otherwise converted into cash to the credit of such account. The City shall have the sole and exclusive right to designate the investments to be sold and to otherwise direct the sale or conversion to cash of investments made with monies in the Account.

Section 2.6. Tax Payments.

The Company shall pay when due all Property Taxes assessed by the City on property, both real and personal, owned by the Company unless contested by the Company by appropriate proceedings pursuant to Maine law. No payments shall be made by the City under this Agreement unless the Company has paid in full all real or personal Property Taxes assessed by the City on the Company's Property when due.

ARTICLE III PAYMENT OBLIGATIONS

Section 3.1. Captured Assessed Value; Retained Tax Increment.

Annually, all (100%) of the Increased Assessed Value shall be retained as Captured Assessed Value and the Property Tax assessed on such Captured Assessed Value shall be retained as Retained Tax Increment each year starting with the 2008 Fiscal Year of the City and continuing for each of the next 11 Fiscal Years of the City, ending with the 2018 Fiscal Year. Table No. 1 below shows the foregoing allocation based on estimated figures. The company shall receive from the Company TIF Account an annual payment as calculated in Section 4.1(b), or the amount shown in the corresponding year's "Project Revenue" column as shown in Table No. 1 below, whichever is less. In the event that after the annual payment is made to the Company there remains funds in the Company TIF Account, said funds shall be transferred to the City TIF Account. For purposes of computing the amounts owed pursuant to this section, the amount of tax collected for reimbursement as Company Tax Increment Revenues shall be calculated on June 30th and December 31st of each fiscal year.

Table 1 –TIF Allocation Table

Tax Year	Estimated Increased Real Estate Value	Estimated Mil Rate (2% Inc.)	Estimated Incremental Tax Real Estate	Project Alloc.	Project Revenue	Estimated City Revenue From Real Estate
FY08	\$ 2,000,000	16.71	\$ 33,420	0%	\$ -	\$ 33,420
FY09	\$ 19,000,000	17.04	\$ 323,840	37%	\$ 120,000	\$ 203,840
FY10	\$ 19,000,000	17.39	\$ 330,317	36%	\$ 120,000	\$ 210,317
FY11	\$ 19,000,000	17.73	\$ 336,923	36%	\$ 120,000	\$ 216,923
FY12	\$ 19,000,000	18.09	\$ 343,661	35%	\$ 120,000	\$ 223,661
FY13	\$ 19,000,000	18.45	\$ 350,535	34%	\$ 120,000	\$ 230,535
FY14	\$ 19,000,000	18.82	\$ 357,545	34%	\$ 120,000	\$ 237,545
FY15	\$ 19,000,000	19.19	\$ 364,696	33%	\$ 120,000	\$ 244,696
FY16	\$ 19,000,000	19.58	\$ 371,990	32%	\$ 120,000	\$ 251,990
FY17	\$ 19,000,000	19.97	\$ 379,430	32%	\$ 120,000	\$ 259,430
FY18	\$ 19,000,000	20.37	\$ 387,019	31%	\$ 120,000	\$ 267,019
			\$ 3,579,375		\$ 1,200,000	\$ 2,379,375

Section 3.2. Completion of Development Program.

Under this Agreement, the Company shall complete the Project as described in the Amended Development Program.

Section 3.3. Credit Enhancement Payments.

a. Subject to Section 3.3(b), the City shall pay on August 1 of each year of this Agreement to the Company all Company Tax Increment Revenues then on deposit in the Company TIF Account. The obligation of the City to make such payment shall be limited

obligation payable solely out of monies on deposit in the Company TIF Account and shall not constitute a general debt or obligation on the part of the City or a general obligation or charge against or pledge of the faith and credit or taxing power of the City, the State of Maine or any political subdivision thereof.

b. In the event that City is subject to a claim by a third party to pay the Company Tax Increment Revenues to such third party, City shall not pay such amount to Company pursuant to Section 3.3(a) nor to the third party, but shall deposit the Company Tax Increment Revenues in an amount equal to such amount so claimed (but only to the extent available) into an interest bearing escrow account and shall file an interpleader or other comparable action with a court of competent jurisdiction requesting a ruling to determine whether such Company Tax Increment Revenues should be paid to Company or to said third party.

