MARK DION (MAYOR)
PIOUS ALI (A/L)
APRIL FOURNIER (A/L)
BENJAMIN GRANT (A/L)

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

SPECIAL CITY COUNCIL MEETING 1 - AUGUST 24, 2026 AT 4:00 PM

The Portland City Council will hold a City Council Meeting in Council Chambers. The Honorable Mark Dion, Mayor, will preside.

To submit written public comment on an agenda item, email publiccomment@portlandmaine.gov. Submissions must be received by 12:00 pm the day before the Council 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 order number (see below).

The City Council will conduct this meeting from Council Chambers, located on the second floor of City Hall.

https://portlandme.portal.civicclerk.com/event/9572/media

PLEDGE OF ALLEGIANCE:

ROLL CALL:

4:00 P.M. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS:

Staff is recommending postponing non-agenda public comment to the 5:30 PM CityCouncil Meeting in order to allow one cohesive public comment period.

Six (or 2/3 of those present) affirmative votes are required to suspend the Rules of Procedure.

ANNOUNCEMENTS:

National Alliance of Preservation Commissions Award for Historic Preservation Mapper Tool

RECOGNITIONS:

PRESENTATIONS:

SPECIAL MEETING:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

Special City Council Meeting Minutes 4PM, 07.20.2026

CONSENT ITEMS:

Order 17-26/27 Granting Municipal Officers' Approval of Brickyard Hollow Brewing Co. Inc, dba Brickyard Hollow Brewing Co. Application for Indoor Entertainment at 5 Commercial Street - Sponsored by Danielle P. West, City Manager

Application was filed on 7/30/26. This is an existing establishment adding Indoor Entertainment. They currently hold a Class XI Restaurant/Lounge FSE.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

Order 18-26/27 Granting Municipal Officers' Approval of Good Theater Inc, dba Good Theater. Application for Auditorium with Indoor Entertainment at 631 Stevens Avenue - Sponsored by Danielle P. West, City Manager

Application was filed on 8/3/26. This is a change of ownership of an existing establishment.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

Order 33-26/27 Approving Sidewalk Easements From the Portland Housing Development Corporation to The City Of Portland - Sponsored by Michael Goldman, Corporation Counsel

This Order would approve a public sidewalk easement granted by Portland Housing Development Corporation (PHDC) to the City and will allow a portion of the new city sidewalk to be located on PHDC property. This easement is a condition of the site plan approval for Phase I of the COMB Block development, which includes 55 units of residential rental housing. The project is supported by the City through the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District and a Jill C. Duson Housing Trust Fund loan in the amount of $650,000.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

COMMUNICATIONS:

Communication 1-26/27 Final Report and Recommendations presented by the Social Housing Task Force - by Councilor Kate Sykes

On March 17, 2025, the City Council passed Resolve 7-24/25 - Resolution Calling for the Establishment of a Task Force on Social Housing. The charge to the Portland Social Housing Task Force was "...to conduct a comprehensive study and develop a strategic framework for a social housing program....". The task force consisted of 13 members appointed by the Mayor. Members included two City Council members, a member of the Board of the Portland Housing Authority, affordable and market housing developers, Portland residents with relevant knowledge or skills, and community members from underserved populations with lived experience navigating Portland's challenging housing environment. The group began its work in August 2025 and over the last year held 18 public meetings and informational sessions. The results of their work are outlined in the Final Report of the Social Housing Task Force.

As a communication this item requires no public comment or formal Council action.

Communication 2-26/27 Before & After the Bell Program Capacity and Enrollment Process - by Ethan Hipple, Director of Parks, Recreation & Facilities

As a communication this item requires no public comment or formal Council action.

UNFINISHED BUSINESS:

Order 14-26/27 Accepting and Appropriating a $4,028 Donation from Diane Ricciotti for the Portland Police Department - Sponsored by Danielle P. West, City Manager

This item accepts and appropriates a $4,028 donation from Diane Ricciotti specifically to be utilized for the purchase of a ballistic vest for a new police canine.

The vest is a lightweight body armor designed for police, military, and working dogs that shields vital organs from gunshots, stabbings, explosives, and blunt force trauma while maintaining full mobility for high-threat operations.

This item must be read on two separate days. It received its first reading on July 20. Five affirmative votes are required for passage after public comment.

Order 16-26/27 Amendment to Portland City Code Chapter 6 RE: National Electric Code - Sponsored by Danielle P. West, City Manager

The Maine Electricians' Examining Board recently adopted the 2026 edition of the National Electrical Code ("NEC"), effective July 1, 2026. This Order updates Chapter 6 of the City Code to incorporate the most recent version of the NEC by reference. By aligning the City Code with state law, this amendment ensures ongoing compliance and eliminates the need for future revisions whenever the state board updates the NEC.

This item must be read on two separate days. It received its first reading on July 20. Five affirmative votes are required for passage after public comment.

EXECUTIVE SESSION:

ADJOURNMENT:

ZOOM INFORMATION:

The City Council will conduct this meeting from Council Chambers, located on the second floor of City Hall, and via Zoom pursuant to the Remote Meeting Policy adopted by the Portland City Council. A recording will be available in the Agenda Center following the meeting.

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

To join this meeting remotely, please visit: https://portlandmaine-gov.zoom.us/j/83802265361?pwd=oTPyUBeZ64hySFR7uJaeYSUfbaxar5.1

PLEDGE OF ALLEGIANCE:

Councilor Ali led all present in the Pledge of Allegiance.

ROLL CALL:

Councilor Ali called the meeting to order at 4:03
Councilors Present: Councilors Fournier, Councilor Grant, Councilor Ali, Councilor Michniewicz, Councilor Bullett, Councilor Phillips, Mayor Dion (Councilor Sykes and Pelletier absent) (Councilor Sykes joined at 4:05, Councilor Pelletier joined at 4:22 Mayor Dion exited at 4:11)

4:00 P.M. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS:

Staff is recommending postponing non-agenda public comment to the 5:30 PM City Council Meeting in order to allow one cohesive public comment period.

Motion made by Councilor Michniewicz and seconded by Councilor Phillips for passage. Passage: 7-0 (Councilor Sykes and Pelletier absent)

ANNOUNCEMENTS:

Mayor Dion opened the floor for Council announcements:

RECOGNITIONS:

PRESENTATIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

City Council Meeting Minutes 06.15.2026

Motion was made by Councilor Phillips and seconded by Councilor Michniewicz for passage. Passage: 7-0 (Councilor Sykes and Pelletier absent)

CONSENT ITEMS:

Order 1-26/27 Granting Municipal Officers' Approval of Bad Neighbors LLC, dba Bad Neighbors. Application for Class XI Restaurant/Lounge at 504 Congress Street - Sponsored by Danielle P. West, City Manager

Order 1-26/27 through Order 7-26/27 were read and passed as consent items: Public comment was taken on orders together.

Motion to recuse on Order 1-26/27 made by Councilor Fournier and seconded by Councilor Bullett. Passage: 7-0 (Councilor Pelletier and Mayor Dion absent)

Motion was made by Councilor Sykes and seconded by Councilor Grant for passage.
Passage: 6-0 (Councilor Fournier recused) (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke

Order 2-26/27 Granting Municipal Officers' Approval of Portland Point Hotel LLC, dba Residence Inn & Moxy Portland Thompson's Point. Application for Class 1A (41+ Rooms Innholder) with Outdoor Dining on Private Property and Combined Entertainment at 220 Thompson's Point Road - Sponsored by Danielle P. West, City Manager

Order 1-26/27 through Order 7-26/27 were read and passed as consent items: Public comment was taken on orders together.
Motion was made by Councilor Phillips and seconded by Councilor Fournier for passage.
Passage: 7-0 (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke

Order 3-26/27 Granting Municipal Officers' Approval of Kieu Tran LLC, dba Pho Viet. Application for Class XI Restaurant/Lounge at 865 Forest Avenue - Sponsored by Danielle P. West, City Manager

Order 1-26/27 through Order 7-26/27 were read and passed as consent items: Public comment was taken on orders together.
Motion was made by Councilor Phillips and seconded by Councilor Fournier for passage.
Passage: 7-0 (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke

Order 4-26/27 Granting Municipal Officers' Approval of The Otherside Diner INC, dba The Otherside Diner. Application for Class III & IV at 500 Washington Avenue - Sponsored by Danielle P. West, City Manager

Order 1-26/27 through Order 7-26/27 were read and passed as consent items: Public comment was taken on orders together.
Motion was made by Councilor Phillips and seconded by Councilor Fournier for passage.
Passage: 7-0 (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke

Order 5-26/27 Granting Municipal Officers' Approval of Foundation Brewing Company, dba Foundation Brewing Company. Application for Class III & IV at 1 Industrial Way, Ste 5 - Sponsored by Danielle P. West, City Manager

Order 1-26/27 through Order 7-26/27 were read and passed as consent items: Public comment was taken on orders together.
Motion was made by Councilor Phillips and seconded by Councilor Fournier for passage.
Passage: 7-0 (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke

Order 6-26/27 Declaring August 7 to August 9, 2026 the 101st Annual St. Peter's Bazaar and Italian Street Festival - Sponsored by Danielle P West, City Manager

Order 1-26/27 through Order 7-26/27 were read and passed as consent items: Public comment was taken on orders together.
Motion was made by Councilor Phillips and seconded by Councilor Fournier for passage. Passage: 7-0 (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke

Order 7-26/27 Granting an Easement to Central Maine Power at Jetport Cross Road - Sponsored by Danielle P. West, City Manager

Order 1-26/27 through Order 7-26/27 were read and passed as consent items: Public comment was taken on orders together.
Motion was made by Councilor Phillips and seconded by Councilor Fournier for passage. Passage: 7-0 (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke

UNFINISHED BUSINESS:

Order 254-25/26 Approving Memorandum of Understanding and Accepting and Appropriating $45,000 from Friends of Lincoln Park, Inc. RE: Lincoln Park fence Restoration, Federal Street - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Micniewicz and seconded by Councilor Sykes for passage. Passage: 7-0 (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: Danielle West (City Manager)

Order 255-25/26 Accepting and Appropriating Asset Forfeiture Funds to the Portland Police Department RE: State of Maine v. Timothy Edward Hansen - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Fournier and seconded by Councilor Michniewicz for passage. Passage: 6-1 (Councilor Sykes opposed) (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke.

Order 256-25/26 Accepting and Appropriating Asset Forfeiture Funds to the Portland Police Department RE: State of Maine v. Justin I. Williams - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Fournier and seconded by Councilor Phillips for passage. Passage: 6-1 (Councilor Sykes opposed) (Councilor Pelletier and Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke.

Order 257-25/26 Accepting and Appropriating Asset Forfeiture Funds to the Portland Police Department RE: State of Maine v. Charles Aboda - Sponsored by Danielle P. West, City Manager

Motion was made by Councilor Fournier and seconded by Councilor Michniewicz for passage. Passage: 7-1 (Councilor Sykes opposed) (Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one

Order 258-25/26 Designating The Prime 197 Oxford Street Affordable Housing Tax Increment Financing District and Adopting the Municipal Development Program for the District - Sponsored by Housing & Economic Development Committee, Pious Ali, Chair

Order 258-25-26 and Order 259-25-26 were read as companion orders. Comment was taken on orders together.

Motion was made by Councilor Fournier and seconded by Councilor Phillips for passage, as amended. Passage: 6-2 (Councilors Sykes and Michniewicz opposed) (Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: Heidi McCarthy (Housing Program Manager), Councilor Michniewicz, Kevin Kraft (Director of Planning), Mary Davis (Housing and Community Development Service Director), Councilor Sykes, Councilor Fournier, Councilor Pelletier, Ryan Fecteau (Avesta Housing)

Ali Amendment 1: Motion made by Councilor Phillips and seconded by Councilor Michniewicz for passage. Passage: 8-0 (Mayor Dion absent)

Order 259-26/27 Approving The Prime 197 Oxford Street Affordable Housing Credit Enhancement Agreement with Avesta Oxford Street LP - Sponsored by Housing & Economic Development Committee, Pious Ali, Chair

Order 258-25-26 and Order 259-25-26 were read as companion orders. Comment was taken on orders together.

Motion was made by Councilor Fournier and seconded by Councilor Phillips for passage. Passage: 6-2 (Councilors Sykes and Michniewicz opposed) (Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: Heidi McCarthy (Housing Program Manager), Councilor Michniewicz, Kevin Kraft (Director of Planning), Mary Davis (Housing and Community Development Service Director), Councilor Sykes, Councilor Fournier, Councilor Pelletier, Ryan Fecteau (Avesta Housing)

Order 260-25/26 Designating the Dashaway Commons 15-19 Cedar Street an Affordable Housing Development and Tax Increment Financing District and Adopting the Municipal Development Program for the District - Sponsored by Housing & Economic Development Committee, Pious Ali, Chair

Order 260-25-26 and Order 261-25-26 were read as companion orders. Comment was taken on orders together.

Motion was made by Councilor Fournier and seconded by Councilor Phillips for passage, as amended. Passage: 7-1 (Councilor Sykes opposed) (Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: Heidi McCarthy (Housing Program Manager), Councilor Michniewicz, Councilor Sykes, Kevin Kraft (Director of Planning), Councilor Ali, Ryan Fecteau (Avesta Housing)

Ali Amendment 1: Motion was by Councilor Fournier and seconded by Councilor Michniewicz for passage. Passage: 8-0 (Mayor Dion absent)

Order 261-25/26 Approving Dashaway Commons 15-19 Cedar Street Affordable Housing Credit Enhancement Agreement with Avesta 15-19 Cedar LP - Sponsored by Housing & Economic Development Committee, Pious Ali, Chair

Order 260-25-26 and Order 261-25-26 were read as companion orders. Comment was taken on orders together.

Motion was made by Councilor Phillips and seconded by Councilor Fournier for passage. Passage: 7-1 (Councilor Sykes opposed) (Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: Heidi McCarthy (Housing Program Manager), Councilor Michniewicz, Councilor Sykes, Kevin Kraft (Director of Planning), Councilor Ali, Ryan Fecteau (Avesta Housing)

Ali Amendment 1: Motion made by Councilor Fournier and seconded by Councilor Phillips for passage. Passage: 7-1 (Councilor Sykes opposed) (Mayor Dion absent)

Order 262-25/26 Approving an Amendment to the 42 Atlantic Street Affordable Housing Development and Tax Increment Financing District - Sponsored by Housing & Economic Development Committee, Pious Ali, Chair

Order 262-25-26 and Order 263-25-26 were read as companion orders. Comment was taken on orders together.

Motion was made by Councilor Sykes and seconded by Councilor Michniewicz for passage. Passage: 8-0 (Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: Heidi McCarthy (Housing Program Manager), Dan Black (Developer), Councilor Sykes

Order 263-25/26 Approving an Amendment to the Credit Enhancement Agreement for the 42 Atlantic Street Affordable Housing and Tax Increment Financing District - Sponsored by Housing & Economic Devlopment Committee, Pious Ali, Chair

Order 262-25-26 and Order 263-25-26 were read as companion orders. Comment was taken on orders together.

Motion was made by Councilor Phillips and seconded by Councilor Sykes for passage. Passage: 8-0 (Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: Heidi McCarthy (Housing Program Manager), Dan Black (Developer), Councilor Sykes

Order 264-25/26 Amendment to Portland Zoning Map RE: B-4 Zone for 1220 Brighton Avenue and Adjacent Parcels - Sponsored by Planning Board, Joe Zamboni, Chair

Motion was made by Councilor Pelletier and seconded by Councilor Fournier for passage. Passage: 8-0 (Mayor Dion absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: Joseph Zamboni (Planning Board Chair), Kevin Kraft (Director of Planning Board), Councilor Bullett, Councilor Sykes

ORDERS:

Order 8-26/27 Approving the Third Amendment to Employment Agreement Between the City of Portland and Danielle P. West - Sponsored by Mark Dion, Mayor

Item taken out of order immediately following the approval of the Meeting Minutes.

Motion was made by Councilor Sykes and seconded by Mayor Dion for passage.
Passage: 8-0 (Councilor Pelletier absent)
Councilor Ali opened the floor for public comment. The following individuals spoke: No one spoke

EXECUTIVE SESSION:

ADJOURNMENT:
Motion was made by Councilor Pelletier and seconded by Councilor Fournier to adjourn. Passage: 8-0 (Mayor Dion absent)
Adjourned 5:24PM

A TRUE RECORD

____

Abbey Lombard, City Clerk

MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 4, 2026

SUBJECT: Order 17-26/27 Granting Municipal Officers' Approval of Brickyard Hollow Brewing Co. Inc, dba Brickyard Hollow Brewing Co. Application for Indoor Entertainment at 5 Commercial Street - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st Reading **Final Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: N/A

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

Application was filed on 7/30/26. This is an existing establishment adding Indoor Entertainment. They currently hold a Class XI Restaurant/Lounge FSE.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is $50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. 2026.08.24_Brickyard Hollow_Council Packet

2. 2026.08.24_Brickyard Hollow_Council Order

Prepared by:
Date: 08/04/2026

July 29, 2026

The Honorable Mayor and Members of the Portland City Council
City of Portland
389 Congress Street
Portland, ME 04101

Re: **Brickyard Hollow Brewing Co. – 5-9 Commercial Street**

Dear Mayor and Members of the City Council,

Brickyard has applied for an Indoor Entertainment License, Reference Number LL-003359-2021 and has completed and submitted the required materials including a recent Acoustic Study.

Our indoor entertainment includes standard music transmitted over indoor wall-mounted speakers, a weekly trivia event, and occasional solo and small group live musical entertainment.

Thank you for your consideration.

Sincerely,

Ray Kusche

BRICKYARD HOLLOW BREWING COMPANY
PO Box 1108, Yarmouth, Maine 04096

CITY OF PORTLAND
Permitting and Inspections Department

Application for an Entertainment License

☑ Indoor Entertainment $500.00 ☐ Outdoor Entertainment $700.00 ☐ Combined Entertainment $800.00

☒ Sound Mitigation Fee $150.00

Business Information			
Establishment Name (d/b/a):	Brickyard Hollow Brewing Company	Phone:	207 747 8065
Location Address:	9 Commercial Street, Portland, ME	Zip:	04101
Owner Name:	Brickyard Hollow Brewing Co.	Phone:	207 747 8065
Owner Email:	Brad.Moll@brickyardhollow.com		
Contact Person responsible for Entertainment:	Eric Whall	Phone:	207 808 8247
Contact Person Email:	Eric@brickyardhollow.com		
Manager of Establishment:	Eric Whall	Phone:	207 808 8247
Manager Email:	Eric@brickyardhollow.com		

About Your Establishment

Describe in detail the type and nature of the business and proposed entertainment:
Brewpub/Craft Pizza restaurant. Occasional small live music performers and trivia nights.

