

**Housing & Economic
Development Committee Meeting**
Tuesday, March 31, 2026 at 5:30 PM



MEMBERS
Councilor Pious Ali, Chair
Councilor Regina Phillips
Councilor Kate Sykes
Councilor Sarah Michniewicz

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

REMOTE ACCESS INFORMATION

The Housing & Economic Development Committee will conduct this meeting remotely via Zoom pursuant to the Remote Meeting Policy adopted by the Portland City Council. Allow your computer to install the free Zoom app to get the best meeting experience. If you are not able to attend, a recording will be available in the [Agenda Center](#) following the meeting.

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

<https://portlandmaine-gov.zoom.us/j/85789889587?pwd=XAGeQj2VRGMv9BY8xrXu45fvBc0Vbb.1>

1. **Review and accept Minutes of previous meeting held on February 17, 2026.**
 - a. See attached draft Meeting Minutes from February 17, 2026
2. **Communication: Update from Portland Adult Education on FY2026 TIF Supported Workforce Training Programs and FY2027 Work Plan for TIF Supported Workforce Training Programs - Melissa Hue**
 - a. See attached Memorandum
 - b. See attached Portland Adult Education FY2026 Program Update
 - c. See attached Portland Adult Education Proposed Programs for FY2027
3. **(Public Comment) Review and vote on a recommendation to the City Council regarding a proposed amendment to City Council Order 18-24/25 for CHOM's project at 186 Woodford Street (formerly referred to as 202 Woodfords Street). - Mary Davis, Heidi McCarthy**
 - a. See attached Memorandum
 - b. See attached Order 18-24/25 with proposed changes

4. (Public Comment) Review and vote on a recommendation regarding Proposed Amendments to the Tax Increment Financing (TIF) Policy - Mary Davis, Heidi McCarthy

- a. See attached Memorandum
- b. DRAFT Proposed Tax Increment Financing Policy
- c. Affordable Housing Tax Increment Financing Process Infographic

5. Discussion: Review of FY 2026-2027 HUD Annual Action Plan - Mary Davis

- a. See attached Memorandum
- b. CAP Calculation Memorandum
- c. CDBG Allocation Committee Letter and Recommendations
- d. City Manager CDBG Recommendations
- e. Housing Program Budget Memorandum
- f. Housing Program Budget Draft
- g. Emergency Solutions Grant Budget Draft
- h. Annual Action Plan Draft

6. (Public Comment) Review and vote on a recommendation to the City Council Approval to Continue to Participate in the Cumberland County HOME Consortium - Mary Davis

- a. See attached Memorandum
- b. Executed Consortium Agreement
- c. Notice of Right Not to Renew

Next Meeting Date: April 21, 2026

Housing and Economic Development Committee Minutes 2-17-2026 at 5:30 - Hybrid Meeting.

Committee members Councilors Ali & Michniewicz attended in-person, Councilors Sykes and Phillips attended remotely. Also, Councilor Grant attended remotely.

Staff in attendance, HEDD Greg Watson & Mary Davis, both in-person, Heidi McCarthy, remote; from Planning in person Kevin Kraft - Director, Helen Donaldson - Director of Special Projects, Taylor Colbeth - Planner.

1. Review and accept Minutes of the previous meeting held on February 3, 2026.

Motion to approve: Councilor Michniewicz

Second: Councilor Phillips

Approved: 4-0

2. Consultant Presentation of Inclusionary Zoning (IZ) Study and discussion - Kevin Kraft, Director/Planning and Urban Development

Director Kraft gave an overview of the purpose and background of the IZ Study and introduced the consultants, Charles Clukey of cbz. The consultant gave a presentation analyzing the various interactions of IZ and potential impact on development.

Councilor Sykes would like to know how many affordable housing units Portland has today or in the pipeline as a direct result of IZ, such as the 200 units from the 89 Elm project. cbz stated 118 units were created during the first period of IZ and 43 during the second period of IZ. In the pipeline, there may be 305/310 units or additional fees-in-lieu. Director Kraft has data on how many affordable units have been approved and how many are LIHTC projects not related to IZ and clarified that this data will be included with the analysis.

Councilor Michniewicz stated that the site plan for 89 Elm St has a separate building for the IZ units and that the project may exist in spite of, not because of, IZ, and questioned what units are approved. Director Kraft clarified that 89 Elm St has several market rate buildings, and the affordable units will be available before the market rate, as only one of the market rate buildings has been approved.

Councilor Phillips requested additional data about the number of units and funding collected in the Jill C. Duson Housing Trust Fund and would like clarification on the data presented.

Councilor Phillips and Councilor Sykes questioned the comparison of the five-year periods given that the IZ 2.0 period encompasses challenging market conditions including the pandemic and inflation rates. Councilor Phillips also questioned if the consultant team had enough time to thoroughly review all the available data.

Councilor Michniewicz noted that the report is focusing on Portland data and is curious whether a comparison to other towns with the same market conditions during the pandemic could be helpful in identifying the impact of IZ compared to the impact of market conditions. Helen Donaldson stated that Planning has collected the data but there is no conclusive evidence.

Councilor Ali requests another meeting to answer various questions raised in the discussion. Director Kraft stated that there will be nothing from this report for the council to approve or adopt, as it is meant to be a data document to help inform policy.

3. Discussion regarding calendar year 2026 Committee Work Plan development - Chair Councilor Ali.

Councilor Michniewicz would like to see a vacant lot ordinance on the work plan.

Director Watson stated that the Inclusionary Zoning information may also warrant a continued discussion.

Councilor Sykes would like to see performance-based criteria as part of CDBG funding allocation process and agreements with subrecipients, to try to incorporate metrics into the allocation process.

Councilor Ali asked Division Director Mary Davis where potential changes to the allocation process would fit in. Director Davis discussed the five-year Consolidated Plan process and how the CDBG Priority Setting Task Force process works. The request for applicants was released Friday. Once the application period has closed, proposed members will be recommended by the mayor and considered by the Council. The Task Force will evaluate CDBG funding needs, goals, priorities, and scoring process. HEDC could have a discussion about potential recommendations which could be brought to the Task Force.

Councilor Sykes would like to update HEDC on the Social Housing Task Force in May.

Councilor Ali will reach out to Portland Housing Authority to see if they would like to provide any updates to HEDC.

4. Next Meeting Date: March 17, 2026

Motion to adjourn: Councilor Michniewicz

Second: Councilor Phillips

Approved 4-0 adjourned at 7:09 pm

Respectfully, Heidi McCarthy



MEMORANDUM

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

FROM: Greg Watson, Director
Melissa Hue, Office of Economic Opportunity Director

DATE: March 3, 2026

SUBJECT: Communication Item for March 19, 2026 Meeting: Portland Adult Education’s (PAE) Update of FY2026 TIF Funded Workforce Development Programs and PAE’s Planned Use of FY2027 Downtown TOD TIF Funds for Continuation/Creation of the Programs

I. SUMMARY

PAE provided an update (Attachment A) on its FY2026 TIF-funded Workforce Development Programs through Quarter 2 ending December 31, 2026, and its planned Programs for FY2027 (Attachment B) at the current funding level of \$200,000. As in the past, funding for this program is included in the FY2027 Downtown TOD TIF District budget.

II. BACKGROUND

TIF funding directed to PAE is intended to augment its workforce training programs, which began in FY2020 as a pilot program and was initially funded with a TIF contribution of \$100,000. In consideration of PAE’s success, the City provided an additional \$100,000 to continue the programs in FY2021 and FY2022. Beginning with FY2023, the City has funded these programs at \$200,000 annually in the Downtown TOD TIF budget.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result is for PAE to continue and expand its workforce training programs to provide skills to assist in addressing the region’s labor shortage and local employer demand for qualified workers.

V. FINANCIAL IMPACT

The financial impact is a commitment to continue funding PAE at \$200,000 from the Downtown TIF District.

VI. STAFF ANALYSIS AND BACKGROUND

PAE is providing necessary workforce training relevant to the area's labor force shortage. In FY2026 through December 31, 2026, PAE enrolled 180 students in TIF-supported workforce training programs. Approximately 98% of these students identified as BIPOC.

Student participation in workforce training programs over the years has included training for jobs in education, banking, clean and renewable energy, commercial driving, retail grocery, CNA (nursing), employment and English readiness, and ESOL. Total student participation in these programs has been 610 students from FY2021 through FYE2025, averaging \$1,311 per student.

FY2027 proposed programs will include:

- Transportation Careers Program
- Teller Training Program
- Employment and English Preparation
- ESOL Instruction
- Supported CNA
- Medical Assistantship and Healthcare Office Programs
- Hospitality Training Exploration
- Child Care

VII. RECOMMENDATION

Staff has budgeted for continuation of this program at level funding for FY2027 from the Downtown TOD TIF budget as it provides needed workforce training skills.

VII. LIST ATTACHMENTS

- Attachment A – PAE Update on its FY2026 Programs
- Attachment B – Proposed Programs for FY2027

TIF Workforce Development

Grant Narrative

FY26 Q3: 01.01.26-03.31.26

Program	FY26 TIF Contract Deliverables	FY26 TIF Q1 Outcome	FY26 TIF Q2 Outcome	FY26 TIF Q3 Outcome	FY26 TIF Q4 Outcome	Number Completed/ Date	Position Following the Program	Starting Wage Following Program	Other funding sources & in-kind contributors
		Participants Enrolled	New Participants Enrolled	To be updated April 1			Data available Q3 & Q4		
Transportation Careers	20*	10	0			0	N/A	N/A	Metro PPS Transportation
Teller Training Program	10	0	11			N/A	N/A	N/A	Bank of America ProsperityMe CFTEA* 60+ Banking volunteers
English for Employment Preparation	24	10	8			10-Q2 8-Q3 (anticipated)	N/A	N/A	PPS
ESOL (year-long)	50	50	(50 retained)			N/A	N/A	N/A	PPS
Supported CNA	10	16	9			14 Q3	N/A	N/A	United Way
Medical Assistantship & Healthcare Office Programs	14	10	7			5-Q2 4-Q3 anticipated	2- Q2 5- Q3	\$18 during apprenticeship; then \$21.22	Bank of America
Education Academy	N/A	13	36			13-Q2 36-Q3 anticipated	N/A	N/A	DECD
Child Care	Deliverables for this program do not include participants in training or hired. PAE will provide meeting logs and research conclusions at the end of FY26.								

*CFTEA - Center for Financial Training and Education Alliance.

FY26 Q3 Summary to Date: As of March 5, 2026, Portland Adult Education is finishing Week 8 of its 11 week term. Three cohorts of TIF-supported workforce training programs will conclude on March 26, with an anticipated completion rate of 93% since the beginning of the year. 50 participants continued in year-long ESOL programs and 49 students have benefited from Education Academy courses, moving them closer to beginning or advancing careers in Education. Portland Adult Education has also initiated exploratory work to identify how it fits into the ecosystem of building a workforce in Child Care, so far devoting 100 hours to research and outreach. TIF supported the full cost of tuition for **58 (41%)** of these students, while leveraged funding was utilized for 83. Out of the 180 students, **98% identified as BIPOC.**

Bookmarks to Q3 Updates by progra

- [Transportation Career](#)
- [Teller Training](#)
- [English for Job Preparation](#)
- [Supported CNA](#)
- [Medical Assistant & Healthcare Office Programs](#)
- [Education Academy](#)
- [Child Care](#)

Transportation Careers

Q3 Update

Transportation and commercial drivers licensed employees remain in high demand. PAE has received inquiries from Maine Medical Center and the Town of Falmouth about possibilities to help train their employees to drive shuttles and buses. The BMV has yet to return to scheduling CDL driving tests and the continuation and formalization of rules concerning the immigration status of drivers was mentioned in this year's State of the Union speech. Despite these challenges, PAE is currently reaching out to partners to find a way to adjust this program so that it will fall into compliance with all federal and state regulations and be able to support eligible students starting in the Q2FY27. PAE will update the HEDC about its progress in its Q4 report.

Teller Training Program (*runs January 2026 - June 2026*)

Q3 Update:

After the Q2 report was submitted, we were able to enroll two more students into this program, bringing the total number of participants to 12. All students are

expected to complete the first term of courses and move on to the 2nd and final term. They are expected to complete the course on June 26, 2026.

English for Employment Preparation (3 cohorts: September 2025 - December 2025, January 5- March 25, 2026 and April 6-June 24, 2026)

Q3 Updates : All students enrolled in this class are expected to complete the program.

ESOL (runs September 2025 - June 2026)

Q3 Updates 50 students remain enrolled and are expected to continue through the end of the school year.

Supported Certified Nurse Assistant Program(2 Cohorts: September 10, 2025- March 25, 2026 and January 5 - June 24, 2026)

Q3 Update: Students who began their program in Q1 are currently finishing their studies by participating in their clinical practice and assessments. They are expected to sit for their State CNA Exam on Mar 26, 2026 . Of the 16 original students, 14 will complete the program. One left the program to pursue a job in the justice system and one was unable to complete the required hours because her child had severe health problems. Her English has improved enough for her to apply to a CNA training program at a local hospital or nursing home, which is what she intends to do.

Medical Assistant Pre-apprenticeship & Healthcare Office Programs (Medical Assistant Pre-apprenticeship 2 cohorts: Continuing program completing December 2025, 2nd cohort: September - March 2026), Healthcare Office Certificate 1 cohort will run from January 5 - June 24, 2026

Q3 Update Of the five Medical Assistant Pre Apprentices who completed their program in Q2, two more were invited to an apprenticeship program at Maine Health. All of the four remaining students are expected to complete their program on March 26 and three of them have been offered an apprenticeship at Northern Light.

The seven Healthcare Office students are all expected to successfully complete their first term of courses and move on to their final term of the program. They will all begin a paid internship on May 11, 2026 where they will receive full Electronic Health Records System training at either Maine Health or Martin's Point, a partnership which has been confirmed since the Q2 report.

Education Academy

Ed Academy was developed in partnership with Portland Public Schools to support internationally trained educators and current PPS employees in advancing toward teacher certification and long-term employment in Maine schools. This program has pivoted to prioritize retention, advancement among current educators already working in our schools. To date, among the 49 students who have taken PAE courses that support career advancement, 3 have been offered positions by local school districts, 13 have remained in their educator roles and 25 will have earned career advancing credentials by the end of Q3.

Child Care

Portland Adult Education has begun foundational partnership-building and research with the intention of discovering where PAE fits into the ECE/ Childcare ecosystem, potentially offering training to those entering Maine Roads to Quality (MRTQ) certification pathways. This work began during Q3 with key members of PAE staff and faculty meeting with personnel from MRTQ at University of Maine, United Way, In Her Presence and Portland Arts and Technical Highschool Childcare program. Complete meeting logs and a summary of findings will be presented in the Q4 TIF report.

To: Economic Development Committee
 From: Kate Hersom, Interim Executive Director

March 5, 2026

RE: TIF Funded Workforce Training Proposal FY27



FY27 Proposal

PAE seeks a \$200,000 TIF investment in FY27 to continue successful programs in partnership with multiple employer partners and to expand our sector-focused job training programs. Expanding programs to include digital skills, sector-specific numeracy skills, and adding sector-specific ESOL classes, accelerates the time to employment and increases people's ability to thrive in their chosen fields.

Transportation Careers Program:

An 11-week course to prepare people for careers in transportation, including administrative support, logistics, mechanical work, and driving passenger buses. Potential employers include Portland Public Schools (PPS), Greater Portland METRO, other school districts, and bus companies. **Job Placement Rate: 100%**. Employers: Greater Portland METRO, Portland Public Schools (PPS). Partners: Goodwill Workforce Solutions.

We would like to keep this program as part of our work that is supported by the City in order to continue to research and advocate for ways that we can adjust our approach to respect the Federal Motor Carrier Safety Administration "[emergency rule](#)" that was issued back in September 2025. This highly successful program addresses a critical infrastructure need in the region by alleviating a well-documented labor shortage. In response to the federal rule, we have reduced the allocation to this program from 30k to 5k. Understanding how METRO and PPS can collaborate with PAE to provide training to qualified candidates will be our next concrete step in re-designing this valuable program.

Teller Training Program: A 6-month-long, 5-course program that culminates in the attainment of a national bank teller curriculum, Frontline Fundamentals Certificate, from the Center for Financial Training and Education Association (CFTEA). This program is taught by PAE instructors, a ProsperityME staff member, and over 10 representatives from local financial institutions. It prepares internationally-trained finance and business professionals, and those entering the field for the first time as bank tellers in the U.S. The courses include sector-specific English, digital skills, core skills for professional careers, communication and workplace culture, personal finance, as well as networking/job search support. Employers: Bank of America,

Bangor Savings, Camden National, Androscoggin Bank, Gorham Savings, Norway Savings, CPort Credit Union, Infinity Credit Union, Bath Savings, Five County Credit Union. Partners: Goodwill Workforce Solutions, ProsperityME.

Employment and English Preparation is a blend of classroom instruction, job search, job interview preparation, information on U.S. professionalism expectations, and employment advising to equip those entering the U.S. workforce for the first time with the skills and support to secure their first jobs in the U.S. Employers: Multiple. Examples include Casco Bay Lines, Hannaford, and McDonalds.

ESOL Instruction with a Certified ESOL instructor: ESOL (English for Speakers of Other Languages) classes with a Certified ESOL Instructor providing expert instruction for all levels.

Supported CNA: A program that culminates in obtaining a certified nursing assistant (CNA) certificate, this program is for those wishing to enter the healthcare field for the first time and internationally-trained medical and healthcare professionals. The “Supported CNA” program provides additional English classes focused on field-specific language, preparation for the state CNA exam, digital literacy, and healthcare-specific numeracy skills. Employers: Barron Center, Northern Light, Maine Health. Partners: Northern Light, Cedars, Maine Veterans Hospital, Barron Center, Hospice of Southern Maine.

Medical Assistantship & Healthcare Office Programs: For those wishing to enter the healthcare field for the first time and internationally-trained medical and healthcare professionals and administrative staff. The Medical Assistantship program prepares students for an apprenticeship at Maine Health, NorthernLight, and other regional partners, and provides English classes focused on medical terminology, digital skills, and healthcare-specific numeracy skills. The Healthcare Office program focuses on medical coding, digital literacy, typing, phone skills, customer service techniques including de-escalation and other administrative skills in the healthcare context and culminates in an onsite internship at MaineHealth or Martin’s Point. Employers: Maine Health, NorthernLight, Martin’s Point. Partners: MaineHealth, Martin’s Point.

Child Care Workforce Initiative Initial Phase: Partnership Development

Portland Adult Education used TIF funding from FY26 to support the foundational partnership-building and to conduct research with the intention of discovering where PAE fits into the ECE/ Childcare ecosystem.

At the request of the HEDC, the presentation of this proposal predates the conclusion of that work, therefore details about further actions will be forthcoming. PAE’s intention is to work with partners such as established child care providers, Head Start programs, ECE credentialing organizations, workforce agencies, members

of the Portland Regional Chamber of Commerce and United Way to identify and design programming that will complement the existing child care infrastructure.

Our current thinking has us developing a “Bridge to Childcare” program that would prepare potential childcare providers for the Childcare Pre-Apprenticeship that is currently being piloted by United Way and Maine Roads to Quality Professional Development Network.

Hospitality Training:

In response to the request from HEDC, PAE will explore the possibility of providing Hospitality Training to meet the high demand of Portland Area hospitality and tourism industry. PAE will reach out to surrounding Adult Education programs that are currently offering such training to ensure that our efforts are complementary and not duplicative of theirs. Depending on feedback from this group, we propose the following trainings:

- Food Service: ServSafe, customer service and work-readiness skills.
- Lodging Services: Digital Skills, customer service and work-readiness skills.
- Tours and Excursions: Customer service, communications, and local history

Our understanding of the barriers to employment in Hospitality (and other industries) include transportation, childcare and housing. The research we have already undertaken as a part of our Strategic Planning process has indicated that our students are in need of case management in order to overcome these hurdles. We will use some of this requested funding to research creative solutions to address these needs, complemented by the work we are already doing with our partners at the Urban Policy Development Agency.

Table 1. FY27 Proposal: PAE Workforce Training Program

Program	Participants	Position	Starting Wage	TIF Request	Other funding & in-kind contribution
Transportation Careers	Deliverables: Logs and summaries of meetings held to engage partners in the redesign of this program and advocacy to overcome regulatory challenges.			\$5,000	Metro and PPS
Teller Training Program	10	Bank/ Credit Union Teller	\$17-24/hr with benefits	\$25,000	Bank of America ProsperityMe CFTEA* 60+ Banking volunteers
Employment and English Preparation	24	Multiple	\$16-25/hr	\$26,000	PPS
ESOL Instruction (year-long)	50	N/A	N/A	\$45,000	PPS
Supported CNA	12	CNA	\$20/hr	\$40,000	United Way
Medical Assistantship & Healthcare Office Programs	12	Medical Assistant, Patient Service Representative	\$19-22/hr	\$39,000	MaineHealth NorthernLight Martin's Point
Hospitality Training Exploration				\$10,000	TBD
Child Care				\$10,000	United Way



To: Housing and Economic Development Committee
Councilor Pious Ali, Chair

MEETING DATE

March 31, 2026

AGENDA ITEM

5. 186 Woodford Funding and Name Change

PURPOSE

To make amendments to order 18-24/25 which include shifting of funding sources and corrections of the project name and address.

COMMITTEE WORK PLAN/CITY COUNCIL GOAL ALIGNMENT

Accelerate Housing Production and Strengthen Affordability Protections

BACKGROUND/ANALYSIS

In 2024, Community Housing of Maine (CHOM) proposed two projects at parcels on Woodford St, the Woodbury and Woodfords Hall. At the time, the addresses were listed as 202 and 186 Woodford St, respectively. Since that time, it has been clarified that the addresses were incorrect, and the Woodbury should be listed at 186 Woodford St while Woodfords Hall should be listed at 202 Woodford St.

Additionally, 186 Woodford St (The Woodbury) was originally awarded \$450,000: \$155,511 from the Jill C Duson Housing Trust Fund (HTF) and \$294,489 in HOME funding. During the 2024 funding cycle, the city received funding requests totalling \$3,376,000. The total funding available was \$3,336,206 (\$294,489 HOME + \$3,041,717 HTF). In order to fully fund the project, the award was split between HOME and HTF funding. Utilizing the HOME funds meant the project was subject to Build America, Buy America (BABA) requirements. Since the City award, CHOM has received other funding sources that would also be subject to BABA. Therefore, HCD staff is proposing to fully fund the project with HOME funds by replacing the HTF award with 2026 HOME funds. The HTF funding would be incorporated into the 2026 Affordable Housing Development application.

This order would amend the funding to reflect \$450,000 in HOME funds and \$0 in Housing Trust Funds, and update the project name and addresses to reflect the correct project.

FISCAL IMPACT

There is no additional anticipated fiscal impact associated with this item.

CONCLUSION(S)

Staff recommends amending order 18-24/25 as attached.

PRIOR COMMITTEE REVIEW

HEDC reviewed the original funding request; this is the first time reviewing this proposed amendment.

PREPARED BY

Mary Davis
Division Director
Housing and Community Development Division

Heidi McCarthy
Housing Program Manager
Housing and Community Development Division

ATTACHMENTS

Attachment A: Order 18-24/25 with proposed changes

MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL D. FOURNIER(A/L)
~~ROBERTO RODRIGUEZ~~BENJAMIN GRANT
(A/L)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

~~ANNA TREVORROW~~SARAH MICHNIEWICZ
(1)
~~VICTORIA L. WESLEY~~ PELLETTIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

**ORDER APPROPRIATING ~~\$155,511 FROM THE JILL C. DUSON HOUSING TRUST FUND AND \$294,489~~ 450,000 IN HOME FUNDS TO COMMUNITY HOUSING OF MAINE, WOODFORDS PHASE II LP,
RE: ~~202-186~~ WOODFORD STREET (THE WOODBURY)**

ORDERED, ~~that the amount of \$155,511 from the Jill C. Duson Housing Trust Fund is hereby appropriated for a loan at 3% interest to Community Housing of Maine, Woodfords Phase II, LP, for development costs for the project at 202 Woodford Street; and~~

~~BE IT FURTHER ORDERED,~~ that the amount of ~~\$294,489~~450,000 in HOME funds is hereby appropriated for a loan at 3% interest to Community Housing of Maine, Woodfords Phase ~~II~~, LP, for development costs for the project at ~~202-186~~ Woodford Street ~~(The Woodbury)~~; and

BE IT FURTHER ORDERED, the City Manager or designee is authorized to execute any and all documents necessary to appropriate the funds, and otherwise carry out the intent of this order.