Section 3.4. Failure to Make Payment.

In the event the City should fail to, or be unable to, make any of the payments to the Company required under the foregoing provisions of this Article III, the item or installment so unpaid shall continue as a limited obligation of the City, under the terms and conditions hereinafter set forth, until the amount unpaid shall have been fully paid. The Company shall have the right to initiate and maintain an action to specifically enforce the City's obligations hereunder, including without limitation, the City's obligation to establish and maintain the Company TIF Account and to deposit Company Tax Increment Revenues into the Company TIF Account and its obligation to make required payment to the Company.

Section 3.5. Manner of Payments.

The payments provided for in this Article III shall be paid directly to the Company in the manner provided hereinabove for its own use and benefit, which use and benefit shall be consistent with the Development Program and Chapter 206 of Title 30-A of the Maine Revised Statutes. The City shall make required payments in response to requests for payment submitted by the Company setting forth the amount of the payment and containing a certification in the form attached hereto as Exhibit B.

Section 3.6. Obligations Unconditional.

Except as otherwise expressly provided in this Agreement, the obligations of the City to make the payments described in this Agreement in accordance with the terms hereof shall be absolute and unconditional irrespective of any defense or any rights of setoff, recoupment or counterclaim it might otherwise have against the Company. Notwithstanding the above, the City reserves the right to terminate this Agreement upon receipt of a final judgment by a court of competent jurisdiction to the effect that the Agreement or Development Program adopted in connection herewith or any payment made thereunder is or would be illegal or invalid. In such event, the termination shall relate back to the original date of the Agreement which shall be deemed void ab initio, and neither party shall have any obligations or liability hereunder, under the Development Program or in respect of any of the transactions contemplated thereby, and shall be left in whatever positions, financial or otherwise, they may be in as of the date of termination.

Such termination shall not, however, affect the indemnifications set forth in Section 9.10, which obligations shall survive any such termination.

Section 3.7. Limited Obligation.

The City's obligations of payment hereunder shall be limited obligations of the City payable solely from Retained Tax Increment Revenues and any earnings thereon, pledged therefore under this Agreement. The City's obligations hereunder shall not constitute a general debt or a general obligation on the part of the City or a charge against or pledge of the faith and credit or taxing power of the City, but shall be payable solely from the Retained Tax Increment received by the City, and any earnings thereon. This Agreement shall not directly or indirectly or contingently obligate the City to levy or to pledge any form of taxation whatever therefore or to make any appropriation for their payment, excepting the City's obligation to assess property taxes upon the Project and the pledge of the Retained Tax Increment established under this Agreement.

Section 3.8 Administrative Fee.

The Company shall pay to the City an annual administrative fee to the City equal to 1% of the Retained Tax Increment. Such payment shall be deducted pursuant to Section 9.9 of this Agreement contemporaneously with the payment by the City to the Company.

ARTICLE IV COVENANTS OF THE COMPANY

Section 4.1. Project Development

- a. The Company shall construct the Project.
- b. In each year this Agreement is in effect, the Company agrees to provide, by each April 30, audited financial statements, which shall be used to determine the Company Tax Increment Revenues due to Company for the following August 1 payment by City pursuant to this Agreement. The audited financial statements shall be used by City to determine the Cash Flow Coverage Ratio and shall not be used for any other purpose or disclosed to any other party by the City. In each year of this Agreement, the City shall pay Company Tax Increment Revenues to the Company pursuant to this Agreement to the extent necessary for Company to achieve a 1.2 to 1 Cash Flow Coverage Ratio, provided however such payments to the Company shall not be greater than the amount shown in the corresponding year's "Project Revenue" column as shown in Table No. 1 in Section 3.1 above.
- c. If in any year that this Agreement is in effect the Increased Assessed Value is less than \$18,000,000, the obligation of the city to pay into the Company TIF Account per section 3.1 of the agreement shall be reduced. The reduction shall be calculated as follows: The increased assessed value divided by \$18,000,000 multiplied by the corresponding scheduled fiscal year Company Project Revenue payment amount on Table 1.