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above license and further agrees that any misstatement of material fact may result in refusal of license or revocation, if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

Signature B Medeiros Title VP Operations Date 6/4/2026

For more information, refer to the City Code of Ordinance: Chapter 4 Amusements, at www.portlandmaine.gov

389 Congress Street, Room 307 • Portland, Maine 04101 • 207-874-8557
bl@portlandmaine.gov • www.portlandmaine.gov

ACOUSTICS

Brickyard Hollow – Portland, ME

July 20, 2026

Re: Brickyard Hollow – Portland, ME Acoustic Report

Attn: Brad Moll

In partnership with Armstrong World Industries, ACE Acoustics has performed an Acoustic Survey of the Brickyard Hollow location at 9 Commercial St in Portland, ME. The intent of this survey was to understand the current use/size/construction of the space so that accurate Reverberation Times (RT) could be established.

Industry Standard RT for restaurants range from 0.8 to 1.2, depending on room construction and bar size. The current RT for the 9 Commercial St location is 6.4. This is most notably due to the hard surfaces that construct the space: floors, walls, and ceiling.

Armstrong's recommendation is to install their Tectum product directly to the underside of the roof deck. While we have successfully installed this method in other locations, we recommend installing (14ea) PET Acoustic Baffles within the space, which will treat the ceiling surface. We do not recommend treating floors or walls in restaurant environments due to possible health codes that may be impacted.

Thank you,

Jared Gordon
ACE Acoustics
Cell: 207.714.0093
jgordon@ace-corp.net

ACE Acoustics
www.ace-corp.net

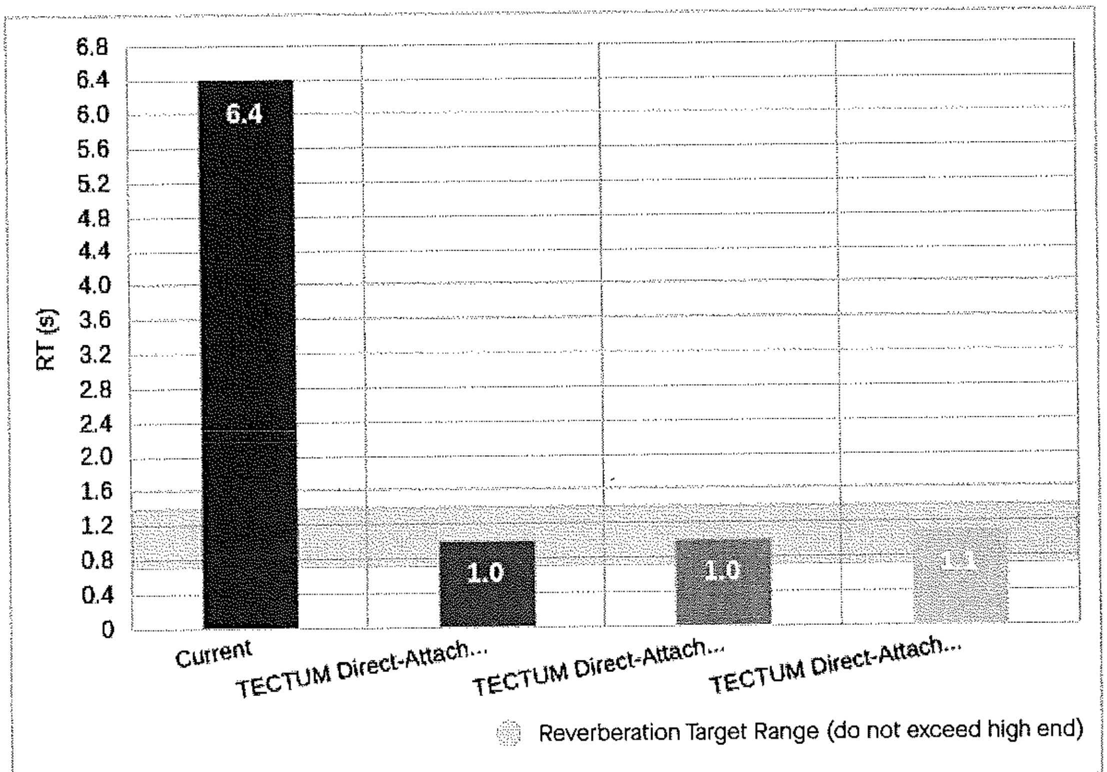
Reverberation Report Results
Reference Number: RC00000F6X

Brickyard Hollow

Room Summary: Restaurant / Cafeteria

- Segment: Hospitality & Leisure
- Project Location Zip Code/Postal Code: 04101
- Square Footage: 4,500 SF
- Ceiling Height: 15 FT
- Volume: 67,500 CF
- Floor Material: Wood
- Current/Planned Ceiling Type: Exposed Structure (concrete or steel deck)
- Current/Planned Wall Material(S): Drywall, Brick, Concrete block (painted)
- Acoustical Treatments: Direct Attach

Reverberation Time (RT)*



* All calculations and recommendations are based on a RT at an average 500-1000Hz. The less RT, the quieter the space.

Recommended RT: 0.7 - 1.4 secs

Current RT:6.4 secs

RT exceeds the recommendation. Consider adding acoustical treatments to improve.

Chosen Acoustical Treatments

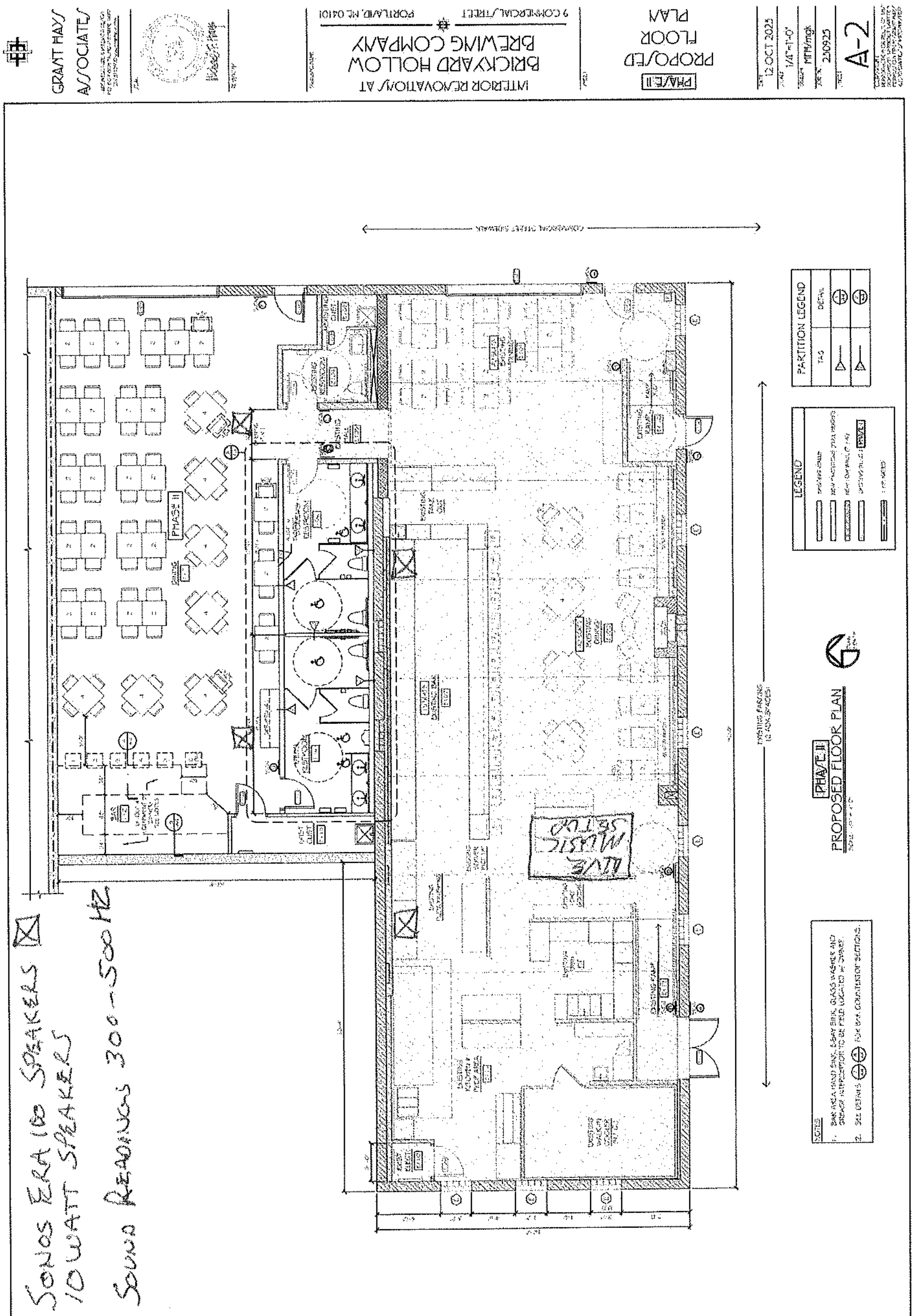
Direct Attach

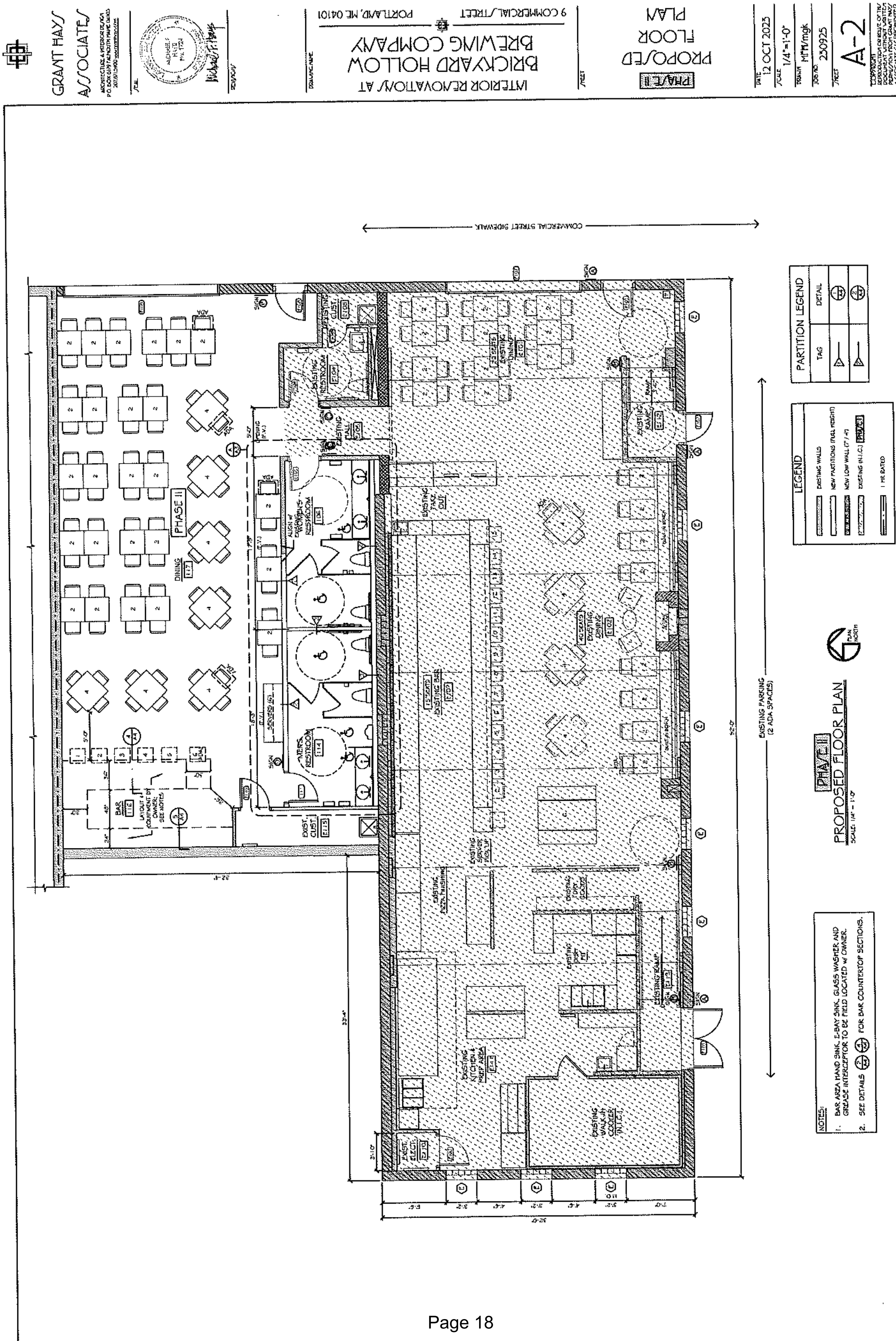
- TECTUM Direct-Attach Ceilings 1 Inch C-20 Mount - 8173T10
  New RT: **1.0 secs** with 480 SF of ceiling coverage
  Reduction in RT: 84%

- TECTUM Direct-Attach Ceilings 1 Inch C-40 Mount - 8173T10
  New RT: **1.0 secs** with 620 SF of ceiling coverage
  Reduction in RT: 84%

- TECTUM Direct-Attach Ceilings 1 Inch A-Mount - 8173T10
  New RT: **1.1 secs** with 750 SF of ceiling coverage
  Reduction in RT: 82%

*This tool provides an estimate of RT using the Sabine equation, based on room volume and material acoustical absorption. This report is not a substitute for professional acoustical advice. A directory of acoustical consultants can be found at the National Council for Acoustical Consultants web page (https://www.ncac.com/).


GRANT HAYS ASSOCIATES
INTERIOR RENOVATIONS AT
BRICKYARD HOLLOW
BREWING COMPANY
9 COMMERCIAL STREET
PORTLAND, ME 04101
PHASE II
PROPOSED FLOOR PLAN
12 OCT 2023
1/4"=1'-0"
MFH/mgk
230925
A-2
PARTITION LEGEND
LEGEND
PHASE II
PROPOSED FLOOR PLAN
LIVE MUSIC SET UP
Sonos Era 100 Speakers
10 Watt Speakers
Sound Readings 300-500 Hz


GRANT HAYS ASSOCIATES
INTERIOR RENOVATIONS AT
BRICKYARD HOLLOW
BREWING COMPANY
9 COMMERCIAL STREET
PORTLAND, ME 04101
PROPOSED
FLOOR
PLAN
PHASE II
12 OCT 2025
1/4"=1'-0"
MHM/mgk
230925
A-2
COMMERCIAL STREET SIDEWALK
EXISTING PARKING
(2 ADA SPACES)
PARTITION LEGEND
LEGEND
PHASE II
PROPOSED FLOOR PLAN
NOTES:
1. BAR AREA HAND SINK, 3-BAY SINK, GLASS WASHER AND GREASE INTERCEPTOR TO BE FIELD LOCATED w/ OWNER.
2. SEE DETAILS FOR BAR COUNTERTOP SECTIONS.

portland City of

Zachary Lenhert <zlenhert@portlandmaine.gov>

Brickyard Hollow_5 Commercial Street_Indoor Entertainment

Rob Miller <robertjm@portlandmaine.gov> Wed, Aug 5, 2026 at 2:14 PM
To: Zachary Lenhert <zlenhert@portlandmaine.gov>
Cc: Zachary Finley <zackf@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Zoning <zoning@portlandmaine.gov>, Matthew Caton <mcaton@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, "McGary, Glen" <glen.mcgary@maine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Elisa Marr <emarr@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing <bl@portlandmaine.gov>, Christina Stacey <cstacey@portlandmaine.gov>, Kevin Schneck <kschneck@portlandmaine.gov>

All set with the PD

On Tue, Aug 4, 2026 at 2:56 PM Zachary Lenhert <zlenhert@portlandmaine.gov> wrote:
[Quoted text hidden]

Brickyard Hollow_5 Commercial Street_Indoor Entertainment

Zoning <zoning@portlandmaine.gov> Fri, Aug 14, 2026 at 4:01 PM
To: Zoning <zoning@portlandmaine.gov>
Cc: Zachary Lenhert <zlenhert@portlandmaine.gov>, Zachary Finley <zackf@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Matthew Caton <mcaton@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, "McGary, Glen" <glen.mcgary@maine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Elisa Marr <emarr@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing <bl@portlandmaine.gov>, cstacey <cstacey@portlandmaine.gov>, Rob Miller <robertjm@portlandmaine.gov>, Kevin Schneck <kschneck@portlandmaine.gov>

Good Afternoon,

The legal use for 9 Commercial ST is Restaurant & Low Impact Industrial (Brewery). Zoning approves.

Thank you,

Mac
--
Mac Coldwell

City of Portland
Zoning Specialist
Permitting & Inspections Department
389 Congress ST, Room #315
Email: mcoldwell@portlandmaine.gov
he/him

[Quoted text hidden]

City of Portland

Sound Mitigation Review

Date: 8/6/2026
Business Brickyard Hollow
Applicant Eric Hhall

DESCRIPTION	yes	no
Sound system appropriate for the size venue	Yes	
Performance space located in an appropriate location	Yes	
Performance space facing in an appropriate direction to control sound	Yes	
Surrounding surfaces appropriate to control sound		
Additional sound absorbing features	to be installed	
additional notes		
Approved	Yes	

DIRECT ALL INQUIRIES TO:
Kevin Schneck
(207) 756-8433
kschneck@portlandmaine.gov

Legal Advertisement

Notice of Public Hearing
City of Portland

A Public Hearing will be held on August 24, 2026 at 4:00 P.M., in City Council Chambers, 389 Congress St. for approval of Brickyard Hollow Brewing Co. Inc, dba Brickyard Hollow Brewing Co. Application for Indoor Entertainment at 5 Commercial Street - Sponsored by Danielle P. West, City Manager

City of Portland | Permitting and Inspections
Zachary Lenhert, Licensing and Housing Safety Manager

August 17, 2026

Brickyard Hollow Brewing Co. Inc LLC
P.O. Box 697
Rochester, NH 03866

Re: Approval of Brickyard Hollow Brewing Co. Inc, dba Brickyard Hollow Brewing Co. Application for Indoor Entertainment at 5 Commercial Street

Dear Brickyard Hollow Brewing Co. Inc:

This letter shall serve as a reminder of the public hearing before the Portland City Council on Monday August 24, 2026 at 4:00 p.m., for the review of application for Indoor Entertainment at 5 Commercial Street. The meeting will take place in person at Portland City Hall, in City Council Chambers on the 2nd Floor of 389 Congress Street.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or at bl@portlandmaine.gov.