To: Councilor Ali, Chair

Members of the Housing and Economic Development
Committee

MEETING DATE: March 17, 2026

AGENDA ITEM

Review, Discussion and Recommendation to the City Council regarding the Tax Increment Financing (TIF) Policy

PURPOSE

Staff is seeking direction from the Housing and Economic Development Committee on potential changes to the TIF Policy to lower costs and administrative burden associated with implementation. If the members of the HEDC support the proposed amendments, staff would ask for a recommendation to the City Council.

COMMITTEE WORK PLAN/CITY COUNCIL GOAL ALIGNMENT

Accelerate Housing Production and Strengthen Affordability Protections – Address Portland’s housing challenges by encouraging the development of more homes and protecting affordability, so current and future residents can live and thrive in our community.

BACKGROUND/ANALYSIS

Tax Increment Financing (TIF) is an economic development program authorized under state law to support municipal projects. The TIF program allows municipalities to provide financial assistance to local economic development projects and programs, including affordable housing, by using new property taxes that result from new commercial or residential investment associated with the corresponding increase in property value.

The Portland TIF Policy was adopted by the City Council on November 20, 2017 and amended on February 22, 2021. The Policy has allowed the City to support 25 affordable housing projects with over 1,300 affordable units. Attached is a brief overview of the TIF process for affordable housing projects.

Housing and Community Development staff regularly evaluate the processes and outcomes of the Policy to identify potential changes to increase productivity, lower costs, and ease administrative burden on all parties.

Staff has identified three areas of consideration for the Committee:

1. Clarifying definitions within the policy

Section V.B.3.b requires applicants to demonstrate both financial necessity and financial capacity but does not define these terms. The attached draft provides clarity, defining financial necessity as a gap in operating costs and financial capacity as the ability to support the project during both the construction and operating phases. The evaluation for financial necessity may include a review of the applicant's operating pro forma, while financial capacity may include evaluation of sources and uses for construction, debt coverage ratios, and past performance.

2. AHTIF requests for projects seeking tax credits

Most affordable housing projects seek Low-Income Housing Tax Credits (LIHTC) through MaineHousing's Qualified Allocation Plan (QAP) process. This process is very competitive. Within the scoring system, projects may receive points for receiving TIF from the community in which the project will be built. The points are awarded based on the percentage and number of years, with a TIF at 75% for 30 years receiving full points. Because of the competitive nature of the QAP process, all QAP applicants request TIF terms of 75% for 30 years. Without full points, it is unlikely that the applicant would receive LIHTC, which can delay or stop projects that would bring quality affordable units to Portland. Staff is suggesting a streamlined process for approving TIF districts for these projects which includes a staff review of project feasibility and automatic consideration as an emergency order to meet QAP deadlines.

3. Underwriting Process

The TIF Policy currently requires a 3rd party underwriter for all projects requesting CEA participation (Section V.B.3.b.iii). As outlined above, the QAP process awards full points for a 75% TIF at 30 years, which means all applicants request these terms. When the third-party underwriter has suggested different terms, the developers have successfully lobbied the City Council for the maximum terms to achieve full points in the QAP. Additionally, projects that are not awarded LIHTC in the first round in which they apply often ask to amend their TIF terms, leading to additional third-party underwriting. To manage third party costs, which can escalate when projects need to be underwritten multiple times, staff is recommending that Affordable Housing TIF applicants who will be applying for LIHTC receive in-house underwriting for financial necessity and financial capacity rather than third-party underwriting. Projects requesting additional subsidy, such as HOME and Jill C. Duson Housing Trust Funds, will still be subject to third party underwriting at the time of that request. TIF applications are often submitted while the project is still in a conceptual phase, but subsidies are typically requested when the project has more specificity, which makes third-party underwriting more accurate. Applications that are more thoroughly prepared and projects that are further along in the pre-development process take less time to underwrite. HCD staff has been refining the application process to ensure projects are closer to shovel ready, which has reduced some underwriting costs. Since 2021, 27 projects have been underwritten for TIF and/or subsidy by a third-party underwriter with costs ranging from \$1,124 to \$19,766, with an average cost of \$7,651 per project.

FISCAL IMPACT

There is no additional impact to the City, as affordable housing applications applying for LIHTC are already being awarded a 75% TIF for 30 years. The proposed changes could save funding by eliminating some third-party underwriting fees.

CONCLUSIONS

Staff requests guidance and feedback from HEDC regarding the definition clarifications for financial necessity and financial capacity and proposed changes to the TIF policy for affordable housing projects applying for LIHTC through MaineHousing’s QAP process as suggested in the attached draft TIF Policy.

If the members of the HEDC member support the proposed amendments, Staff request a recommendation to the City Council.

PRIOR COMMITTEE REVIEW: N/A in 2026

PREPARED BY

Mary Davis, Division Director
Heidi McCarthy, Housing Program Manager
Housing and Community Development Division

ATTACHMENTS

DRAFT Proposed Tax Increment Financing Policy
Affordable Housing Tax Increment Financing Process Infographic

PORTLAND TIF POLICY

~~February 22, 2021~~ [TBD date approved by City Council]

I. INTRODUCTION

Tax Increment Financing (TIF) is an economic development program authorized under state law to support municipal projects. The TIF program allows municipalities to provide financial assistance to local economic development projects and programs – from infrastructure, municipal economic development programs and staff, to business expansions - by using new property taxes that result from new commercial or residential investment associated with the corresponding increase in property value.

Portland TIF Policy supports investment in municipal economic development programs, infrastructure investment (which is generally through the establishment of area wide or neighborhood TIF districts) and individual project site specific TIF districts to support either infrastructure or individual private project financing needs.

The City is committed to invest in infrastructure located within the public rights-of-way that encourage economic development. Use of TIF investment to invest in infrastructure recognizes the savings which occurs through the TIF Program tax sheltering benefits.

“Infrastructure” is defined, but not limited to: traffic upgrades, public parking facilities, roadway improvements, lighting, sidewalks, water and sewer utilities, storm water management improvements and placing above ground overhead electric and telecommunications lines underground.

II. STATE TIF LIMITATION

There are acreage and value caps limitations for municipalities to establish TIF along with term limits. Term limits include bonds which may be issued for a maximum of 20 years (anticipation notes for three years). TIF districts may be designated for a maximum of 30 years.

III. PURPOSE

The primary purposes of the TIF Policy include:

- A. To support Portland Economic Development and Housing Plans and Policies;
- B. To stimulate expansion of the City’s commercial and industrial tax base;
- C. To stimulate new affordable and market rate housing investment;
- D. To retain and create quality employment;
- E. To support Portland’s Capital Improvement Plan; and,
- F. To establish standards upon which the City Council will authorize TIF.

IV. GENERAL PRINCIPLES

The three primary general principles for the City Council to establish TIF districts include:

A. Investment

Minimum Real Property Investment. A minimum of \$1 million in new taxable investment property value for commercial and industrial development and \$500,000 for affordable housing development is needed to qualify for a TIF. This is the minimum amount which makes practical sense to consider use of the TIF program due to the amount of new municipal property tax revenue generated from new private investment.

B. Jobs Associated with Commercial and Industrial Development

Applicants for TIF participation will be required to provide a plan outlining the number and quality of jobs retained or created associated with each TIF district. While there is not a specific formula for the numbers of jobs associated with the amount of TIF financial assistance, the number and quality of the jobs will be taken into consideration for each TIF district. It is recognized that housing projects do not create many permanent jobs.

C. Maximize Tax Sheltering Benefits

A municipality's total equalized assessed value is used to calculate General Purpose Aid to Education (subsidy), State Revenue Sharing (subsidy) and County taxes (expense). When a municipality's equalized assessed value increases, State Aid for Education decreases, municipal revenue sharing decreases, and the municipality pays a greater portion of County taxes. TIF allows municipalities to "shelter" new value resulting from private investment from the calculation of its State subsidies (education and revenue sharing) and County taxes. In other words, specific municipal shelter benefits, for the term of the TIF, include:

- 1) No reduction in State aid for education,
- 2) No reduction in municipal revenue sharing and
- 3) No increase in County taxes.

Annually, the Council Committee with jurisdiction over housing and community development and City Council will evaluate available TIF district capacity related to State acreage and value limitations to determine whether existing TIF districts need amending and/or new TIF district establishment. Scheduled public infrastructure investments included in the City's Capital Improvement Plan will inform decisions about adjustments to existing TIF districts or establishment of new TIF districts.

V. APPROACH, POLICY, and TERM REQUIREMENTS

Must meet or exceed the below requirements.

A. Approach

There are three approaches to consider establishing TIF districts. They include:

- 1) ***Municipal Economic Development Programs funded directly through a pay-as-you-go approach.***

Examples of municipal economic development programs include paying for economic development staff, annual funding to Creative Portland for city marketing/branding, and other TIF law allowable activities.

- 2) ***Area wide TIF districts financed by City Bond/Debt Issuance***

Issuance of municipal general obligation bonds or limited obligation bonds is a mechanism that may be used to fund a TIF district program. Allowable uses are spelled out in state TIF law. Generally, municipalities will issue debt to cover the cost of infrastructure investment.

- 3) ***Individual Site Specific TIF districts utilizing Credit Enhancement Agreements (CEAs)***

A CEA is a contract between a municipality and developer to assist an individual development project by using a percentage or all of the tax revenue generated by the investment to pay certain authorized project costs which could include site specific infrastructure or private individual project financing needs. Allowable project costs are spelled out in state TIF law.

B. Policy for the Three Approaches

1. **Policy for Municipal Economic Development Programs.**

Requires annual review and City Council financial appropriations.

2. **Policy for Area wide TIF District Locations (for City Bond/Debt Issuance)**

- a) Area wide TIF will be established for infrastructure investment which has applications beyond one individual project.
- b) City TIF emphasis will be placed upon the following general "Priority Revitalization Areas" to support commercial development, housing development, redevelopment, or to support buildings in need to redevelopment, address blight or historic preservation:
 - Affordable housing projects off peninsula;
 - Riverside Street commercial and industrial zoned areas;

- Forest Avenue corridor from I-295 to Woodfords Corner;
- Washington Avenue corridor from Congress Street to I-295;
- Portland Technology Park;
- Areas in which future significant wastewater and/or stormwater infrastructure investments are planned;
- West Commercial Street vacant property;
- Libbytown;
- St. Johns Street Valley;
- Other areas based upon scheduled public infrastructure investment included in the City's Capital Improvement Plan.

The above list of general priority revitalization areas serves as guides to establish specific boundaries for TIF districts at time of district establishment.

- c) Market Rate Housing. Market rate rental housing projects must be located in priority revitalization areas to stimulate housing investment for the purpose of attracting 24/7 pedestrian activity. Pursuant to State Law, TIF for condominium projects are not allowed.
- d) Affordable Housing. Affordable Housing TIF (AHTIF) may be designated on an area wide or site-specific basis.

The relevant City Council Committee will complete an annual assessment of housing needs and priorities. This assessment will include a determination regarding designation of an area wide AHTIF. Site specific AHTIF requests submitted by developers will be considered on a case-by-case basis. Area wide or site specific AHTIF designations must address an identified community need.

State law requires that at least 25% of the district area must be suitable for residential use, development must be primarily residential, and at least 1/3 of the units must be for households at or below 120% of area median income which allows for individual mixed income projects or area wide affordable housing TIF districts.

Allowable uses of AHTIF revenues are defined by State law.

- e) City preference is to invest in area wide public infrastructure TIF districts versus establishing individual private site specific TIF districts.

- f) Area wide TIF districts also should seek to maximize the benefit of downtown and transit-oriented development (TOD) districts which are exempt from State TIF law for acreage and value limitations.
- g) Terms for area wide TIF districts will be considered for up to 100% of new tax revenue and upwards of thirty (30) years, the maximum allowed by State law, due to the long-term need to invest in neighborhood infrastructure.

NOTE 1: As of this Amended TIF Policy date, there are two existing area wide TIF Districts, i.e., Bayside and Waterfront TIF Districts.

NOTE 2: As of this Amended TIF Policy date, there also exists two Transit Oriented Development (TOD) District, namely the Thompson Point TOD TIF District and the Downtown TOD TIF District to support new or expanded transit services and improved transit connections between the Portland Transportation Center, Jetport and Downtown.

3. Policy for Individual Site Specific TIF Districts Utilizing Credit Enhancement Agreements (CEAs)

- a) CEAs for individual site specific TIF districts will be considered for investment in infrastructure or project financing need and cannot be applied to any agreed upon public infrastructure improvements associated with a City Council approved conditional rezone agreement. Additional provisions related to CEAs include:

- i) City Green Building Code

Compliance with the City’s Green Building Code is required when TIF assistance is provided to individual private project CEAs.

- ii) Affordable Housing

Affordable Housing TIF (AHTIF) may be designated on an area wide or site-specific basis. Developments are encouraged to promote economic diversity.

The City Council Committee will complete an annual assessment of housing needs and priorities. This assessment will include a determination regarding designation of an area wide AHTIF. Site specific AHTIF requests submitted by developers will be considered on a case-by-case basis. Area wide or site specific AHTIF designations must address an identified community need.

State law requires that at least 25% of the district area must be suitable for residential use, development must be primarily residential, and at least 1/3 of the units must be for households at or below 120% of area median income which allows for individual mixed income projects or area wide AHTIF districts.

Affordable means that the percentage of income a household is charged in rent and other housing expenses including utilities, or must pay in monthly mortgage payments (including real estate taxes, mortgage insurance, condominium/HOA fees, insurance and utilities), does not exceed 30% of a household's gross income, or other amount established in city regulations that does not vary significantly from this amount. These restrictions must remain in place for the full term of the AHTIF district.

Allowable uses of AHTIF revenues are defined by State law.

(iii) State Prevailing Wage Requirement

Any firms employed in the construction phase of a TIF-assisted project must compensate all employees the current wage rates and fringe benefits as required under applicable state prevailing wage law under 26 M.R.S.A. §1306, or Portland City Ordinance Ch. 33, §33-1 to 33-12, whichever is greater.

City staff shall provide to the relevant City Council Committee an annual update on:

- a) the impact of this prevailing wage requirements on CEAs;
- b) feasibility of construction firms to pay prevailing wages and benefits; and
- c) compliance with this section.

(iv) Equal Employment Opportunities and Nondiscrimination

The developer and its contractors employed in the construction phase of a TIF-assisted project shall adhere to a policy of non-discrimination in all employment actions, practices, policies, procedures, phases, and conditions of employment. All employment-related decisions (including but not limited to hiring, discharge, transfers, promotions, discipline, training, job opportunities, and wage and salary levels) will be made without discrimination based on an individual's race or color, religion, age, sex (including pregnancy), sexual orientation, gender identity or expression, ancestry or national origin, physical or mental disability, veteran status,

genetic information, previous assertion of a claim or right under Maine's Workers' Compensation Act, previous actions taken protected under Maine's Whistleblowers' Protection Act, or any other protected group status as defined by applicable law. Provisions in applicable laws providing for bona fide occupational qualifications, business necessity, or age limitations will be adhered to by the developer and its contractors where appropriate. This policy shall not be construed to prohibit any employment action or policy which is required by federal law, rule or executive order.

b) Applicants for CEA participation must demonstrate and pay the following:

i) Financial Necessity.

The applicant must demonstrate that the City's participation is financially necessary in order for the project to proceed. For affordable housing projects, the applicant must demonstrate that there is a gap in eligible costs as outlined in MRS title 30-A, §5249. PROJECT COSTS. This may include an evaluation of the project's operating or construction pro forma for cost reasonableness.

ii) Financial Capacity.

The applicant must demonstrate financial capacity to support their project during both the construction and operations phases. This may include an evaluation of construction estimates, sources of project funding, debt coverage ratios, and past performance.

iii) Fees

An in-house financial underwriting analysis will be conducted for all projects requesting CEA participation who are also participating in MaineHousing's Qualified Allocation Plan (QAP) process for Low-Income Housing Tax Credits (LIHTC). A financial underwriting analysis will be conducted by a third party on –all other projects requesting CEA participation. Applicants for CEA assistance will be responsible for reimbursing the City for all project third party legal and financial underwriting costs.

iv) Affordable Housing Projects seeking LIHTC credits.

Projects seeking LIHTC credits will be subject to a staff review of project feasibility, including likelihood that the project can meet the proposed timeline. These projects will also be eligible for consideration as an emergency City Council order to meet QAP deadlines.

C. Terms for CEA Projects

1) Maximum Percentages.

A maximum average percentage of 65% for the entire term associated with individual project CEA's. Notwithstanding the previous sentence, the maximum average percentage for the entire term associated with individual project CEAs for affordable housing shall be 75%. For the purposes of this policy, the term affordable housing shall be defined as in "V. Approach, Policy, and Term Requirements" Section B(3)(a)(ii) (Affordable Housing) of the Portland TIF Policy.

2) Maximum Number of Years.

Up to twenty (20) years to match individual private sector commercial financing terms; for Affordable Housing projects, up to thirty (30) years (affordability must be maintained for the full term of the TIF). The term of a TIF may start upon agreed trigger event, such as an increased assessed value. This would be included in a CEA on that negotiated triggering event.

3) Affordable housing [projects seeking LIHTC through the QAP process at MaineHousing will be eligible for the maximum terms to achieve full points on their MaineHousing application, for as long as that criteria remains in the QAP.](#)

4) Use of Maine Services for CEA Projects Encouraged.

VI. TIF APPLICATION AND ADMINISTRATION PROCESS

A. Application Information and Contact.

The Housing and Economic Development Department handle all TIF inquires and processes requests for TIF. An applicant must submit a letter or application to the Housing and Economic Development Department outlining the proposed project, including TIF project financial information, a plan outlining both the number of permanent and construction jobs associated with the proposed project, housing affordability, as well as a demonstrated ability to meet the requirements under Section B(3)(a) of this policy.

B. Approval Process.

There is a two-step approval process which includes obtaining a recommendation from the City Council Committee and City Council approval. Two meetings (or readings) by

the City Council are needed. The City Council vote on the TIF occurs at the second meeting.

C. Post-Construction Report to City Council.

The Housing and Economic Development Department shall provide a post-construction report to the City Council Committee and City Council regarding each TIF-assisted project which shall include, but not be limited to, an analysis of the adherence to Section (V)(B)(3)(a) of this policy.

D. Annual Report to City Council.

The Housing and Economic Development Department shall provide annual reports to the City Council Committee and City Council regarding TIF district activity.

AHTIF

PROCEDURE

1. APPLICATION

Update and release the application, coordinate with Neighborly, review AHTIF dates.



2. UNDERWRITING

Review applications for completeness, score applications, send to underwriter.



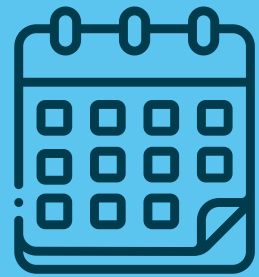
3. GATHER INFO

Collect templates, contact Assessor, get tax info, get updated pro forma, create program documents, get comments on docs.



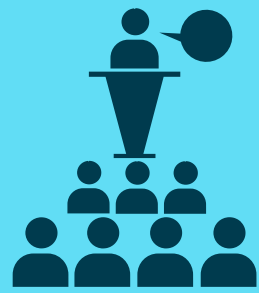
4. HEDC

Confirm HEDC/Council dates, revise the memo, compile all Maine Housing AHTIF forms.



5. CITY COUNCIL

Schedule two readings with a public hearing, publish public notice, include all Maine Housing AHTIF forms, record public comments.



POST-COUNCIL

Obtain meeting minutes and order, finalize and sign all submittal documents.



7. SUBMITTAL

Upload all application materials to Maine Housing Sharefile, notify Maine Housing of submission, save/distribute the certificate of approval.





To: Councillor Ali, Chair

Members of the Housing and Economic Development Committee

MEETING DATE: March 17, 2026

AGENDA ITEM

Review of FY2027 HUD Annual Action Plan

PURPOSE

An opportunity for members of the Housing and Economic Development Committee (HEDC) to review the City Council Memo and Packet for the FY 2027 U.S. Department of Housing and Urban Development (HUD) Annual Action Plan and allocation recommendations for the Community Development Block Grant (CDBG) Program, HOME Program, and Emergency Solutions Grant (ESG) Program.

COMMITTEE WORK PLAN/CITY COUNCIL GOAL ALIGNMENT

The HUD Annual Action Plan and the allocations for the CDBG, HOME and ESG Programs will work to address the 2026 City Council Goals.

BACKGROUND/ANALYSIS

Each year the City Council holds two public hearings to review and receive public comment on the HUD Annual Action Plan and allocation recommendations for the CDBG, HOME and ESG Programs. The council packet item is also reviewed at a HEDC meeting to allow committee members an opportunity to review the information in advance of the City Council public hearings. This year, the public hearings are scheduled for April 13th and April 27th. At the April 27th meeting, the Council will act on the plan and annual allocations.

FISCAL IMPACT

HUD has not announced the annual allocation amounts for the CDBG, HOME and ESG Programs. The estimated budgets being presented to the City Council assume level funding from FY2026. HUD should announce the allocation amounts on or before May 15.

CONCLUSIONS

Staff will be available to answer any questions that members of the HEDC may have on the FY2027 Annual Action Plan and HUD program allocations.

PRIOR COMMITTEE REVIEW: FY2027 Housing Program Budget reviewed at the February 3rd HEDC meeting.

PREPARED BY

Heidi McCarthy, Housing Program Manager
Housing and Community Development Division

ATTACHMENTS

Attachment A: CAP Calculation Memo

Attachment B: CDBG Allocation Committee Letter and Recommendations
Attachment C: City Manager CDBG Recommendations
Attachment D: Memo Housing Program Budget
Attachment E: Housing Program Budget Draft
Attachment F: ESG Budget Draft
Attachment G: Annual Action Plan Draft



Memorandum

To: Housing and Economic Development Committee
From: Mary Davis, Division Director Housing and Community Development Division
Date: March 17, 2026
Subject: **2026-2027 CDBG Budget and Cap Calculations**

In past years, the CDBG budget submitted as part of the HCD Annual Action Plan matched the local CDBG budget presented on the allocation summary sheet. Starting in 2018, the budget differs due to the replacement of program income with TIF funds and Cotton Street proceeds. Staff would like to take the opportunity to address how these changes impact the overall CDBG budget and cap calculations.

CDBG budget and cap calculations: Each year staff calculate the HUD mandated funding caps for the following CDBG funding categories: Planning and Admin, and Social Services. The budget for our local CDBG program is created once the HUD mandated funding caps have been determined. The CDBG budget combines the CDBG entitlement funds with program income, reprogramed funds, and available local funds. These local resources are not included in the cap calculations nor are they required to be included in the HUD CDBG budget.

In past years, the CDBG program received program income from a parcel of land known as the Cotton Street parking lot. Following the HUD cap calculations, 20% of the program income went to Planning and Admin, 33% went to Social Services, and the remainder went to Development Activities. In 2017, the City sold the Cotton Street parcel. In order to make up the loss of program income funds for each category, the City Council allocated \$120,000 of TIF revenue to be used for Planning and Administration (\$30,000) and for TIF-eligible public infrastructure projects (\$90,000). In addition, the City Council allocated \$20,000 from the Cotton Street proceeds to be used for social service activities.

The budget submitted to HUD in the HCD Annual Action Plan excludes local funding for the purposes of HUD mandated cap calculations, but they are included in the Annual Action Plan as other funding sources.



February 12, 2026

Danielle West
 City Manager
 Portland City Hall
 389 Congress Street
 Portland, Maine 04101

Dear Danielle:

We are pleased to submit the Community Development Block Grant (CDBG) Allocation Committee’s recommended budget for the 2026-2027 program year.

This letter includes a description of this year’s process, how the applications were reviewed and scored, along with our recommendations for funding.

The U.S. Department of Housing and Development (HUD) has not released the 2026-2027 allocations. This information should be available in the coming months and we are unsure whether the funding will remain level with the previous year’s funding.

The need for CDBG funds, in general, exceeds the available resources.

This year, the City received applications for 6 Development Activities projects (four less than last year) and 11 eligible Social Service projects (nine less than last year). The Committee’s allocation recommendation, the funding requested, and the resulting difference are represented in the following table.

CDBG Year	ESTIMATED HUD ALLOCATION	REQUEST	DEFICIT
Planning and Administration	\$361,527.20	\$361,527.20	\$0
Social Service Activities	\$596,519.88	\$1,055,651	\$459,132
Development Activities	\$849,588.92	\$1,115,000	\$265,412
TOTAL	\$1,807,636	\$2,532,178	\$724,544

Application Review Process

The mandatory applicant meeting was held on October 15, 2025. CDBG Applications were made available on October 20, 2025, and submissions were due Monday, November 17, 2025, by 4:00pm.