ARTICLE V PLEDGE AND SECURITY INTEREST

Section 5.1. Pledge of Company TIF Account.

In consideration of this Agreement and other valuable consideration and for the purpose of securing payment of the amounts provided for hereunder to the Company by the City, according to the terms and conditions contained herein, and in order to secure the performance and observance of all of the City's covenants and agreements contained herein, the City does hereby grant a security interest in and pledge to the Company the Company TIF Account and all sums of money and other securities and investments therein.

Section 5.2. Further Instruments.

The City and the Company shall, from time to time execute and deliver such further instruments and take such further action as may be reasonable and as may be required to carry out the provisions of this Agreement, provided, however that no such instruments or agreements shall pledge the credit of the City.

Section 5.3. Liens.

Except as permitted hereunder, the City shall not sell, lease, pledge, assign or otherwise dispose, encumber or hypothecate any interest in the Company TIF Account and will promptly pay or cause to be discharged or make adequate provision to discharge any lien, charge or encumbrance on any part thereof not permitted hereby.

Section 5.4. Access to Books and Records.

All books, records and documents in the possession of the City relating to the District, the Development Program, this Agreement and the monies, revenues and receipts on deposit or required to be deposited into the Account shall at all reasonable times be open to inspection by the Company, its agents, lenders and employees.

ARTICLE VI DEFAULTS AND REMEDIES

Section 6.1. Events of Default.

Each of the following events shall constitute and be referred to in this Agreement as an "Event of Default":

a. Any failure by the City to pay any amounts due to Company when the same shall become due and payable if such non-payment is not a result of a final determination by a court that this Agreement is illegal or invalid;

b. Any failure by the City to make deposits into the Company TIF Account as and when due;

c. Other than as provided in paragraph (a) and (b) above, any failure by the City or the Company to observe and perform in all material respects any respective covenant, condition, agreement or provision contained herein on the part of the City or the Company respectively to be observed or performed, including any failure of the Company to use payments made under this Agreement as required in Section 3.5 of this Agreement or to perform the covenant under Section 4.1(a) of this Agreement, which failure is not cured within thirty (30) days following written notice thereof or such additional time as is allowed by City to cure provided the defaulting party promptly commences and diligently pursues a cure within said thirty (30) day period; provided, however, that this subsection (c) shall not be construed to include the Company's failure to pay Property Taxes on the Property in the District for any reason as an Event of Default hereunder; and

d. If a decree or order of a court or agency or supervisory authority having jurisdiction in the premises shall appoint a conservator or receiver or liquidator for the City, or if any insolvency, readjustment of debt, marshaling of assets and liabilities or similar proceedings for the winding up or liquidation of the City's affairs shall have been entered against the City or if the City shall have consented to the appointment of a conservator or receiver or liquidator in any such proceedings of or relating to the City or of or relating to all or substantially all of its property, including without limitation the filing of a voluntary petition in bankruptcy by the City or the failure by the City to have a petition in bankruptcy dismissed within a period of 90 consecutive days following its filing or in the event an order for release has been entered under the Bankruptcy Code with respect to the City.

e. Any failure of Company to pay taxes to City when due.

f. Any failure of the Company or any agents, assigns or successors in interest to operate the Project and pay taxes on it during the term of this Agreement.

Section 6.2. Remedies on Default.

Whenever any Event of Default described in Section 6.1 hereof shall have occurred and be continuing, the non-defaulting party may take any one or more of the following remedial steps following any applicable cure period, shall have all rights and remedies available to it.

a. The non-defaulting party may take whatever action at law or in equity, including the rights and remedies available to a secured party under the laws of the State of Maine, and may take whatever action as may appear necessary or desirable to collect the amount then due and thereafter to become due, to specifically enforce the performance or observance of any obligations, agreements, or covenants benefiting the non-defaulting party under this Agreement and any documents, instruments, and agreements contemplated hereby or to enforce any rights or remedies available hereunder; and

b. In addition, in the event of a default under Section 6.1(c)(e) or (f) relating to Section 3.5 or 4.1(a), the City may suspend further payments until such default is cured. If there is any dispute as to either party's performance of any of its obligations under this Agreement,

such dispute may, by agreement of the parties, be submitted to non-binding mediation and, following such mediation or in the absence of any such agreement to submit the dispute to mediation, shall be submitted to arbitration in accordance with the rules of the American Arbitration Association. Notwithstanding the foregoing, payments by the City shall not be suspended prior to a final determination in such proceeding in favor of the City.