Sincerely,

Zachary J. Lenhert
Licensing and Housing Safety Manager

<u>FRAUD ALERT</u>: The City of Portland is aware of a scam involving emails that create fake invoices and request payment for applications, inspections, or permit fees. Please note that the City of Portland will never ask you to wire funds; do not follow any such instructions. If you receive an email you believe to be a scam, please contact bl@portlandmaine.gov.

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

CITY OF PORTLAND
IN THE CITY COUNCIL

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

ORDER
GRANTING MUNICIPAL OFFICERS'
APPROVAL OF:

Brickyard Hollow Brewing Co. Inc, dba Brickyard Hollow Brewing Co. Application for Indoor Entertainment at 5 Commercial Street

MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 4, 2026

SUBJECT: Order 18-26/27 Granting Municipal Officers' Approval of Good Theater Inc, dba Good Theater. Application for Auditorium with Indoor Entertainment at 631 Stevens Avenue - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading **Final Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: N/A

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

Application was filed on 8/3/26. This is a change of ownership of an existing establishment.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is $50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. 2026.08.24_Good Theater_Council Packet
2. 2026.08.24_Good Theater_Council Order

Prepared by:
Date: 08/04/2026

good theater
Stevens Square

Gusta Johnson, Executive Director
Brian P. Allen, Co-Founder & Artistic Director
Steve Underwood, Co-Founder & Production Manager
Michael Lynch, Director of Audience Services

August 3, 2026

Mayor Mark Dion and Members of the Portland City Council
City of Portland
389 Congress Street
Portland, ME 04101

Dear Mayor Dion and Members of the City Council,

On behalf of Good Theater, Inc., I respectfully submit this letter in support of our application for an on-premises liquor license for Stevens Square Theater, located at 631 Stevens Avenue, Suite 104, Portland, Maine.

Good Theater is a Maine nonprofit organization dedicated to enriching our community through professional live theater and the performing arts. Since opening Stevens Square Theater, we have welcomed tens of thousands of patrons for theatrical productions, concerts, educational programming, community events, and rentals by fellow nonprofit organizations, local businesses, and community groups.

We are seeking this license to better serve our audiences, community partners, and rental clients while strengthening the financial sustainability of our nonprofit organization. The ability to offer alcoholic beverages during performances, concerts, and special events will enhance the patron experience, provide an important source of earned revenue that directly supports our artistic and community programming, and allow us to better serve the many organizations that utilize Stevens Square Theater throughout the year.

Good Theater is committed to operating in full compliance with all applicable local and state laws governing the sale and service of alcoholic beverages. Staff involved in alcohol service will receive appropriate training, and we will maintain policies and procedures that prioritize responsible service, patron safety, and compliance with all licensing requirements.

As a nonprofit arts organization, our mission extends beyond producing exceptional theater. Stevens Square Theater has become a gathering place for artists, audiences, nonprofit organizations, educational partners, and community groups from across Greater Portland. This license will help us continue expanding access to high-quality arts experiences while strengthening the long-term sustainability of this important community resource.

207-835-0895 631 Stevens Avenue, Unit 104, Portland, ME 04103 goodtheater.com

Thank you for your consideration of our application and for your continued support of Portland's vibrant arts community. We appreciate your time and consideration and would be pleased to answer any questions you may have.

Respectfully,

Gusta Johnson, MBA
Executive Director
Good Theater, Inc.
631 Stevens Avenue, Suite 104
Portland, ME 04103
(207) 835-0895
gusta@goodtheater.com

City of Portland - Business Licensing and Housing Safety Division

Online Liquor and Food License Application

Read all information below before continuing

The serving of food and alcoholic beverages in Portland Maine requires:
Portland Municipal Food Service Establishment with Alcoholic Beverages License
State of Maine On-Premises License, and
State of Maine - Municipal Eating and Lodging License Application HHE-638

Before submitting an application to the Business Licensing Office:

- Call the Bureau of Alcoholic Beverages and Lottery Operations (BABLO) in Augusta at 207-624-7220, to determine which class of liquor license should be applied for based on the business model. Delays may occur if the wrong license is applied for and changes need to be made.
- Contact the Portland Zoning/Code Enforcement office at 207-874-8703 to determine if the business address is zoned for use as a restaurant, bar, or brewery.
- Establishments that wish to have entertainment in the Downtown District Overlay Zone (primarily the Old Port) should check with Business Licensing at 207-874-8557 to determine if the business meets required setbacks and is eligible for an entertainment/dance license.
- Contact the Historic Preservation Division at 207-874-8726 for specific requirements if the establishment is located in a Historic District. Visit https://www.portlandmaine.gov/490/Historic-Preservation to determine the district.

The application must be complete in order to be accepted and processed. **Applications must be submitted at least four (4) weeks prior to the Council meeting.** Applications may be delayed for special circumstances of the City Council (e.g. full agenda in budget season)

For council dates please click here

What is Needed to Apply:

- Completed State application for alcohol (including Corporate Supplement, if applicable) submitted through BELLS (https://alcohol.maine.gov/): provide the File Number and date of submission
- Letter of intent addressed to the Mayor and Members of the City Council
- City application for food & alcohol
  - City application for Entertainment (if applicable)
  - Outdoor Dining application (if applicable)
- Diagram showing layout of the premises (PDF)
- Menu (PDF)
- Purchase & Sale, Deed/Title, Lease Agreement, Berthing Agreement (Vessels), or Non-Renewal Notification from previous owner (if applicable)
- Payment of fees: New application, Health Inspection, Criminal History Check, License Fees and Legal Advertisement deposit. An invoice will be created upon completion of application.

After submitting an application to the Business Licensing Office:

- Submit completed State of Maine Municipal Eating and Lodging License Application (HHE-638) to: Health Inspection Program, 286 Water Street 3rd Floor, Augusta ME 04333-0011
- Applicants will receive an email letter confirming the date, time, and location of the City Council meeting.
- Establishments are recommended to schedule inspections AFTER Council approval. If there are questions for inspectors, please find their numbers on the accompanying page.

After an application has been approved by City Council:

- Applicants will receive an invoice for the remaining balance of the legal advertisement.
- Proceed with arranging for final inspections as the establishment is ready.
- Once the Business Licensing Office has received all approvals from the required departments, the office will approve the state license and issue the municipal license.

All applicants must pay the following feel for the application to be submitted for council approval:
Application fee: $45
Liquor Class Fee: (see next page for amounts)
Health Inspection Fee: $150
Fire Prevention Pre-Operational Fee: $150
Background check: $21/person
Additional fees such as Outdoor Dining and Entertainment will be listed in the Application

Liquor Classification of Establishment	Class I (Auditorium) $584.00

Maine B.E.L.L.S. File/Tracking Number	158537
Date of Submission of Maine B.E.L.L.S. application:	06/19/2026
Name of Establishment (Doing Business As)	Good Theater, Inc.
Physical Location of Establishment (Street Address)	631 Stevens Avenue, Portland, ME 04103
What is the business' ownership structure?	Corporation/LLC/Non-Profit Organization
Name of Corporation, LLC, or Non-Profit Organization	Good Theater, Inc.
Business Mailing Address	631 Stevens Avenue, Suite 104
City	Portland
State	ME
ZIP	04103
Business Phone	2078350895
Establishment Email	gusta@goodtheater.com
Contact Person Name	Gusta Johnson
Contact Person Phone	213-595-6517
Contact Person Email	gusta@goodtheater.com
What is your targeted opening date?	09/15/2026

Please list names, residence addresses, and birthdates of ALL owners and partners. If for a corporation please include all officers and or persons to satisfy 28-A M.R.S. §651. Click green plus button to add persons.

Owners, Partners, and Officers

i. **Name**

Justin Cote, Board President & Treasurer

Street Address of Primary Residence

403 Gorham Road

City

Scarborough

State

ME

ZIP

04074

Birth Date

07/21/1982

Corporation/LLC Name	Good Theater, Inc.
Corporate Mailing Address	631 Stevens Avenue, Suite 104
City	Portland
State	ME
ZIP	04103
Primary Contact Person	Gusta Johnson
Contact Phone	213-595-6517
Is any principal officer under the age of 21?	NO
Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of law?	NO

Please list names, addresses, and contact information for on-site managers.

On-Site Managers

i. **Name**

Gusta Johnson

Date of Birth

01/29/1984

Phone

213-595-6517

Email

gusta@goodtheater.com

Owner of Premises (Landlord) Name	DC Baxter Woods II LLC
Address of Premises Owner (Landlord)	631 Stevens Ave, Suite 203
City	Portland
State	ME
ZIP	04103
Owner of Premises (Landlord) Phone	(207) 314-7238
Owner of Premises (Landlord) Email	amanda@dcmaine.com
Type of Food Served:	Prepackaged concession snacks, including baked goods, chips, and candy.
Please select all that will be served:	• Beer • Wine
Days and Hours of Operation:	11 am - 10:30 pm 7 days possible depending upon events
Is the establishment less than 300 feet from a school, dormitory, church or parish house, or similar establishment?	NO
Will you have entertainment on the premises? (If yes, a Supplemental Application for Entertainment is required.)	YES
Will you permit dancing after 1:00 a.m.?	NO
Will you have outside dining? (If yes, an Outdoor Dining Application is required)	NO
Will you have any pool tables or amusement devices (pinball, video games, juke box)?	NO
Does the issuance of this license directly or indirectly benefit any City employee(s)?	NO
Have any of the applicants, including the corporation (if applicable), ever held a business license with the City of Portland?	NO

Application for Entertainment License

In the City of Portland Maine, an Entertainment License is required for events to which the public is invited or allowed to watch, listen to, or participate in; or is conducted for the purposes of holding the attention
of, gaining the attention of, or diverting or amusing patrons or guests, including, but not limited to any of the following:
1. Dancing by patrons to live or recorded music;
2. The presentation of music played on sound equipment operated by an agent or contractor of the establishment, commonly known as 'disc jockey' or 'DJ';
3. The playing of background music, except where the background music cannot be heard beyond the limits of the premises on which the music is being played;
4. The presentation of live music whether amplified or unamplified;
5. The presentation of music concerts, or other similar forms of musical entertainment from any source; or
6. Any other live performance, including, but not limited to, presentations by single or multiple performers, such as hypnotists, comedians, dance arts, concerts, dances, live bands, karaoke or other live music.

6.8.14 Entertainment businesses in the B-3 and WCZ zones
A. In the B-3 and WCZ zones, a business with an entertainment license as required or authorized by Chapter 4, Section 4-51(a) of the City of Portland Code of Ordinance shall be considered an entertainment business for the purposes of this section, and may not be located within 100 feet of another entertainment business, as measured along or across public ways from the main entrance or entrances of each. This dispersal requirement shall not apply to entertainment businesses that do not allow amplified entertainment.

Additional License Fees
Indoor Entertainment: $500
Outdoor Entertainment: $700
Combined Entertainment: $800
$150 Sound Mitigation Fee is due upon application in addition to the license fee.

Please select the type of Entertainment License being applied for:	Indoor Entertainment ($500)
Contact Person responsible for Entertainment:	Gusta Johnson
Contact Person Phone Number	2135956517
Contact Person Email	gusta@goodtheater.com
Describe in detail the type and nature of the business and proposed entertainment:	Good Theater at Stevens Square is a nonprofit performing arts venue that presents professional live theater productions, concerts, comedy performances, educational programming, lectures, film screenings, community events, and private rentals. Entertainment primarily consists of live theatrical performances featuring actors, musicians, singers, and other performing artists. The theater also hosts nonprofit and community events, corporate presentations, and other cultural programming. Performances are ticketed and scheduled in advance, with entertainment taking place indoors within the theater auditorium. Entertainment may include amplified sound, recorded music, live music, theatrical lighting, projections, and scenic elements as appropriate for each event.

A Sound Mitigation Plan prepared and certified by a professional sound engineer is required for all Entertainment Licenses. The sound mitigation plan shall include, at a minimum:

1. Speaker location and direction;
2. Sound system details and controls;
3. Stage and site layout and direction;
4. Any proposed noise cancelling or mitigating measures; and
5. Anticipated sound readings at: 1. The proposed source of the sound, 2. A location eight feet (8') from the means of egress located nearest to the noise source and/or eight feet (8') from any outer wall of the premises (for indoor entertainment), 3. Each property line of the premises (for outdoor entertainment), and 4. The closest residence.

The sound mitigation plan shall require an onsite monitor when the number of attendees at an entertainment event is expected to exceed, or does exceed, 250. The on-site monitor shall be equipped with a dedicated sound pressure level (SPL) meter, and shall be available to respond to any inquiry of a City official during the time that the entertainment is being conducted.

Sound Mitigation Plan	Sound Mitigation Plan Statement.pdf

Please include the following:

- Letter of intent addressed to the Mayor and Members of the City Council
- Floorplan/Layout of the premises
- Menu
- Purchase & Sale, Deed/Title, Lease Agreement, Berthing Agreement (Vessels), or Non-Renewal Notification from previous owner (if applicable)

Letter of intent addressed to the Mayor and Members of the City Council	Letter of Intent_License.pdf
Floorplan/Layout of the premises	101 Floor Plan pt2 (1).pdf 101 Floor Plan (1).pdf
Menu	Good Theater_Draft Menu.pdf
Purchase & Sale, Deed/Title, Lease Agreement, Berthing Agreement (Vessels), or Non-Renewal Notification from previous owner (if applicable)	DC Baxter Woods II LLC and Good Theater_Commercial Lease for Stevens Square_01292025_Fully Exe LL Transfer Receipt.pdf Transfer of License Email Confirmation.pdf

Signature Agreement

I hereby swear and affirm that every employee in my establishment that serves alcohol to the public has attended server training, or will attend server training within 90 days of their hire. I also understand that at any time the City license administrator can, upon request, require me to produce Server Training certificates for each employee that serves alcohol to the public in my establishment. Failure to meet the training requirement imposed by section 15-41 may result in the denial of a liquor license pursuant to 28-A M.R.S.A. § 653 (2) (G).

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto. I/We, hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We, hereby waive any rights to privacy with respect thereto.

Signature	
Name of Signatory	Gusta Johnson
Title of Signatory	Executive Director
Date	08/03/2026

Thank you for providing this information. After clicking 'Submit' your application will be processed by staff as soon as possible. You will receive an invoice of fees due by email or postal service. All fees must be paid before the application is considered complete.

You will be updated by our staff, if necessary, as your submission is processed.

Have a great day!

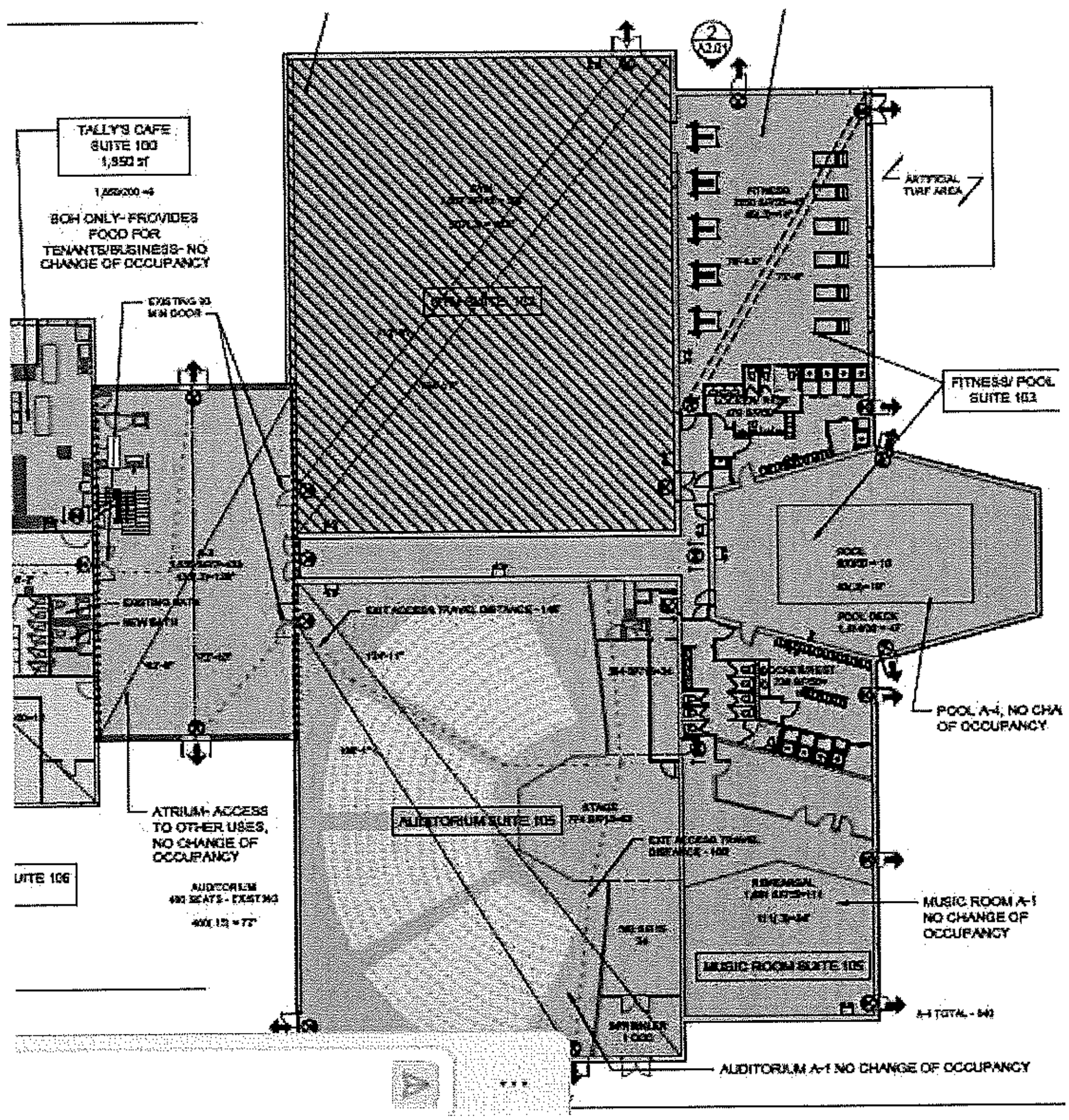
STATE OF MAINE

DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT

Premises Floor Plan

In an effort to clearly define your license premise and the areas that consumption and storage of liquor authorized by your license type is allowed, the Bureau requires all applications to include a diagram of the premise to be licensed.