The Committee has met 7 times between December 10, 2025, and February 12, 2026, to discuss Development Activities and Social Service applications. The Committee members read each application individually prior to the meeting and discussed each as a group. When questions about the applications arose, staff documented the questions and forwarded them to the applicant to respond, and the applicant's responses were then shared with the Committee and reviewed. Allocation Committee members then scored each application individually, using the scoring matrix structured in accordance with the priorities established by the City Council.

After all the scores were received from Allocation Committee members, staff organized the applications by score from the highest to the lowest within each application category. The City Council has directed the Committee to recommend full funding based on the request of each applicant; therefore, each applicant was awarded full funding in descending order, by total score, until the anticipated funding was exhausted.

Funding Caps and Set Asides

The funding caps for individual projects are set at \$150,000 for Social Service applicants and \$250,000 for Development activities. Administration and Planning funding is limited to 20% of the entire CDBG budget. City applicants are eligible for up to 85% of available funds for Development Activities, with a minimum 15% reserved for outside organizations. In addition to the 85% cap, a public infrastructure set aside of up to 60% of the City's maximum 85% request remains in effect.

This year's allocations again features a structure where 20% of available funds for Social Services is set aside for projects submitted by applicants that have not previously received CDBG funding. These projects must receive a minimum average score of 75 but then are ranked among the subset of new applicants for the 20% funding set aside. This year no applicants met these criteria.



RECOMMENDATIONS

Administration and Planning Funding

The Committee reviews information regarding Administration and Planning but does not score the application competitively. Administration funding is essential for operating the CDBG program and reporting to HUD. The Housing and Economic Development Department is proposing a budget of \$361,527 with the understanding that Administration and Planning funding is limited to 20% of the entire CDBG budget. This year, the 20% cap is estimated to be \$361,527; increases to the estimated cap will also increase the budget proposal.

Development Activities Funding

The Committee received 6 eligible Development Activity applications requesting \$1,115,000 which includes both construction activities and economic development initiatives. For 2026-2027, \$849,588.92 is available for Development Activity funding. The following table lists in descending scoring point order the applicant organization, program, funding request, and committee recommendation. There is a deficit of \$265,412 needed to fund all Development Activities.

If there are contingency funds available the committee recommends allocating funds to the next highest score in Development Activities.

Organization	Program	Request	Points	Committee Recommendation
Greater Portland Family Promise	Family Promise Transitional Housing	\$221,000.00	89.67	\$221,000.00
City of Portland Department of Parks, Recreation, and Facilities	Community Garden Project	\$250,000.00	87.33	\$250,000.00
City of Portland's Housing and Economic Development Department (HEDD) and Portland Development Corporation (PDC)	Microenterprise Grant and Training Program	\$212,500.00	81.11	\$212,500.00



Organization	Program	Request	Points	Committee Recommendation
Port Resources	Group Home Generator Project	\$31,500.00	77.89	\$31,500
Portland Recovery Community Center	Community Center Parking Lot Project	\$150,000.00	74.89	\$134,588.00
Trustees of First Parish	Retaining Wall Project	\$250,000.00	72.86	\$0

Social Service Funding

The Committee received 11 eligible Social Service applications. A total of \$1,055,651 in Social Service requests were received with an estimated \$596,519.88 in available funding. The following table lists in descending scoring point order the applicant organization, program, funding request, and committee recommendation.

Organization	Program	Request	Points	Committee Recommendation
Quality Housing Coalition	Project HOME	\$150,000.00	95.89	\$ 150,000.00
Through These Doors	Community Based Domestic Violence Services	\$53,483.00	93.89	\$ 53,483.00
Hope Acts	Economic Opportunity for New Americans	\$150,000.00	93.89	\$ 150,000.00



Organization	Program	Request	Points	Committee Recommendation
Catholic Charities Maine	Immigration Legal Services	\$65,974.00	92.00	\$ 65,974.00
Milestone Recovery	HOME Team	\$100,000.00	90.67	\$ 100,000.00
Preble Street	Youth Street Outreach	\$89,768.00	90.56	\$ 77,062.00
Preble Street	Nourish Initiative	\$75,000.00	90.22	
Milestone Recovery	Food Access and Engagement	\$50,000.00	89.56	
Wayside Food Programs	Direct Services Program	\$44,400.00	88.11	
Greater Portland Family Promise	Homelessness Prevention and Housing Stabilization	\$127,625.00	87.78	
Maine Needs	Portland Maine Needs	\$149,401.00	81.89	

*Indicates new applicants

Additional Considerations

There are 2 points related to the submitted projects that deserve additional consideration beyond the scoring rubric we have applied in the above allocations.

1. The Committee proposes allocating the additional \$20,000 from the Cotton Street funds to a food program proposal. Despite the high scores, the current funding proposal does not support any food-related initiatives.
2. The Committee acknowledges the upcoming Consolidated Plan process will allow changes to the CDBG program policies and application process. The Committee recommends the Council and upcoming CDBG Priority Setting Task Force explore measures to strengthen the program in the following ways:
 - Review the possibility for scoring minimums, updating funding limits, altering set asides, exploring partial funding recommendations and award requests, etc
 - Analyze the weight given to certain scoring categories (such as Letters of Support and Sustainability) as well as how certain categories interact with each other (such as Financial Need balancing out Financial Stability)
 - Find ways for City leadership and staff to provide additional information at the beginning of the annual application review process for the overall goals and needs, especially as they relate to the common themes in the applications (homelessness, food, domestic violence, housing, etc)
 - Explore mechanisms for how to review whether each year's awarded programs address the range of the City's Consolidated Plan goals in order to ensure progress towards each goal over time
 - Collect data for the long term impact of programs which consistently receive CDBG funding

We respect that you may have different priorities from those reflected in the Committee's allocation recommendations, and that you have flexibility that is not afforded by the structure of the Committee's scoring system. We look forward to learning of your and the City Council's conclusions regarding CDBG allocations.

Summary

Portland is fortunate to have a diverse and talented community of organizations seeking the development of the City and the redress of the needs of its residents. All projects that applied to the program would benefit our City, but scarce funding prevents us from funding all of them. This



is a competitive process; each applicant competes against all other applicants in their respective Development and Social Services categories.

We thank you for your commitment to this program and hope you are satisfied with the results. We take the opportunity to serve on this committee with the utmost seriousness and diligence and feel the outcomes above reflect our best adherence to the rules and guidance provided.

We offer our recommendations for your consideration. We look forward to seeing you during your upcoming meetings and hearing your response.

Sincerely,

The CDBG Annual Allocation Committee for Program Year 2026-2027:

Teale Smith, Chair

Kim Vandermuelen, Vice Chair

Natalie King

Kristen Dunphey

Carly Lappas

Kristina Randall

Sean Fitzpatrick

Jay Knowlton

Claire Maurer

Attachments: CDBG Allocation Committee Funding Recommendations 2026-2027 (spreadsheet)

Executive Department

Danielle P. West

City Manager

March 13, 2026



Mayor Dion and Members of the Portland City Council:

I am pleased to submit to you my recommendations for the Community Development Block Grant (CDBG) Program for the fiscal year beginning July 1, 2026 to June 30, 2027. I would like to note that the U.S. Department of Housing and Urban Development (HUD) has not released the final allocations for the 2026-2027 Community Development Block Grant (CDBG), HOME, and Emergency Solutions Grant Programs (ESG); and therefore, the final award amounts may be proportionally amended at that time.

To begin, I would like to thank the CDBG Allocation Committee for their dedication and extensive work over the last few months. They began their work mid-December 2025 and met a total of 7 times to discuss each application. I have reviewed their recommendations and acknowledge the difficult task they were presented with. After reviewing the CDBG applications, I met with Housing and Community Development (HCD) staff and carefully considered the Allocation Committee's recommendations before forming and finalizing my attached recommendations. *[City Manager's Recommendations A1.]* My recommendations ultimately align with the Allocation Committee's recommendations as shown in the following sections.

1) **Social Services.** As in past years, the City received a wide variety of competitive social service applications, requesting \$1,055,651. With an estimated \$596,519 in available funding, there is a gap of \$459,131. Unfortunately, additional funds that have been allocated in recent years, such as COVID-19 Aid, are no longer available. The only additional source of funds this year is \$20,000 from the Cotton Street fund, which I am recommending be put towards the Preble Street Nourish Initiative. My recommendation follows that of the Allocation Committee in all other regards.

2) **Development Activities.** Funds in this category are used to improve and invest in the physical infrastructure and the economic development of our city. This year, we received 6 eligible applications in this category requesting \$1,115,000 in funding. A total of \$849,588 is available in this category, a gap of \$265,411. This represents the amount available from the HUD allocation. There are no projects that fit the eligibility criteria for the annual \$90,000 in Downtown TIF funding. Currently, four projects are fully funded and one project is unfunded due to the lack of available funding. Port Resources elected to withdraw their application. My recommendations again match those from the Allocation Committee.

3) ***Administration and Planning.*** The Housing and Economic Development Department is required to submit a non-competitive application to the Allocation Committee. The Housing and Economic Development Department submitted an initial request of \$361,527. These funds are used to administer the program. I recommend full funding of this application to administer the program.

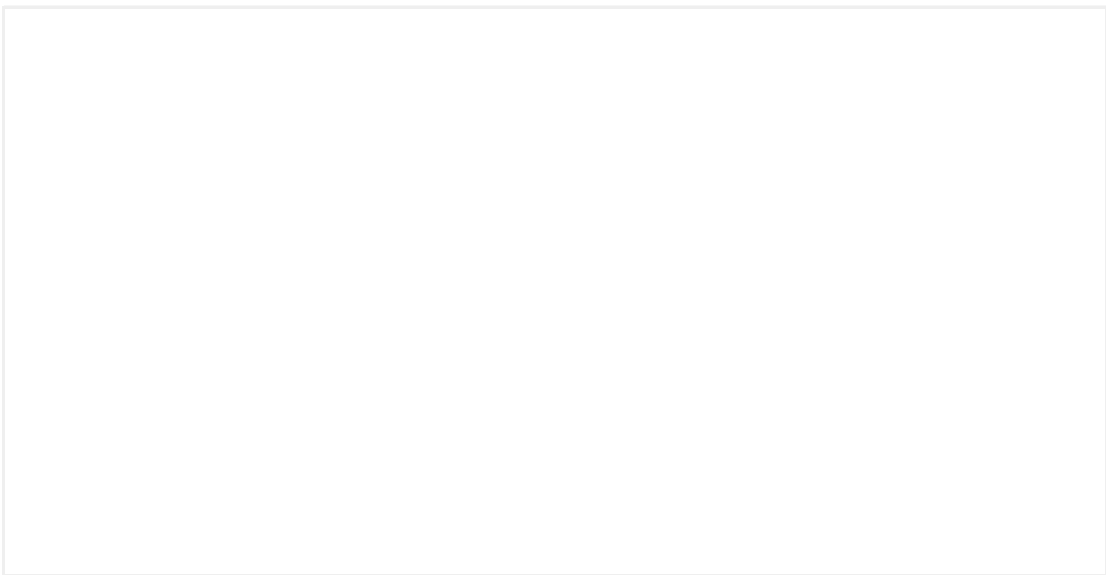
The above funding recommendations comply with the regulatory requirements set forth by HUD, while also helping to address the critical needs and gaps in services in our community. I thank you for the opportunity to share my recommendations, and I hope you join me in commending all of the good work being done in our City.

Sincerely,

Danielle P. West
City Manager

CDBG Allocation 2026-27

Total Estimated HUD Allocation:	\$1,807,636.00
Estimated Program Income	\$0.00
Total HUD funding	\$1,807,636.00
HUD Administrative Cap (20%)	\$361,527.20
<i>City Admin TIF</i>	\$30,000.00
Estimated Administrative	\$391,527.20
HUD Social Service Cap (33%)	\$596,519.88
<i>Cotton St Funds</i>	\$20,000.00
Estimated Social Service	\$616,519.88
HUD Development Activities	\$849,588.92
<i>Downtown TIF</i>	\$90,000.00
Estimated Development Activities	\$939,588.92
Total Estimated Funding	\$1,947,636.00



Administration and Planning

Case Id	App Type	Priority	Organization	Project Name	Funding Requested	Avg Committee Score	Point Deductions	Final Score	Committee Recommendation	City Manager Recommendation	*	Final City Council Allocation	Adjusted for Final HUD Allocation
N/A	Admin	N/A	Housing and Economic Development Department	CDBG Admin and Planning	\$361,527.20				\$361,527.20	\$361,527.20			

Development Activities Applications

Case Id	App Type	Priority	Organization	Project Name	Funding Requested	Avg Committee Score	Point Deductions	Final Score	Committee Recommendation	City Manager Recommendation	*	Final City Council Allocation	Adjusted for Final HUD Allocation
30676	Cons.	HA	Greater Portland Family Promise	Family Promise Transitional Housing	\$221,000.00	89.67	0.00	89.67	\$221,000.00	\$221,000.00			
30668	Cons.	NI	City of Portland Parks, Recreation, and Facilities Department	Portland's Community Gardens Rebuild Equity Project	\$250,000.00	87.33	0.00	87.33	\$250,000.00	\$250,000.00			
30661	ED	EO	City of Portland's Housing and Economic Development Department (HEDD) and Portland Development Corporation (PDC)	Microenterprise Grant and Training Program	\$212,500.00	81.11	0.00	81.11	\$212,500.00	\$212,500.00			
30653	Cons.	NI	Port Resources **	Group Home Generator Project	\$31,500.00	77.89	0.00	77.89	\$31,500.00	\$0.00	**		
30657	Cons.	NI	Portland Recovery Community Center	Portland Recovery Community Center Parking Lot Project	\$150,000.00	74.89	0.00	74.89	\$134,588.92	\$150,000.00			
30662	Cons.	NI	Trustees of First Parish Church	Retaining Wall	\$250,000.00	73.11	0.25	72.86	\$0.00				
				Total Cost of Project Requests	\$1,115,000.00			Total:	\$849,588.92	\$833,500.00			
			* No projects are eligible for the Downtown TIF City Infrastructure Set Aside	Total Estimated HUD Funds Available	\$849,588.92								
				Total Available (HUD Funds + TIF)	\$939,588.92								
				Estimated City Project Cap (85%)	\$722,150.58								
			** Port Resources request withdrawn by applicant	Estimated Public Infrastructure Set Aside (60% of City Cap)	\$433,290.35					*Indicates allocation of TIF Funding (\$90,000)			

Social Service Applications

Case Id	App Type	Priority /Goal	Organization	Program Name	Funding Requested	Avg Committee Score	Point Deductions	Final Score	Committee Recommendation	City Manager Recommendation	*	Final City Council Allocation	Adjusted for Final HUD Allocation
30679	SS	EO	Quality Housing Coalition	Project HOME	\$150,000.00	95.890	0.000	95.89	\$150,000.00	\$150,000.00			
30664	SS	ANGHP	Through These Doors	Community Based Domestic Violence Services	\$53,483.00	93.890	0.000	93.89	\$53,483.00	\$53,483.00			
30674	SS	EO	Hope Acts	Economic Opportunity for New Americans	\$150,000.00	93.890	0.000	93.89	\$150,000.00	\$150,000.00			
30651	SS	EO	Catholic Charities Maine	Immigration Legal Services	\$65,974.00	92.000	0.000	92.00	\$65,974.00	\$65,974.00			
30665	SS	ANGHP	Milestone Recovery	HOME Team	\$100,000.00	90.670	0.000	90.67	\$100,000.00	\$100,000.00			
30640	SS	ANGHP	Preble Street	Youth Street Outreach	\$89,768.00	90.560	0.000	90.56	\$77,062.88	\$77,062.88			
30641	SS	ANGHP	Preble Street	Nourish Initiative	\$75,000.00	90.220	0.000	90.22	\$0.00	\$20,000.00	*		
30670	SS	ANGHP	Milestone Recovery	Food Access and Engagement	\$50,000.00	89.560	0.000	89.56	\$0.00				
30671	SS	ANGHP	Wayside Food Programs	Direct Services Program	\$44,400.00	88.110	0.000	88.11	\$0.00				
30675	SS	ANGHP	Greater Portland Family Promise	Homelessness Prevention and Housing Stabilization	\$127,625.00	87.780	0.000	87.78	\$0.00				
30645	SS	ANGHP	Maine Needs	Portland Maine Needs	\$149,401.00	81.890	0.000	81.89	\$0.00				
				Total Cost of Project Requests	\$1,055,651.00			Total:	\$596,519.88	\$616,519.88		\$0.00	\$0.00
				Total Estimated HUD funds Available	\$596,519.88								
			No Applicants are eligible for the New Applicant Set Aside	Annual Cotton St Funding	\$20,000.00					*Indicates allocation of Cotton St Funding (\$20,000)			
				Total Estimated Funds Available	\$616,519.88								

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



To: **Councilor Ali, Chair**

Members of the Housing and Economic Development
Committee

MEETING DATE: March 17, 2026

AGENDA ITEM

Review and recommendation to the City Council of the 2026-2027 Housing Program Budget.

PURPOSE

The Housing and Economic Development Committee recommends the Housing Program Budget to the City Council for final approval.

COMMITTEE WORK PLAN/CITY COUNCIL GOAL ALIGNMENT

Council Goal 2: Housing Affordability

“Implement solutions to the housing crisis, including building more working-class housing...”

BACKGROUND/ANALYSIS

HOME Program: The Home Investments Partnerships Program (HOME) was established by Congress in 1992. Since 1992, the City of Portland and the Cumberland County HOME Consortium have received over \$27.7 million dollars in HOME funding. In 2009 the City became the lead entity in the Cumberland County HOME Consortium (CCHC). The Consortium is a partnership of the communities in Cumberland County that administers HOME Program funds in Cumberland County. The creation of the consortium expanded the financial resources for affordable housing activities in the region. The City retains independent operation of its HOME program. Because the City serves as the “Lead Entity” and City staff administers the County portion of the funding, all administrative funds are retained by the City. The County’s Municipal Oversight Committee controls the allocation of the County’s portion of the HOME funds.

When the Consortium was formed in 2009, it included a “hold harmless” clause to ensure that the City, as an existing HOME grantee, would continue to receive funding equal to its allocation prior to the formation of the consortium. The “hold harmless” formula was based on a comparison ratio to the HOME funding for the Lewiston/Auburn (L/A) Consortium. The formula identified Portland’s “hold harmless” amount at 118% of the HOME allocation for the L/A Consortium. The Cumberland County HOME Agreement did allow for adjustments to be made if the current level of funding to the L/A HOME Consortium varied from historic levels. Over the years the L/A allocation has decreased which has resulted in the Portland “hold harmless” amount to decrease. As a result, by agreement with the other members of the CCHC, the annual allocation is divided with 57% of the allocation, after the administrative set-aside, to the City and 43% of the allocation to the County.

As a point of reference, if the City were a stand-alone grantee, the estimated HOME allocation for Portland (using a HUD HOME Allocation estimated calculation) would be approximately \$528,440. Of that amount 10% would be set aside for administrative costs (\$52,844) leaving \$475,596 for program funding. Under the current consortium agreement, the city receives the administrative set-aside (\$80,065) along with approximately \$410,736 in program funds. These amounts are based on the HUD allocation only and do not include any program income. Participation in the HOME consortium benefits Portland as well as the county as a whole.

HUD has not announced the allocation amount for FY 2026-2027. Since we do not have the final allocation amounts, we are estimating the HUD HOME allocation at the same level as the 2025-2026 year (\$800,654). \$309,853 is reserved for County projects. The budget proposal was developed after a historical review of HOME funding allocations, previous year’s budget allocations, program expenditures and program income (loan repayments) received. Currently, the City’s HOME Program is divided into three funding categories:

1. Administration
2. Tenant Based Rental Assistance (TBRA)
3. Affordable Housing Development [including the required Community Housing Development Organization (CHDO) set-aside mandated by HUD]

HOME Program Budget	FY 2025-2026 Budgeted (entitlement + program income)	FY 2026-2027 Budget proposal (entitlement)
Administration	\$87,959	\$80,065
Tenant Based Rental Assistance	\$136,392	\$136,392
Affordable Housing Development includes CHDO requirement	\$274,344	\$274,344

LEAD SAFE HOUSING (Program Income): Lead Safe Housing Program Income is generated through repayment of loans given under prior Lead Safe Housing Grants. These funds can only be used for lead safe housing eligible activities. The City recently received a Lead Hazard Reduction Grant of \$2,619,960 (over 48 months 2/1/2025-2/1/2029) in funding for lead paint remediation and \$748,000 in funding to assist with code and life safety improvements.

Lead Safe Housing Program Income	FY 2025-2026 Budgeted	FY 2026-2027 Budget Proposal
	\$22,744	\$1,125

JILL C. DUSON HOUSING TRUST FUND: Revenue for the Jill C. Duson Housing Trust Fund is primarily generated from fees triggered by the City’s Housing Preservation and Replacement Ordinance, fee-in-lieu contributions from the Inclusionary Zoning Ordinance and Hotel Inclusionary Zoning fee. Including the current balance of the Housing Trust Fund in the Housing Program Budget gives budget authority for the use of the funds. The amount budgeted is the

maximum that might be expended in FY27. Staff continues to recommend maintaining a minimum balance in the Housing Trust. The current balance in the Housing Trust Fund is \$2,489,361, while the effective budget would be \$1,989,361 (\$2,489,361 less \$500,000.)

Jill C. Duson Housing Trust Fund (HTF) Budget	FY 2025-2026 Budgeted	FY 2026-2027 Budget Proposal
	\$863,559	\$2,489,361

FISCAL IMPACT

The annual housing program budget does not include general fund revenue. The sources included in the annual housing program budget include estimated Federal HOME Investment Partnership Program funding, current funding available in the Jill C. Duson Housing Trust Fund and Lead Safe Housing program income.

CONCLUSIONS

The proposed Housing Program Budget is being brought forward now to facilitate the release of the City's Affordable Housing Development and TIF Application and its incorporation into the HUD Annual Action Plan.

We anticipate the budget will be adjusted once HUD announces the final fiscal year allocations for the HOME Program. This is dependent on the Federal FY26 THUD appropriation bill, which, at the time of drafting, had passed the U.S. House as part of a larger spending package. That bill recommends level funding for both the Community Development Block Grant (CDBG) Program and the HOME Program. However, the spending package is currently stalled in the Senate, which could potentially lead to another federal government shut-down.

This budget will be forwarded to the full City Council for two Public Hearings, scheduled for March/April, as part of the overall HCD budget and the HUD Annual Action Plan. While the final budget and Annual Action Plan are typically due to HUD 45 days before the start of the fiscal year (May 15 for the FY beginning July 1, 2026), HUD will only accept the submission after the federal budget is approved and the official funding award amounts have been released.

Staff is requesting an approval and recommendation to the City Council of the FY 26/27 Housing Program Budget as outlined above and summarized in the attached spreadsheet. If the HUD allocation amount is different from the estimate used in this budget, program budgets will be adjusted accordingly.

RECOMMENDATION

Motion to recommend to the City Council approval of the FY2026-2027 Housing Program Budget as presented by staff.