Section 6.3. Remedies Cumulative.

No remedy herein conferred upon or reserved by any party is intended to be exclusive of any other available remedy or remedies but each and every such remedy shall be cumulative and shall be in addition to the remedy given under this Agreement or now or hereafter existing at law, in equity or by statute. Delay or omission to exercise any right or power accruing upon any Events of Default or to insist upon the strict performance of any of the covenants and agreements herein set forth or to exercise any rights or remedies upon the occurrence of an Event of Default shall not impair any such right or power or be considered or taken as a waiver or relinquishment for the future of the rights to insist upon and to enforce, from time to time and as often as may be deemed expedient, by injunction or other appropriate legal or equitable remedy, strict compliance by the parties hereto with all of the covenants and conditions hereof, or of the rights to exercise any such rights or remedies, if such Events of Default be continued or repeated.

Section 6.4. Enforcement Rights.

The City and the Company agree that each party hereto shall have the right to initiate a legal proceeding to enforce the specific performance of this Agreement, it being understood and agreed that this Agreement is a material inducement to the Company continuing its pursuit of the Project. The parties agree that in the event of any dispute or disagreement hereunder the Company and the City shall continue to make payment of all amounts due hereunder in the manner and at the times specified herein until final resolution of such dispute, whether by mutual agreement or final decision of a court, arbitrator or other dispute resolution mechanism.

**ARTICLE VII
EFFECTIVE DATE, TERM AND TERMINATION**

Section 7.1. Effective Date and Term.

This Agreement shall become effective upon its execution and delivery by the parties hereto and shall remain in full force from the date hereof and shall expire on the later of the end of the 2018 fiscal year of the City or upon the performance of all obligations on the part of the City and the Company hereunder, unless sooner terminated under Section 3.6 or 9.2 hereof.

Section 7.2. Cancellation and Expiration of Term.

At the termination or other expiration of this Agreement in accordance with the provisions of this Agreement, the City and the Company shall each execute and deliver such documents and take or cause to be taken such actions as may be necessary to evidence the termination of this Agreement.

ARTICLE VIII ASSIGNMENT AND PLEDGE OF COMPANY'S INTEREST

Section 8.1. Consent to Pledge, Collateral Assignment Or Grant of a Security Interest.

The City hereby acknowledges that the Company may pledge and assign its right, title and interest in, to and under this Agreement as collateral for financing for the Project, although no obligation is hereby imposed on the Company to make such assignment or pledge. Recognizing this possibility, the City does hereby consent and agree to the pledge and assignment of all the Company's right, title and interest in, to and under this Agreement and in, and to the payments to be made to Company hereunder, to third parties as collateral or security for indebtedness related to the Project, on one or more occasions during the term hereof. The City agrees to execute and deliver any assignments, pledge agreements, consents or other confirmations required by the prospective pledgee or assignee, including without limitation recognition of the pledgee or assignee as the holder of all right, title and interest herein and as the payee of amounts due and payable hereunder and any and all such other documentation as shall confirm to such pledgee or assignee the position of such assignee or pledgee and the irrevocable and binding nature of this Agreement and provide to the pledgee or assignee such rights and/or remedies as it may deem necessary for the establishing, perfection and protection of its interest herein.

Section 8.2. Assignment.

Except as provided in Section 8.1, this Agreement and the obligations of the City hereunder are personal to the Company and may not be assigned or transferred by the Company except to a successor in title to the Project, without the consent of the City which consent shall not be unreasonably withheld or delayed for any reason or for no reason. In the event of an assignment, Company shall pay all legal fees incurred by City in conjunction with the assignment.