Diagrams should be submitted on this form and should be as accurate as possible. Be sure to label the following areas: entrances, office area, coolers, storage areas, display cases, shelves, restroom, point of sale area, area for on-premise consumption, dining rooms, event/function rooms, lounges, outside area/decks or any other areas on the premise that you are requesting approval. Attached an additional page as needed to fully describe the premise.



STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT

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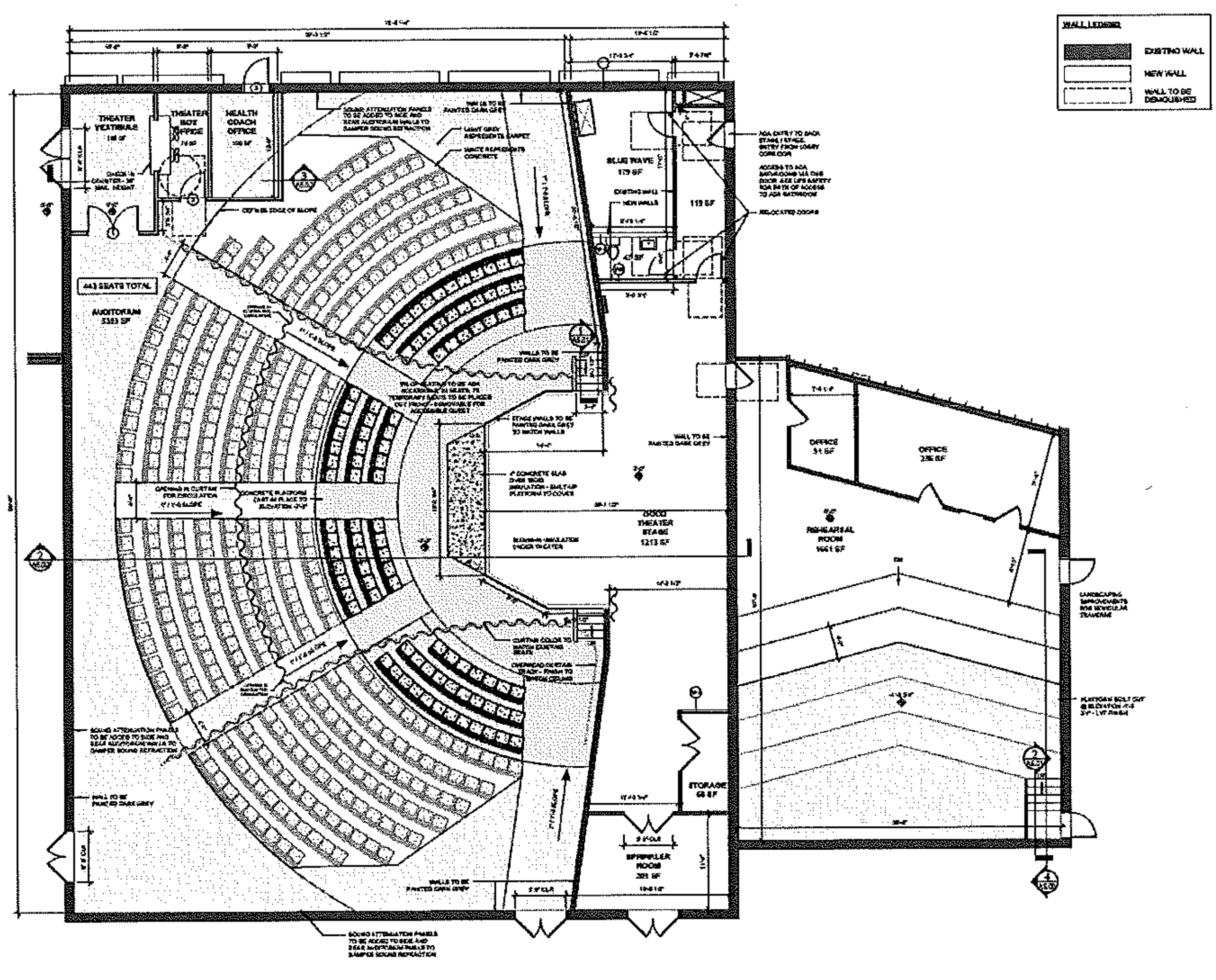


Gusta Johnson, Executive Director
Brian P. Allen, Co-Founder & Artistic Director
Steve Underwood, Co-Founder & Production Manager
Michael Lynch, Director of Audience Services

good theater
STEVENS SQUARE

August 3, 2026

Sound Mitigation Plan Statement

Good Theater, Inc. respectfully requests that the City of Portland utilize the previously approved and engineer-certified Sound Mitigation Plan prepared for Stevens Square Theater (DC Baxter Woods II, LLC) in connection with this application for an Indoor Entertainment License.

The theater space, stage configuration, sound system, speaker locations, and operational use of the premises remain substantially unchanged from the previously approved application. Good Theater will continue to operate in accordance with the requirements and recommendations contained within the approved Sound Mitigation Plan.

Good Theater will continue to:

- Utilize the existing professionally installed sound system and speaker configuration.
- Direct sound toward the audience within the theater auditorium.
- Keep exterior doors closed during performances, except as required for patron entry, exit, and emergency egress.
- Monitor sound levels throughout performances and events.
- Comply with all applicable City of Portland noise ordinances and Entertainment License requirements.
- Provide an onsite sound monitor equipped with a sound pressure level (SPL) meter for events where attendance is expected to exceed 250 patrons, as required by City ordinance.

Thank you for your consideration.

Respectfully,

Gusta Johnson, MBA
Executive Director
Good Theater, Inc.
631 Stevens Avenue, Suite 104
Portland, ME 04103
(207) 835-0895
gusta@goodtheater.com

P1

DIVERSIFIED
TESTING LABORATORIES, INC.
WORLDWIDE SERVICE

Reference for Curtain Material

"We Test Per Your Request"

336 WEST FRONT STREET
P.O. BOX 4004
BURLINGTON, NORTH CAROLINA 27215
PHONE (336) 227-7710 • FAX (336) 227-1175
www.diversifiedtestinglabs.com

August 7, 2015

Mr. Bill Brown
GERRIETS INTERNATIONAL INC.
130 Winterwood Avenue
Ewing, NJ 08638

Reference: Laboratory Test Report
Lab Identification No. 16161
Invoice No. 47007 (Attached)

Dear Mr. Brown:

One (1) sample, identified as **LUNAR DUO, ARTICLE NUMBER: 1651 5321, 100% POLYESTER,** was received and tested in accordance with the National Fire Prevention Association No. 701, "Standard Methods of Fire Tests for Flame Propagation of Textiles and Films, 2015 Edition, (Test 1, Small Scale)". The results are as follows:

Specimen Number	Residual Flame (seconds)	Weight Loss (percent)
1	0.0	20.43
2	0.0	16.84
3	0.0	17.05
4	0.0	18.15
5	0.0	17.05
6	0.0	13.25
7	0.0	19.28
8	0.0	17.82
9	0.0	17.58
10	0.0	18.03
AVG.	0.0	17.55

The sample submitted **meets** the minimum requirements of the above standard. The average percent weight loss cannot exceed 40% and the weight loss of individual specimens cannot exceed mean value plus three standard deviations. The average residual flame cannot exceed 2.0 seconds.

If there are any questions or when we can be of further assistance, please let us know.

Sincerely,

Puett

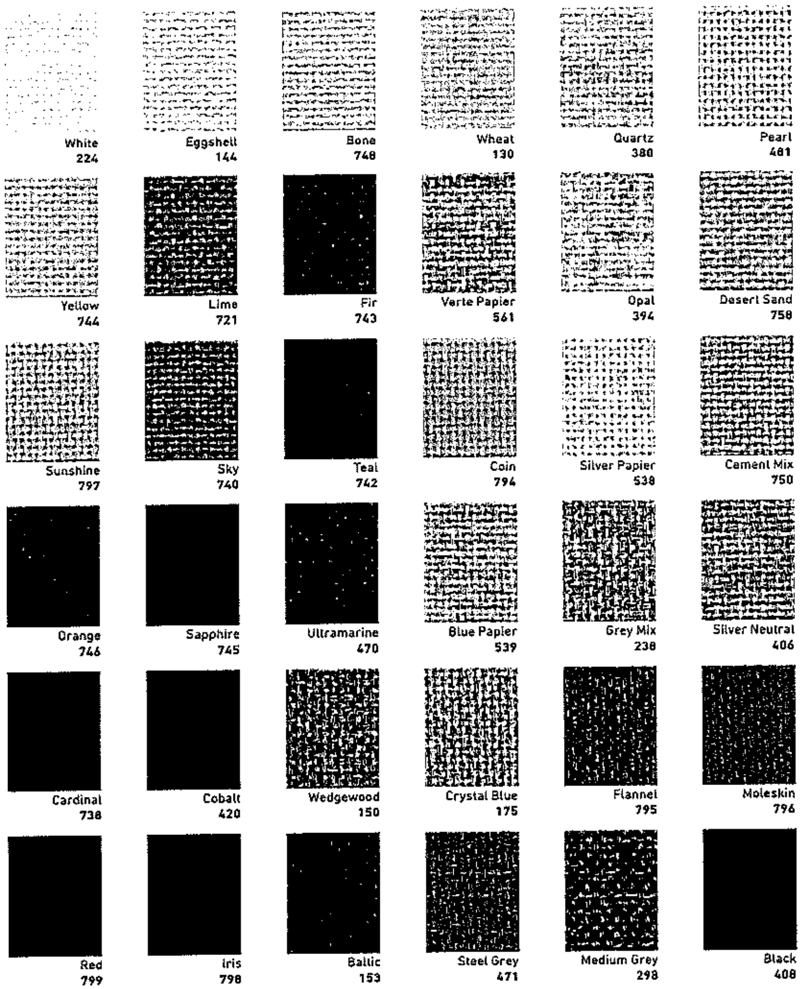
Bobby E. Puett

BEP/mr
Attachment

Recycled Content
Bleach Cleanable

Panel | Acoustic

FR701® 2100



Guilford of Maine
Collection

duvaltex

FR701® 2100

Specifications

Content	100% post-consumer recycled polyester
Weight	16.0 ± 0.5 oz./lin. yd
Width	66" min. useable
Repeat	none

Cleaning Code

Standard Care Label W-S. Clean with water based cleaning agents, foam or pure, water free solvents. Vacuuming or light brushing is recommended to prevent dust and soil buildup.

Bleach Cleanable - May be cleaned with a 10% bleach-to-water solution. Rinse well after cleaning. May also be disinfected with hydrogen peroxide, alcohol, and quaternary ammonium (quat) based cleaners.

Miscellaneous

Application testing of this product is recommended. Colors may vary between dye lots. This is a non-directional fabric.

Proudly woven in North America supporting our local communities.

Sustainability

100% recycled and recyclable

facts Silver

Guilford of Maine
Collection

Renowned for its exceptional performance and style. Guilford of Maine has set industry standards in acoustics and panel fabrics for many decades. We present the Guilford of Maine Collection - a selection of timeless fabrics.

Performance

Colorfastness to light (AATCC 16.3 Option 3)
Grade 4 min. at 40 hours

Colorfastness to crocking (AATCC 8)
Grade 4 min. dry & Grade 3 min. wet

Breaking Strength (ASTM D5034)
150 lbf min. warp and fill

Flammability
ASTM E84 Class I or A

Acoustical Performance

Our acoustic fabrics are all acoustically transparent. This represents the amount of sound that passes through the fabric.

Acoustic Transparency:	95%

For more detailed results, please consult our website.

This pattern is included in the underwriters laboratory panel fabric recognition program. Additional testing of this U.L. recognized fabric is not required on approved panels from participating manufacturers.

duvaltex | **USA & INTERNATIONAL** | T 800-544-0200
CANADA | T 418 227-9897
For samples, visit **guilfordofmaine.com**

FC-2100 23/07

P3

Acoustical Wall Panel Specification 2" thick Standard Wall Panel

SECTION 09840 – ACOUSTICAL WALL PANELS

PART 1 – GENERAL

1.1 SUMMARY

A. This section includes the following:

1. Acoustical Wall Panel

1.2 SUBMITTALS

A. Shop Drawings: Show fabrication and installation details for acoustical wall panels, including plans, elevations, sections, details and attachment to other work.

B. Submittals: Furnish 12" x 12" samples, showing manufacture full range of colors, texture and patterns available for each type of acoustical product specified.

C. Product Test Report: From a qualified testing agency indicating wall panels comply with requirements.

D. Qualification Data: For firms specified in "Quality Assurance" Article to demonstrate their capabilities and experience.

E. Product Certificates: Signed by manufacturer certifying that the products furnished comply with requirements.

1.3 QUALITY ASSURANCE

A. Manufacturer Qualification: Manufacture shall have a minimum of 5 years experience in production of specified products and shall furnish supporting documentation showing completed jobs of approximately the same size and scope.

B. Fire Test Reports: Provide acoustical wall panels with the following surface-burning characteristics as per ASTM E 84.

1. Flame Spread: 25 or less
2. Smoke Developed: 450 or less

C. Acoustical Test Report: Provide acoustical test report from a qualified testing agency indicating acoustical wall panels meets 1.15 NRC per ASTM C-423.

1.4 DELIVERY, STORAGE, AND HANDLING

A. Protect Acoustical Wall Panels from excessive moisture when shipping, storing, and handling. Deliver in unopened skids and store in a dry place with adequate air circulation. Do not delivery material until all wet-work has been completed.

PART 2 – PRODUCTS

2.1 WALL PANELS, GENERAL

A. Acoustical Wall Panels shall be 2" thick – 6.0-7.0 lb. per cubic foot high-density fine fibered fiberglass. Manufactures standard panel construction, fully wrapped hardened, panel manufactures standard full line of fabric.

1. Products

a. Model # Signature S-2000
Sound Seal
Agawam, MA. USA
Ph. (800) 569-1294
Fax (413) 789-4444

2. Facing Material: Guilford of Maine FR 701 – Style 2100 – 100% polyester
3. Panel Thickness: nominal 2" thick
4. Noise Reduction Coefficient: NRC 1.15
5. Panel Width: 48 inches
6. Panel Length: As indicated, up to 10 feet long.

2.2 CONSTRUCTION

A. The acoustical wall panel product shall be supplied in 48" wide panels with lengths as indicated. All edges will be fully wrapped with mounting as indicated.

2.3 MOUNTING

A. Back-Mounting Accessories: Manufactures standard accessories for securely mounting panels, of type and size indicated and complying with the following requirements:

1. Mechanically Mounted Edge-Reinforced Panels: Metal clips designed to support weight of panels, mechanically attached to wall substrate according to manufactures standard pattern and adhesively bonded to back of panel, with base support brackets where recommended by manufacture for additional support of panels.

2.4 ACOUSTICAL PERFORMANCE

Sound Absorption: Per ASTM C – 423
Sound Absorption Coefficient per Octave Band Center Frequency (Hz)

125	250	500	1000	2000	4000	NRC
0.22	0.81	1.24	1.30	1.21	1.16	1.15

2.5 FLAMMIBILITY RATING

A. All components shall have a Class A Flammability rating per ASTM E- 84: Surface Burning Characteristics of Building Materials, with a Flame Spread of 25 or less and Smoke Developed of 450 or less

PART 3 – EXECUTION

3.1 INSTALLATION

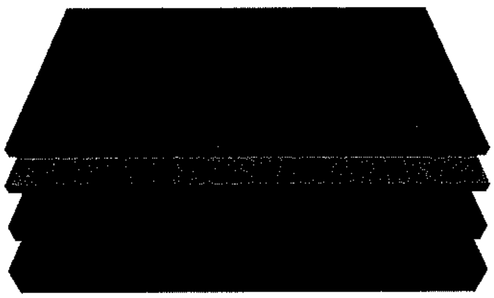
A. Install Acoustical Wall panels in locations indicated, top edges level and in alignment with other panels. Comply with manufactures written instructions for installation of panels using type of mounting accessories indicated or, if not indicated, as recommended by manufacture.

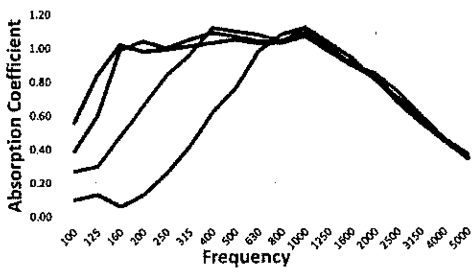
3.2 CLEANING

A. After completion of installation of panels, remove dust and other foreign material according to manufactures written instructions.

B. Remove surplus material, rubbish, and debris resulting from panel installation, on completion of the work, and leave areas of installation in a neat and clean condition.

BAD™ Panel





Blue = 1" BAD™ Panel = NRC 0.75
Green = 2" BAD™ Panel = NRC 1.00
Red = 3" BAD™ Panel = NRC 1.00
Purple = 4" BAD™ Panel = NRC 1.00

Additional test data is available – please see the Supplementary Acoustical Data Charts online or contact your local RPG Sales Representative.

Frequency (Hz)	2" BAD™ Panel
100	0.27
125	0.30
160	0.48
200	0.66
250	0.84
315	0.96
400	1.12
500	1.10
630	1.08
800	1.04
1000	1.11
1250	0.99
1600	0.90
2000	0.85
2500	0.74
3150	0.60
4000	0.46
5000	0.37
NRC	1.00
SAA	0.95

PRODUCT OVERVIEW

The **BAD™ (Binary Amplitude Diffuser) Panel** is a unique synergy of advanced acoustic technology and simplicity of design when performance is paramount. Utilizing an optimal binary pattern of perforations in a rigid template over a sound-absorbent core, the **BAD™ Panel** achieves an excellent balance of sound absorption across the NRC frequency bands while preserving the space's ambiance by rolling off the absorption at 1000Hz. This unique hybrid technology eliminates excessive high-frequency absorption, transitions to a scattering surface in the very high frequencies, prevents lobing inherent in common perforated surfaces and significantly improves mid and low-frequency absorption.