PRIOR COMMITTEE REVIEW in 2026 – February 3, 2026

PREPARED BY

Mary Davis

Division Director, Housing and Community Development Division

ATTACHMENTS - Attachment A: FY 2026-2027 Proposed Housing Program Budget

2026-2027 HOUSING PROGRAM BUDGET

DRAFT 02.20.2026

Total HUD HOME Entitlement Allocation	800,654
Portland Program Portion	410,736
Portland Admin Portion	80,065
County Program Portion	309,853

Recommended by HEDC (4-0) 02.03.2026
Approved by Council xx.xx.2026
HUD Allocation Date: xx.xx.2026

REVENUES- Housing Programs

2026-27 HOME Consortium Admin (10% of allocation)	80,065
2026-27 HOME Consortium Programming	410,736
2025 Calendar Year HOME Program Income*	59,623
2025 Calendar Year HOME Program Income Recaptured Funds*	76,140
2025 Calendar Year HOME Program Income and Recapture Deduction for County*	-135,763
2025-26 Housing Trust Fund	
2025 Lead Safe Housing Program Income	1,125

REVENUE TOTALS (Portland)

*For FY27 budget PI & Recapture based on actuals from Jan -Dec 2025

<i>HOME</i>	<i>LEAD Safe Housing Program Income</i>	<i>Housing Trust Fund</i>	<i>TOTAL BUDGET</i>
80,065			80,065
410,736			410,736
59,623			59,623
76,140			76,140
-135,763			-135,763
		2,489,361	2,489,361
	1,125		1,125
490,801	1,125	2,489,361	2,981,287

2026-27 HOUSING Budget by Activity (Portland)

Administration 243027QQ01 (does not includes 10% of PI)	80,065
Tenant-Based Rental Assistance 443026QT01	136,392
Affordable Housing Development 243027QA00	205,888
CHDO 243027QA00	68,456
Lead Safe Housing 243019PLL1 (PLL036)	0

EXPENDITURE TOTALS (Portland)

<i>HOME</i>	<i>Housing</i>	<i>Housing Trust Fund</i>	<i>TOTAL BUDGET</i>
80,065			80,065
136,392			136,392
205,888		2,489,361	2,695,249
68,456			68,456
0	1,125		1,125
490,801	1,125	2,489,361	2,981,287

2026-27 HOME Consortium COUNTY - approved by MOC on 03.04.2026

County HOME Program budget provided for reference only; **adjusted for final HUD Allocation xx.xx.2026**

Allocation of County funds is done by the County's Municipal Oversight Committee

REVENUES- Housing Programs

2026-27 HOME Consortium Non-Portland Programming	309,853
2025 HOME County Program Income and Recapture	135,763
Unexpended Prior Year Balance*	796,646
	<hr/> 1,242,262

2026-27 HOUSING Budget by Activity

Affordable Housing Development 243027QC00	1,190,620
CHDO 243027QC00	51,642
	<hr/> 1,242,262

Draft 2026-2027 Budget for ESG

Emergency Solutions Grant 2022-2026

rev. 02.10.2026

ALLOWABLE PROGRAM COMPONENT*

Program	ESG Budgeted Funding Amount by Fiscal Year				
	FY 22-23 (Y1)	FY 23-24 (Y2)	FY 24-25 (Y3)	FY25-26 (Y4)	FY26-27 (Y5)
Operations: Homeless Health	\$0	\$0	\$0	\$0	\$0
Emergency Shelter: Family Shelter	\$82,216	\$81,427	\$81,184	\$80,332	\$80,332
Homeless Prevention: Family Shelter	\$0	\$0	\$0	\$0	\$0
Homeless Prevention: Homeless Service Center	\$16,102	\$15,948	\$15,948	\$15,948	\$15,948
Rapid Rehousing: Homeless Service Center	\$54,803	\$54,277	\$54,277	\$54,277	\$54,277
Administration and HMIS	\$10,692	\$10,589	\$10,589	\$10,589	\$10,589
<i>Total (Actual)</i>	\$163,813	\$162,241	\$161,998	\$161,146	\$161,146
<i>Admin/HMIS cap</i>	\$12,286	\$12,168	\$12,150	\$12,086	\$12,086

Potential 25-26 final allocation

- 2. Emergency Shelter
- 3. Homeless Prevention
- 3. Homeless Prevention
- 4. Rapid Re-Housing
- 5. Admin/HMIS

Explanation (City FY27/FFY26)

*1. Street Outreach not utilized

Operations: Homeless Health	This program is no longer administered by the City of Portland
Emergency shelter: Family Shelter	Funds pay for staff who provides housing assistance by seeking affordable units, applying for eligible subsidies and accessing transitional housing opportunities and follow-up case management services by assisting with life skills training, budgets, tenant/ landlord negotiations, and connecting to area resources. There is a need in Portland to expand the essential services with the high number of families arriving. The budget is adjusted to cover 1 .25 FTE, this will allow the case manager to work with 5-10 families (17-34 individuals).
Homeless Prevention: Homeless Service Center	Homeless Service Center: Funds pay for staff who assist in preventing individuals from becoming homeless and providing necessary case management and referrals.
Rapid Rehousing: Homeless Service Center	Funds pay for staff who assist persons who have become homeless by quickly moving them into permanent housing and providing the necessary case management and referrals to address individual needs.
Administration and HMIS	Funding goes to pay administration and HMIS expenses
Budget Notes	2.10.2026 HUD has not yet released ESG allocations for federal fiscal year 2026 (City fiscal year 2027). Once the final allocation is announced, any necessary adjustments will be proportionately to increase or decrease the budget to match the final allocation amount.

NOTE:

City Council will take public comment on this budget

Executive Summary

AP-05 Executive Summary - 91.200(c), 91.220(b)

1. Introduction

The U.S. Department of Housing and Urban Development (HUD) requires jurisdictions to combine the planning and applications for the Community Development Block Grant (CDBG), the HOME Investment Partnership Program, and the Emergency Solutions Grant (ESG) into a single submission known as the Consolidated Plan. The Consolidated Plan provides a basis and strategy for the use of federal funds granted to the City of Portland's CDBG and ESG programs as well as the Cumberland County HOME Consortium's programs. The City of Portland's Department of Housing and Economic Development, Housing and Community Development (HCD) Division, is the lead entity for managing and distributing the HOME Consortium funding. The Consolidated Plan covers the period beginning July 1, 2022 through June 30, 2027, which includes five program years.

In addition to the Consolidated Plan, HUD requires jurisdictions to submit an Annual Action Plan which describes how the funds for a program year will be distributed to address the needs, goals, and priorities identified in the Consolidated Plan. The programs and activities described in the Annual Action Plans are primarily intended to benefit low- and moderate-income residents of the City of Portland and, through the HOME Consortium, Cumberland County. This Annual Action Plan describes the use of fund allocations for 2026-2027, Year 5 of the five-year plan.

2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The objectives and outcomes identified in this 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. Based on the information collected, the following goals will be used to allocate funding for 2022-2026, including Year 5 of the Plan, 2026-2027. All programs and activities funded through the CDBG, HOME, and ESG programs will help to fulfill one of these four goals:

1. Neighborhood Investment & Infrastructure- Create strong, safe, accessible, and vibrant neighborhoods.

2. Housing Availability- Increase housing availability and affordability.
3. Economic Opportunity – Create economic opportunities to transition people out of poverty.
4. Address the Needs of the Growing Homeless Population- Prevent and reduce homelessness.

3. Evaluation of past performance

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Limited financial resources are the City’s biggest constraint to meeting the needs and goals of our community. Year after year, the request for funding far exceeds the amount of funds available through the City’s CDBG, HOME, and ESG programs. However, the use of the HUD funds allows for increased leveraged funds through many of the programs’ subrecipients. In order to maximize the effectiveness of the HUD funds distributed within our community, each subrecipient’s application goes through an extensive evaluation process. During this process, the CDBG Allocation Committee reviews previous awards to evaluate the past CDBG grant performance of each applicant, including expenditures and outcomes.

The needs, goals, and priorities identified in this Annual Action Plan represent a continuing evaluation and evolution of the City’s CDBG, HOME, and ESG programs. As community needs emerge, HCD staff works with City officials to ensure program goals align with the direction, goals, and needs of the City. Through the continued evaluation process, HCD staff is able to make sure that evolving needs are addressed in every funding cycle.

4. Summary of Citizen Participation Process and consultation process

Summary from citizen participation section of plan.

The City holds multiple public meetings each year, including a service providers meeting, to make sure the needs of the community are heard. Per HUD requirement, two public hearings are held each year to allow the public to give input directly to the City Council on how HUD program funding should be allocated. In addition to the public hearings and meetings, HCD staff welcomes meetings with concerned citizens, neighborhood organizations, and other community groups. HCD staff also serve on several committees and are active members of organizations related to improving the quality of life for low- and moderate-income Portland residents.

5. Summary of public comments

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

See appendix for summary of all written and verbal public comments received.

6. Summary of comments or views not accepted and the reasons for not accepting them

All public comments were accepted

7. Summary

The CDBG, HOME, and ESG programs are vital to the health and success of the community.

PR-05 Lead & Responsible Agencies - 91.200(b)

1. Agency/entity responsible for preparing/administering the Consolidated Plan

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	PORTLAND	
CDBG Administrator	PORTLAND	Housing and Economic Dev Dept, HCD Division
HOPWA Administrator	PORTLAND	Frannie Peabody Center, ME
HOME Administrator	PORTLAND	Housing and Economic Dev Dept, HCD Division
ESG Administrator	PORTLAND	Health and Human Services Department, SS Division
HOPWA-C Administrator		

Table 1 – Responsible Agencies

Narrative

Consolidated Plan Public Contact Information

Mary Davis, Housing and Community Development Division Director

389 Congress St Portland ME 04101

mpd@portlandmaine.gov

(207) 874-8711

AP-10 Consultation - 91.100, 91.200(b), 91.215(l)

1. Introduction

The City of Portland Housing and Community Development Division works with multiple City divisions and departments, regional coalitions, state programs, and county partners to achieve its goals. The HUD Citizen Participation Plan (CPP) ensures that the City undertakes an effective public process that encourages input and participation from residents, non-profit organizations, and other stakeholders; guarantees access to meetings, information, and public hearings on CDBG-, HOME-, and ESG-funded activities, goals, and priorities; and provides procedures for reducing barriers to those who may need accommodations to participate. Technical assistance is provided upon request to organizations that would like to develop proposals for funding under the City's Housing and Community Development programs.

Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).

The City of Portland utilizes 33% of CDBG funds for social service supports, including housing programs, homeless services, crisis management services, childcare, family support services, substance use disorder services, youth and adolescent support services, senior services, and neighborhood-based programs and projects. City staff meets with agencies throughout the year to provide technical assistance and ensure they are serving the needs of target populations while meeting HUD guidelines and regulations.

There are four public housing authorities within Cumberland County: Portland Housing Authority, Brunswick Housing Authority, South Portland Housing Authority, and Westbrook Housing Authority. The City of Portland collaborates extensively with these housing authorities in several areas including development of affordable housing, recreational activities for at-risk youth, self-sufficiency programs, and vouchers for families, unhoused individuals, and disabled persons. City of Portland staff participates in the Maine Affordable Housing Coalition which is a collaborative group of developers, Community Action agencies, public housing authorities, investors, housing and service providers, advocates, and others working to increase the supply of quality, affordable housing throughout Maine.

Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.

The Maine Continuum of Care is a group of service providers who work together in a collaborative planning process to develop programs that address homelessness. Continuums can apply to the U.S. Department of Housing and Urban Development (HUD) for McKinney-Vento funding to support these

programs. Local agencies wishing to access these funds must do so through their Continuum's annual CoC NOFA application process. Cumberland County Community Development Division staff members regularly attend Maine Continuum of Care meetings and provide input on plans for regional service provision. City of Portland Staff from the Health and Human Services Department and Housing and Community Development Division coordinate with members of the Emergency Shelter Assessment and Response Team (ESART) and the United Way of Greater Portland to support the Continuum of Care and monitor shelter bed usage for single adults, adolescents, and families. ESART members include shelter providers for singles, adolescents, individuals with mental illness, women, families with children, victims of domestic violence, supportive housing providers, mental health services providers, and general services. ESART also produces monthly and quarterly statistics on shelter usage and provides a forum to discuss new programs, resource availability, and emerging trends.

Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS

The Maine HMIS is a collaborative effort between MaineHousing, the dedicated lead agency, and the Maine Continuum of Care, of which the City of Portland and Cumberland County are members. The Maine Continuum of Care (MCOC) covers the entire State of Maine and supports projects throughout the region. The MCOC's mission is to plan and coordinate an inclusive system that helps Maine people avoid or exit quickly from homelessness, and to address the underlying causes of homelessness. Organizations that receive CoC or ESG (Emergency Solutions Grant) funding are expected to be members in good standing of their local Continuum of Care in order to continue to be eligible for funding.

2. Agencies, groups, organizations and others who participated in the process and consultations

Table 2 – Agencies, groups, organizations who participated

1	Agency/Group/Organization	CITY OF PORTLAND
	Agency/Group/Organization Type	Housing Services - Housing Services-Elderly Persons Services-homeless Services-Health Service-Fair Housing Health Agency Agency - Managing Flood Prone Areas Agency - Management of Public Land or Water Resources Other government - Local Planning organization Civic Leaders Grantee Department
	What section of the Plan was addressed by Consultation?	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy Non-Homeless Special Needs Market Analysis Economic Development Anti-poverty Strategy Lead-based Paint Strategy Sustainability and Climate Change

	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The City of Portland includes several departments integral to the formation and execution of this plan. The Planning and Urban Development Department is responsible for zoning and other ordinances which affect development of housing. The Health and Human Services Department is responsible for homeless needs for families with children, single adults, and chronically homeless individuals. The Public Works and Recreation Departments engage in infrastructure projects which improve the health and well-being of Portland residents. The Executive Department, including the City Manager, provides policy guidance and an interdepartmental vision and budget for the City. The Housing and Economic Development Department is responsible for housing and community development needs, lead-based paint remediation, and strategies to reduce both poverty and barriers to affordable housing. The Office of Sustainability works to manage and mitigate the results of climate change on the City's water resources, vulnerable low-income residents, and environmental assets. The City of Portland is age-friendly and has an AARP steering committee with members from various organizations that provide services to elderly individuals and families including Alpha One, Opportunity Alliance, ITN, and more.</p>
2	<p>Agency/Group/Organization</p>	<p>CUMBERLAND COUNTY</p>
	<p>Agency/Group/Organization Type</p>	<p>Other government - County</p>
	<p>What section of the Plan was addressed by Consultation?</p>	<p>Housing Need Assessment</p>
	<p>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</p>	<p>The City of Portland and Cumberland County are partners in the HOME consortium. The two entities work collaboratively to distribute resources and address affordable housing needs for residents of Portland and Cumberland County.</p>

3	Agency/Group/Organization	Portland Housing Development Corporation
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	The Portland Housing Authority was consulted to provide information regarding housing and public housing needs.
4	Agency/Group/Organization	South Portland Housing Authority
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	South Portland Housing Authority was consulted to provide information regarding housing and public housing needs.
5	Agency/Group/Organization	Brunswick Housing Authority
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Brunswick Housing Authority was consulted to provide information regarding housing and public housing needs.

6	Agency/Group/Organization	Westbrook Housing Authority
	Agency/Group/Organization Type	PHA
	What section of the Plan was addressed by Consultation?	Public Housing Needs
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Westbrook Housing Authority was consulted to provide information regarding housing and public housing needs.
7	Agency/Group/Organization	Quality Housing Coalition
	Agency/Group/Organization Type	Services - Housing Services-homeless Services-Education Services-Employment Service-Fair Housing
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Economic Development Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Quality Housing Coalition provides supportive housing for households at or below the poverty level.
8	Agency/Group/Organization	Greater Portland Family Promise
	Agency/Group/Organization Type	Services - Housing Services-homeless

	What section of the Plan was addressed by Consultation?	Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Greater Portland Family Promise works to prevent homelessness through a community-based response.
9	Agency/Group/Organization	Milestone Foundation
	Agency/Group/Organization Type	Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Milestone provides health and basic needs outreach to the most vulnerable populations including people with substance use disorder, people experiencing mental illness, and people with developmental, physical, and intellectual disabilities. Milestone coordinates with HCD staff, the Portland Police Department, and other social service and health providers in the city.
10	Agency/Group/Organization	Preble Street
	Agency/Group/Organization Type	Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Veterans Homelessness Needs - Unaccompanied youth Homelessness Strategy

	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Preble Street is an integral partner in addressing shelter and basic needs of the City's most vulnerable populations. They are consulted on a regular basis due to their teen shelter, women's shelter, and food program.
11	Agency/Group/Organization	Through These Doors
	Agency/Group/Organization Type	Services-Children Services-Victims of Domestic Violence
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Through These Doors is domestic violence resource center providing a full array of services to people experiencing domestic abuse and related issues.
12	Agency/Group/Organization	Hope Acts
	Agency/Group/Organization Type	Services - Housing Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Families with children Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Hope Acts offers asylum seekers access to housing and basic needs, assistance in navigating complex immigration processes, and resources for learning English to help them successfully transition to a new life in Maine.

13	Agency/Group/Organization	Catholic Charities Maine
	Agency/Group/Organization Type	Services - Housing Services-Children Services-homeless
	What section of the Plan was addressed by Consultation?	Homeless Needs - Chronically homeless Homeless Needs - Families with children Anti-poverty Strategy
	Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?	Catholic Charities offers support, comfort, food, and and other services to help change lives for the better.

Identify any Agency Types not consulted and provide rationale for not consulting

All agencies pertaining to public services and infrastructure available in the City of Portland and housing services available in Cumberland County and the City of Portland were consulted. See appendix for a complete list.

Other local/regional/state/federal planning efforts considered when preparing the Plan

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Maine Continuum of Care	The Maine Continuum of Care, which merged with the Portland COC in 2017, has a goal of ending homelessness.
Portland's Plan 2030	City of Portland	This is the comprehensive plan of the City of Portland which outlines goals and policies of the City for housing, sustainability, and the economy.

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Analysis of Impediments to Fair Housing	City of Portland Housing and Community Development Division and Cumberland County Comm Dev	City of Portland Housing and Community Development Division and Cumberland County Community Development Division. This plan identifies barriers to Fair Housing within the jurisdiction through robust public outreach and will guide the strategy for mitigating those barriers. This plan was accepted by the City Council on June 5, 2023 as order 238-22/23.

Table 3 – Other local / regional / federal planning efforts

Narrative

AP-12 Participation - 91.401, 91.105, 91.200(c)

1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting

The City of Portland CDBG Priority Task Force is a group of residents appointed by the City Council through an application process to review goals, needs, and priorities of the CDBG program for the five-year Consolidated Plan. Although the City had planned numerous in-person outreach events to gather data, these events were unable to proceed due to the Covid-19 pandemic through 2020. The Task Force met 12 times between March and September 2020 in public meetings held mostly virtually due to Covid-19. The task force used data from 477 respondents of targeted surveys for the general public, business owners, social service providers, and past applicants and subrecipients of CDBG funding to update priorities and goals which are used for each subsequent Annual Action Plan within the five-year plan.

Each fall, the City of Portland hosts a meeting in each of Portland’s five council districts. HCD staff attends these meetings and presents about how funding has been used in each district. Staff also takes questions and provides information on how interested parties can stay informed about HCD activities, including CDBG-funded community development activities.

HCD staff makes every effort to encourage public comment and participation. For CDBG, a mandatory meeting about the application process and requirements was held via Zoom for all potential CDBG applicants. The CDBG Allocation Committee met seven times. Each meeting was advertised on the City calendar and website. The committee reviewed and discussed CDBG applications at these meetings. HOME funds were reviewed and discussed by the Housing and Economic Development Committee. Priorities and funding allocations were reviewed and approved at these meetings, which are open to the public and noticed on the City’s website. Public comment, if any, was taken at the HEDC meeting. The Emergency Solutions Grant was presented and discussed at Emergency Shelter Assessment and Response Team (ESART) meetings. The funding allocations and action plan were advertised in the paper. The Action Plan budgets for CDBG, HOME and ESG were presented to the City Council at the April 13 and April 27 Council Meetings.

Public hearings for the Annual Action Plan were held on April 13, 2026 and April 27, 2026. These hearings were noticed in the Portland Press Herald on March 20, 2026. This information was also posted to the City’s website. A notice of public comment was published in the Portland Press Herald on 3/20/25, outlining the 30-day public comment period from March 26, 2026 to April 27, 2026. The draft Annual Action Plan was published on the City of Portland’s website for review prior to 3/20/2026. The notice included information on access for individuals who require accommodation, including interpretation or translation as necessary. Portland City Council meetings are held in person and are live-streamed. The public can comment in-person at the meeting or provide written comment in advance of the meeting.

Citizen Participation Outreach

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
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1	Public Meeting	<p>Minorities</p> <p>Non-English Speaking - Specify other language: French, Arabic, Spanish, Somali, Portuguese</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>Each year, the City of Portland holds five district meetings across the City to engage City residents.</p> <p>The Housing and Community Development Department presents information about department programs, including CDBG and HOME, at each meeting. Individuals can sign up for a mailing list to be updated when relevant events are happening.</p>	<p>HCD Staff was available at the meetings to answer any questions or comments and provided contact information so residents could reach out to City staff with any questions.</p>	<p>All comments and questions were accepted.</p>	<p>https://www.portlandmaine.gov/730/Annual-District-Meetings</p>
2	Public Meeting	<p>Minorities</p> <p>Non-English</p>	<p>All CDBG Allocation Committee Meetings</p>	<p>No comments were received.</p>	<p>No comments were received.</p>	<p>https://www.portlandmaine.gov/693/CDBG-Annual-Allocation-Committee</p>

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (if applicable)
		<p>Speaking - Specify other language: French, Arabic, Spanish, Somali, Portuguese</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>are public and posted on the City website and City calendar. Meetings are held virtually.</p>			

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
3	Newspaper Ad	<p>Minorities</p> <p>Non-English Speaking - Specify other language: French, Arabic, Spanish, Somali, Portuguese</p> <p>Persons with disabilities</p> <p>Non-targeted/broad community</p> <p>Residents of Public and Assisted Housing</p>	<p>The ad informed the public about two public hearings held on April 13, 2026 and April 2027, 2026 along with the 30-day public comment period held from March 26, 2026 to April 27, 2026. A copy of this newspaper ad can be found in the appendix to this document.</p>	<p>Comments were taken at both hearings and during the comment period. A summary of all comments from the public hearings and comment period can be found in the appendix to this document.</p>	<p>All comments were accepted</p>	TBD

Table 4 – Citizen Participation Outreach

Expected Resources

AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

Introduction

For the Year 5 Annual Action Plan, resources include federal CDBG, HOME, and ESG.

When the federal allocation is not released before the plan is approved by Council, the following actions are taken:

(a). If estimated allocations decrease, activities under the CDBG, HOME and ESG Programs will be proportionately decreased from the estimated funding levels to match the actual allocation amounts.

(b). If estimated allocations increase, activities under the HOME and ESG Programs will be proportionately increased to match the actual allocation amounts.

(c). If the estimated CDBG allocation increases, any partially funded projects will be proportionately increased until fully funded. Once all recommended projects are fully funded, any remaining balance will be allocated to fully funding unfunded projects from greatest score to least, unless another funding source can be identified for the next eligible project.

Lead Safe Housing funding is program income from past grants. Payments are typically made when owners who received past grants sell or refinance their homes. The local Jill C. Duson Housing Trust Fund is funded in part by the City's Inclusionary Zoning ordinance. In 2017, the City sold a parking garage at Cotton St that was originally purchased with UDAG funds; the proceeds were a one-time payment from which \$20,000 will be used for a CDBG eligible public service activity each year. Tax-Increment Finance revenue up to \$120,000 per year may be used for CDBG-eligible administration and public infrastructure activities. HOME-ARP funding is one-time funding made available through the American Rescue

Plan Act of 2021.

Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,807,636.00	0.00	0.00	1,807,636.00	0.00	Up to 33% of funds will be used for public services, 20% for planning and administration, and the remainder for economic development, housing, and public improvement activities. Prior Year Resources are CDBG Contingency. The Expected Amount Available Remainder of Con Plan is the total of the annual allocation and program income (not prior year resources), multiplied by the number of years remaining in the Plan. The Expected Amount Available is the total of annual allocation, program income, and prior year resources.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	800,654.00	135,763.00	796,646.00	1,733,063.00	0.00	Program income is generated by repayment of HOME program loans. The Expected Amount Available Remainder of Con Plan is the total of the annual allocation and program income (not prior year resources), multiplied by the number of years remaining in the Plan.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	161,146.00	0.00	0.00	161,146.00	0.00	The Emergency Solutions Grant goes to fund both serving those in need of emergency shelter and assistance, and also to prevent homelessness and rapidly rehouse those who are homeless. The Expected Amount Available Remainder of Con Plan is the annual allocation multiplied by the number of years remaining in the Plan.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - local	Acquisition Multifamily rental new construction Multifamily rental rehab New construction for ownership	1,989,361.00	0.00	0.00	1,989,361.00	0.00	The Jill C Duson Local Housing Trust Fund is allocated under an annual plan that is approved by the City Council. Amount available for remainder of plan is based on the average of the previous 3 years multiplied by the number of years remaining in the Plan.
Other	public - federal	Multifamily rental rehab	1,125.00	0.00	0.00	1,125.00	0.00	Program Income from prior HUD Healthy Home/Lead Safe Housing Grants. Wherever possible, the City will utilize rehab program funds in combination with lead program income funds to complete additional lead-safe units.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - local	Acquisition Admin and Planning Conversion and rehab for transitional housing Economic Development Public Improvements Transitional housing	30,000.00	0.00	0.00	30,000.00	0.00	Funding from TIF to support CDBG-eligible activities
Other	public - local	Public Services	20,000.00	0.00	0.00	20,000.00	0.00	Funding from sale of Cotton St property to support CDBG eligible activities.

Table 2 - Expected Resources – Priority Table

Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied

CDBG funds are leveraged considerably for their investment. Year 5 of the Consolidated Plan is expected to leverage at least \$4,553,026. The CDBG application process discourages applicants from using CDBG funds as the sole source of project funding and encourages use of other resources as leveraged funding. The City will continue to make this a focus of the program.