ARTICLE IX MISCELLANEOUS

Section 9.1. Successors.

a. In the event the City or the Company are dissolved, merged into or consolidated with another entity, or undergo any form of corporate reorganization (other than with respect to any dissolution, merger, consolidation or corporate reorganization solely involving the Company and any other company related to or affiliated with the Company), the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of such party shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of

such party shall be transferred, subject to approval of the City, which consent shall not be unreasonably withheld or delayed.

b. No consent from the City shall be required with respect to any dissolution, merger, consolidation or corporate reorganization solely involving the Company and any other company related to or affiliated with the Company. In such case, the covenants, stipulations, promises and agreements set forth herein, by or on behalf of or for the benefit of the Company shall bind or inure to the benefit of the successors and assigns thereof from time to time and any entity, officer, board, commission, agency or instrumentality to whom or to which any power or duty of such party shall be transferred.

Section 9.2. Parties in Interest.

Except as herein otherwise specifically provided, nothing in this Agreement expressed or implied is intended or shall be construed to confer upon any person, firm or corporation other than the City and the Company any right, remedy or claim under or by reason of this Agreement, it being intended that this Agreement shall be for the sole and exclusive benefit of the City and the Company, and their successors and assigns as allowed under this Agreement; provided, however, that if the payment obligations of the City to the Company hereunder are held by a final and binding proceeding to be illegal or invalid, this Agreement shall terminate. In such event all obligations of the parties shall terminate, and no party shall have any further liability to the other hereunder.

Section 9.3. Severability.

Except as otherwise provided herein, in case any one or more of the provisions of this Agreement shall, for any reason, be held to be illegal or invalid, such illegality or invalidity shall not affect any other provision of this Agreement and this Agreement shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 9.4. No Personal Liability.

a. No covenant, stipulation, obligation or agreement of the City contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future elected or appointed official, officer, agent, servant or employee of the City in his or her individual capacity and neither the members of the City Council of the City, or any official, officer, agent, servant or employee of the City shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

b. No covenant, stipulation, obligation or agreement of the Company contained herein shall be deemed to be a covenant, stipulation or obligation of any present or future director, member, manager, officer, agent, servant or employee of the Company in his or her individual capacity and neither the directors, members, managers, officers, agents, servants or employees of the Company shall be liable personally with respect to this Agreement or be subject to any personal liability or accountability by reason hereof.

Section 9.5. Counterparts.

This Agreement may be executed in any number of counterparts, each of which, when so executed and delivered, shall be an original, but such counterparts shall together constitute but one and the same Agreement.

Section 9.6. Governing Law.

The laws of the State of Maine shall govern the construction and enforcement of this Agreement in all respects.

Section 9.7. Notices.

All notices, certificates, requests, requisitions or other communications by the City or the Company pursuant to this Agreement shall be in writing and shall be sufficiently given and shall be deemed given when mailed by first class mail, postage prepaid, or, for any notice of an Event of Default, by registered or certified mail, return receipt requested, addressed as follows:

If to the City:

City of Portland
389 Congress Street
Portland, ME 04101
Attn: City Attorney

If to the Company:

Southern Maine Student Housing, LLC
247 Commercial Street
Rockport, ME 04856

Either of the parties may, by notice given to the other, designate any further or different addresses to which subsequent notices, certificates, requests or other communications shall be sent hereunder.

Section 9.8. Amendments.

Neither this Agreement nor the Development Program may be amended without the express written consent of all of the parties hereto, which consent shall not be unreasonably withheld. Provided, however, the parties agree to amend this Agreement in order to fulfill such reasonable requirement that a lender may require in connection with financing of the Project. This Agreement may only be amended in compliance with the provisions of 30-A M.R.S.A. § 5221 et seq., as amended.

Section 9.9. Net Agreement.

It is understood that the City's payment obligations are to be satisfied solely from Retained Tax Increment Revenues actually paid in by the Company and received by the City, and earnings thereon and provided further that the City may deduct from any payment owed to the Company the administrative fee described in Section 3.8 hereof.

Section 9.10. Integration.