SIZING

- Standard Panel: 4' W x 8' L X 1", 2", 3" & 4" T
- Maximum Panel: 4' W x 10' L
  (Custom panel widths and lengths are available)
- Each 1" thick panel weighs approx. 1.20 lbs/ft²

COMPOSITE FIRE RATING

Class A (per ASTM E-84)

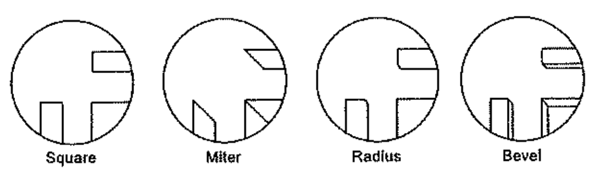
FINISH

The **BAD™ Panel** can be wrapped with RPG-reviewed industry standard and custom fabrics. Fabrics with acoustical performance data are preferred.

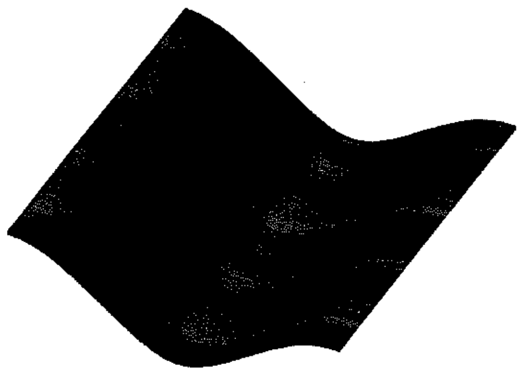
INSTALLATION

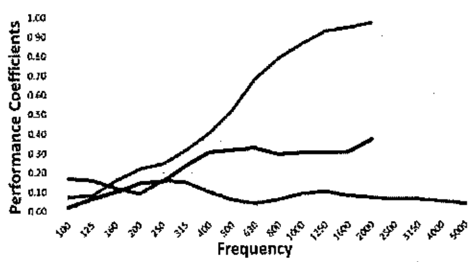
The **BAD™ Panels** can be quickly and easily hung on any wall surface using RPG's Impalit™ clip. For ceiling applications, the panels can be either direct mounted with Z-bar attachments or suspended using a cloud anchor kit. Panels can also be configured to be installed in standard 15/16" HD T-grid supplied by others.

STANDARD PANEL EDGE CONDITIONS



Waveform® Gaussian A12





Blue = Diffusion Coefficient

Green = Scattering Coefficient

Red = Absorption Coefficient - NRC = 0.10, SAA = 0.09

Additional test data is available – please see the Supplementary Acoustical Data Charts online or contact your local RPG Sales Representative.

Frequency	Diffusion Coefficient
100	0.02
125	0.06
160	0.10
200	0.14
250	0.16
315	0.24
400	0.30
500	0.32
630	0.33
800	0.29
1000	0.30
1250	0.30
1600	0.31
2000	0.37

PRODUCT OVERVIEW

The **Waveform® Gaussian A12 Panel** was developed using RPG's powerful shape optimization and aperiodic modulation technology, which optimizes sound diffusion while providing a given shape motif. The panels have an aluminum skin with a honeycomb core, creating a lightweight bell-shaped appearance designed to increase intelligibility and enhance musical clarity and intimacy. When absorptive material is placed into the rear cavity of the assembled unit in an overhead canopy configuration, significant reverberation time reduction in the space can also be accomplished. This symmetrical **Waveform® Gaussian A12 Panel** can also be arrayed to reduce periodicity effects and be installed on walls or ceilings.

SIZING

- Standard Panel: 4' W x 4' L x 12" D
- Material Thickness: 3/4"
- Each panel weighs approx. 2.00 lbs/ft^2
  Should the project require a higher unit mass, 1 and 2 lbs/sf MLV (mass loaded vinyl) backings are standard options.

CORE FIRE RATING

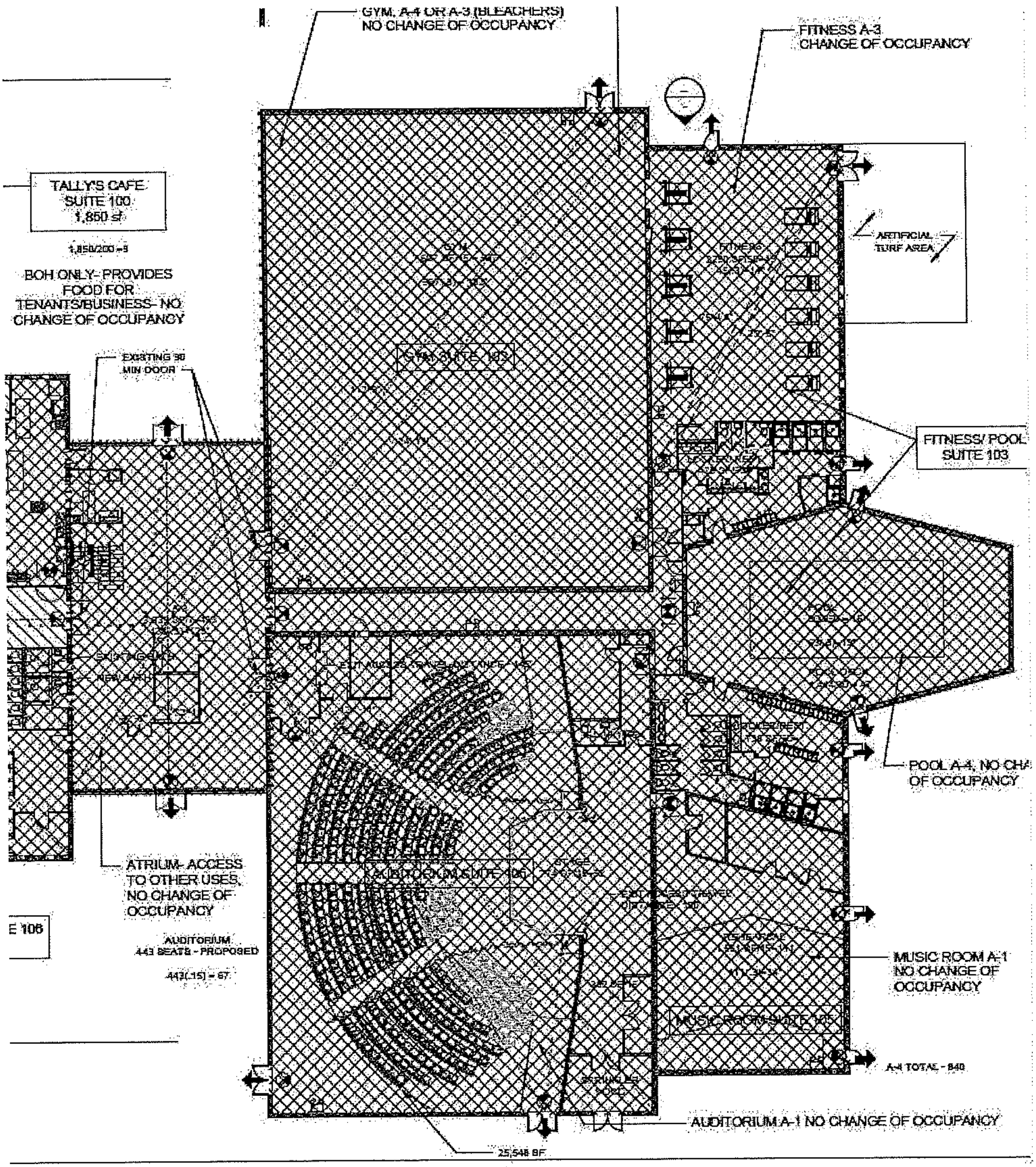
Non-Combustible

FINISH

The **Waveform® Gaussian A12 Panel** is available standard in a white powder-coated finish. Units can be painted in custom colors or veneered with natural wood veneers, no laminates.

INSTALLATION

Overhead mounting of the **Waveform® Gaussian A12 Panel** is achieved by suspending units from embedded eye-bolts using RPG-supplied engineered cables and hardware. Each panel is designed to hang freely as a separate "cloud" or tied together with brackets along the long or short edge to create a canopy.


GYM, A-4 OR A-3 (BLEACHERS)
NO CHANGE OF OCCUPANCY
FITNESS A-3
CHANGE OF OCCUPANCY
TALLY'S CAFE
SUITE 100
1,850 sf
1,850/200 = 9
BOH ONLY- PROVIDES
FOOD FOR
TENANTS/BUSINESS- NO
CHANGE OF OCCUPANCY
EXISTING 90
MIN DOOR
ARTIFICIAL
TURF AREA
GYM SUITE 102
FITNESS/ POOL
SUITE 103
POOL A-4, NO CHA
OF OCCUPANCY
ATRIUM- ACCESS
TO OTHER USES,
NO CHANGE OF
OCCUPANCY
E 106
AUDITORIUM
443 SEATS - PROPOSED
443(.15) = 67
AUDITORIUM SUITE 105
MUSIC ROOM A-1
NO CHANGE OF
OCCUPANCY
A-4 TOTAL - 840
AUDITORIUM A-1 NO CHANGE OF OCCUPANCY
25,548 SF

Gusta Johnson, Executive Director
Brian P. Allen, Co-Founder & Artistic Director
Steve Underwood, Co-Founder & Production Manager
Michael Lynch, Director of Audience Services

Good Theater Concessions Menu

Good Theater at Stevens Square (aka Stevens Square Theater)
631 Stevens Avenue, Suite 104
Portland, ME 04103

Snacks

Wrapped Chocolate Chip Cookie
Wrapped Lemon Bread
Wrapped Raspberry Oat Square
Prepackaged Candy Selection
Prepackaged Chips Selection

Non-Alcoholic Beverages

Bottled Water
Sparkling Water
Select Soft Drinks

Alcoholic Beverages

Available only to guests 21 years of age or older with valid identification.

Domestic Beer (Canned or Bottled)
Craft Beer (Canned or Bottled)
Wine (by the Glass and Canned)
Sparkling Wine

Menu items and selections are subject to availability and may vary by event.

Good Theater_631 Stevens Ave_Auditorium

Rob Miller <robertjm@portlandmaine.gov> Wed, Aug 5, 2026 at 2:15 PM
To: Zachary Lenhert <zlenhert@portlandmaine.gov>
Cc: Zachary Finley <zackf@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Zoning <zoning@portlandmaine.gov>, Matthew Caton <mcaton@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, "McGary, Glen" <glen.mcgary@maine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Elisa Marr <emarr@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing <bl@portlandmaine.gov>, Christina Stacey <cstacey@portlandmaine.gov>, Kevin Schneck <kschneck@portlandmaine.gov>

Good with the PD

On Tue, Aug 4, 2026 at 3:07 PM Zachary Lenhert <zlenhert@portlandmaine.gov> wrote:
[Quoted text hidden]

portland City of

Zachary Lenhert <zlenhert@portlandmaine.gov>

Good Theater_631 Stevens Ave_Auditorium

Zoning <zoning@portlandmaine.gov> Fri, Aug 14, 2026 at 3:50 PM
To: Zoning <zoning@portlandmaine.gov>
Cc: Zachary Lenhert <zlenhert@portlandmaine.gov>, Zachary Finley <zackf@portlandmaine.gov>, Fire Prevention <fireprevention@portlandmaine.gov>, Katlyn Sawyer <ksawyer@portlandmaine.gov>, Ron Kelton <rkelton@portlandmaine.gov>, Matthew Caton <mcaton@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, "McGary, Glen" <glen.mcgary@maine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, Benjamin Pearson <bnp@portlandmaine.gov>, Elisa Marr <emarr@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Jason Grant <jgrant@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Business Licensing <bl@portlandmaine.gov>, cstacey <cstacey@portlandmaine.gov>, Rob Miller <robertjm@portlandmaine.gov>, Kevin Schneck <kschneck@portlandmaine.gov>

Good Afternoon,

The legal use of Suite 105 is auditorium.

Zoning approves.

Thank you,

Mac
--
Mac Coldwell

City of Portland
Zoning Specialist
Permitting & Inspections Department
389 Congress ST, Room #315
Email: mcoldwell@portlandmaine.gov
he/him
[Quoted text hidden]

City of Portland

Sound Mitigation Review

Date: 8/7/2026
Business Good Theater
Applicant Gusta Johnson

DESCRIPTION	yes	no
Sound system appropriate for the size venue	Yes	
Performance space located in an appropriate location	Yes	
Performance space facing in an appropriate direction to control sound	Yes	
Surrounding surfaces appropriate to control sound	Yes	
Additional sound absorbing features		
additional notes		
Approved	Yes	

DIRECT ALL INQUIRIES TO:

Kevin Schneck
(207) 756-8433
kschneck@portlandmaine.gov

Legal Advertisement

Notice of Public Hearing
City of Portland

A Public Hearing will be held on August 24, 2026 at 4:00 P.M., in City Council Chambers, 389 Congress St. for approval of Good Theater Inc, dba Good Theater. Application for Auditorium with Indoor Entertainment at 631 Stevens Avenue - Sponsored by Danielle P. West, City Manager

City of Portland | Permitting and Inspections
Zachary Lenhert, Licensing and Housing Safety Manager

August 17, 2026

Good Theater Inc
631 Stevens Ave, Suite 104
Portland, ME 04103

Re: Approval of Good Theater Inc, dba Good Theater. Application for Auditorium with Indoor Entertainment at 631 Stevens Avenue

Dear Good Theater Inc:

This letter shall serve as a reminder of the public hearing before the Portland City Council on Monday August 24, 2026 at 4:00 p.m., for the review of application for Auditorium with Indoor Entertainment at 631 Stevens Avenue. The meeting will take place in person at Portland City Hall, in City Council Chambers on the 2nd Floor of 389 Congress Street.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or at bl@portlandmaine.gov.

Sincerely,

Zachary J. Lenhert
Licensing and Housing Safety Manager

FRAUD ALERT: The City of Portland is aware of a scam involving emails that create fake invoices and request payment for applications, inspections, or permit fees. Please note that the City of Portland will never ask you to wire funds; do not follow any such instructions. If you receive an email you believe to be a scam, please contact bl@portlandmaine.gov.

State of Maine

Bureau of Alcoholic Beverages & Lottery Operations

Application Copy

File Number: 168584 Job Type: Amendment Application

AMENDMENT TYPE Transfer of Ownership	APPLICATION DATE RECEIVED 2026-08-03
EXISTING LICENSEE LEGAL NAME DC Baxter Woods II, LLC	EXISTING LICENSEE TYPE Limited Liability Company
DOING BUSINESS AS	CORPORATE NUMBER 20190657DC
INCORPORATION DATE 2018-08-02	

CORRESPONDENCE ADDRESS

631 Stevens Ave Suite 203 Portland ME 04103

MAILING ADDRESS

PHYSICAL ADDRESS

CONTACT NAME Amanda Bartlett	PREFERRED CONTACT METHOD Email
CONTACT PHONE 2073147238	ALTERNATE PHONE
FAX	EMAIL amanda@dcmaine.com

CORPORATE STRUCTURE

NAME	POSITION/TITLE	% INTEREST
Kevin Bunker	Owner	99

EXISTING PREMISES TYPE Auditorium	EXISTING PREMISES NAME Stevens Square Community Center
OPERATOR Good Theater, Inc.	
PHYSICAL ADDRESS 631 STEVENS AVE PORTLAND ME 04103-6600	
MAILING ADDRESS 631 Stevens Ave Suite 203 Portland ME 04103	
CONTACT NAME Gusta Johnson	PREFERRED CONTACT METHOD Email
CONTACT PHONE 2078350895	ALTERNATE PHONE
FAX	EMAIL gusta@goodtheater.com

LICENSEE Good Theater, Inc.	LICENSEE TYPE Non-Profit Organization
PREMISES TYPE Auditorium	PREMISES NAME Stevens Square Community Center
OPERATOR Gusta Johnson	
PHYSICAL ADDRESS 631 Stevens Ave Portland ME 04103	
MAILING ADDRESS 631 Stevens Ave Suite 104 Portland ME 04103	
CONTACT NAME Gusta Johnson	PREFERRED CONTACT METHOD Email

CONTACT PHONE

(213) 595-6517

ALTERNATE PHONE

FAX

EMAIL

gusta@goodtheater.com

QUESTIONS

On-Premises: Beer, Wine & Spirit

1. Is your business (including any DBA) registered and in good standing with the Maine Secretary of State?

   Answer "No" if you are a Sole Proprietor.

   Yes
   20030135ND

2. What is your expected start date?

   9/1/2026

3. Has/have applicant(s) formerly held a Maine liquor license?

   No

4. Does the licensee or applicant(s) have any interest in any other Maine Liquor License?

   No

5. Are all licensees/applicants residents of the State of Maine?

   Yes

6. Is the applicant/licensee an individual, partnership, or association? (Not a corporation or LLC)

   No

7. Do you have a valid and current health license issued by Maine Department of Health and Human Services OR the Department of Agriculture?

   Yes
   (document uploaded)

8. Do you have a license from the Office of the State Fire Marshal? Contact (207) 626-3870 to determine whether licensure is necessary.

   No

9. Will any law enforcement officer directly benefit financially from this license? If yes, please reach out to (207) 624-7220 to get connected with your local liquor inspector before proceeding.

   No

10 Is the licensee or applicant for a license receiving, directly or indirectly, any money, credit, thing of value, endorsement of commercial paper, guarantee of credit or financial assistance of any sort from any person or entity within or without the State, if the person or entity is engaged, directly or indirectly, in the manufacture, distribution, wholesale sale, storage or transportation of liquor.

   No

11 Is the licensee/applicant(s) directly or indirectly giving aid or assistance in the form of money, property, credit, or financial assistance of any sort, to any person or business entity holding a liquor license granted by the State of Maine?

   No

12 What is the full name and date of birth of the person managing this premises?

   Gusta Johnson
   1/29/1984

13 Has any of the listed applicants, an immediate family member of an applicant, or an employed manager been denied a liquor license or had a liquor license revoked within the last 5 years?

   No

14 Is any of the listed applicants the spouse, father, mother, child or other immediate family member of a person whose liquor license has been revoked or denied in the last 6 months?

   No

15 Has any licensee/applicant or employed manager ever been convicted of any violation of the liquor laws in Maine or any State of the United States within the last 5 years?

No

16 Has the licensee/applicant(s) or manager ever been convicted of any violation of any law, other than minor traffic violations, in Maine or any State of the United States?