The HOME Program leverages considerable funds, primarily through the Affordable Housing Development Program. This program encourages use of funding from several sources including state and federal Low-Income Housing Tax Credits, state and federal Historic Tax Credits, state funds from the Maine State Housing Authority, and local Housing Trust funds. The City of Portland meets its match requirement through the expenditure of local General Assistance funds providing tenant based rental assistance to low- and very low-income households and will continue this assistance.

The ESG Program is expected to provide matching funds equal to the amount of ESG funds allocated through the City's General Assistance fund.

If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan

In 2012, the City Council adopted a Housing Investment Policy which directed the Housing & Economic Development Committee (HEDC) 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 included as a development resource. From 2019 to 2021, several city-owned and tax-acquired properties were identified as potential development sites. The Housing and Economic Development Committee will continue to analyze whether there are any additional city-owned sites that may be suitable for housing development.

Discussion

The City Council has been committed to utilizing all available resources to assist with meeting the City's housing needs. In addition to the federal resources mentioned in Table 2 and making city-owned land available for housing development, the City has utilized the State's Affordable Housing Tax Increment Financing Program to support 28 affordable housing developments since 2008.

Annual Goals and Objectives

AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Neighborhood Investment and Infrastructure	2022	2026	Non-Housing Community Development	Eligible Census Tracts CDBG Target Neighborhoods	Neighborhood Investment and Infrastructure	CDBG: \$400,000.00	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 7380 Persons Assisted
2	Housing Availability	2022	2026	Affordable Housing Public Housing	PORTLAND, MAINE Eligible Census Tracts Cumberland County	Housing Availability	CDBG: \$221,000.00 HOME: \$1,652,998.00 Housing Trust Fund: \$1,989,361.00 Lead-Safe PI: \$1,125.00	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 64 Households Assisted Rental units constructed: 6 Household Housing Unit Rental units rehabilitated: 2 Household Housing Unit Tenant-based rental assistance / Rapid Rehousing: 75 Households Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Economic Opportunity	2022	2026	Non-Housing Community Development Economic Development	PORTLAND, MAINE Eligible Census Tracts Cumberland County	Economic Opportunity	CDBG: \$578,474.00	Public service activities other than Low/Moderate Income Housing Benefit: 2920 Persons Assisted Homelessness Prevention: 96 Persons Assisted Jobs created/retained: 40 Jobs
4	Addressing Needs of Growing Homeless Population	2022	2026	Homeless	PORTLAND, MAINE	Address Needs of the Growing Homeless Population	CDBG: \$230,545.88 ESG: \$150,557.00 Cotton St: \$20,000.00	Public service activities other than Low/Moderate Income Housing Benefit: 1150 Persons Assisted Tenant-based rental assistance / Rapid Rehousing: 75 Households Assisted Homeless Person Overnight Shelter: 300 Persons Assisted Homelessness Prevention: 50 Persons Assisted

Table 3 – Goals Summary

Goal Descriptions

1	Goal Name	Neighborhood Investment and Infrastructure
	Goal Description	Invest in infrastructure to improve neighborhood assets and build strong, safe, accessible and vibrant neighborhoods. Improve accessibility and livability through age-friendly designs and ADA compliance. Build sidewalks and trails to improve connectivity, increase the use of bicycles as a mode of transportation, and redevelop streetscapes to create shared streets for cars, bikes, and pedestrians that integrate with the fabric of the neighborhood. Support programs that increase safety in neighborhoods for residents and visitors. Invest in programs and services that address the specific needs of members of the community. Encourage programs that build a sense of inclusiveness, safety, and security within individual neighborhoods.
2	Goal Name	Housing Availability
	Goal Description	Increase housing availability and affordability to all Portland residents regardless of income, race, ethnicity, and family size. Encourage housing development by removing barriers to traditional urban housing types while ensuring the inclusion of workforce and age-friendly housing in significant development projects.
3	Goal Name	Economic Opportunity
	Goal Description	Invest in Portland businesses to enable them to expand to create jobs. Invest in persons wanting to create microenterprises. Engage job seekers in a continuum of services to increase their professional capacity, financial stability, and ability to maintain employment. Focus on barriers to employment for vulnerable populations including homeless, new Americans, and single parent head of households. Combine resources and build partnerships between public and private entities to provide opportunities to transition Portland residents out of poverty to sustainable employment and financial stability.
4	Goal Name	Addressing Needs of Growing Homeless Population
	Goal Description	Prevent individuals and families from becoming homeless and entering into the shelter system. Rapidly rehouse those who enter the shelter system. Provide necessary resources to assist transition out of homelessness for vulnerable populations, including housing opportunities for chronically homeless or long-term stayers at homeless shelters.

AP-35 Projects - 91.420, 91.220(d)

Introduction

The City of Portland’s Housing and Community Development Program budget currently has the following estimated funding allocations: CDBG which includes \$1,807,636 in direct allocation and \$0 in Program Income; \$161,146 in Emergency Solutions Grant funding; and HOME funding as part of the Cumberland County HOME Consortium which includes \$800,654.48 in direct allocation and \$135,763 in Program Income. Additional amounts from Lead-Safe Housing (\$1,125) and the local Jill C Duson Housing Trust Fund income are available.

Of the CDBG allocation and program income, \$596,519.88 is available for public services (locally called social services). The City of Portland is allowed to use 33% of CDBG funding for public services. Annual Allocation (\$1,807,636) X 33% = \$596,519.88. An additional \$20,000 is available from Cotton Street Funding.

The HOME CHDO funding is included in projects City Affordable Housing Development and County HOME Affordable Housing Development. Fifteen percent (15%) of HOME funding is set-aside for CHDO.

City Affordable Housing Development includes \$68,456 in CHDO set-aside funds.

County HOME Affordable Housing Development includes \$51,642 in CHDO set-aside funds.

#	Project Name
1	HCD Grant Administration 26-27
2	Construction Activities NI 26-27
3	Construction Activities HA 26-27
4	Development Activities EO 26-27
5	EO Public Services 26-27
6	ANGHP Public Services 26-27
7	HOME Administration 26-27
8	Tenant-Based Rental Assistance 26-27
9	City Affordable Housing Development 26-27
10	County Affordable Housing Development 26-27
11	ESG26 Portland (26-27)

Table 4 – Project Information

Describe the reasons for allocation priorities and any obstacles to addressing underserved needs

AP-38 Project Summary
Project Summary Information

1	Project Name	HCD Grant Administration 26-27
	Target Area	PORTLAND, MAINE Eligible Census Tracts CDBG Target Neighborhoods
	Goals Supported	Neighborhood Investment and Infrastructure Housing Availability Economic Opportunity Addressing Needs of Growing Homeless Population
	Needs Addressed	Neighborhood Investment and Infrastructure Housing Availability Economic Opportunity Address Needs of the Growing Homeless Population
	Funding	CDBG: \$361,527.00 TIF: \$30,000.00
	Description	Grant administration and management
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	This funding will not directly benefit families but supports activities that will.
	Location Description	389 Congress St Portland
	Planned Activities	Grant administration including compliance, reporting, and subrecipient management
2	Project Name	Construction Activities NI 26-27
	Target Area	Eligible Census Tracts
	Goals Supported	Neighborhood Investment and Infrastructure
	Needs Addressed	Neighborhood Investment and Infrastructure
	Funding	CDBG: \$400,000.00
	Description	This project contains activities involving neighborhood investments and infrastructure improvements.
	Target Date	

	Estimate the number and type of families that will benefit from the proposed activities	7380 Individuals assisted, 6629 LMI
	Location Description	Eligible Census Tracts in Portland
	Planned Activities	City of Portland Parks, Recreation and Facilities Community Garden and Rebuild Equity Portland Recovery Community Center Parking Lot Project
3	Project Name	Construction Activities HA 26-27
	Target Area	Eligible Census Tracts
	Goals Supported	Housing Availability
	Needs Addressed	Housing Availability
	Funding	CDBG: \$221,000.00
	Description	This project contains construction activities which increase housing availability to low- to moderate-income individuals.
	Target Date	
	Estimate the number and type of families that will benefit from the proposed activities	64 individuals will receive transitional housing
	Location Description	Census Tract 22
	Planned Activities	New construction of a 4-unit transitional housing building
4	Project Name	Development Activities EO 26-27
	Target Area	PORTLAND, MAINE
	Goals Supported	Economic Opportunity
	Needs Addressed	Economic Opportunity
	Funding	CDBG: \$212,500.00
	Description	This project contains construction activities which promote economic opportunity for low- to moderate-income individuals.
	Target Date	6/30/2028

	Estimate the number and type of families that will benefit from the proposed activities	40 individuals, 21 LMI
	Location Description	Portland
	Planned Activities	Microenterprise grant and training
5	Project Name	EO Public Services 26-27
	Target Area	PORTLAND, MAINE
	Goals Supported	Economic Opportunity
	Needs Addressed	Economic Opportunity
	Funding	CDBG: \$365,974.00
	Description	Activities will provide economic opportunity to low- to moderate-income individuals
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	3016 families and individuals, 2766 LMI
	Location Description	Various locations in Portland
	Planned Activities	Hope Acts Economic Opportunity for New Americans Catholic Charities/ILAP Legal Services Quality Housing Coalition Project HOME
6	Project Name	ANGHP Public Services 26-27
	Target Area	PORTLAND, MAINE
	Goals Supported	Addressing Needs of Growing Homeless Population
	Needs Addressed	Address Needs of the Growing Homeless Population
	Funding	CDBG: \$230,545.88 Cotton St: \$20,000.00
	Description	Activities will address the needs of the growing homeless population including food, shelter, and homeless prevention services.
	Target Date	6/30/2027

	Estimate the number and type of families that will benefit from the proposed activities	1150 LMI individuals
	Location Description	Various places in Portland
	Planned Activities	Through These Doors Community Based Domestic Violence Services Milestone HOME Team Preble St Nourish Initiative Preble St Youth Street Outreach
7	Project Name	HOME Administration 26-27
	Target Area	PORTLAND, MAINE Cumberland County
	Goals Supported	Neighborhood Investment and Infrastructure Housing Availability Economic Opportunity Addressing Needs of Growing Homeless Population
	Needs Addressed	Neighborhood Investment and Infrastructure Housing Availability Economic Opportunity Address Needs of the Growing Homeless Population
	Funding	HOME: \$80,065.00
	Description	These funds will be used to administer the HOME program.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	No families will directly benefit from administration funds, but families will benefit from the activities the administration funds support.
	Location Description	389 Congress St Portland
	Planned Activities	Activities related to administering HOME funds including applications, monitoring, and oversight.
8	Project Name	Tenant-Based Rental Assistance 26-27
	Target Area	PORTLAND, MAINE Cumberland County
	Goals Supported	Housing Availability

	Needs Addressed	Housing Availability
	Funding	HOME: \$136,392.00
	Description	These funds will support individuals and families in need of rental assistance.
	Target Date	6/30/2027
	Estimate the number and type of families that will benefit from the proposed activities	75 individuals and families will benefit from TBRA
	Location Description	Various locations within the jurisdiction.
	Planned Activities	Rental assistance for individuals and families at risk of homelessness
9	Project Name	City Affordable Housing Development 26-27
	Target Area	PORTLAND, MAINE
	Goals Supported	Housing Availability
	Needs Addressed	Housing Availability
	Funding	HOME: \$274,344.00 Housing Trust Fund: \$1,989,361.00 Lead-Safe PI: \$1,125.00
	Description	Activities which support the creation of safe, sanitary, affordable housing units.
	Target Date	6/30/2028
	Estimate the number and type of families that will benefit from the proposed activities	Over 100 safe and sanitary units will be created. Up to 4 families will have safe, sanitary, affordable housing through HOME-assisted units.
	Location Description	Various locations within Portland
	Planned Activities	New construction and rehabilitation of affordable housing units
10	Project Name	County Affordable Housing Development 26-27
	Target Area	Cumberland County
	Goals Supported	Housing Availability
	Needs Addressed	Housing Availability
	Funding	HOME: \$1,242,262.00

	Description	Over 100 safe and sanitary units will be created. Up to 4 families will have safe, sanitary, affordable housing through HOME-assisted units.
	Target Date	6/30/2028
	Estimate the number and type of families that will benefit from the proposed activities	Over 100 safe and sanitary units will be created. Up to 4 families will have safe, sanitary, affordable housing through HOME-assisted units.
	Location Description	Various locations within Cumberland County
	Planned Activities	New construction and rehabilitation of affordable housing units
11	Project Name	ESG26 Portland (26-27)
	Target Area	PORTLAND, MAINE
	Goals Supported	Addressing Needs of Growing Homeless Population
	Needs Addressed	Address Needs of the Growing Homeless Population
	Funding	ESG: \$161,146.00
	Description	Funding will be used to address the needs of the homeless population in Portland. \$12,150, or 7.5% of the allocation, is available for administration and HMIS. The total amount for shelter activities is \$80,332, which is less than 60% of the allocation. There will be no street outreach funded in the 26-27 program year.
	Target Date	6/30/2028
	Estimate the number and type of families that will benefit from the proposed activities	425 individuals
	Location Description	Various locations in Portland
	Planned Activities	overnight shelter, rapid rehousing, homeless prevention

AP-50 Geographic Distribution - 91.420, 91.220(f)

Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed

The City of Portland allocates resources in the areas of the jurisdiction that are in the most need. To determine this, the City considered which areas of the City have the highest combination of poverty, minorities, single parents, oldest housing stock, and housing problems. These are located in Census Tracts 5, 6 and 10, which represents East Bayside, Bayside, and Parkside neighborhoods respectively.

On a larger scale, the City will focus federal resources into areas of the City with the highest percentage of LMI residents, which are located primarily on the peninsula in districts 1, 2 and portions of district 3. Street, sidewalk, infrastructure, parks, playgrounds, and other area benefit projects will be located in the target neighborhoods and other eligible census tracts to benefit the low- and moderate-income individuals and families that live there. Due to the amenities and proximity to services, many HOME funded affordable housing projects are also located in the target neighborhoods.

New construction is supported through HOME funds and benefits individual persons or households who are low- to moderate-income throughout the City and County, which are the next geographic area priorities.

The percentages listed in the below table include program income but do not include program administration. The program administration funds are not tied to a target area of the City or County.

Geographic Distribution

Target Area	Percentage of Funds
PORTLAND, MAINE	60
Eligible Census Tracts	27
Cumberland County	13
CDBG Target Neighborhoods	0

Table 5 - Geographic Distribution

Rationale for the priorities for allocating investments geographically

The City's goal is to allocate funds to individuals and families with the highest need. As shown in the above table, the majority of the funds allocated are in the City of Portland. Many of the CDBG social service activities and economic development activities serve residents of Portland but are not located in a specific neighborhood. HOME funding is spent throughout Cumberland County and Portland, while 100% of CDBG public infrastructure projects benefit Target neighborhoods and/or eligible census tracts

within Portland.

Discussion

Despite significant gains throughout the previous and current plans, challenges remain including high concentrations of poverty, old housing stock, homelessness, and housing problems. Additional investment will build on the gains made and continue to improve the lives of residents.

Affordable Housing

AP-55 Affordable Housing - 91.420, 91.220(g)

Introduction

In the City of Portland, the tight housing market reflects the need to build more affordable housing in the greater Portland area. The City of Portland and the Cumberland County HOME Consortium strive to increase the amount of decent, safe, and affordable housing available throughout Cumberland County. The City uses ESG and CDBG funds in addition to HOME funds to fulfill this goal.

As part of the City’s 10 year plan to end homelessness, the City has opted to use a portion of its HOME allocation to serve homeless families via the tenant-based rental assistance (TBRA) program. The City’s affordable housing providers work with social service providers to move individuals out of homeless and into affordable housing. Providers report that even with vouchers and assistance, units are difficult to obtain; therefore, increasing the number of units is critical.

One Year Goals for the Number of Households to be Supported	
Homeless	75
Non-Homeless	8
Special-Needs	0
Total	83

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	75
The Production of New Units	6
Rehab of Existing Units	2
Acquisition of Existing Units	0
Total	83

Table 7 - One Year Goals for Affordable Housing by Support Type

Discussion

The goals above reflect only the households to be supported with HUD HOME funding. The City of Portland/Cumberland County HOME Consortium will continue to allocate a significant portion of future HOME entitlement towards the development and rehabilitation of affordable rental housing. The City has a number of additional resources and policies to support rental housing, and the number of units created will be significantly greater than those listed in the tables above.

In 2016, the City of Portland implemented a policy requiring any new rental housing development receiving assistance through Tax Increment Financing and/or HOME or CDBG subsidy from the City to

set aside 10% of the rental units in the development for individuals or families currently living in a City of Portland shelter. The City is responsible for providing referrals and providing or coordinating supportive services to eligible homeless populations who become tenants of the housing, including ensuring tenants qualify for the housing as well as providing or locating financial resources such as Section 8, General Assistance, or other resources to assist with monthly rent payments. Individual services reflect the situations of the individual tenants, address their needs and goals, and are subject to eligibility at the City. All tenants referred meet income guidelines, homelessness criteria, and other requirements so as to qualify for the housing. City staff works to provide a variety of support services to assist homeless individuals, enhance their self-esteem, secure housing, and work towards a self-sufficiency plan. Long term support services are provided through collaboration with other area service providers.

In 2017, the city adopted an inclusionary zoning policy that requires development projects of 10 or more units of housing to provide a certain percentage of affordable units or pay a fee-in-lieu into the City's Jill C. Duson Housing Trust Fund. A 2020 citizen-initiated referendum, approved by the voters, revised the inclusionary percentage and lowered the income affordability threshold. The ordinance now requires developers of 10 or more units to provide 25% of those units as affordable to households earning 80% of the area median income.

AP-60 Public Housing - 91.420, 91.220(h)

Introduction

Through the HOME Consortium, the City of Portland and Cumberland County work with Portland Housing Authority, The Housing Authority of the City of Westbrook, South Portland Housing Authority, and Brunswick Housing Authority to assure quality, affordable housing opportunities to LMI residents in Cumberland County.

Actions planned during the next year to address the needs to public housing

The Portland Housing Authority has closed on the removal of Riverton Park from Public Housing and injecting over \$55 million in much needed updates and additional units at the property. Similarly, Sagamore Village has been removed from Public Housing and is undergoing major renovations to the historic properties in addition to an updated Community Center. PHA continues to invest in the East Bayside neighborhood with an updated Community Center, completing critical repairs to existing units, and tearing down units that will be replaced with our upcoming COMB Block projects. State Street Housing has taken on a loan which will enable us to do necessary improvements to major electrical components as well as securing the building envelope with more efficiency. PHA will also be removing Franklin Towers from public housing in Spring 2026 and undergoing major renovations to that property as well.

Brunswick Housing Authority provides critical housing to over 600 LMI households through its Housing Choice Voucher program and units owned and managed by BHA. We are working on developing additional affordable housing in the area including homeownership and rental opportunities. Brunswick and Topsham Housing Authority completed a new rental project in May 2025 with 38 low income housing tax credit units in Topsham. BHA continues to own/manage over 350 affordable rental units. We are also planning a new office to expand staffing to allow for continued development and growth of additional affordable housing units.

South Portland Housing Authority previously converted 346 Public Housing units into Section 8 programs and no longer has Public Housing units. This conversion increased revenue allowing for capital improvements.

SPHA has one 43-unit Low-Income Housing Tax Credit project (Landry Woods) currently under construction for persons 55 and older, with expected completion in June 2026. Additionally, construction is expected to begin on another Low-income Housing Tax Credit project (Landry Heights) in October 2026. Several other projects are in the pipeline.

The Housing Authority of the City of Westbrook (WHA) provides quality, affordable housing opportunities to low-to-moderate income households in Westbrook and the shared jurisdiction that extends 10 miles beyond Westbrook per Maine Title 30-A. WHA converted its Public Housing program

through HUD's Rental Assistance Demonstration (RAD); all former Public Housing units maintain their affordability under the Project-Based Voucher program. WHA partners with the City of Westbrook, Preble Street, the Continuum of Care, clients, and community organizations to provide needed housing opportunities in the community.

WHA is under construction on a 40-unit affordable housing property that will serve families; leasing is expected to begin in early 2027. Another 36-unit affordable housing property serving older adults is expected to start construction in early 2027. Additionally, WHA has several other projects in various stages of predevelopment and is actively exploring opportunities to grow its portfolio of affordable housing.

The agency continues to take steps to address the housing needs identified in its 2025-2029 5-Year Plan.

Actions to encourage public housing residents to become more involved in management and participate in homeownership

In addition to 45 homeownership vouchers, PHA (through its development corporation) is about to complete 8 (eight) homeownership units with 6-units at or below 110% area median income. By using modular building practices we were able to keep the units affordable and get the project done in record time while maintaining high quality standards. PHA continues to work with the Resident Advisory Board and hold resident meetings as part of the current 5-year goal development and Annual HUD plan.

Brunswick has developed 30 single family homes for first time homebuyers to date. We are currently looking at a 15 unit affordable condominium project to target first time home buyers. This is in pre-development, we currently have site control of the land but are looking at various financing models to make these affordable.

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The agency continues to take steps to address the housing needs identified in its 2025-2029 5-Year Plan.

If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance

No PHA is designated as troubled.

Discussion

Portland and Cumberland County's vitality depends on the availability of a diverse array of housing options, particularly apartments, which are often the first and often the only choice for working professionals, legal/documentated immigrants, and families. All Cumberland County housing authorities work closely with their local governments and surrounding communities to address emerging needs affecting their residents and the availability of adequate housing.

The four Housing Authorities in Cumberland County provide significant supports for housing.

PHA has 568 units of public housing as of December 2025 and 680-units of converted Public Housing units under RAD and new LIHTC construction, as well as 2056 vouchers currently leased and an Annual Contributions Contract (ACC) for 2,274-units.

BHA presently has authorization for 691 vouchers but due to costs of rental housing has leased up 78% of authorized units. BHA is currently expending authorized funds at a rate of 102% and has a High Performer rating in the Housing Choice Voucher program.

The South Portland Housing Authority is awarded up to 740 Section 8 Vouchers, including 370 currently designated as project-based voucher units. The South Portland Housing Authority has an additional 502 units designated as Multi-Family, Low-Income Housing Tax Credit and Market Rate.

WHA has 1,026 Housing Choice Vouchers and maintains a utilization rate of 98-100%. It also manages a portfolio of 760 affordable housing units for older adults and families, and the portfolio continues to

grow at a rapid pace. WHA has been designated as a High Performer by HUD.

AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)

Introduction

Portland and Cumberland County work closely with Maine Continuum of Care to identify causes of homelessness within the jurisdiction and seek resources for mitigating this pervasive issue.

Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including

Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs

The Maine State Housing Authority coordinates the efforts of homeless shelters, outreach groups, and volunteers who participate in an annual Point in Time Survey of sheltered and unsheltered homeless populations in the State of Maine and City of Portland. The annual census is required of all states on one night in January by the U.S. Department of Housing and Urban Development, and the count provides a snapshot of the number of individuals and families in shelters and on the streets on a given night. For Maine, a count performed in January will represent chronic and truly desperate homelessness because of extreme weather conditions including typical temperatures well below freezing, regular snow accumulation, and minimal daylight hours.

The Emergency Shelter Assessment and Response Team (ESART) meets monthly to review homeless data and identify trends, issues, and areas that need improvement. The ESART group has an additional focus on advocacy efforts.

The Emergency Shelter Client Support & Services Plan Policy guides needs assessments. The policy requires clients to work with their navigator on a plan to secure permanent housing and clients who chose not to participate may be asked to leave the shelter, unless circumstances warrant an exception. The Homeless Services Center housing placement team focuses on housing long-term stayers. The City has also added additional full-time housing navigators to work with newly arriving families experiencing homelessness, resulting in locating permanent housing placements with follow up case management and tenant education services. Preble Street Support Services receives funding from the Veterans Administration to prevent and end homelessness among veterans.

The Homeless Outreach and Mobile Engagement (HOME) Team is a collaboration between the City of Portland, the Portland Downtown District and Milestone to provide outreach and community supports to those with chronic health, mental health and substance abuse issues living on the streets of Portland. The HOME team has become part of the emergency service delivery system for businesses and community members.

Commonspace, a Portland-based nonprofit organization, and Portland Downtown (a 501c4) have

created a Peer Outreach Worker program. This program will allow a peer outreach worker to connect with clients that live with mental illness, oftentimes co-occurring substance-use disorders, and oftentimes experiencing homelessness. The outreach worker will then collaborate with the Milestone Foundation, the City's shelters, local hospitals, and Portland Downtown businesses to get the client the services they need.

Addressing the emergency shelter and transitional housing needs of homeless persons

Emergency Shelter: The City of Portland has a connected network of homeless shelters, yet the number of individuals seeking shelter outnumber the available beds. Upon opening the Homeless Services Center, replacing the Oxford Street Shelter, and 166 Riverside Street, the City partnered with various organizations to ensure that all individuals had an opportunity for shelter. This included the City opening a threshold based Winter Warming Shelter for Winter 25-26. The facility opened when the temperature dropped below 15 degrees or more than 10 inches of snow accumulated. The facility increased capacity by 60 individuals when activated.