This Agreement completely and fully supersedes all other prior or contemporaneous understandings or agreements, both written and oral, between the City and the Company relating to the specific subject matter of this Agreement and the transactions contemplated hereby.

Section 9.11. Indemnification.

a. The Company agrees to defend, indemnify and hold harmless the City, its officers, agents and employees from any and all claims and expenses, including its attorney fees, arising out of or associated with the City's approval of the District and its preparation of and participation in this Agreement, including expenses arising from any default hereunder by the Company but excluding any such claims or expenses as may relate to actions or proceedings resulting from a default hereunder by the City. This indemnification obligation shall survive termination of this Agreement or a finding that this Agreement is void or invalid.

b. The City agrees to defend, indemnify and hold harmless the Company, its officers, members, managers, agents and employees from any and all claims and expenses, including its attorney fees, arising out of or associated with any default hereunder by the City. This indemnification obligation shall survive termination of this Agreement or a finding that this Agreement is void or invalid.

Section 9.12. Waiver of Recapture if Agreement Found Void.

In the event this Credit Enhancement Agreement is found void "ab initio" by a Court of law with final jurisdiction over this Agreement, City agrees to waive its rights to recapture all Company Tax Increment Revenues paid to Company pursuant to this Agreement.

IN WITNESS WHEREOF, the City and the Company have caused this Agreement to be executed in their respective corporate names and their respective corporate seals to be hereunto affixed and attested by the duly authorized officers or members, as the case may be, all as of the date first above written.

WITNESS

Sonia Boon

CITY OF PORTLAND, MAINE

By: *Joseph E. Long*

Its City Manager

WITNESS

Danna M. Lewis

**SOUTHERN MAINE STUDENT
HOUSING, LLC**

By: *[Signature]*

Its Authorized Manager

EXHIBIT B

Request for Payment

The undersigned does hereby request payment in the amount of \$_____ from the Company TIF Account of the Project Cost Account within the Bayside Redevelopment Program Fund and does hereby certify that the amount requested will be used to pay Project Costs as that term is defined in Chapter 206 of Title 30-A of the Maine Revised Statutes.

SOUTHERN MAINE STUDENT HOUSING, LLC

Date: 6-21-06

By: _____

Its

**Draft 2019 Housing Committee Work Plan
as of September 5, 2019**

September 11, 2019

1. Review of Affordable Housing Development Funding Request for 18 Luther Street
2. Welcome and Organizational Meeting for the Rental Housing Advisory Committee
 - a. Introduction of newly appointed members of the Rental Housing Advisory Committee
 - b. Quick overview of the language establishing the committee and respond to questions
 - c. Facilitate the Rental Housing Advisory Committee in establishing a meeting schedule
3. Metro Regional Coalition Housing Resolution
4. Presentation, Overview and Integrated Report from Permitting and Inspections and Fire Department re: Short-term and Long-term Rental Housing Safety & Inspection Program - Implementation and Financial Report (Public Comment)
5. Communication Item: DRAFT FY19 HUD Consolidated Annual Performance Report
6. Communication Item: Bayside Village Briefing
7. 2019 Work Plan Discussion

October 9, 2019

1. Presentation of 2019 Biennial Housing Report
2. Communication item: Update on 93 Douglass Street (site of former West School)
3. Communication Item: Update on Disposition of Tax Acquired and City-owned Property
4. Communication Item: Housing Statistics
5. 2019 Work Plan Discussion

November 13, 2019

1. 2019 Work Plan Discussion

December 11, 2019

1. Review of 2019 Annual Committee Report
2. 2019 and 2020 Work Plan Discussion (new and/or updated recommendations to forward to the 2020 Housing Committee)

COMPLETED WORK

January 9, 2019

1. 2019 Work Plan Discussion and Preparation for Council Goals and Objectives Setting Session

February 13, 2019

1. Review, Discussion and Recommendation to the City Council of Proposed Portland Development Corp. By-Law Modification and Program Guideline Amendments to allow the use of Brownfields Funds for Residential Projects.
2. Housing Committee Accomplishments 2016-2018
3. Update on Rental Housing Advisory Committee
4. Review and discussion of opportunities to engage the city in a public/private partnership to add housing units to the City's housing inventory utilizing city-owned property. (Auburn St., 99 Capiasic St., West School Site.) **Possible Executive Session**
5. 2019 Work Plan Discussion – a. Housing Committee Goals for 2019; b. March meeting date