No

17 Does the licensee/applicant have any arrangement such as a lease where rent is based on sales, an agreement where another party receives a portion of the revenue or profits from the business, or a right to acquire an ownership interest in the business?

No

18 At which address are your business records located?

631 Stevens Ave. Portland ME 04103

19 What will be your business hours? Please indicate each day's open and close times.

1:00p-10:30p. Atleast 4 days a week.

20 Please provide the name and distance from the premises to the nearest school, school dormitory and place of place of worship, measured from the main entrance of the premises to the main entrance of the school, school dormitory and place of worship by the ordinary course of travel.

St. Brigid School - 1401 feet
Portland Commons (dormitory) - 9504 feet
St. Joseph's Catholic Church - 814 feet

21 Do you have a food menu?

No

22 Provide a written description of each area of the premises where alcoholic beverages will be served, consumed, or stored. This is required in addition to the premises diagram.

Include all interior and exterior areas (e.g., dining rooms, bars, patios, decks, function rooms, etc.) and use names or labels that correspond to your submitted floor plan.

Service will be in the atrium via a custom bar cart.

DOCUMENTS

TYPE	FILE NAME	DESCRIPTION
Supplemental Ownership Form	102SupplementalOwnershipFormandAffidavit-2.pdf	Supplemental Ownership Form
Premises Floor Plan	101 Floor Plan pt2 (1).pdf	
Premises Floor Plan	101 Floor Plan (1).pdf	
Maine Health or Agriculture License	DCBW2 - Food License.pdf	

APPLICANT

Tim Behrent-Clark

DECLARATION

☑ I certify that I am the applicant as described in this application, or that I am duly authorized to submit this application on the applicant's behalf.

All information provided in this application is accurate and correct. I understand that false statements made on this application are punishable by law. Knowingly supplying false information on this application is a Class D Offense under Maine's Criminal Code, punishable by confinement of up to one year, or by monetary fine of up to $2,000 or by both.

STATE OF MAINE
DEPARTMENT OF ADMINISTRATIVE AND FINANCIAL SERVICES
BUREAU OF ALCOHOLIC BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT

Supplemental Ownership Form

28-A M.R.S. §651

All Questions Must Be Answered Completely.

1. Company or sole proprietor legal name:	2. Date of incorporation/registration:	3. State of incorporation:
Good Theater Inc.	2002	Maine

List the following information for officers, directors, owners equal to or over 10%, and persons with indirect financial interest in the applicant.

Name	Date of Birth	Phone or E-mail	Address	Title	Ownership Stake (%)

Affidavit

ONLY COMPLETE THIS PAGE IF THERE ARE NO OWNERS OVER 10% LISTED ON PAGE 1

The undersigned authorized representative of the applicant swears or affirms that no person that holds an ownership interest in the applicant holds an ownership interest equal to or greater than 10%.

Gusta Emily Johnson — June 19, 2026

Affiant Signature — Date

Gusta Johnson

Affiant Printed Name

State of Texas, County of HUNT

I certify that on the date set forth below, the individual named above did appear personally before me and that I did identify this applicant by: (a) comparing his/her physical appearance with the photograph on the identifying document presented by the applicant and with the photograph affixed hereto, and (b) comparing the applicant's signature made in my presence on this form with the signature on his/her identifying document.

Nadine Price — 06/19/2026

Signature of Notary Public — Date

NOTARY PUBLIC STATE OF TEXAS
Nadine Price
ID NUMBER
135534116
COMMISSION EXPIRES
September 26, 2029

Nadine Price

Printed Name of Notary Public

Electronically signed and notarized online using the Proof platform.

WARNING: The statements on this application are made under oath or affirmation. False statements can be grounds for rejection of the application or suspension or revocation of a license. False swearing is a Class D crime punishable by up to 364 days incarceration and a $2,000 fine.

CITY OF PORTLAND
IN THE CITY COUNCIL

ORDER
GRANTING MUNICIPAL OFFICERS' APPROVAL OF:

Good Theater Inc, dba Good Theater. Application for Auditorium with Indoor Entertainment at 631 Stevens Avenue

MEMORANDUM
City Council Agenda Item

FROM:

DATE: August 21, 2026

SUBJECT: Order 33-26/27 Approving Sidewalk Easements From the Portland Housing Development Corporation to The City Of Portland - Sponsored by Michael Goldman, Corporation Counsel

SPONSOR:
(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st Reading **Final Action**

Can action be taken at a later date: No

Does this item involve a new contract with the City: Yes

PRESENTATION:

I. SUMMARY

II. AGENDA DESCRIPTION

This Order would approve a public sidewalk easement granted by Portland Housing Development Corporation (PHDC) to the City and will allow a portion of the new city sidewalk to be located on PHDC property. This easement is a condition of the site plan approval for Phase I of the COMB Block development, which includes 55 units of residential rental housing. The project is supported by the City through the 70 East Oxford Street Affordable Housing Development and Tax Increment Financing District and a Jill C. Duson Housing Trust Fund loan in the amount of $650,000.

Five affirmative votes are required for passage of items on the consent calendar after public comment.

III. BACKGROUND

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

VI. STAFF ANALYSIS AND BACKGROUND

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Order - Approving Sidewalk Easements with PHDC
2. COMB Block REAL ESTATE Sidewalk Easement (PHDC to City)(1352333.1) clean for council 082126

Prepared by:
Date: 08/21/2026

CITY OF PORTLAND
IN THE CITY COUNCIL

ORDER APPROVING SIDEWALK EASEMENTS FROM THE PORTLAND HOUSING DEVELOPMENT CORPORATION TO THE CITY OF PORTLAND

ORDERED, that the Sidewalk Easements from the Portland Housing Development Corporation to the City of Portland is hereby accepted in substantially the form attached; and

BE IT FURTHER ORDERED, that the City Manager or designee is hereby authorized to execute any other documents necessary to effect the intent of this order.

SIDEWALK EASEMENTS

KNOW ALL PERSONS BY THESE PRESENTS, **PORTLAND HOUSING DEVELOPMENT CORPORATION,** a Maine nonprofit corporation with a place of business in Portland, Maine and mailing address of 970 Baxter Boulevard, Portland, Maine 04103 (the "Grantor"), FOR CONSIDERATION PAID, hereby GRANTS to the **CITY OF PORTLAND,** a Maine body corporate and politic, with a mailing address of City Hall, 389 Congress Street, Portland, Maine 04101 (the "Grantee" or the "City"), multiple easements for the purpose described below, over portions of Grantor's land at or near 25 Boyd Street in Portland, Maine, more particularly described in **Exhibit A** attached hereto and as depicted in the drawings attached hereto as **Exhibit B** and made a part hereof (described and depicted on Exhibit A and Exhibit B hereto as "Public Access Easement 1" and "Public Access Easement 2", and referred to collectively, the "Easement Areas"). The Easement Areas constitute portions of the land described in a deed to Grantor of near or even date herewith from Portland Housing Authority and to be recorded at the Cumberland County Registry of Deeds.

The purpose of the easements granted herein is to grant perpetual public pedestrian access in, on, under, and over the Easement Areas, which shall function as ADA compliant sidewalks for pedestrian, bicycle and similar non-motorized pedestrian uses of the sidewalks located partially within the Easement Areas and partially within the City's public right of way, subject, however, to such rules or ordinances that Grantee may adopt from time to time in the interests of public safety. Notwithstanding the foregoing, wheelchair and emergency vehicles as well as snow removal equipment shall be permitted in accordance with applicable federal and/or state laws regulating accessibility for such devices, vehicles or equipment. It shall be the responsibility of the Grantor to remove snow and ice from said sidewalk and to otherwise comply with all laws, rules, regulations, and ordinances governing the removal of snow and ice. Notwithstanding the foregoing, City shall have the right but not the obligation to install, repair, replace, or maintain the sidewalk in the Easement Areas when City, in its sole discretion, deems such repairs or maintenance necessary to ensure public safety as well as the public's use and enjoyment of the Easement Areas. Except as expressly set forth herein or as provided in applicable laws, ordinances, rules, or regulations, Grantor assumes no obligation to maintain or repair the City's public sidewalk within the Easement Areas.

The Easement Areas shall, as provided and permitted herein, be maintained as a sidewalk for the uses set forth and described herein and Grantor shall not use or permit any use, condition or state of disrepair that would be contrary to or otherwise inhibit such uses except on a temporary basis in furtherance of the construction or maintenance of the Grantor's property and any buildings or appurtenances now or hereafter located thereon.

The Grantor covenants that it is vested of the premises in fee, and has the right to convey the same in fee simple. The covenants agreed to and the terms, conditions, and restrictions imposed herein shall be binding upon the Grantor, its agents, tenants, successors and assigns and shall continue in perpetuity as a servitude running with the land.

This easement is given for pedestrian recreational use and the Grantor and City claim the rights and protections against liability in accordance with Title 14 MRS §159-A and Title 14 MRS chapter 741 to the maximum extent permitted by law.

TO HAVE AND TO HOLD the aforegranted and bargained public access easements, with all privileges and appurtenances thereof, to the Grantee, its successors and assigns, to its and their use and behoof, forever.

IN WITNESS WHEREOF, Grantor has cause this instrument to be executed Leah Bruns, its President, thereunto duly authorized, this ______ day of August, 2026.

WITNESS:

PORTLAND HOUSING DEVELOPMENT CORPORATION

____

____
Print Name: Leah Bruns
Its: President

STATE OF MAINE CUMBERLAND, ss.

Personally appeared the above named Leah Bruns, President of Portland Housing Development Corporation, as aforesaid and acknowledged the foregoing instrument to be their free act and deed in said capacity and the free act and deed of said Portland Housing Development Corporation.

Before me,

____
Attorney-at-Law/Notary Public
Printed Name: _____________
Commission expires: ___________

EXHIBIT A

LEGAL DESCRIPTION OF EASEMENT AREAS

Public Access Easement 1
A certain lot or parcel of land situated on the northeasterly side of Boyd Street in the City of Portland, County of Cumberland and State of Maine, described as follows:

Beginning at a point on the northeasterly sideline of Boyd Street, said point being 20.63 feet on a course of S42°25’47”E from the intersection of the northeasterly sideline of Boyd Street with the southerly sideline of Oxford Street;

Thence, the following courses and distances through the land of the grantor:

S47°38'06"E a distance of 23.85 feet;

S42°22'24"E a distance of 90.62 feet;

S47°34'24"W a distance of 2.08 feet to the northeasterly sideline of said Boyd Street;

Thence, N42°25'47"W along the northeasterly sideline of said Boyd Street 114.37 feet to the point of beginning, containing 218 square feet, more or less.

Public Access Easement 2
A certain lot or parcel of land situated on the southerly side of Oxford street and the northeasterly side of Boyd Street in the City of Portland, County of Cumberland and State of Maine, described as follows:

Beginning at a point at the intersection of the northeasterly sideline of Boyd Street with the southerly sideline of Oxford Street;

Thence, N48°37'04"E along the southerly sideline of Oxford Street 98.31 feet;

Thence, the following courses and distances through the land of the grantor:

S42°34'13"E a distance of 0.84 feet;

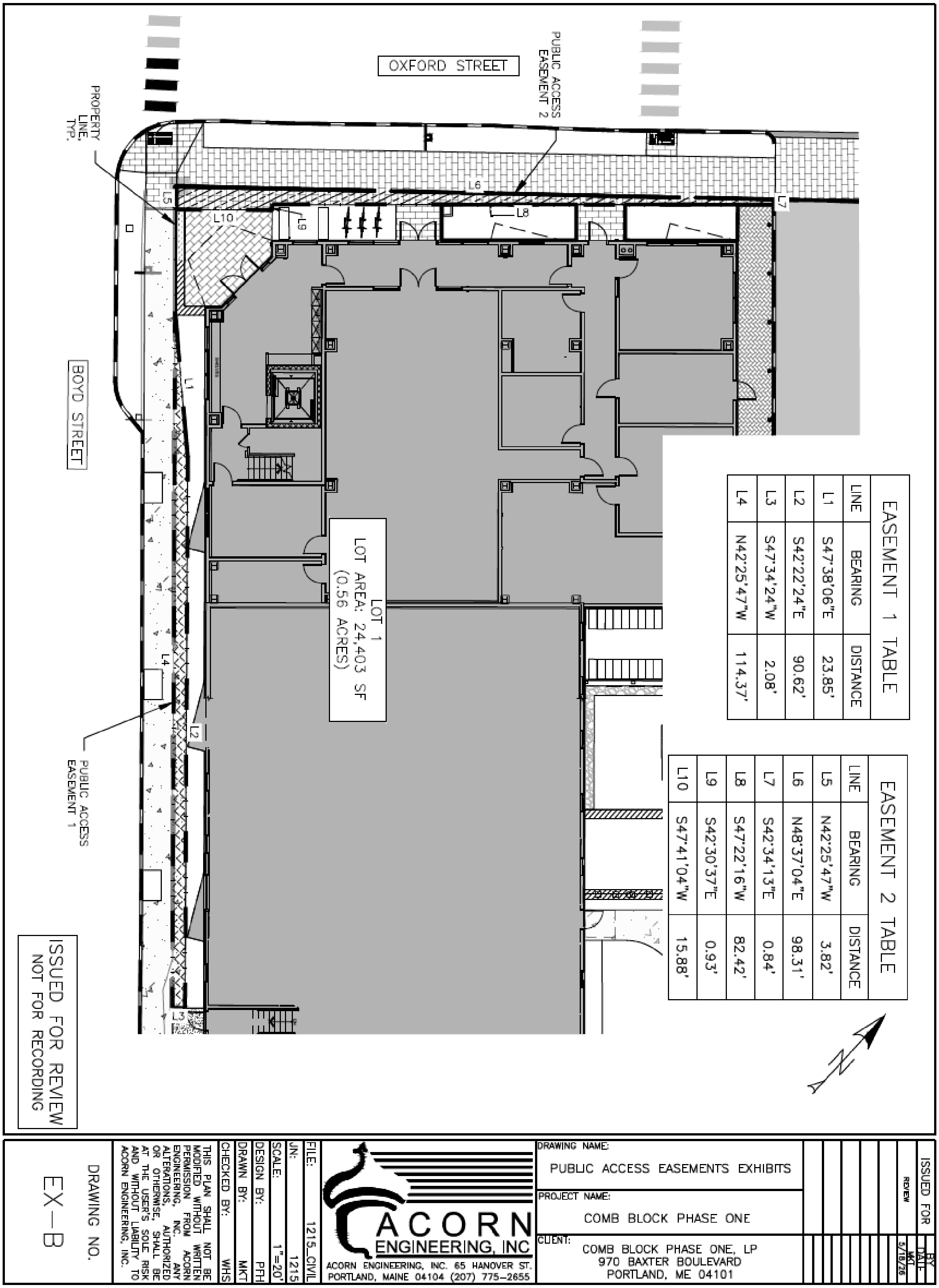
S47°22'16"W a distance of 82.42 feet;

S42°30'37"E a distance of 0.93 feet;

S47°41'04"W a distance of 15.88 feet to the northeasterly sideline of Boyd Street;

Thence, N42°25'47"W along the northeasterly sideline of said Boyd Street 3.82 feet to the point of beginning, containing 202 square feet, more or less.

EXHIBIT B
DEPICTION OF EASEMENT AREAS



City of Portland, Maine

Social Housing Task Force

Final Report and Recommendations

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1. Executive Summary

The Portland Social Housing Task Force was established by the City Council to study and propose a framework for government-led housing production that advances permanent affordability and mixed-income housing, with particular attention to workforce housing.

After a year of research and discussion, the Task Force recommends that Portland establish an ongoing Social Housing Program, create a dedicated Social Housing Revolving Fund, and begin implementation through two initial pilot models.

The Social Housing Program should be guided by the following commitments:

- Meaningful public ownership and accountable public governance
- Permanent affordability
- Mixed-income rental housing, initially targeting households above 60% and up to approximately 100% of area median income, while preserving flexibility to include other income levels when needed to respond to changing housing needs or make a project financially feasible
- Housing production that is additive to existing public and private efforts
- Professional development and property-management capacity through qualified partners
- Financial and operational sustainability
- Public accountability
- Retention and reinvestment of public value for future social housing

The Task Force further recommends that the City begin implementation through two pilot models:

1. City-owned, mixed-income development of approximately 40 units at 0 Cornell Street; and

2. City-financed and City-owned additive rental units within an appropriate Portland Housing Authority (PHA) or Portland Housing Development Corporation (PHDC)

development or redevelopment, using 879 Congress Street as an immediate case study and possible project if its timeline permits.

The Task Force selected these pilot models because they represent two practical and complementary ways to begin producing permanently affordable City-owned rental housing. Cornell Street tests direct development on City-owned land, while the PHA/PHDC model tests how City financing and ownership can be incorporated into a larger PHA development or redevelopment. Together, the pilots would allow Portland to develop and test legal, financial, development, ownership, and management structures that can be used for future projects.

Before either pilot proceeds, the Council should first establish the Social Housing Program, an appropriate governance structure for the program, and a Social Housing Revolving Fund; adopt the program's core ownership and affordability principles; and authorize a pilot project implementation phase. The City Manager would then carry out the Council's policy direction by assigning appropriate staff, identifying any additional professional capacity needed, and drawing on development partners and contracted expertise as appropriate. Financing decisions, legal structures, and development recommendations would return to the Council for approval as required.

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2. Statement of Need

Housing is basic infrastructure for a functioning city. People need homes in order to work, raise families, attend school, care for others, participate in community life, and remain in Portland as their circumstances change. Employers, schools, hospitals, small businesses, and public institutions all depend on a workforce that can live within reach of them. A city that cannot house the people who make it function cannot sustain its economy or its community.

Portland also has to build housing simply to keep up. Homes are lost over time as buildings age, units are converted to other uses, and the needs of households change. New housing is needed both to replace what is lost and to meet current and future demand.

Portland is already starting from a substantial housing deficit. The 2023 *State of Maine Housing Production Needs Study* estimated that Maine had underproduced approximately 38,500 homes and would need another 37,900 to 45,800 homes between 2021 and 2030. In the Coastal region, which includes Portland, the combined historic shortfall and future need was estimated at approximately 45,400 to 49,200 homes.

The scale of that need is why it is no exaggeration to say we are in a housing "crisis." The State estimated that annual housing production in the Coastal region would have to increase from a recent average of about 3,400 homes to approximately 5,100 to 5,500 homes per year. Based on Portland's historic share of regional housing production, that translates to roughly **700 to 750 new homes per year in Portland**. This is not a State-imposed municipal target, but it provides a useful measure of the scale of production Portland would need to sustain if it is to carry a meaningful share of the region's housing need.