Transitional Housing: While we are often trying to connect individuals with housing plans, we recognize that there is also a need for short-term transitional housing. We often make referrals to our rapid rehousing programs, Tenant Based Rental Assistance Program, and General Assistance.

Regional Approach: The City funds a Resettlement Coordinator and team to assist with asylum-seeking families. Additionally a partnership with Maine State Housing Authority has funded the Housing Opportunities for Persons in Encampments (HOPE). This is a partnership that brought together a housing navigator from Preble Street, Commonsplace and Milestone under supervision of a Coordinator at the City.

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

Frequent Users System Engagement (FUSE) is focused on a by-name list effort to house and keep housed the longest stayers in homelessness in Portland. FUSE grew from the Long-Term Stayers (LTS) initiative in April of 2015 when the City collaborated with local housing services providers to target their efforts with a by-name list of the most vulnerable and difficult to house individuals staying at the former Oxford Street Shelter. At the time, the shelter had 44% of the state's long term stayers, defined in Portland as people staying over 180 cumulative days in shelters or outdoors within a 365-day period. This definition was created because HUD's Chronic Homelessness definition did not capture single adults who tend to bounce from shelter to shelter whose lengths of stay in any one shelter do not meet the HUD definition

of chronically homeless. From April 2015 through January 2026, this initiative targeted 962 people identified as people who met the criteria for LTS, now FUSE. The lists target people who are chronically homeless, people who are unsheltered, people who are frequent users of emergency systems, and people who are in need of permanent supportive housing interventions. The group of 20 organizations has been at this for almost 11 years and has housed 548 people. According to HMIS data, this group collectively had more than 680 years of homelessness and more than 245,000 bed nights. Throughout the course of this initiative there has been an 85% - 97% success rate in scattered site apartments due to the combination of rental subsidies and support services.

In 2025, the initiative updated its name and scope to better reflect who the group supports. Housing Follow up Services for FUSE help individuals who have been placed into housing from returning to homelessness.

Additionally, the goals of the City of Portland's Emergency Solutions Grant program are to provide rapid rehousing services to individuals staying at the shelter and prevention services to individuals facing homelessness in the community. The Homeless Services Center is projected to serve 40 people who are homeless and 5 people at risk of homelessness. The Family Shelter utilizes \$80,332 for Essential Services, which will focus on Life Skills such as cooking, food storage, cleaning etc. with a goal to serve 100% of our shelter populations, 90% who are migrants. The City's Tenant Based Rental Assistance program (TBRA) was implemented on April 1, 2014 with HOME funds. There is a centralized intake located at the Homeless Services Center and Family Shelter and utilization of a rapid re-housing approach with a focus on reducing recidivism. Follow-up services have a strong emphasis on connecting clients to other mainstream resources to ensure long term housing success. The ESHAP Program, which is funded by Maine Housing for the Homeless Services Center and Family Shelter, is modeled after a rapid re-housing approach that provides housing stability services to persons who are experiencing homelessness and assists homeless clients seeking permanent housing with education, services, and support to meet their health, housing, and employment needs in order to overcome barriers to obtaining and maintaining permanent, stable housing. Participants are assigned a Navigator who has experience in working with people who are experiencing homelessness. Navigators conduct assessments to determine the best course of action and customize a plan that best suits each individual's housing needs. The combination of the City's FUSE Initiative, the Emergency Solutions Grant, Tenant Based Rental Assistance, and ESHAP program help to prevent homelessness and rapidly rehouse individuals who become homeless in Portland.

Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: 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); or, receiving assistance from public or private agencies that address housing, health, social services,

employment, education, or youth needs.

The City's After-Hours Program ensures access of emergency services to low-income 'at-risk' individuals and families, including help with placement in appropriate shelters/warming centers and basic needs such as medication, food, baby formula, diapers, and heating. The program offers a hotline service 365 days a year, 24 hours a day. The Greater Portland Addiction Collaborative has brought together local hospitals, City Programs, Police, community detox centers, SUDs treatment providers, crisis providers, housing and employment providers, recovery community, and the peer recovery center to provide high quality treatment and fill gaps to ensure that individuals receive the care they need upon discharge. City of Portland Shelter Staff has implemented a diversion program that has staff complete shelter intakes and connect with individuals before they enter emergency shelter and homelessness. Staff has the ability to seek alternate resources, connect with landlords to mediate evictions, and enroll individuals in prevention case management services.

Families with Children: There are two shelters that serve families with children. The City of Portland Family Shelter provides temporary housing to families with children in the form of apartments. While staying at the shelter families learn important life skills, participate in house meetings to discuss issues and assistance, and have access to various household items, laundry, and transportation services to appointments. Staff also assists with housing placement and follows up case management. Support services on site include assistance with housing placement; training sessions on tenant education (Rent Smart Curriculum); crisis intervention and management, including follow-up services after housing is located; and assistance with public transportation for appointments and self-sufficiency. Through These Doors operates an Emergency Shelter for women and children who are experiencing domestic violence. They provide 16 beds, and families can access basic necessities like food, clothing, and personal care items. Residents are offered in-house education programs, individual advocacy, case management, and safety planning.

Unaccompanied Youth: The Preble Street Joe Kreisler Teen Shelter provides 16-24 beds for unaccompanied youth ages 12-20. The shelter provides safe, clean overnight accommodations in a secure building; showers, bathrooms, laundry facilities, towels, and personal hygiene products; community living areas; light breakfast and snacks. Additionally, staff responds to the crises that lead to homelessness, provides referrals, and links youth to necessary services including substance use treatment, counseling, and medical facilities.

Chronically homeless- Chronically homeless men and women stay at the Homeless Services Center, a low-barrier shelter which provides safe, temporary shelter for homeless adults. The Shelter offers a variety of support services including: shower facilities and training on hygiene skills; housing placement assistance; health assistance to Veterans; clinical and outreach services for individuals with mental health concerns; and interpreting services. Portland and Cumberland County are fortunate to have several community organizations which assist special needs populations. These include, but are not limited to, Frannie Peabody Center, Preble Street, Commonsplace, Immigrant Legal Advocacy Project,

Maine Equal Justice Partners, Milestone, and The Opportunity Alliance. Together these organizations provide access to care through case management, behavioral health counseling, advocacy, utility assistance, and housing assistance programs.

Discussion

The Covid-19 pandemic and the national opioid crisis have impacted and increased greatly the need for homelessness and substance use services in Portland. The City's one- and five-year goals are to create a safety net of programs through a combination HOME, ESG, and other federal and local resources.

AP-75 Barriers to affordable housing -91.420, 91.220(j)

Introduction

The City's comprehensive plan places a priority on housing creation, diversity, and affordability within the community. The housing component of the Comprehensive Plan states "[w]hile Portland has welcomed much needed new housing construction in recent years, both the lack of sufficient housing supply and the affordability of that housing for a healthy socio-economic cross-section of the population remain urgent challenges." It goes on to assert that the city must "recognize that [its] vitality rests on the availability of diverse, secure housing options for existing residents, new arrivals, and all stages of life".

Funding available through the Affordable Housing Development Program will go to assist in the creation of affordable housing available to low and very low income persons. Affordable Housing Development funds are allocated through a competitive, rolling application process. To apply, developers must complete an application in Neighborly software. City staff reviews applications, and a consultant hired by the City completes a financial underwriting analysis. City staff presents funding recommendations to the City Council's Housing and Economic Development Committee (HEDC). The HEDC forwards funding recommendations to the City Council. Under City ordinance, the request for appropriation of funds must be read at two City Council meetings. The City Council takes action on the recommendations at the second public meeting.

Actions it planned 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

In response to LD 2003, new language in the Land Use Code now permits up to two units on lawfully conforming lots that do not contain an existing dwelling unit in the island zones, or outside of the designated growth area. The new language would also permit up to four units on lawfully conforming lots that do not contain an existing dwelling unit in mainland zones where residential is a permitted or conditional use, or inside the growth area. New language also adds residential use permission for lawfully conforming lots with one existing dwelling unit by allowing up to two additional units where residential is a permitted or conditional use.

In early 2023, 14 external stakeholders and numerous city officials convened for an intensive six-hour Housing Supply Bootcamp focused on identifying barriers and solutions to expand Portland's housing stock. Regulatory barriers identified include: expanded inclusionary zoning (IZ) requirements under recent referenda; height limits, density limits, step backs, and setbacks; insufficient land zoned for multi-family; limitations on the availability of density bonuses, and building code requirements and stringent application of the standards. Potential solutions identified include; increase the permissible height of buildings and eliminate setback requirements on the Portland Peninsula and along major arterials;

identify “offsets” that would make it easier for developers to meet the heightened IZ requirements; engage employers that own land as partners to make land available for development; prepare an inventory of parking lots owned by individual retailers and other businesses to identify whether some could be developed as housing; study the potential to repurpose some office space as housing; provide regulatory tools to discourage vacant land and vacant buildings, including the potential for financial penalties, thereby encouraging development and redevelopment; and evaluate the possibility of allowing residential uses in industrial areas.

In 2025, the City engaged a consultant to study the impacts of the Inclusionary Zoning ordinance on development of affordable housing units within Portland. The study is expected to be completed in Spring 2026.

Also in 2025, the City Council approved a Resolution (Resolve 7-24/25) on March 17, 2025 calling for the establishment of a task force on social housing. The task force is expected to conduct a comprehensive study and develop a strategic framework of a government-led social housing program. This initiative reflects the City Council’s commitment to ensuring all Portlanders have access to safe, stable, and permanently affordable housing. The primary charge of the Task Force is to study and propose a framework for a municipal social housing program that prioritizes permanent affordability, environmental sustainability and inclusivity. The task force includes a range of stakeholders, including affordable housing developers, market developers, Portland residents with relevant knowledge or skills (e.g. housing advocates, urban planners, financial and legal experts), City Councilors, a representative from Portland Housing Authority, and community members from underserved populations with lived experience navigating the challenging housing environment in Portland. The task force is expected to present its recommendations to the City Council in early Fall 2026.

Discussion

The City of Portland is committed to removing barriers to affordable housing.

AP-85 Other Actions - 91.420, 91.220(k)

Introduction

The City of Portland consistently strives to identify areas of opportunity for improving quality of life for all of its residents including increased stability, housing options, and economic opportunities for its most vulnerable populations.

Actions planned to address obstacles to meeting underserved needs

In the City of Portland, the vast majority of CDBG, HOME, and ESG allocations go to addressing underserved needs of the City. The proposed CDBG projects will be meeting underserved needs such as food assistance, shelter, safety, and support for those with mental and physical illnesses and substance use disorders, and homeless prevention and housing services. The HOME grant funds help persons gain or maintain housing through the Tenant Based Rental Assistance Program and build affordable housing for low-income families who cannot afford housing otherwise. Additionally, the Emergency Solutions Grant meets the needs of individuals and families by gaining or maintaining housing throughout their homeless prevention or rapid rehousing initiatives, along with maintaining shelter costs for the city's most vulnerable populations.

Actions planned to foster and maintain affordable housing

The affordable housing provisions of LD 2003 require municipalities to extend density bonuses to qualifying affordable housing projects when those projects are located in areas in which multi-family dwellings are allowed and within a designated growth area. The City of Portland already has a structure for density bonuses for affordable housing in many zones, and the code includes other provisions as contemplated by the state. However, some amendments to Articles 18 and 19 of the land use code were necessary to bring the city into full compliance with these components of the law.

The definition of "affordable housing" was changed to incorporate language that enumerates the definition of "other housing expenses" to include "utilities such as electric, heat, water, sewer, and/or trash that the household pays separately from rent". Density bonus language in the Land Use Code was amended such that 2.5x density bonus is triggered when over 50% of units within a project qualify as affordable. Density bonus have been extended to areas "where multi-family is allowed as a permitted or conditional use", and long-term affordability has been defined as deed-restricted to remain affordable for 30 years or the longest term permitted under federal, state, and local laws whichever is longer.

Multiplex, a multi-family-like use currently permitted in the R-4 and R-5 zones, has also been struck from the code. This use, which requires greater minimum lot sizes, densities, and lot widths than otherwise required for residential uses in these zones, and in some cases is subject to unit maximums which bear little relationship to lot size or density, has not been widely constructed in the city. In order to

make dimensional provisions consistent with state law and to simplify implementation, references to multiplex have been eliminated.

Other actions undertaken by the City of Portland include the assessment of fair housing processes in order to identify barriers to fair housing for inclusions in the 2022-2026 Consolidated Plan. The recommendation to address barriers to equalizing access to opportunity, include; advocate for improvements to the county's public transportation system to more effectively connect low income workers with jobs both within Portland and in the broader region; focus on accommodating the needs of persons with disabilities and pairing transportation investments with housing affordability opportunities; and advocate for additional funding in schools that have disproportionate shares of economically disadvantaged students. The recommendation to increase the supply of affordable housing include; invest public funds in affordable housing through gap financing; require affordability contributions of market rate developers through inclusionary zoning; incentivize development of mixed-income housing through density bonuses and fee waivers. And the recommendation to address gaps in homeownership attainment is; explore programs funded by foundations that offer greater down payment assistance to residents who historically faced discrimination and restricted access to homeownership.

Actions planned to reduce lead-based paint hazards

The City of Portland has been committed to eliminating lead poisoning in children since 1995 when it received its first HUD Lead Safe Housing Grant. Mitigating lead-based paint hazards and creating healthier homes remains a critical focus of the City of Portland's Lead Safe Housing Program. Over the years, more than 560 units have been made lead-safe in Cumberland County. This program has successfully addressed lead hazards prevalent in Portland's older housing stock, bridging the critical gap between health and housing.

The HUD Lead Safe Housing Program is designed to benefit low and moderate-income families. Owner-occupied applicants in the City of Portland must prove their income is less than 80% of the median area income and have 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. Projects outside the City of Portland need to meet HUD income eligibility limits established for Cumberland County. The program works directly with the Maine CDC, prioritizing households where there is an active abatement order or where young children reside with elevated blood levels.

In 2026, the City continues the HUD Funded Lead Abatement Program, making an additional 28 units lead-safe and healthier with HUD's Healthy Homes Funding. The team will continue its successful work with the \$3.4 million awarded in 2025 to further the critical work of protecting Cumberland County's most vulnerable families from lead hazards. The grant includes \$748,000 in Healthy Homes funding, which helps to address code violations and health and safety hazards along with lead abatement. Project management works directly with Code Enforcement and homeowners to document the elimination of

violations while improving residents' health, safety, and welfare.

Actions planned to reduce the number of poverty-level families

The City of Portland allocates a significant percentage of its Community Development Block Grant to social service programs and housing activities designed not only to improve the lives of families and individuals in poverty, but also to facilitate their transition out of poverty. Below are just some of the most critical programs and services that the City plans to support with the CDBG, HOME and ESG funds:

Shelter and services for survivors of domestic violence

Homeless outreach and engagement programs to assist individuals, including youth, in crisis to access necessary services.

Case management and community integration services for recently homelessness individuals and those at risk of homelessness

Creation of stable affordable housing units

Tenant based rental assistance to help families to be rapidly rehoused or maintain their current housing, to help build stability.

Homeless prevention services to individuals facing homelessness.

Rapid rehousing

Helping families move out of poverty as opposed to simply serving those in poverty is an important part of the City's Housing and Community Development Program. Total funds available to the City are insufficient to meet the needs of its citizens in poverty; however, targeting funds to activities which support self-sufficiency can make a significant difference in the lives of many people. The City plans to continue to look at requests for funding and existing programs to see how CDBG, ESG and HOME funds can assist individuals and families in moving beyond poverty.

Actions planned to develop institutional structure

The City will continue to carry 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 various City Departments, the Portland Housing Authority, and an integrated

network of non-profit housing and social service providers.

The City of Portland Housing and Community Development (HCD) Division is responsible for overseeing the budget and distribution of the City's CDBG, HOME and ESG entitlement funds and development of the Five-Year Consolidated Plan and Annual Action Plan and Consolidated Annual Performance Evaluation Report. Additionally, the HCD Division administers the City's new construction programs and monitors all outstanding loans associated with the former HomePort program. Since the fall of 2019, the HCD Division has staffed a Compliance Officer position, ensuring that all programs comply with local and federal regulations.

City of Portland Social Services Division administers the General Assistance Program, ESG funds, the City's emergency shelters (for single adults and families), transitional housing facilities, housing location services, Family Services Program, job readiness training and employment services and several other support activities in coordination with non-profit housing and social service agencies. Additionally, the Social Services Division administers the HOME funded Tenant Based Rental Assistance Program.

Non-Profit Housing and Social Service Agencies play a large role in directly providing housing and economic development services to low income, homeless, and special needs populations throughout Portland.

Working collaboratively, these entities implement 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 to 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.

Actions planned to enhance coordination between public and private housing and social service agencies

The City of Portland requires proof of organizational collaboration in the form of a memorandum of agreements, letter of support, or demonstrated outreach for all applications. In the CDBG scoring process, organizations and entities who demonstrate collaboration with other organizations and entities receive higher allotted points.

The City and the Portland Housing Authority have a long history of cooperation in several areas including community policing, development of affordable housing, recreational activities for at-risk youth, the Family Self-Sufficiency Program, Family Investment Center and applications to HUD for Section 8 certificates and vouchers for families, homeless and disabled persons. City staff and PHA staff

communicate regularly and provide each other data for Annual Plans and reports.

City staff from the Health and Human Services Department and Housing and Community Development Division coordinates with other members of the Emergency Shelter Assessment and Response Team (ESART) and the United Way of Greater Portland to monitor shelter bed usage for single adults, adolescents and families. ESART members include shelter providers, supported housing providers, mental health service providers, substance abuse service providers, health service providers and general services including day shelter providers for the homeless population. ESART also produces monthly and quarterly statistics on shelter usage and provides a forum to discuss new programs, resource availability, emerging trends and to resolve problems within the continuum that may arise from time to time. The City's Community Development Program Manager attends ESART. Additionally, HCD staff participates in the Maine Affordable Housing Coalition (MAHC). In the City of Portland, 33% of CDBG funds support social service agency programs. City staff meets with the agencies throughout the year to provide technical assistance and ensure they are meeting HUD guidelines and regulations. Staff also assists in monitoring their progress and makes recommendations for more efficient services.

Discussion

The City of Portland is committed to continuing its robust collaboration with nonprofit social service agencies, developers, and community organizations to improve the lives of residents of Portland, especially those who are low-income.

Program Specific Requirements

AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

Introduction

Community Development Block Grant Program (CDBG)

Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	0
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
Total Program Income:	0

Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	91.00%

HOME Investment Partnership Program (HOME)

Reference 24 CFR 91.220(I)(2)

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Not applicable

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Homebuyer activities of downpayment or closing cost assistance are not part of the 2026-2027 planned activities.

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Acquisition of units with HOME funds are not part of the 2026-2027 plan.

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

HOME funds will not be used to refinance existing debt.

5. If applicable to a planned HOME TBRA activity, a description of the preference for persons with special needs or disabilities. (See 24 CFR 92.209(c)(2)(i) and CFR 91.220(l)(2)(vii)).

The City of Portland does not currently have preferences for specific categories of individuals with disabilities.

6. If applicable to a planned HOME TBRA activity, a description of how the preference for a specific category of individuals with disabilities (e.g. persons with HIV/AIDS or chronic mental illness) will narrow the gap in benefits and the preference is needed to narrow the gap in benefits and services received by such persons. (See 24 CFR 92.209(c)(2)(ii) and 91.220(l)(2)(vii)).

Tenant-Based Rental Assistance is directed toward individuals who are homeless or at-risk of being homeless.

7. If applicable, a description of any preference or limitation for rental housing projects. (See 24 CFR 92.253(d)(3) and CFR 91.220(l)(2)(vii)). Note: Preferences cannot be administered in a manner that limits the opportunities of persons on any basis prohibited by the laws listed under 24 CFR 5.105(a).

The City of Portland does not have preferences for rental projects. The City does have a local requirement that 10% of total units in a development are set aside for individuals in Portland homeless shelters; however, this does not preclude others from accessing those units.

Emergency Solutions Grant (ESG)

1. Include written standards for providing ESG assistance (may include as attachment)

Please see attachment.

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

The state-wide Continuum of Care monitors the Homeless Management Information System, where individuals and families are entered at first contact. Additionally, the Maine COC has created a Coordinated Entry System (CES). CES facilitates access for all resources designated for homeless individuals and families, ensuring they are known by name, provided assistance based on their unique needs, and matched to the most appropriate service or strategy. Together, HMIS and CES ensure coordination while avoiding duplication of services and client data.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

The Emergency Shelter Assessment and Response Team (ESART) is actively involved in the ESG program, including the development of performance standards and operating procedures as well as evaluation of funding expenditures. The City of Portland utilizes ESG funding for the Family Shelter and the Homeless Services Center and for homeless prevention and rapid rehousing programs. It is not currently the practice of the City of Portland to provide subawards from ESG funds; however, any ESG subawards would be made through the same awarding process as CDBG.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

The Emergency Shelter Assessment and Response Team (ESART) is actively involved in the ESG program, including the development of performance standards and operating procedures as well as evaluation of funding expenditures. The City of Portland utilizes ESG funding for the Family Shelter and the Homeless Services Center and for homeless prevention and rapid rehousing programs. It is not currently the practice of the City of Portland to provide subawards from ESG funds; however, any ESG subawards would be made through the same awarding process as CDBG.

5. Describe performance standards for evaluating ESG.

The Emergency Shelter Assessment and Response Team (ESART) is actively involved in the ESG program, including the development of performance standards and operating procedures as well as

evaluation of funding expenditures. The City of Portland utilizes ESG funding for the Family Shelter and the Homeless Services Center and for homeless prevention and rapid rehousing programs. It is not currently the practice of the City of Portland to provide subawards from ESG funds; however, any ESG subawards would be made through the same awarding process as CDBG.

The City of Portland will continue to ensure that all federal grants meet the specific program requirements, including Community Development Block Grant, HOME, and Emergency Solutions Grant from the U.S. Department of Housing and Urban Development.



To: **Councilor Ali, Chair**

Members of the Housing and Economic Development
Committee

MEETING DATE: March 17, 2026

AGENDA ITEM

Review and Recommendation to the City Council Approval to Continue to Participate in the Cumberland County HOME Consortium

PURPOSE

Staff is seeking a recommendation from the Housing and Economic Development Committee concerning the renewal of the Cumberland County HOME Consortium (“Consortium”) and the City’s continued participation in the Consortium for the period of July 1, 2027 through June 30, 2030.

COMMITTEE WORK PLAN/CITY COUNCIL GOAL ALIGNMENT

Accelerate Housing Production and Strengthen Affordability Protections – Address Portland’s housing challenges by encouraging the development of more homes and protecting affordability, so current and future residents can live and thrive in our community.

BACKGROUND/ANALYSIS

The Consortium will soon be entering the last year of its sixth three-year consortium contract period. The current Consortium agreement is due to expire on June 30, 2027 (Federal Fiscal Year 2026). The consortium has been a successful collaboration in support of affordable housing throughout Cumberland County.

During the Federal Fiscal Year prior to the end of each consortium contract period (in this case Federal Fiscal Year 2025), each member of the Cumberland County HOME Consortium must determine whether they will continue to participate for another successive three-year period. The members of the Consortium include the City of Portland, Town of Brunswick and Cumberland County. The Consortium must notify HUD of the member’s decision whether or not to renew the Consortium by June 30, 2026.

The 2012-2015 Mutual Cooperation Agreement included an automatic renewal clause (Section 7 C. – Term of Agreement and Renewal). As there are no proposed amendments or changes to the Agreement, a new Mutual Cooperation Agreement will not be needed.

FISCAL IMPACT

In FY 2025-2026, the Cumberland County HOME Consortium received \$800,654 in HOME program funds from the U.S. Department of Housing and Urban Development. Based on the funding formula established in the Mutual Cooperation Agreement between the City of Portland

and other Consortium members, the city receives 10% of the grant funds for administrative costs (which is the maximum set-aside amount for administrative expenses) and 57% of the remaining funds for project programming. The remaining funds are allocated to the Town of Brunswick and Cumberland County who make allocation recommendations through the County Municipal Oversight Committee. In return for the receipt of the 10% administrative set-aside, the City acts as the lead entity for the Consortium and provides all administrative tasks required to implement both the City's and County's program allocations.