March 7, 2019 (Joint Meeting with Finance Committee)

1. Housing Trust Fund Discussion

March 27, 2019

1. (Action Item) Housing Program Budget - Review and Recommendation to the City Council
2. (Action Item) Rental Housing Advisory Committee Update and Proposed Ordinance Amendments
3. 2019 Work Plan Discussion

April 10, 2019

1. Housing Policy Discussion – Non-Renewal of Leases and Notification Requirements, Voucher/Rental Subsidy Discrimination, Rental Application Fee Abuse
2. (Action Item) Affordable Housing Development Application - Review and Approval to Issue by the Committee
3. (Action Item) Review and Recommendation to the City Council of the 2019 Housing Trust Fund Annual Plan
4. Community Development Week – April 22-26/Fair Housing Month
5. 2019 Work Plan Discussion

May 8, 2019

1. Report from the Permitting and Inspections Department on the implementation and outcome of initiatives concerning the permitting and review process, time frames, etc.
2. Report from Planning & Urban Development regarding Residential Housing from 2016-2019.
3. Verbal update from Corporation Counsel's Office and staff regarding possible revisions to City Code Chapter 14, Division 23 Nonconforming Use and Nonconforming Buildings, Section 14-391 Nonconformity as to number of dwelling units.
4. Review of Affordable Housing TIF Applications
5. 2019 Work Plan Discussion

May 21, 2019 (Joint Meeting with Economic Development Committee)

1. (Action Item) Review and Approval of Affordable Housing TIF Applications
2. Presentation from Health and Human Services Acting Director on possible public-private partnerships to support affordable housing projects on City-owned properties.
3. Presentation of Disposition of Tax Acquired and City-owned Property

June 12, 2019

1. Review of 2019 Short Term Rental Registration Program (Possible Executive Session)
2. Communication Item FY20 HUD Annual Allocation Plan
3. Review of Affordable Housing Development Funding Requests
4. 2019 Work Plan Discussion

July 10, 2019

1. (Action Item) Review and Approval of Funding Requests Received from the Affordable Housing Development Application
2. 2019 Work Plan Discussion
3. Verbal update on miscellaneous items

August 14, 2019 canceled

Dear Housing Committee Members/City Councilors:

My name is Tom Watson and, as you may know, I am currently under contract to purchase the Bayside Village Housing located at 132 Marginal Way. At the City Council meeting last week members of the public expressed concern regarding my purchase of the property and plans for redevelopment. Unfortunately, the information presented was not entirely accurate. The purpose of this letter is to provide the Council with information regarding the future plans for the property and its tenants. I'd like to tell you what we intend to do with the building and how that process will take place and why our plan is a good plan, well thought out, and takes into consideration the existing tenants.

Currently the building is configured as 100 Quads, that is, 4 bedroom suites with two baths each. We intend to keep 10 quads, and split the other 90 quads each into a one bedroom and a two bedroom, roughly. The resulting unit count will be 196 units (we are adding an additional 6 units in other available spaces in the building). The apartments are in rough shape and in need of upgrades. We will be installing new kitchens and baths, improving the electric and HVAC system, adding new flooring and lighting and in general making it a very pleasant place to live. This will take nearly 3 years to complete.

No Loss of Housing

Some of the public comments regarding the project have focused on the bed counts: 400 bedrooms today, 196 units tomorrow. They see this as a loss of housing. This is not the case. While the property currently has the capacity to house 400 residents, it has had wild vacancy swings over the last five years, from 4% to 20%, leaving an average occupancy of about 350 tenants. Our intended unit mix which is comprised of Quads, 2 bedrooms, large one bedrooms, small one bedrooms and studio apartments, will house about 360 residents. This assumes that all the large one bedrooms and half the small one bedrooms are occupied by couples. This assumption is based on the one bedroom occupancies of our current portfolio of 1,300 apartments in Portland and South Portland. We tend to have far more couples renting one bedrooms than the city average of 50%.