There are good reasons for a substantial share of that housing to be built in Portland. Portland is Maine's largest city and a major center of employment, education, health care, services, and economic activity. Generations of taxpayers have already invested in the infrastructure needed to support a dense community, including streets, sewer and water systems, schools, public safety, transit, and other public services. Building housing where that infrastructure already exists makes better use of those investments. When housing is not built in Portland, demand does not disappear. Instead, people are pushed farther from jobs and services, increasing commuting, development pressure, and regional sprawl.

Portland is producing housing, but not yet at the scale suggested by the regional need. In 2025, Portland permitted 548 new housing units, more than any other municipality in Maine. That is meaningful production, but it remains below the roughly 700 to 750 homes per year suggested by Portland's historic share of the regional production need, and permits do not necessarily result in completed housing.

The number of homes is only part of the problem. The kind of housing we are able to produce matters just as much.

Portland's existing housing system is not consistently producing homes that many working- and middle-income households can afford. At today's construction and financing costs, the rents many of these households can reasonably pay are often not enough to cover the full cost of building new housing.

This housing is not missing because developers have overlooked a market opportunity. Under current conditions, middle income housing does not make financial sense for the private market to build. So it doesn't. That is the "missing-middle" housing problem.

Government has long stepped in when the housing market cannot meet an essential public need. Public housing, rental assistance, tax credits, and other affordable-housing programs were developed because the private market could not provide enough housing affordable to lower-income households. Portland now faces a similar production challenge for middle-income households, particularly those above the income levels most commonly served by existing subsidized programs but who still cannot afford much of the new housing being produced. These are our teachers, nurses, police officers, firefighters, municipal employees, service workers, tradespeople, and other working households who keep the city functioning. If the market cannot produce housing they can afford, government must be willing to help produce it.

That is the gap the Social Housing Program is intended to address. Public financing and public ownership give Portland another way to produce needed housing.

Social housing does not replace private development, nonprofit affordable housing, or existing public housing programs. It adds a public program to build the housing those systems are not consistently producing.

3. Portland Is Not Using Its Strongest Housing Production Tool

Portland has an important advantage that individual households, developers, and nonprofit organizations do not: the City can pool public resources and borrow against its broad tax base and credit. This allows Portland to raise capital at a scale and cost that individual housing projects generally cannot access. One of the City's strongest available housing-production tools is therefore its ability to issue municipal bonds.

The cost of borrowing matters enormously in housing development. Even a modest reduction in interest costs can affect whether a project is feasible, how many units it can support, and how affordable those units can be. Public land and regulatory changes can reduce development costs, but neither addresses the cost of capital as directly as municipal financing.

The City's ability to access the lowest-cost forms of municipal borrowing is also connected to public ownership. By using low-cost municipal financing to create housing that the City owns, Portland can reduce development costs while retaining the asset and the long-term value created by its investment. As the debt is repaid, the public asset remains, and resources previously needed for debt service may eventually support deeper affordability, capital needs, or additional housing production.

Portland already supports low-income housing through loans, grants, tax benefits, land contributions, and land-use incentives. These programs produce and preserve important housing, often with long-term affordability protections, and they should continue. In most cases, however, the resulting property is owned by another entity. The City secures affordability but does not retain the building, its equity, or the long-term financial value created through the public investment.

Social housing adds a different tool. It allows Portland to use its financial strength not only to support housing produced by others, but to create permanently affordable public assets of its own. It complements private development, nonprofit low-income housing, federal voucher programs, and other existing programs rather than replacing them.

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4. Charge and Work of the Task Force

The City Council established the Social Housing Task Force in March 2025 to develop a strategic framework for government-led social housing.

The Council directed the Task Force to consider, among other matters:

- where municipal intervention could increase housing supply and affordability
- the risks and potential returns of public investment
- the issuance of bonds for housing
- coordination of existing housing funding sources
- gaps affecting workforce and middle-income households
- partnerships with the Portland Housing Authority and other public entities
- City-owned land and strategic acquisition
- Portland’s legal and institutional capacity
- long-term ownership and affordability
- lifecycle management
- mixed-income development models
- sustainable public funding streams
- environmental sustainability and inclusivity

The Task Force conducted its work through public meetings, educational sessions, financial modeling, comparative research, and a review of City-owned land and potential development opportunities.

It consulted with housing developers and practitioners, the Portland Housing Authority, MaineHousing, the Greater Portland Council of Governments, and professionals with expertise in municipal finance, housing policy, development, and property management.

Task Force members also sought informal feedback from community organizations, labor groups, and housing advocates whose members are directly affected by Portland’s housing costs.

The Task Force received direct guidance from the City’s Finance Director, Corporation Counsel, and outside bond counsel on municipal borrowing, ownership structures, legal authority, and the practical requirements of implementing a City-owned housing program.

The Task Force reviewed a range of United States based public housing-production and ownership models to understand how other jurisdictions are using public financing, public land, housing-authority capacity, revolving funds, and development partnerships to produce permanently affordable, mixed-income housing.

The programs reviewed by the Task Force show that social housing is not a single prescribed structure. U.S. jurisdictions are experimenting with several approaches:

- revolving construction funds supporting mixed-income development;
- public housing authority redevelopment and expansion;
- fully affordable portfolios supported by bonds and dedicated revenues;
- new public development authorities; and
- public financing combined with nonprofit or private development capacity.

The Task Force's interim report presented to the Housing and Economic Development Committee in May 2026, reached several preliminary conclusions:

- construction and financing costs are the principal constraints on new housing production
- free or discounted land alone is generally insufficient to make a project financially feasible
- financing is one of the City's most powerful available tools
- existing housing production leaves significant gaps for middle-income and workforce households
- mixed-income development offers social and financial benefits
- public investment should be structured to preserve long-term public value.

The Task Force's subsequent work focused on turning those findings into a practical program. It examined development and acquisition opportunities presented by City-owned land and stalled private development projects, bond structures, municipal ownership requirements, City capacity, untapped partnership possibilities between the City and PHA/PHDC, the use of municipal bond financing, revolving capital, and two initial pilot models.

That work has produced a clear recommendation.

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5. Definition of Portland Social Housing

For purposes of this report, the Task Force defines Portland social housing as:

Permanently affordable, mixed-income rental housing owned by the City of Portland.

The definition is intentionally simple. It distinguishes the proposed program from traditional federally supported public housing and from affordable housing that receives public subsidy but remains privately or nonprofit owned. City ownership allows Portland to retain the asset and its equity, maintain affordability over the life of the property, and use municipal financing tools that can reduce the cost of producing housing.

The details of how Portland social housing would operate, including income mix, financing, development partnerships, property management, reinvestment, and relationship to existing housing programs, are set out in the following section.

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6. The Recommended Portland Social Housing Program

The Task Force recommends that the Council establish the City of Portland Social Housing Program with the following core program principles.

6.1 Public Ownership

Housing developed through the Social Housing Program will maintain meaningful public ownership.

Depending on the project, financing structure, and development partnership, the City may hold:

- full ownership of an entire development;
- legal ownership of a defined portion of a larger coordinated development; or
- a controlling or majority ownership interest through another appropriate ownership structure.

The specific ownership structure may vary from project to project, but it must preserve the City's ability to protect permanent affordability, ensure the property continues to serve the purposes of the Social Housing Program, and retain the public value created through City investment.

6.2 Income Mix

The Social Housing Program is intended to address a persistent gap in Portland's housing production: housing for workforce and middle-income households who are not consistently served by existing subsidized housing programs and for whom much new market-rate housing is unaffordable.

The Task Force recommends particular attention to households earning above 60% and up to approximately 100% of area median income, while preserving flexibility to serve other income levels. Individual projects may include a broader mix of incomes and rents where doing so supports affordability, financial stability, or other program objectives.

The precise income and rent mix should be determined project by project based on demonstrated housing need, development and operating costs, available financing and subsidies, and the long-term sustainability of the housing. The program's governance structure should periodically review these priorities as Portland's housing needs, costs, and market conditions change.

6.3 The City will use public financing to create housing

The Social Housing Program should use the lowest-cost lawful financing available, including municipal bonds and other public resources, consistent with the program's ownership structure, affordability goals, and development arrangements. Individual projects may draw on those resources as appropriate.

6.4 The City will contract for professional development

The City does not need to perform every development function internally in order to establish social housing. It can define the public purpose, provide financing, retain an appropriate ownership interest, and work with experienced development partners to carry projects forward.

Portland Housing Authority (PHA) and Portland Housing Development Corporation (PHDC) already have substantial experience developing and managing affordable housing and have indicated a willingness to explore a renewed partnership with the City, including the development of publicly owned housing.

Depending on the project, the City may also work with other qualified nonprofit or private developers and retain specialized professional services for design, construction, environmental review, financial analysis, compliance, and other project needs.

The appropriate development structure and division of responsibilities should be determined on a project-by-project basis during the development phase.

6.5 The City will contract for professional property management

The City does not need to create its own property-management operation in order to develop and own social housing.

Management may be provided by PHA, a nonprofit or private property-management organization, a development partner, or another qualified entity under an agreement that protects the program's affordability, public-purpose, and long-term stewardship requirements.

The appropriate management structure should be determined for each project during the development phase.

6.6 Projects will be permanently affordable

Because the City retains ownership of the housing, affordability does not depend solely on a time-limited covenant or subsidy agreement. The City can establish rents and income policies according to the program's affordability goals and operating needs, and adjust them over time as housing needs and financial conditions change while preserving the property's affordable, mixed-income purpose.

6.7 The program will be additive

Existing City housing resources are valuable, but they are not sufficient to meet Portland's housing need at the scale required. Social housing should therefore expand the City's overall capacity to produce and preserve housing, rather than simply shift limited resources from one program to another.

A social housing project should create additional units, make fuller use of a development opportunity, serve income levels that are not being adequately reached, preserve housing at risk, or provide another measurable public benefit that would not otherwise occur. The program should also avoid competing unnecessarily for scarce resources already supporting affordable housing. Where social housing is incorporated into a larger affordable-housing development, City financing should add housing, broaden the income mix, or create another benefit beyond what the existing financing could achieve on its own.

Social housing would operate alongside inclusionary zoning, LIHTC, PHA/PHDC development, private and nonprofit housing production, and other existing City housing programs. As the City evaluates these tools, it should consider which income levels are being served, how much housing is being produced, whether development remains feasible, and what long-term public value is retained. The creation of a social housing program should inform those evaluations, but should not by itself predetermine changes to inclusionary zoning or any other housing program.

6.8 The program will retain and reinvest financial value

The financial value created through public investment should remain dedicated to social housing purposes.

Each project should be structured to meet realistic operating, maintenance, reserve, and long-term capital needs. Project revenues may also support debt service where appropriate, but individual projects should not be required to repay their full development cost through rents alone.

Portland already uses debt and tax revenue to build and maintain long-lived public assets that do not independently repay their construction costs. Social housing should likewise be evaluated both for its financial performance and for the lasting affordability and public value it creates.

The Task Force recommends that the Council establish a dedicated Social Housing Revolving Fund as part of the program. After project obligations are met, available revenues, repayments, refinancing proceeds, and other financial returns should be retained and reinvested in the preservation, development, and expansion of social housing.

The Council should also establish a path for capitalizing the Fund. Capitalization may occur through an initial pilot or another appropriate financing opportunity. If it has not occurred earlier, the Council should address capitalization as part of the next annual capital-budget process. The program's governance entity should recommend the appropriate amount and approach to capitalization based on anticipated housing needs and development opportunities, with financial and legal guidance from City staff, Corporation Counsel, and bond counsel. Any capitalization requiring an appropriation, borrowing authorization, or other Council action would return to the Council for approval.

Appropriate sources of initial and future capitalization may include Council appropriations, grants, project revenues, repayments, bond proceeds where legally permissible, or other lawful sources, and should be determined as the program and individual projects are developed.

6.9 Projects will advance sustainability and accessibility

The program should carry forward the original resolution's commitments to environmental sustainability and inclusivity. Projects should be designed for long-term energy efficiency, climate resilience, accessibility, and reasonable utility costs, while also considering access to transit, services, walking and bicycling connections, healthy materials, and family-sized units where appropriate.

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7. The City's Role

Establishing a Social Housing Program does not require the City of Portland to create its own housing-development or property-management operation. The City's role is to establish the public purpose, commit public resources, retain ownership of the housing, and ensure that the program remains accountable to that purpose over time.

The Task Force does not recommend creating a new City department at this time. Public ownership does, however, create responsibilities that the City must be prepared to carry.

The Task Force recommends that the Council consider establishing a housing development corporation or similar Council-created entity with an appointed board to provide ongoing governance and oversight of the Social Housing Program. Such a body could bring together expertise in housing, development, finance, public policy, and community needs; review potential investments and program performance; and periodically recommend priorities based on changes in Portland's housing market. This governance structure would help protect the program's public purpose over time without requiring the City Council itself to perform ongoing technical portfolio management.

The program will also require sufficient professional capacity to evaluate projects, oversee financing and ownership interests, administer agreements, monitor financial and operating performance, plan for long-term capital needs, and protect the public assets created through the program. The City Manager should identify the appropriate combination of City staff and contracted expertise needed to perform those functions and bring any additional resource needs to the Council through the budget process.

Development, construction, property management, and other specialized functions can be performed by experienced public, nonprofit, or private partners under agreements with the City. Portland Housing Authority and Portland Housing Development Corporation are important potential partners, but the program should be able to work with other qualified organizations where appropriate.

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8. Municipal Bonding and Public Investment

Municipal bonding allows the City to raise substantial capital at relatively low cost and repay it over the useful life of a long-lived public asset. Bonding is a central financing tool for the proposed Social Housing Program because it is one of the most direct ways the City can respond to the housing crisis at a scale proportionate to the need.

Portland's strong bond rating enables the City to borrow at lower interest rates than many individual housing projects could obtain on their own. Lower-cost borrowing matters because housing projects operate within narrow financial margins. Reducing the cost of capital can increase the amount of housing a project can support, reduce the revenue required from rents, or improve affordability.

Reliable public financing can also provide greater certainty during project development by reducing exposure to changing credit conditions and helping projects assemble the financing needed to move toward construction.

Portland would not be alone in using public borrowing to support housing production. Other jurisdictions have used municipal bonds and other public capital to lower financing costs, expand housing production, and establish revolving sources of housing investment.

Other social housing programs reviewed by the Task Force are summarized in **Appendix J.**

8.1 Recommended financing

The Task Force reviewed several forms of borrowing, including general obligation bonds, revenue bonds, taxable bonds, and tax-exempt bonds.

For the initial Cornell Street and PHA additive-units pilots, the Task Force recommends tax-exempt general obligation bonds. Under current market and legal conditions, this structure provides the lowest-cost municipal capital available for the proposed publicly owned housing.

Tax-exempt general obligation bonds are well suited to the pilots because the housing would be publicly owned, the debt would be backed by the City's overall credit, and tax-exempt borrowing generally carries lower interest rates than taxable or project-based financing. Lower borrowing costs can reduce the amount of revenue needed to support debt service, helping projects support lower rents, greater affordability, or more housing with the same public investment. General obligation bonding is also a familiar financing tool the City already uses for long-lived capital investments.

This recommendation is not intended to establish tax-exempt general obligation bonding as the required financing structure for every future social housing project. Interest rates, market conditions, federal tax law, project ownership structures, and other financing opportunities may change. Future projects should use the lowest-cost lawful financing available that is consistent with the program's public-ownership and affordability objectives.

Final bond documents and compliance with federal tax requirements will require review by Finance staff, Corporation Counsel, and bond counsel.

A more detailed comparison of the financing options reviewed by the Task Force is included in ***Appendix E.***

8.2 How the bonds would be repaid

Rental income should first support the ongoing costs of the housing, including operations, maintenance, property management, and reserves. Rents may also offset a portion of debt service depending on the project's finances and affordability goals. Tax-exempt general obligation bonds, however, are backed by the City's overall revenues and taxing authority. The Council may determine how much of the debt service should be supported by project revenue and how much by general City revenues, consistent with how Portland finances other long-lived public assets. A social housing project therefore does not need to repay its full construction cost through rent in order to be financially responsible.

8.3 Council approval and voter ratification

The Task Force's bond analysis identifies a current Council-authorized general obligation bonding threshold of approximately $10.14 million, based on 0.05% of the City's state valuation. Borrowing above that threshold requires voter approval. Because the threshold changes with state valuation, the applicable amount should be confirmed when a financing proposal is prepared.

8.4 Revolving capital and program capitalization

Retention and reinvestment of financial value is a core feature of the proposed Social Housing Program. The Task Force recommends establishing a dedicated Social Housing Revolving Fund so that resources committed to social housing, together with available project revenues, repayments, refinancing proceeds, and other returns, can remain available for future housing production.

How the Fund is capitalized will affect the scale, pace, and durability of the program. One approach is to finance projects individually as they become ready. This can limit each initial commitment and, depending on the amount, may allow financing within the Council's existing authority. It also requires the City to assemble financing and obtain approval repeatedly, leaving individual projects more exposed to changing budget priorities, political conditions, and project-specific opposition.

A second approach is to provide meaningful capital to the Fund at the outset, potentially through a larger general obligation bond. Upfront capitalization could provide a dependable source of capital for multiple projects, support a longer-term development pipeline, and allow the City to act when suitable sites or partnership opportunities arise without assembling a new financing package for each project. Depending on the amount, this approach may require voter approval, creating a larger initial decision about the City's commitment to social housing.

The two approaches are not mutually exclusive. Portland could finance initial projects individually while building the Fund over time, seek substantial initial capitalization, or combine the two. The central tradeoff is between making smaller financing decisions project by project and making a larger upfront commitment that gives the program greater financial continuity and capacity to operate across multiple projects.

The Council should consider initial capitalization of the Social Housing Revolving Fund no later than its next annual capital-budget process. An earlier opportunity may arise through financing of an initial project, but establishment of the Fund need not depend on the feasibility or timing of any single pilot.

The amount and financing mechanism should be informed by further analysis of the program's anticipated project pipeline and by guidance from Finance staff and bond counsel regarding the permissible uses and restrictions associated with different forms of municipal borrowing.

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9. Pilot Models and the Role of the Portland Housing Authority/Portland Housing Development Corporation

One of the most important outcomes of the Task Force's work has been a renewed understanding of how closely the City and the Portland Housing Authority can work together through a social housing program.