When the Consortium was formed in 2009, it included a "hold harmless" clause to ensure that the City, as an existing HOME grantee, would continue to receive funding equal to its allocation prior to the formation of the consortium. The "hold harmless" formula was based on a comparison ratio to the HOME funding for the Lewiston/Auburn (L/A) Consortium. The formula identified Portland's "hold harmless" amount at 118% of the HOME allocation for the L/A Consortium. The Cumberland County HOME Agreement did allow for adjustments to be made if the current level of funding to the L/A HOME Consortium varied from historic levels. Over the years the L/A allocation has decreased which has resulted in the Portland "hold harmless" amount to decrease. As a result, by agreement with the other members of the CCHC, the annual allocation is divided with 57% of the allocation, after the administrative set-aside, to the City and 43% of the allocation to the County.

CONCLUSIONS

The Home Investments Partnerships Program (HOME) was established by Congress in 1992. Since 1992, the City of Portland and the Cumberland County HOME Consortium have received over \$27.7 million dollars in HOME funding. In 2009 the City became the lead entity in the Cumberland County HOME Consortium (CCHC). The Consortium is a partnership of the communities in Cumberland County that administers HOME Program funds in Cumberland County. The creation of the consortium expanded the financial resources for affordable housing activities in the region. The City retains independent operation of its HOME program. Because the City serves as the "Lead Entity" and City staff administers the County portion of the funding, all administrative funds are retained by the City. The County's Municipal Oversight Committee controls the allocation of the County's portion of the HOME funds.

PRIOR COMMITTEE REVIEW: N/A in 2026

PREPARED BY

Mary Davis, Division Director
Housing and Community Development Division

ATTACHMENTS

Consortium Agreement
Notice of Right Not to Renew

CUMBERLAND COUNTY HOME CONSORTIUM

MUTUAL COOPERATION AGREEMENT TO FORM A CONSORTIUM UNDER THE HOME INVESTMENT PARTNERSHIPS PROGRAM

THIS MUTUAL COOPERATION AGREEMENT made this 27th day of May, 2011, by and between Cumberland County (COUNTY), the City of PORTLAND (PORTLAND) and the Town of BRUNSWICK (BRUNSWICK). Cumberland COUNTY is acting as an Urban COUNTY representing the 25 member municipalities of the existing Community Development Entitlement Jurisdiction. The Consortium will be known as the **CUMBERLAND COUNTY HOME CONSORTIUM (CCHC)**.

WHEREAS, the Congress of the United States of America has enacted the Cranston-Gonzalez National Affordable Housing Act, HOME Investment Partnerships Program; and

WHEREAS, the U.S. Department of Housing and Urban Development (hereinafter, "HUD") has promulgated regulations, notices, and requirements as now or hereafter in effect, allowing units of general local government to enter into mutual cooperation agreements to form a consortium or continue an existing consortium for the purpose of obtaining funding as a participating jurisdiction under the HOME Investment Partnerships Program (hereinafter, "HOME Program"), and

WHEREAS, the signatory units of general local government intend hereby to establish a consortium to cooperate in undertaking or assisting in pursuing housing assistance activities through the HOME Investment Partnerships Program, as it may be amended, and

WHEREAS, COUNTY, PORTLAND, and BRUNSWICK agree that it is desirable and in the interests of their citizens to secure approval from U.S. Department of Housing and Urban Development (HUD) as a consortium under the federal HOME Program authorized under the HOME Investment Partnership Act, Title II of the Cranston-Gonzalez National Affordable Housing Act of 1990, as amended;

WHEREAS, the signatories to this agreement agree to comply with all requirements of HUD regulations and requirements as now or hereafter in effect for eligibility to participate to the maximum extent possible in the HOME Program to create or improve affordable housing for their low and moderate income residents.

NOW THEREFORE, in consideration of the mutual promises contained herein, the COUNTY, PORTLAND, and BRUNSWICK agree as follows:

SECTION 1 - DEFINITIONS

The definitions contained in 24 CFR Part 92, Subpart A, paragraph 92.2 are incorporated herein by reference and made a part hereof, and the terms defined in this section have the following meanings given them:

1. **“Act”** means Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended (42 U.S.C. 12701 et. seq.).
2. **“Consolidated Plan”** means the Consolidated Plan for Housing and Community Development Programs prepared and adopted by the COUNTY, PORTLAND, and BRUNSWICK, as amended from time to time. The Plan describes the needs, resources, priorities and proposed activities to be undertaken with respect to HUD Programs, including the HOME Program.
3. **“Federal HOME Program”** means a procedure established for the use of funds made available from HUD through the Act to carry out multi-year housing strategies through assistance to first-time homebuyers and existing homeowners, property acquisition, rehabilitation and new construction of housing, site improvements, tenant-based rental assistance, demolition, relocation expenses and other reasonable and necessary expenses related to the development of affordable housing.
4. **“Regulations”** means 24 CFR Part 92 HOME Investment Partnerships Program Implementing Regulations as issued by HUD.
5. **“Federal HUD Consortium”** means a consortium of units of general local governments bound by the terms of a HOME Investment Partnership Act Consortium Agreement participating in the Federal HOME Program and receiving funds as authorized in the Federal Program Regulations.
6. **“Federal Program Requirements”** means documents issued by the U.S. Department of Housing and Urban Development describing the regulations and requirements of the HOME Program
7. **“Member”** means a unit of local government that is a signatory to this Agreement and therefore a member of the Consortium for the purpose of carrying out eligible activities under HUD regulations and requirements as now or hereafter in effect.
8. **“Lead Entity”** means a unit of local government designated hereafter as the one member to act in a representative capacity for all members for the purposes of this Agreement, as defined in HUD regulations and requirements as now or hereafter in effect.
9. **“Subrecipient”** is a public agency or non-profit selected by the member to administer all or a portion of the member’s HOME Program.

10. **"Consolidated Strategy and Plan"** means a Consolidated Plan, as defined in HOME Program Regulation 92.2 and required by HUD regulations and requirements as now or hereafter in effect.
11. **"CHDO"** means a Community Housing Development Organization, as defined in HUD regulations and requirements as now or hereafter in effect.
12. **"HUD Regulations and Requirements"** means those HUD regulations and requirements which are applicable to the HOME Investment Partnerships Program.
13. **"Commitment"** means the member has executed a legally binding agreement with a recipient or a subrecipient to use a specific amount of HOME funds to produce affordable housing or provide tenant-based rental assistance; or has executed a written agreement reserving a specific amount of funds to a community housing development organization; or has met the requirements in the regulations to commit to a specific local project.
14. **"Program Income"** means gross income received by the member or subrecipient directly generated from the use of HOME funds or matching contributions. When program income is generated by housing that is only partially assisted with HOME funds or matching funds, the income shall be prorated to reflect the percentage of HOME funds used.
15. **"Hold Harmless"** means the total amount of annual HOME funds PORTLAND would be expected to receive if the CCHC were not in place. In FFY '08 that amount was \$654,808. For calculation of that amount refer to Appendix A.
16. **"Set-aside"** means the portion of the annual CCHC allocation that will be allocated to PORTLAND in addition to the hold harmless amount, and in exchange for PORTLAND's consent to participate and assume the responsibilities of the Lead Entity in the CCHC. For calculation of that amount refer to Section 5 B.

SECTION 2 - AGREEMENT

- A. The term of this Agreement begins with the effective date of July 1, 2012 and ends June 30, 2015. The COUNTY, PORTLAND, and BRUNSWICK agree that the terms of this Agreement cover the period necessary to carry out all activities that will be funded from funds awarded during three federal fiscal years (2012, 2013, 2014) and that all members of CCHC will remain in the CCHC for the entire period. This Agreement remains in effect until the HOME funds from each of the Federal fiscal years of the qualification period are closed out pursuant to 24 CFR 92.507.
- B. The City of PORTLAND, as a long established HOME Program Jurisdiction, will continue to independently operate its own HOME program. Decisions concerning

the allocation of funds, program design and project selection will not be altered by PORTLAND'S participation in the CCHC.

- C. The Cumberland County Community Development Municipal Oversight Committee (MOC) will provide policy oversight for planning, operations, project selection and evaluation for the CCHC excepting activities conducted by the City of PORTLAND.
- D. The MOC will include members of the Cumberland County Entitlement Jurisdiction expanded to include BRUNSWICK for HOME Program activities. The MOC will review the proposed HOME program design each year and the CCHC program application to HUD. Each year's program design shall be subject to the approval of the Cumberland County Commissioners, and the elected boards of PORTLAND and BRUNSWICK. The proposed HOME program design will define a strategy in sufficient detail to accommodate the collective and individual needs and priorities of the COUNTY and BRUNSWICK.

The MOC will review the Consolidated Plan Update each year and approve any amendments needed. Proposed changes and amendments will be presented to consortium member's elected boards for approval and submission to HUD.

All consortium members must approve the HOME program design and any Consolidated Plan amendments prior to their submission to HUD.

- F. The COUNTY, PORTLAND, and BRUNSWICK mutually agree that the City of PORTLAND shall act as the Lead Entity in a representative capacity for all members of CCHC for the purposes of the Act and as further defined in the Federal Program Requirements. The City of PORTLAND, in its capacity as lead entity, is authorized to enter into an agreement with HUD. The City Manager of the City of PORTLAND, acting on behalf of CCHC, is authorized to submit an application for funding under the federal HOME Program, consistent with the approved HOME program design for each year.
- G. The COUNTY, PORTLAND, and BRUNSWICK agree that the City of PORTLAND as Lead Entity shall assume overall responsibility for ensuring that the CCHC HOME program meets the requirements concerning the Consolidated Plan in accordance with HUD regulations in 24 CFR Parts 92 and 91 and the requirements of 24 CFR 92.350(a)(5); and further, ensuring that the CCHC HOME program is carried out in compliance with the requirements of the Act, the Regulations and Federal Program Requirements. The COUNTY and BRUNSWICK agree to assist PORTLAND in maintaining compliance with the Act, the Regulations and Federal Program Requirements for the full compliance period, extending to and continuing beyond the expiration of this Agreement.
- H. If any new entities join CCHC, PORTLAND as Lead Entity agrees to notify HUD in writing and to provide a copy of the authorizing resolution from the new members' governing body and an amendment to this Agreement signed by the chief executive officer of the new member. PORTLAND, as Lead Entity, is authorized

to amend this Agreement on behalf of the entire consortium to add new members to the CCHC.

- I. The CCHC HOME program will provide fair and ample opportunity for all members to access program funds, and members will be provided opportunity to comment on and approve the distribution of all funding made available through the MOC consistent with the adopted Consolidated Plan.
- J. PORTLAND as Lead Entity will be provided additional administrative funds to cover the costs of administering the HOME Program for CCHC. PORTLAND shall establish the HOME Investment Trust Fund as specified in 24 CFR Part 92.500, and will participate in the Integrated Disbursement and Information System (IDIS) and other accounting and compliance procedures as required by HUD. The COUNTY and BRUNSWICK agree to provide all required IDIS data to PORTLAND in a timely manner.
- K. Matching funds are required by HUD. CCHC members agree that the matching funds shall be provided as follows:
 - PORTLAND will provide matching funds for projects and activities within PORTLAND
 - COUNTY and BRUNSWICK will provide match collectively for region-wide activities
 - BRUNSWICK or individual COUNTY communities will provide match for projects within their individual communities
 - The match credit balance held by the City of PORTLAND is available to match all CCHC activities on a "last resort" basis.
- L. HOME funds invested in affordable housing shall be repaid in compliance with Section 8. of this Agreement if the housing does not meet the affordability requirements of Section 92.252 and Section 92.254 of the Regulations or if the housing ceases to qualify as affordable housing before the period of affordability expires.
- M. This Agreement shall be executed by the Cumberland County Commissioners and officials of PORTLAND and BRUNSWICK pursuant to authority granted them by their governing bodies.
- N. The COUNTY, PORTLAND, and BRUNSWICK certify that they will adhere to all federal regulations pertaining to the disposition of real property, if any real property is acquired with funds authorized under the Federal HOME Program Requirements.
- O. This Agreement shall be construed in accordance with and governed by federal law and by the laws of the State of Maine.

- P. This Agreement shall be amended only by mutual agreement of all parties in writing.
- Q. The CCHC is bound by the terms of this Agreement for the purpose of participating in the Federal HOME Program and agree to cooperate to undertake or to assist in undertaking housing assistance activities for the Federal HOME Program, and agree to receive funds as authorized in the Federal Program Regulations.
- R. The COUNTY, PORTLAND, and BRUNSWICK agree to cooperate in the implementation of the HOME Program and to cooperate in the preparation of the Consolidated Plan in accordance with HUD regulations in 24 CFR Parts 92 and 91, respectively, and the requirements of 24 CFR 92.350 (a)(5). The COUNTY and BRUNSWICK shall execute and submit the required certifications, and shall prepare and submit its plan for monitoring compliance with the Consolidated Plan.
- S. In accordance with the Act and the Regulations, each member of the CCHC certifies that it will direct its activities to the alleviation of housing problems within Cumberland County, that it will affirmatively market HOME-assisted housing as defined in Section 92.351 of the Regulations and will affirmatively further fair housing in accordance with applicable federal and State laws.

SECTION 3 - DESIGNATION OF LEAD ENTITY; POWERS AND DUTIES OF LEAD ENTITY

- A. The City of PORTLAND, acting through its Director of the Planning and Urban Development Department, or his/her designee, hereinafter Consortium Administrator, will be designated as and agrees to assume overall responsibility as the Lead Entity for this consortium for the purposes of the HOME Program, in compliance with HUD HOME Program statutes, regulations, and instructions, now or hereafter in effect, for the duration of this Agreement.
- B. The Lead Entity shall have access to all Member records related to the use of HOME program funds for the purpose of ensuring compliance with HUD regulations.
- C. The Lead Entity shall establish and maintain the local HOME Investment Trust Fund required by HUD regulations and requirements as now or hereafter in effect.
- D. The Lead Entity shall establish, with the prior consent of the Member units, such administrative procedures as may be necessary to facilitate the application for and distribution of HOME program funds.
- E. The Lead Entity will provide technical assistance to the Members upon request. Said assistance shall not relieve each Member from compliance with all relevant HOME regulations, nor unduly burden the Lead Entity.

SECTION 4 - DUTIES OF MEMBER UNITS OF LOCAL GOVERNMENT

- A. Each Member agrees to cooperate in undertaking or assisting in the pursuit of housing assistance activities for the HOME Investment Partnerships Program.
- B. The Consortium collectively acting through its Lead Entity and each of its Members, acting through an individual designated by each Member's chief executive officer, agrees to carry out eligible activities in accordance with the requirements of HUD regulations and requirements as now or hereafter in effect.
- C. Each Member shall be responsible for obtaining the necessary local approvals for acceptance and allocation of HOME program funds.
- D. Each Member shall be responsible for submitting to the Lead Entity all information necessary for participation in the consortium as defined in HUD regulations, requirements, and schedules as now or hereafter in effect. This includes, but is not limited to, information necessary for the Consolidated Strategy and Plan, Annual Action Plan, description of the use of HOME funds, the HOME Program Description including tasks to be performed, a schedule for completing the tasks, budget, and certifications, written agreements executed with subrecipients, and performance reports.

E. Project Management

- (1) Each Member, in conjunction with CCHC Program staff, shall be responsible for project management and shall perform all procedures and tasks necessary to develop, design, implement and monitor each specific project and shall fully comply with uniform administrative requirements as stated in HOME Program regulation 92.505. The Member, with assistance from CCHC Program staff, shall describe how each proposed project and site satisfy all applicable HOME Program regulations and the requirements of this Agreement and shall record these determinations in each project/site file together with an official approval memorandum signed by Member's responsible HOME Program staff.
- (2) Prior to implementation of projects, each Member shall enter into a HOME Project Funding Agreement with the Consortium for one or more projects. Existing HOME Project Funding Agreements predating this Mutual Cooperation Agreements may be extended as needed subject to mutual agreement of the Member and Consortium. A Member may also designate another duly qualified entity acceptable to the Consortium to enter into funding agreements with the Consortium and execute projects on behalf of said Member.

SECTION 5 – FUNDING

- A. The Lead Entity shall be entitled to 100% of the cap allowance (10%) of HOME Program funds available for administration of the Consortium. Specific administrative duties and procedures will be more fully defined in a "CCHC Program Administration Guidelines" document approved by all Members.
- B. After the administrative fee as defined in Section 5. A., and the Lead Entity's hold harmless amount, the Lead Entity shall receive an annual allocation set-aside of Consortium funds in the amount of 10% of the balance of the annual allocation for eligible housing activities. COUNTY and BRUNSWICK will then share in the final balance of HOME Program funds allocated to the Consortium each year. At the election of the members, PORTLAND may receive funds for eligible and approved activities above its standard hold harmless and set-aside allocations. A Member may voluntarily relinquish a portion or all of its approved HOME allocation, in writing, to another Member of the Consortium. See Appendix A for calculation of Portland's hold harmless funds.
- C. HOME funds will be deposited into and disbursed from the Consortium HOME Investment Trust account established by the Lead Entity consistent with HOME Program regulation 92.500 the HOME Investment Trust Fund and 92.502 Program disbursement and information system. All loan repayments, interest, or other returns on investments shall be deposited into this account each month.
- D. Reservation of HOME Funds
- (1) Project Set-Up in IDIS. Each Member may request that the Lead Entity "set up" in the federal Integrated Disbursement and Information System (IDIS) or any successor system, i.e. establish an activity and reserve funds for each particular site or eligible activity, after meeting all the requirements of the Mutual Cooperation Agreement, the applicable HOME Project Funding Agreement, and all other related preliminary agreements.
 - (2) Each Member, with assistance from CCHC Program staff shall forward a Set-Up Request in writing to the Lead Entity, enclosing a HUD Project Set-Up Report together with the CCHC Project Compliance Checklist, completed through the project initiation stage. This shall include the applicable information indicating whether acquisition/relocation procedures are triggered, whether any acquisition/relocation procedures have been initiated, and if so which procedures. If not previously submitted, the Member shall also transmit the CCHC Environmental Clearance Form. However, the Lead Entity will not establish a site or activity in the IDIS

System if one or more of the following conditions occur: HUD Set-Up Report is incomplete; the data on the HUD Set-Up Report or other site data are inconsistent with HOME Program requirements; environmental clearance is not complete per Section 10, paragraph b. Environmental Review, or if the required acquisition/relocation procedures are incomplete or inadequate.

- (3) Each Member, in conjunction with CCHC Program staff shall request site Set-up consistent with the following:
 - (a) For a closing involving a cash transaction, submit request at least seven days prior to closing and scheduled to coordinate with the Lead Entity's cash drawdown cycle.
 - (b) For a closing that does not involve a cash transaction, submit request at least three business days prior to the closing.

E. Written Agreements

- (1) Prior to disbursing HOME Program funds each Member shall enter into a written agreement with the recipient including all provisions described in HOME Program regulation 92.504, or its successor.
- (2) The Member shall include in each such written agreement additional provisions as may be required by HUD and such reasonable requirements as may be requested by the Lead Entity consistent with HOME Program regulations and this Agreement.

F. Review of Project Funding Instruments Members shall transmit any proposed funding instruments and agreements to the Lead Entity for review consistent with the applicable Consortium administrative guidelines, as they may be amended from time to time. Once guidelines and funding instruments have been approved by the Lead Entity, the Member may execute such funding instruments without further review by the Lead Entity. Each Member must keep originals or certified copies of all case-specific funding instruments and related documents in project files.

G. Expenditures The Member shall meet the principles and standards of cost allowability stated in the current OMB Circular A-87, "Cost Principles for State and Local Governments."

H. Reversion of Assets Upon expiration of this Agreement, each Member shall transfer to the Consortium HOME Investment Trust any HOME funds on hand at the time of expiration and accounts receivable attributable to the use of HOME funds per HOME Program regulations 92.503 and 92.504(c) and HUD Notice CPD 97-09. In the event the Consortium is dissolved, HOME funds and receivables shall remain in the custody of the Member, unless otherwise provided by HUD.

SECTION 6 - SETASIDE FOR COMMUNITY HOUSING DEVELOPMENT ORGANIZATIONS

The CCHC as a whole is responsible for reserving not less than 15 percent of its HOME funds for investment only in housing to be developed, sponsored, or owned by community housing development organizations (CHDOs), in accordance with the Consortium's Program Administration Guidelines and HOME Program regulations 92.300 - 92.303, as they may be amended from time to time.

SECTION 7 - TERM OF AGREEMENT AND RENEWAL

- A. This Agreement shall commence on July 1, 2012 and remain in effect during the period necessary to complete all activities funded by Federal Fiscal Year (FFY) 2012, 2013, and 2014 HOME Program grants or until the Consortium's status as a participating jurisdiction in the HOME Program is revoked by HUD, whichever occurs first. Members of the Consortium agree to a program year of July 1 to June 30 for the purposes of HOME.
- B. Nothing in this Agreement obligates a Member to become a signatory to a future agreement to continue the Consortium for HOME Program grants subsequent to FFY2014. Each Member shall notify the Lead Entity at least 60 days before the effective date of such future agreement if it intends not to become a signatory. Notwithstanding the foregoing, if the following FFY grant information is not available 60 days before the effective date, a Member shall use best efforts to notify the Lead Entity as soon as possible after it receives the grant information.
- C. This Agreement shall automatically renew for the Consortium's participation in successive qualification periods of three Federal fiscal years each. No later than the date specified by HUD's consortia designation notice or HOME Consortia web page, PORTLAND shall notify each Consortium Member in writing of its right to decide not to participate in the Consortium for the next qualification period and PORTLAND shall send a copy of each notification to the HUD Field Office. If a Consortium Member decides not to participate in the Consortium for the next qualification period, the Consortium Member shall notify PORTLAND, and PORTLAND shall notify the HUD Field Office, before the beginning of the new qualification period. Before the beginning of each new qualification period, PORTLAND shall submit to the HUD Field Office a statement of whether or not any amendments have been made to this Agreement, a copy of each amendment to this Agreement, and, if the Consortium's membership has changed, the state certification required under 24 C.F.R. § 92.101(a)(2)(i). The Consortium shall adopt any amendments to this Agreement that are necessary to meet HUD requirements for consortium agreements in successive qualification periods. The automatic renewal of the agreement will be void if:

PORTLAND fails to notify a Consortium member or the HUD field office as required under this automatic renewal provision; a new Consortium member is added for the first year of a new qualification period; or PORTLAND fails to submit a copy of each amendment to this agreement as required under this automatic renewal provision.

SECTION 8 - REPAYMENT OF FUNDS AND PENALTIES

A. Repayment of HOME Funds to HUD

- (1) In the event that HUD requires the Lead Entity to repay HOME funds disbursed to the Consortium for failure to meet affordability requirements as set forth in applicable HUD regulations, or for any other reason, each Member shall reimburse the Lead Entity for the amount of funds required to be repaid on account of that Member's use of HOME funds. Consistent with the foregoing, the Lead Entity, when acting as a Member shall remain solely liable to HUD for repayment of HOME funds originally awarded to the Lead Entity, if required on account of the Lead Entity's use of such HOME funds.
- (2) In the event that HUD requires repayment of HOME funds by the Lead Entity which cannot be attributed to a single Member's use of such funds, each Member shall be liable to repay to the Lead Entity, a proportional percentage of such repayment amount equal to the Member's portion of the total Consortium HOME Program funding allocation, or such other sum as the Consortium Members agree to in writing.

B. Cancellation Each Member agrees to repay the Consortium HOME Investment Trust all HOME funds released to the Member attributable to a project in the event such project is cancelled for any reason. Such repayment shall be made within the time period specified by HUD or other reasonable time period agreed to by the Lead Entity.

C. Violations Each Member who continues to violate any HOME Program regulation, provision of this Agreement, or provision of a HOME Project Funding Agreement, after having an opportunity to cure, shall repay to the Consortium HOME Investment Trust Account any HOME funds disbursed directly to recipients or subrecipients, with respect to the site or sites where the violation has occurred, or such amount as HUD determines.

D. Penalties

- (1) Member. Each Member shall reimburse the Lead Entity the full amount of any penalties assessed against the Lead Entity by HUD as a result of that Member's use of HOME funds pursuant to this Agreement. Each Member shall reimburse the Lead Entity the Member's proportionate share of any penalties assessed by

HUD against the Lead Entity which penalties cannot be attributed to specific Members' use of HOME funds.

(2) Lead Entity The Lead Entity shall reimburse the Consortium the full amount of any penalties assessed against the Consortium by HUD as a result of the Lead Entity's failure to comply with HUD regulations.

E. Restriction on Future Funds The Lead Entity may withhold and restrict a Member's access to HOME funds if the Member fails to cure a violation, fails to repay HOME funds or fails to pay the penalties provided for above. Funds withheld in the amounts necessary to repay HOME funds or penalties should be charged against the Member's HOME funds in the following order:

(1) First against the funds for the project or projects in which the violation occurred or which are the subject of dispute between the Lead Entity and Member;

(2) Second against any other HOME funds allocated to the Member in the same fiscal year;

(3) Finally against HOME funds allocated to such Member in future fiscal years.