The Current Tenants: Displacement No, Transition Yes

There will be no mass eviction at the property. I understand people's fears when a new owner comes along, particularly one who is going to do substantial renovations. We have never in our 26 year history implemented mass evictions. It's simply way too disruptive to everybody's lives. We are very sensitive to our tenants' ways of life and living situations. (Just if I could: I am not an out of town developer--I live in Portland, have two kids at Portland High and one at King Middle. Being part of the community and getting along with people, many of whom are our tenants, is vital to me, my wife and our children. We walk the same streets, go to the same coffee shops, go to the same schools. Getting along is so very important to us.)

This property is best described as transitory. The historic tenant/unit turnover is 50%, meaning on average, half the people living there today will have moved within a year. And the other 50% will move the following year. That means that within a two year period all tenants living there today will have moved on to another place. This is the nature of a building where one rents a bedroom with a locked door in an apartment not knowing the other residents within the four walls. Our renovation plan will take 2 ½ to 3 years, a period in which most people will have moved out. We are in the process of hiring a housing coordinator whose sole and entire job is to work with tenants in their transitions to another home. This requires time. It is an open process full of multiple discussions and meetings with each individual tenant. The coordinator's job is to develop positive relationships with our tenants and be helpful, proactive, and able to provide workable solutions in these

transitions. Our goal is to house as many of the current tenants as we possibly can on the same property, in our new units.

Gentrification v Workforce Housing

Some of the public comments have referred to the project as contributing toward gentrification. That is not my intention, nor will it be the result of this project. Every unit's rent, once renovated, will be within the limits of the inclusionary zoning. Although the City's Land Use Ordinance requires only 10% of the units to be workforce housing—our entire building is going to meet the requirements and thus we are exceeding the requirement by a factor of 10. I do not believe that a building with apartments that meet the City's own requirements for workforce housing could be considered as contributing toward gentrification.

More importantly, the vast majority of units in this building are in dire need of complete repair (ie, renovation and in many cases extermination). Even the 10 Quads that we're keeping need to be completely done over. What we are doing here is raising the quality of the housing experience—and when you raise the quality of your home, when you make it safe and secure, you raise the quality of your life. Anyone who has gone from a bug infested, or moldy, uncared for apartment in disrepair to a newly finished clean apartment can attest to this. We have seen it time and time again, the joy it can bring to people and the self-respect it can engender. It is something we take great pride in—renovation, and in this case, to produce workforce housing.

Student Housing: The Original Purpose

It is important to remember that the original purpose of the building was to function as student housing. The quad layout was to foster comradery among students attending the same university, likely USM. There was to have been an implicit trust and kinship among fellow suite residents. That of course never happened or at least imploded fairly quickly after inception.

The notion that this is a lodging house I think comes from the fact that the City had limited descriptors for this one of a kind project and therefore settled on "lodging house". It was to have been, as we all know, a dormitory. That's very different than a lodging house. Furthermore, no one today developing an SRO—Single Room Occupancy—the modern and appropriate term for "lodging house" would ever build it as this building is designed. They would not put four unrelated people who don't know each other in a quad. Lodging houses, or SROs, are built as dwellings with single rooms without a bathroom or a kitchen—the bathroom and kitchen to be shared communally in another part of the building with other people renting similar rooms.

Our project would allow the building to return to its original purpose, something the USM administration has conveyed to us that they would be very excited about. In my many conversations with friends and neighbors it seems it's something the residents of Portland will be excited about as well. We've had robust conversations with the administration and I think it's fair to say we are looking forward to working together. USM is in need of housing and that need is growing: for their upper classmen, their graduate students, law students, faculty and enrolled veterans. Our proposed unit mix fits in with their housing objectives (as presented to the Board of Trustees) wherein they show the need for quads and one and two bedrooms. Our goal is to have a mixed community of USM folks and workforce housing folks adding to the vibrancy of Bayside.

I'm happy to answer any questions you may have about the project. Please feel free to contact me at any time.

Thank you for taking the time to read this.



1.10.2019

Tom Watson.