If HUD subsequently determines that no violation has occurred, the Lead Entity shall make the withheld funds available to the Member for HOME projects. Otherwise such funds are retained for the benefit of the Consortium or in the case of penalties to reimburse the Lead Entity or Consortium as the case may be.

SECTION 9 - OPPORTUNITY TO CURE OR DISPUTE VIOLATIONS, LEGAL RECOURSE AND INDEMNIFICATION

A. Opportunity to Cure The Lead Entity shall provide a written notice to a Member of the violation of any provisions of this Agreement, a HOME Project Funding Agreement, or applicable HUD regulations. The notice shall set forth a description of the violation, the steps which must be taken to cure the violation and a reasonable time period established by mutual consent of the parties within which to effect the cure. However, if the parties are unable to agree to a deadline for full compliance, the Lead Entity shall establish said deadline. The Lead Entity may extend the time for cure if the Member proves its failure to cure was for circumstances beyond its control.

B. Disputing a Violation If the Member and Lead Entity disagree as to whether a violation has occurred, either may request HUD' determination of whether a violation exists. The Member disputing the Lead Entity's finding of a violation may expend the subject funds, subject to repayment, unless the Lead Entity chooses to withhold the funds.

- C. Legal Recourse In the event that any Member, including the Lead Entity acting in its representative capacity, fails to comply with this Agreement, a HOME Project Funding Agreement, or a HOME Program or other HUD regulation or finding or fails to cooperate with any other Member, the Lead Entity or the Consortium in complying with a HUD finding, the Lead Entity or any other Member may take any steps necessary to fulfill its obligations to HUD and under this Agreement, including but not limited to legal action.
- D. Indemnification for Violations Each Member shall hold harmless and defend the Lead Entity, the Consortium and the other Members from and against all claims for repayment of HOME project funds attributable to such Member's failure to comply with applicable HUD regulations, this Agreement, or any HOME Project Funding Agreement, and from penalties, costs and attorneys' fees related to such failure.

SECTION 10 - FAIR HOUSING

- A. Each Member agrees to affirmatively further fair housing in accordance with applicable Federal Law, Consolidated Strategy and Plan and with 24 CFR 570.904(c).
- B. Affirmative Marketing Each Member shall adopt and implement an Affirmative Marketing Plan including affirmative marketing procedures for HOME assisted housing containing 5 or more housing units consistent with the requirements of HOME Program regulations 92.351. Each Member shall summarize these procedures in an affirmative marketing plan for each project. Documentation of action taken to carry out said site-specific plans shall also be placed in said files.

SECTION 11 – HOME/GENERAL PROVISIONS

- A. Federal Regulations The provisions of 24 CFR Part 92, HOME Investment Partnerships Program, Final Rule, 24 CFR Part 92 dated September 16, 2003 (hereinafter "HOME Program regulations") and all future amendments and revisions to the same are hereby incorporated into and made a part of this Agreement. The Lead Entity and Members shall at all times comply with said HOME Program regulations, and shall comply with other related Federal and state statutes and regulations, Executive Orders, OMB Circulars, and all future revisions and amendments to the same. The Members shall become thoroughly familiar with all of the foregoing requirements as applicable and shall ensure that all projects comply in all respects.
- B. Environmental Review The release of funds for all HOME assisted projects and activities is subject to environmental review as set forth in HOME Program regulation 92.352 and 24 CFR 58. Each Member shall prepare and provide to the Lead Entity all information necessary to obtain Release of Funds from HUD and documentation to establish specific site clearance consistent with Consortium procedures.

- C. Equal Opportunity Each Member shall comply with all applicable Federal and State laws governing discrimination and equal opportunity. In particular, each Member shall ensure compliance with HOME Program regulations 92.350 and the following statutes and executive orders pertaining to Equal Opportunity: Fair Housing Act; Executive Order 11063 (Equal Opportunity in Housing); Civil Rights Act of 1964, Title VI (Nondiscrimination in Federally Assisted Programs); Age Discrimination Act of 1975; Rehabilitation Act of 1973, Section 504; Executive Order 11246 (Equal Employment Opportunity); Housing and Urban Development Act of 1968, Section 3; Executive Orders 11625 and 121432 (Minority Business Enterprise); Executive Order 12138 (Women's Business Enterprise).
- D. Labor Standards Each Member shall comply with and/or ensure compliance with all applicable state and federal labor laws, including but not limited to the Davis/Bacon Act, 40 U.S.C. 276a-5 et. seq., as applicable pursuant to HOME Program regulations 92.354. In particular, each Member shall comply with and/or ensure compliance with all applicable federal laws and regulations pertaining to labor standards and HUD Handbook 1344.1 (Federal Labor Standards Compliance in Housing and Community Development Programs), and all future amendments and revisions thereto. Each Member shall require certification as to compliance with the provisions of this paragraph as required by HOME Program regulation 92.354.
- E. Records Each Member shall maintain all applicable records for its project(s) consistent with HOME Program regulations 92.508 Record-keeping. In addition each Member shall make available copies of all such records as may be requested by the Lead Entity for administration of the Consortium.
- F. Reports The Lead Entity shall, on behalf of the Consortium submit such reports (with full and complete copies to the Member) as may be required pursuant to HOME Program regulations 92.509 Performance Reports. Each Member shall cooperate with the Lead Entity in providing all data and information specific to each community and projects in such formats and time frame as required by HUD and the Lead Entity. In addition, each Member shall prepare and submit to the Lead Entity the project completion reports required by HOME Program regulation 92.502(d) Submission of project completion reports. This report shall be submitted to the Lead Entity within 45 days of the final requisition for HOME funds together with a fully completed AL Consortium Project Compliance Checklist. Following review of the above for completeness, the Lead Entity shall transmit the Project Completion Report on behalf of the Consortium to HUD as required by 92.502(d).
- G. Religious Organizations Each Member shall ensure that HOME funds are not disbursed to a primarily religious organization as prohibited by HOME Program regulations 92.257. In addition, each Member shall comply with the provisions of the above regulation with respect to assisting wholly secular organizations established by religious organizations which may be eligible to participate in HOME funded projects.

H. Conflict of Interest

- (1) In accordance with HOME Program regulation 92.356, the procurement of property and services by the Consortium, its Members and subrecipients is governed by the conflict of interest provisions stated in 24 CFR 85.36 and 24 CFR 84.42. Each Member shall comply with all applicable federal and state conflict of interest rules and shall endeavor to ensure the compliance with the same by all subrecipients as defined in HOME Program regulations 92.2 or other persons designated to receive HOME funds pursuant to this Agreement. At a minimum, each Member shall make a copy of all applicable conflict of interest provisions available to all recipients of HOME Program funds.
 - (2) The conflict of interest provisions of part (i) of this section shall apply to the following persons: any person who is an employee, agent, consultant, officer, elected or appointed official of the Lead Entity, or of the Members designated herein, or any state recipient, or subrecipient of HOME funds. None of the foregoing who exercise or have exercised any functions or responsibilities with respect to activities assisted with HOME funds or who are in position to participate in a decision-making process or gain inside information with regard to these activities, may obtain a financial interest or benefits from a HOME assisted activity, or have an interest in any contract, subcontract or agreement with respect thereto or the proceeds thereunder, either for themselves or those with whom they have family or business ties, during their tenure or for one year thereafter. Any exceptions to the conflict of interest provisions stated or cited herein must be approved by HUD in accordance with HOME Program regulation 92.356(d). Each Member shall advise the Lead Entity in writing as to any such exceptions granted by HUD.
- I. HOME Project Requirements Each Member shall perform and carry out the projects as described in the HOME Program Descriptions approved by HUD during the period covered by this Agreement and funded pursuant to Consortium-Member HOME Project Funding Agreements (Master Agreements and/or single project agreements), consistent with specific Project Descriptions and in compliance with the requirements of HOME Program regulations Subpart F, Project Requirements, as applicable, depending upon the type of project assisted. Each Member shall comply with requirements contained in Subparts E and F specifically in HOME Program regulations 92.205 to 92.215 concerning eligible and prohibited activities, income targeting requirements in regulations 92.216 and 92.217, unit subsidy limits, and all other applicable requirements stated in regulations 92.250 through 92.258. Written agreements executed with a subrecipient or other entity shall contain provisions requiring compliance with the regulations cited herein.

- J. Ownership, Use, and Disposition of Property Each Member shall comply with the affordability provisions referenced in HOME Program regulations 92.252 - 92.256, as applicable, which include income targeting, use requirements, initial and subsequent sale restrictions. For rental projects assisted with HOME funds, each Member shall require that the affordability requirements of HOME Program regulation section 92.252 be enforced by deed restriction or by restrictive covenants running with the land in accordance with HOME Program regulation 92.252(e). If a Member fails to comply with any of the requirements of this provision, the Member shall be required to repay HOME funds disbursed pursuant to this Agreement, consistent with HOME Program regulation 92.503(b). Each Member shall describe in the Project Descriptions the specific restrictions to be utilized for each project.
- K. Post-Completion Requirements Upon completion of a project, each Member shall enforce all applicable short and long-term special requirements. Such requirements include, but are not limited to: compliance with housing affordability requirements (see HOME Program regulations 92.252 – 92.255 and 92.504(c)), and compliance with the Housing Quality Standards (see regulation 92.251 and 92.504(c) & (d)). Each Member shall require owners of HOME assisted housing to comply with the requirements stated above and all applicable requirements for the duration of the applicable period of affordability and shall incorporate such time period into the duration of agreements executed with recipients of HOME funds. Prior to the anticipated completion date for each site, each Member shall prepare a plan for each post-completion enforcement responsibility by site and shall include such plans in each site file. Each Member shall notify the Lead Entity of compliance with this requirement by completing the Post-completion Plan item on the Consortium Project Compliance Checklist for each site.
- L. Other Federal Regulations and Provisions Each Member shall comply with Federal regulations incorporated in HOME Program regulation Subpart G, sections 92.300 through 92.303, Subpart H, sections 92.350 through 92.357, and all other applicable HOME regulations as well as all project requirements per this Agreement, provided that a Member's responsibilities with respect to environmental review contained in Subpart H shall be as stated in SECTION 10 – HOME GENERAL PROVISIONS, paragraph b., Environmental Review above.
- M. Lead-Based Paint Each Member shall remain solely responsible for ensuring that all projects at all times comply with applicable requirements of the Lead Based Paint Poisoning Prevention Act, 42 U.S.C. 4821, et, seq.; Lead-Based Paint Regulations 24 CFR Part 35 and all future revisions and amendments to the same. Each Member shall also ensure that all projects comply with such Lead-Based Paint regulations as may be adopted pursuant to HOME Program regulation 92.355, and with the applicable requirements of the Maine Lead Paint Statute, and all future revisions and amendments to the same.

N. Audit and Monitoring

- (1) General. Consortium and Member records shall be audited consistent with 24 CFR 44 (OMB A-128; Government entities) and non-profit subrecipient records shall be audited consistent with OMB A-133. Each Member shall be responsible for the cost of all audits performed on its records and operations pursuant to this section and may use designated HOME administrative funds. Other entities shall be responsible for the cost of their audits, respectively, and shall not use HOME funds for any portion of the cost of such audits unless expressly approved by a Member and included as an authorized cost in the Project Budget. Each Member and/or its subrecipient shall make available all such records and documents as requested by the Lead Entity, HUD, and/or the Comptroller General of the United States. Such parties may examine and make copies, excerpts or transcripts from such records and may audit all contracts, procurement records, invoices, materials, payrolls, personnel records, conditions of employment, and all documents relating to all matters covered by this Agreement.
- (2) HUD Performance Reviews and Monitoring HUD may conduct performance reviews and monitoring of the Consortium and of the Members as provided in HOME Program regulations 92.550 - 92.552. Each Member agrees to cooperate with HUD and the Lead Entity to undertake such remedial action as may be required pursuant to HOME Program regulation 92.551, Corrective and remedial actions.
- (3) Monitoring by the Lead Entity The Lead Entity shall perform periodic monitoring of projects on behalf of the Consortium. Such monitoring will include, but shall not be limited to, an annual review of the activities of owners of housing assisted with HOME funds, as applicable in accordance with HOME Program regulation 92.504(d), and an annual review of the performance of each contractor and recipient of HOME Program funds. Each Member shall cooperate with the Lead Entity throughout these monitoring procedures and shall implement such corrective action as requested by the Lead Entity consistent with HOME Program regulations.
- (4) Monitoring by Member Each Member, in conjunction with CCHC Program staff shall monitor its recipients at least annually to ensure full compliance with all applicable requirements. All monitoring shall be performed in accordance with applicable HUD monitoring guidelines and on forms agreed to by the Lead Entity and Members. Each Member shall be responsible to follow through to resolve and clear any monitoring findings with respect to their own projects.

O. Indemnification

- (1) Disclaimer Each Member shall hold harmless and defend the Lead Entity, the Consortium, and the other Members from and against all claims arising from any

latent, or patent defects in any work performed or services provided with respect to each Member's projects pursuant to this Agreement and any duly executed Consortium-Member HOME Project Funding Agreement.

- (2) Indemnification Each Member shall indemnify, hold harmless and defend the Lead Entity, the Consortium, and its agents, from and against all claims, damages, losses, and expenses including, but not limited to, attorneys' fees arising out of or resulting from the use of HOME funds disbursed pursuant to this Agreement with respect to each Member's projects, provided that any such claim, damage, loss or expense is (1) attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property, and (2) is caused in whole or in part by any negligent act or omission of a Member, anyone directly or indirectly employed by a Member, or anyone for whose acts the a Member may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder.

This section shall not be interpreted to waive the monetary limits or substantive areas of immunity under the Maine Tort Claims Act, 14 M.R.S.A. § 8101 et seq., or any other immunities or defenses under the Act or other applicable law.

- P. Insurance Each Member shall require that all owners, contractors and subrecipients of HOME assisted projects shall at all times maintain certain types of insurance coverage consistent with the character of the project and shall ensure compliance with the following as applicable.

- (1) Certificate of Insurance At time of closing of a grant or loan providing assistance, each Member shall obtain a certificate of insurance covering the assisted premises. Said certificate shall provide coverage of the types and amounts stated in subparagraphs (A) and (B) herein. The insurance provided shall be maintained for the duration of the note, mortgage or the affordability period, whichever is longer.

- (a) The certificate of insurance shall provide, at a minimum, comprehensive general liability insurance and property insurance with an arrangement of coverage specifying the premises. The certificate shall name the Member as loss payee. Any changes from the standard required coverage and amounts as stated below must be mutually agreed to in advance and in writing by the Member and Lead Entity.

- (b) Minimum Requirements Typically, the following coverage will be required at the minimum amounts indicated:

Property Insurance: Minimum Amount = 80% of market replacement value or amount of HOME funds invested and all senior indebtedness, whichever is greater.

Liability Insurance: Minimum Amount = HOME funds and all senior indebtedness

(2) Flood insurance All HOME - assisted projects are subject to the Federal Flood Disaster Protection Act and associated regulations. Each Member shall ensure compliance with the applicable requirements, including ensuring the provision of flood insurance protection coverage. At time of closing for providing assistance, each Member shall obtain a certificate of insurance covering the assisted premises. Said certificate shall provide the following minimum coverage:
Minimum Amount = HOME funds and all senior indebtedness.

(3) Construction Insurance Prior to the commencement of work on any HOME-assisted site, each Member shall obtain a certificate of insurance covering the work to be performed. Said certificate shall provide coverage for premises, operations, contractual liability, completed operations, automobile liability, employers liability, workers' compensation and professional liability (where applicable) and shall name the Member as additional insured. Minimum amounts are stated in subparagraphs (A) and (B) below. The insurance shall be maintained for the duration of the work to be performed.

(a) Minimum Requirements Typically, the following coverages will be required at the minimum amounts indicated:

Workmens' Compensation:	Statutory coverage.
Employer's Liability:	\$100,000 Coverage B
Comprehensive General Liability:	\$300,000 each occurrence
Bodily Injury:	\$500,000 each occurrence
Property Damage	\$100,000 each occurrence \$300,000 aggregate

(b) Automobile Liability (case by case basis, subject to determination by Member and Lead Entity) for owned and non-owned vehicles:

Property Damage:	\$100,000 each occurrence \$100,000 aggregate
Bodily injury	\$250,000 each occurrence \$500,000 aggregate

Q. Displacement and Relocation

(1) General Each Member shall take all reasonable steps to minimize displacement of persons consistent with the requirements of HOME Program regulation 92.353. In the event that displacement cannot be avoided, each Member shall ensure

compliance with HOME Program regulation 92.353, including the provision of relocation assistance in accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, hereinafter "URA", as amended. In addition, the Member shall ensure compliance with the most current edition of HUD Handbook 1378 "Tenant Assistance, Relocation and Real Property Acquisition".

(2) Use of Community Development Block Grant funds (CDBG) If CDBG funds are utilized in a HOME assisted project for optional relocation costs (not administrative or planning costs) and/or for any project based costs, including staff project delivery costs, each Member shall ensure compliance with all applicable provisions of the Housing and Community Development Act of 1974, and applicable implementing regulations set forth in 24 CFR 570.

(3) Responsibility of Member Each Member shall prepare and maintain all necessary displacement and relocation plans and documentation, including, but not limited to site-by-site relocation plans, determinations of comparable housing, amounts and types of relocation assistance proposed, etc. as required by the URA. Each Member shall record compliance with all applicable relocation requirements on the Consortium Project Compliance Checklist.

R. Acquisition The acquisition of real property for a HOME project is subject to HOME Program regulation 92.353, the URA and the requirements of 49 CFR 24, Subpart B. Each Member shall ensure compliance with all of the foregoing, and shall prepare and maintain all necessary acquisition documentation, including, but not limited to: appraisals, offer letters, required notices, checklists, and any related materials.

S. Procurement Each Member agrees to fully comply with applicable requirements as referenced in 24 CFR 85.36 and related HUD Notices and will ensure compliance with 24 CFR 84.40 to 84.48 for nonprofit subrecipient organizations. Procurement steps must satisfy all applicable advertisement, competitive pricing, minority outreach, award, documentation and related requirements. Note that 24 CFR 24 prohibits the use of debarred firms and requires certain certifications for transactions consistent with 24 CFR 24, Appendix B.

T. Loan Servicing In the event a loan or loans are issued with HOME funds, the Lead Entity and each Member shall work out appropriate arrangements for the financial servicing of said loan(s) satisfactory to the parties. Each Member shall establish and maintain accounting records and procedures consistent with 24 CFR 85.20, HOME Program regulations 92.505 and 92.508(a)(6), including but not limited to individual loan case files, loan account histories, posting of payments and/or deferrals, account maintenance and updates, recording of loan discharge documents, preparation of IRS reports as applicable, loan portfolio reports, loan receivables control, loan repayment and interest reports, and related loan management documents. Loan payments, repayments and recaptures shall be handled in accordance with 92.503.

U. Assignability Neither any Member nor the Lead Entity shall assign any interest in this Agreement and shall not transfer any interest in the same whether by assignment or novation.

V. Liens

(1) General Each Member shall ensure that any property benefiting through a HOME-assisted activity is free from any attachments, tax liens, mechanics' liens or any other encumbrances except as provided in paragraph (ii) below.

(2) A property assisted with HOME funds may have multiple mortgages subject to the discretion of each Member, and subject to loan underwriting analysis confirming sufficient equity is available to secure such HOME loan as may be secured by said property.

SECTION 12 - CHANGES

In the event that changes in this Agreement become necessary, a Member initiating such changes shall notify the Lead Entity in writing describing the subject changes. Upon mutual consent regarding the requested changes, the Lead Entity shall prepare an amendment to this Agreement incorporating said changes which shall become effective following execution of the respective authorized signatories of the Members.

SECTION 13 - APPLICABLE LAW

This Agreement shall be governed by and construed in accordance with the laws of the State of Maine and all applicable HUD regulations. HUD HOME Program regulations (primarily at 24 CFR Part 92) and requirements, as now or hereafter in effect, are incorporated by reference and shall take precedence for determining any issues that may arise concerning the Consortium.


SECTION 14 - SEVERABILITY

- A. The provisions of this Agreement are severable. In the event that any provision herein is declared void or unenforceable, all other provisions shall remain in full force and effect.
- B. This Agreement is executed in two (2) counterparts, each of which shall be deemed to be an original and constituting together one and the same instrument, this being one of the said counterparts.

SIGNATORIES

IN WITNESS WHEREOF the parties hereto have executed this Agreement in two counterparts, as of the date first written above.

Lead Entity; City of Portland



Witness



Patricia A. Finnigan
Acting City Manager

Member; Cumberland County

Witness

James F. Cloutier
Chairman

Member; Town of Brunswick

Witness

Gary L. Brown
Town Manager

SIGNATORIES

IN WITNESS WHEREOF the parties hereto have executed this Agreement in two counterparts, as of the date first written above.

Lead Entity; City of Portland

Witness

Patricia A. Finnigan
Acting City Manager

Member; Cumberland County

Barbara M. Buckley

Witness

[Signature]

James F. Cloutier
Chairman

Member; Town of Brunswick

Witness

Gary L. Brown
Town Manager

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Member; Cumberland County

Witness

James F. Cloutier
Chairman

Member; Town of Brunswick

Mart f. Szypl

Witness

Gary L. Brown

Gary L. Brown
Town Manager

APPENDIX "A"

City of Portland, "Hold Harmless" Calculation

Introduction

A central premise in the creation of the Cumberland County HOME Consortium is that the City of Portland, as an existing HOME Program Participating Jurisdiction, will continue to receive funding equal to its allocation prior to the formation of the Consortium. Portland will be "held harmless". Its base funding, prior to any added allocation owing to participation in the Consortium, as outlined in other sections of the Agreement, will remain neutral.

The Standard

Portland's base, "hold-harmless" allocation under the Cumberland County HOME Consortium for 2012-2014 will be 118% of the HOME allocation for the Lewiston/Auburn HOME Consortium.

It is possible, though highly unlikely, the funding allocation for Lewiston/Auburn may vary from its historic established patterns. This could be due to penalties imposed by HUD, demographic shifts or other events unrelated to the federal HOME budget or HUD's general distribution of funds to participating jurisdictions. If this occurs, Consortium members will examine all available data to establish a hold harmless allocation for Portland in the fairest manner possible.



Julia AC Henze, Town Manager
Town of Brunswick
85 Union St
Brunswick ME 04011

February 11, 2026

RE: Cumberland County HOME Consortium Renewal

Dear Ms. Henze:

The Cumberland County HOME Consortium will soon be entering the last year of its sixth three-year consortium contract period. The current consortium agreement is due to expire on June 30, 2027 (Federal Fiscal Year 2026). The consortium has been a successful collaboration in support of affordable housing throughout Cumberland County.

During the Federal Fiscal Year prior to the end of each consortium contract period (in this case Federal Fiscal Year 2025), each member of the Cumberland County HOME Consortium must determine whether they will continue to participate for another successive three-year period. You are hereby notified that as a member of the current consortium, you may choose not to continue to participate in the Cumberland County HOME Consortium.

The 2012-2015 Mutual Cooperation Agreement included an automatic renewal clause (Section 7 C. – Term of Agreement and Renewal). As there are no proposed amendments or changes to the Agreement, a new Mutual Cooperation Agreement will not be needed.

Please provide a copy of the decision of your local governing body as to your continued participation in the Cumberland County HOME Consortium. If you choose NOT to continue as a member of the Cumberland County HOME Consortium, you must notify this office of your intent to withdraw.

Please notify my office of your decision no later than May 1, 2026. If you have any questions, please feel free to contact me at 874-8711 or mpd@portlandmaine.gov.

Sincerely,

A handwritten signature in black ink that reads "Mary P. Davis". The signature is written in a cursive style with a large, stylized "M" and "D".

Mary P. Davis
Division Director, Housing and Community Development

Cc: Sally Costello, Economic Development Director, Town of Brunswick
Courtney Kemp, Cumberland County Community Development Director



James H. Gailey, Manager
Cumberland County
142 Federal Street
Portland ME 04101

February 11, 2026

RE: Cumberland County HOME Consortium Renewal

Dear Mr. Gailey:

The Cumberland County HOME Consortium will soon be entering the last year of its sixth three-year consortium contract period. The current consortium agreement is due to expire on June 30, 2027 (Federal Fiscal Year 2026). The consortium has been a successful collaboration in support of affordable housing throughout Cumberland County.

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Sincerely,

A handwritten signature in black ink that reads "Mary P. Davis". The signature is written in a cursive, flowing style.

Mary P. Davis
Housing and Community Development Division Director