PHA was established as Portland's public housing authority decades ago and has extensive experience developing, financing, managing, and maintaining housing. Over time, declining federal resources and the increasing centralization of affordable-housing financing at the state level have changed how local housing authorities produce housing. MaineHousing now plays a major role in allocating scarce state and federal financing resources, including tax-exempt bond capacity, while local housing authorities increasingly assemble projects within those funding constraints.

The City, meanwhile, has financial tools of its own, including strong municipal bonding capacity, that can operate differently from those traditional housing-finance programs. The current housing crisis creates an opportunity for the City and PHA to bring those capacities together in a new way.

Working together, the City and PHA can combine the City's ability to issue low-cost bonds and retain public ownership with PHA's development and property-management expertise, publicly controlled land, and the housing programs and financing already available to PHA.

The Task Force recommends beginning with two pilot models that explore how this partnership can work in practice and help establish repeatable structures for future projects.

9.1 Pilot One: City-Owned Housing at 0 Cornell Street

The 0 Cornell Street pilot would test the most direct model of municipal social housing: the City would own the land, finance the development, and own the completed housing. PHA, PHDC, or another qualified entity could serve as developer and property manager.

The preliminary concept envisions approximately 40 mixed-income rental units, with an initial emphasis on households earning roughly 80% to 100% of area median income while preserving flexibility to respond to housing needs, available financing, and project feasibility.

Cornell Street was selected after review of a broader group of City-owned sites because it offers public ownership, a manageable initial scale, a relatively straightforward ownership structure, flexibility in unit and income mix, and the possibility of family-sized housing. The broader site review is summarized in Appendix H.

Cornell Street also makes the concept of direct municipal ownership tangible: the City already owns the land, and housing can readily be imagined there. At the same time, the Task Force's recommendation should be understood as a direction to advance Cornell through site feasibility and predevelopment analysis, not as a conclusion that the property is already proven feasible.

Environmental and other site conditions remain significant unknowns. If further investigation determines that Cornell Street is impractical or financially unreasonable to develop, the City should apply the same City-owned social-housing model to another suitable publicly controlled site.

Appendix F presents the preliminary Cornell Street pilot concept, including the site analysis, development assumptions, financial model, and issues requiring further predevelopment work.

9.2 Pilot Two: City-Owned Additive Units in a PHA Development

The second pilot would test a partnership model in which the City uses its bonding capacity to add units to a PHA development or redevelopment.

PHA often controls land where zoning allows substantially more housing than it can finance through LIHTC, HUD programs, and other available funding sources. Those programs are essential for producing housing for lower-income households, but they can limit both the number of units PHA can build and the income levels it can serve.

Under this model, PHA would finance and own the portion of a development supported by its existing programs. The City would finance and own an additional portion serving households earning above 60% and up to approximately 100% of area median income.

This approach could make fuller use of publicly controlled land, broaden the income mix within a single development, and create more economically integrated communities. It also allows City financing to add housing without drawing additional scarce LIHTC resources away from other projects. By combining different public financing tools within one coordinated development, the City and PHA can produce more housing and make more efficient use of public investment.

PHA's proposed 879 Congress Street development provides a useful example of this model. Its location on a major transit corridor adjacent to Maine Medical Center illustrates the kind of setting where a broader mixed-income housing model may be especially valuable. However, the project has already advanced through Planning Board review, which may make it difficult to add a City-financed component without causing delay. If City-owned units can still practicably be incorporated there, 879 Congress Street could become the first pilot. If not, the same model should be applied to the next appropriate PHA development or redevelopment with remaining housing potential.

Appendix G provides additional detail on the PHA additive-units pilot, including the 879 Congress Street case study and the preliminary financial analysis reviewed by the Task Force.

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10. Comparison of the Two Pilot Models

	Cornell Street	**PHA additive-units model**
City ownership	City owns the land and all housing	City owns only the additive units it finances
Development setting	Standalone City-owned development city-owned land	City-owned units within a coordinated PHDC development
Development and management	Contracted by the City; PHA or PHDC could serve	Coordinated with PHDC
Initial income focus	61%–100% AMI, with flexibility for feasibility	61%–100% AMI units that broaden the income mix of a PHA project
Approximate scale	Approximately 40 units	Number of additive City-owned units to be determined
Principal advantage	Simple, direct demonstration of City ownership	Adds density and mix of income while leveraging PHA's development expertise
Principal work remaining	Environmental feasibility, remediation, and total cost	Selecting the project and completing land, ownership, and shared-development agreements
Replicability	Other City-owned sites and acquisitions	Future PHA/PHDC developments and redevelopments

The pilots test two complementary structures. The Task Force recommends advancing both.

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11. Moving from Study to Project Development

The Social Housing Task Force was created to study social housing and recommend a framework for Portland. It has completed that work by defining the proposed program, identifying its core financing and ownership structure, and developing two initial pilot models.

The next step is implementation. The specialized environmental, legal, financial, design, development, and management work needed to turn those models into buildable projects is beyond the role of a temporary policy task force.

Then next phase should advance the initial pilots while establishing the durable capacity needed for the Social Housing Program to continue beyond any one project. The specific actions recommended to the Council are set out in the following section.

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12. Recommended Council Action

The Task Force recommends that Portland establish the City of Portland Social Housing Program as an ongoing municipal housing program to develop, own, preserve, and expand social housing over time. The two initial pilot models are intended to begin implementation, not define the full extent of the program.

The Council should begin by accepting this Final Report, endorsing the Social Housing Program and its core principles, and adopting a resolution initiating implementation.

A draft resolution is included as **Appendix I.**

Subsequent Council actions should include:

- adopting an ordinance establishing the Social Housing Program, its governance structure, and Social Housing Revolving Fund;
- authorizing municipal borrowing and any required appropriations;
- authorizing an implementation phase to advance the initial pilot models;
- considering initial capitalization of the Revolving Fund as part of its next capital-budget process; and
- acting on additional development, partnership, financing, or other authorizations as they are brought forward.

A draft ordinance establishing the program, governance structure, and Revolving Fund is included as **Appendix K.**

The City Manager should be responsible for carrying out the Council's direction, assigning appropriate staff and administrative responsibility, identifying any additional capacity needed, and drawing on development partners and contracted expertise as appropriate.

The Council should require a report back within a defined period on implementation progress and any further actions needed to advance the program.

Once established, the Social Housing Program should continue beyond the initial pilots, with the Revolving Fund retaining and reinvesting public financial value to support future social housing.

13. Conclusion

Portland will not solve its housing shortage with any single program, project, or financing source. Social housing adds a new tool: the ability to use the City's financial strength to create permanently affordable housing, retain public ownership and value, and reinvest that value over time. Let's make it happen.

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14. Appendices

Appendix A: Council Resolve Establishing the Social Housing Task Force

Appendix B: Task Force Membership and Record of Meetings

Appendix C: Social Housing Frequently Asked Questions

Appendix D: Social Housing Task Force Interim Report

Appendix E: Municipal Bonding Options and Updated Bond Comparison Matrix

Appendix F: Pilot: 0 Cornell Street Concept

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Appendix H: Development Opportunities Reviewed: City-Owned Land and Approved Projects Not Advanced to Construction

Appendix I: Draft Council Resolution Accepting Report & Advancing Recommendations

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Appendix K: Draft Ordinance Establishing Social Housing Program

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Appendix A: Council Resolve Establishing the Social Housing Task Force

Resolve 7-24/25 Passage: 7-0, as amended on 3/17/2025 (Councilor Sykes & Mayor Dion Absent)

Effective 3/27/2025

The following amendments were voted on:
Motion to amend, amendment titled “Pelletier #1”, Passed 7-0 on 3/217/25

Motion to amend from the floor by Councilor Fournier, Amendment: Adding to the first Be it further resolved section, which has the makeup of the task force to amend: "At least 2 members of the community with lived experience navigating the challenging housing environment from underserved populations", Passed 7-0 on 3/17/25

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

CITY OF PORTLAND
IN THE CITY COUNCIL

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

RESOLUTION CALLING FOR THE ESTABLISHMENT OF A TASK FORCE ON SOCIAL HOUSING

WHEREAS, the City of Portland is Maine’s largest city, with a population of just over 68,000, and saw a population increase of nearly three percent in the last decade, while surrounding municipalities have experienced increased growth as well; and

WHEREAS, the development of housing has not kept pace with this increase in population and the corresponding demand, resulting in rising housing costs, suburban sprawl, and increasing pressure around housing production; and

WHEREAS, the City of Portland is experiencing a critical housing shortage, with increasing demand and affordability challenges affecting residents across all income levels; and

WHEREAS, as set forth in its goals for 2025, the City Council is committed to finding solutions to the City’s housing crisis, including the development of more middle-income housing; and

WHEREAS, according to a study done by the Furman Center at New York University, a steady decline of federal support for public housing has led to a country-wide developing interest in “social housing,” where public entities take an active role in development and ownership of housing; and

WHEREAS, the Furman Center study has also demonstrated that other municipalities across the country have successfully implemented publicly owned and mixed-income social housing models, illustrating the viability of such initiatives; and

WHEREAS, the City Council desires to explore the possibility of developing a social housing program through the creation of a task force, the primary objective of which will be to study and propose a framework for government-led social housing, prioritizing permanent affordability, environmental sustainability, and inclusivity.

NOW, THEREFORE, BET IT RESOLVED, that Mayor Dion and members of the Portland City Council hereby establish the Portland Social Housing Task Force, which will conduct a comprehensive study and develop a strategic framework for a social housing program that will address relevant issues including but not limited to:

1) Identifying Key Impact Areas in Housing Production: Analyze existing resources, opportunities, and barriers to pinpoint areas where municipal intervention could catalyze growth in housing supply and affordability;

2) Risk and Return Analysis of Public Investment: Conduct a comprehensive risk assessment to guide sustainable public investment strategies in social housing, balancing affordability goals with financial sustainability. This will include considering the issuance of bonds to fund housing;

3) Maximizing and Streamlining Funding Programs: Develop a plan to integrate existing funding sources, such as Low-Income Housing Tax Credits (LIHTC), HUD's RAD program, and local revolving loan funds (JDHTF), to achieve an efficient financing model for social housing development;

4) Addressing Critical Needs for Public Development: Define gaps in housing production that private and non-profit developers cannot fill, focusing on workforce and middle-income housing to ensure affordable, mixed-income communities. This could include creating a Portland social housing development corporation, exploring partnerships with the Portland Housing Authority (PHA), and/or partnering with the County, GPCOG, and State on advancing regional public housing solutions;

5) Assessing Local Barriers and Public Development Opportunities: Examine Portland-specific factors such as public land availability, construction costs, and rent levels to identify barriers and opportunities. This includes assessing recommended strategies, such as addressing permitting and site plan approval efficiencies, facilitating adaptive reuse processes for existing building renovations, streamlining Historic Preservation processes, and exploring ways to make it easier for developers to meet our inclusionary zoning (IZ) requirements;

6) Establishing a Sustainable Funding Stream: Evaluate sustainable financial structures, including revenue bonds, revolving loan funds, and tax-set-asides, to ensure ongoing financing for public development. Consideration should also be given to ways of using publicly-owned or quasi-publicly-owned land for development;

7) Evaluating Legal Authority and Capacity: Review Portland's legal capacity, resources, and expertise to operate as a public developer;

8) Ensuring Long-term Sustainability of Public Housing: Develop a lifecycle management and funding plan to ensure the long-term affordability and quality of publicly developed housing;

9) Models of Public Development and Ownership: Review various public development and ownership models, such as mixed-income developments with public equity stakes and fully affordable models, analyzing their applicability to Portland's housing needs; and

10) Financing Options and Risk Management: Assess potential financing methods, including but not limited to revenue bonds, general obligation bonds, revolving loan funds, and public-private partnerships, alongside risk management strategies to mitigate market fluctuations, construction risks, and operational challenges.

11) Land Use and Acquisition: Evaluate city-owned land and propose strategic acquisition of additional land as necessary. Public land, especially in underdeveloped areas, will be prioritized. This effort will include an inventory of parking lots and other underused spaces, such as vacant office and commercial properties, that could serve as potential development sites or be repurposed for housing.

12) Planning and Permitting Modifications: To streamline public development, the task force will assess ways to expedite planning and permitting. This includes evaluating a "concierge" service to assist larger projects, fast-track approvals for housing projects, and eliminate redundant reviews and inspections.

13) Community Engagement: Engage with community stakeholders to gather input on housing needs and priorities, with a focus on affordability and accessibility. The task force will address public concerns by educating residents on housing processes and the effects of policies like IZ on overall affordability.

BE IT FURTHER RESOLVED, that the Portland Social Housing Task Force will consist of no fewer than 9 members and no more than 13 members, all of whom will be appointed by the Mayor, with input from the City Council, in accordance with Article II, Section 5(l) of the Charter, and will include a range of stakeholders, including:

One member of the City Council

One member of the Board of the Portland Housing Authority (PHA)

One representative from an affordable housing developer

One representative from a market developer

At least three Portland residents with relevant knowledge or skills (e.g. housing advocates, urban planners, financial and legal experts.)

At least two members of the community from underserved populations with lived experience navigating the challenging housing environment in Portland

BE IT FURTHER RESOLVED, that the Portland Social Housing Task Force will elect a chair or co-chairs from among its members, who will develop meeting agendas and who will work closely with an independent facilitator and legal, financial and other professional consultants paid for by the City of Portland, and members of City staff assigned by the City Manager as needed; and

BE IT FURTHER RESOLVED, that the Social Housing Task Force will meet over the course of one year, beginning as soon as practicable after its members have been appointed, during which time it will conduct a phased study and will submit its report and recommendations to the City Council in the form of a communication on or before the date that is one year after its first meeting. The City Council will host, at minimum, one Workshop and one Public Hearing to discuss the report.

Appendix B: Social Housing Task Force Membership and Meeting Record

Task Force Members

- Councilor Kate Sykes, Co-Chair
- Jon Fetherston, Co-Chair
- Catherine Buxton
- Wendy Cherubini
- Jonathan Culley
- Kristin Leffler
- Councilor Sarah Michniewicz
- Matthew Peters
- Cullen Ryan
- Jason Spector
- Bill Stauffer
- Paul Styslinger
- Tim Wells

Meeting Record

The Social Housing Task Force began meeting in August 2025 and held regular public business meetings and supplemental educational sessions during its one-year charge.

Regular and Special Meetings

- **August 18, 2025 — Organizational meeting:** Member and staff introductions; review of the Council resolution and public-meeting requirements; election of Councilor Kate Sykes and Jon Fetherston as co-chairs; discussion of meeting structure, educational needs, and the Task Force work plan.
- **September 24, 2025 — Review of social housing models and development of the work plan:** Comparison of social housing programs in other jurisdictions; initial discussion of Portland's definition, possible ownership and management models, permanent affordability, mixed-income housing, City-owned land, existing funding sources, and a potential pilot project.
- **September 30, 2025 — Regional and Portland housing context:** Presentations from GPCOG and City staff on regional housing need, local production and completion trends, affordability levels, existing housing resources and subsidies, and Portland's role in meeting regional housing goals.
- **October 22, 2025 — Identification of program priorities:** Discussion of whether the City should create a new program or work through an existing partner; rental versus

homeownership; sustainable financing; housing as public infrastructure; income targeting; and a preference for mixed-income, mixed-unit-size development, with approximately 80% AMI emerging as a central focus.

- **November 12, 2025 — Financial modeling and project feasibility:** Presentation of a preliminary development model examining the effects of land cost, interest rates, property taxes, construction costs, unit mix, and AMI mix; discussion of project viability, SRO housing, stalled developments, and the possibility of increasing affordability as debt is paid down.
- **December 10, 2025 — Refining the program strategy and financing questions:** Discussion of SRO and mixed-income models, political and financial viability, lessons from other social housing programs, Rhode Island's use of housing bonds, capitalization of the Jill C. Duson Housing Trust Fund, and questions for the City's Finance Director and bond counsel.
- **January 14, 2026 — Review of City-owned land and potential project pathways:** Examination of City-owned properties and approved but potentially stalled housing projects; discussion of developing vacant land, acquiring and rehabilitating existing buildings, purchasing operating apartment properties, intervening in stalled projects, and pursuing a partnership with PHA.
- **January 28, 2026 — Educational session with the Portland Housing Authority:** Overview of PHA's development and property-management capacity, available land and project pipeline, financing constraints, income restrictions, and opportunities for City financing to support additional housing.
- **February 11, 2026 — Review of emerging priorities and possible pathways:** Discussion of member survey results, City ownership and equity, financial sustainability, partnership with PHA, and further review of promising City-owned sites.
- **March 11, 2026 — Formation of focused working groups:** Establishment of work on municipal bonding, PHA partnership, site and project selection, public communication, and preparation of the interim and final reports.
- **April 8, 2026 — Working-group reports and pilot development:** Continued analysis of bonding options, potential City–PHA structures, City-owned development sites, and the content and schedule of the interim report.
- **April 22, 2026 — Detailed discussion with the Portland Housing Authority:** Review of PHA's development pipeline and financing limitations, the proposed 879 Congress Street project, opportunities to add City-owned units, and the possibility of PHA developing or managing housing on City-owned land.
- **May 13, 2026 — Review of the two emerging pilot models:** Consideration of PHA's preliminary Congress Street pro forma and a preliminary concept and pro forma for approximately 40 units at 0 Cornell Street, including income mix, costs, financing assumptions, and replicability.
- **June 10, 2026 — Interim Report and preparation for final recommendations:** Review of the Interim Report, Cornell Street due diligence, the elements needed for complete pilot proposals, frequently asked questions, general obligation bonding, and the possible future use of a revolving housing fund.

- **July 8, 2026 — Municipal bonding and legal structure:** Presentation and discussion with the City's bond counsel regarding general obligation, revenue, taxable, and tax-exempt bonds; City ownership requirements; Council and voter approval thresholds; and financing options for the two pilots.
- **August 12, 2026 — Review of the Draft Final Report:** Consideration of the proposed definition and program framework, the two pilot models, financing recommendation, appendices, project-development phase, and recommended Council action.

Agendas, meeting packets, minutes, and available recordings are maintained in the City of Portland Agenda Center.

Appendix C: Social Housing Frequently Asked Questions

These questions were developed by Task Force member Kristin Leffler to reflect the kinds of practical questions Portland residents may have about social housing. Some answers will depend on the final design, financing, and management structure of each project and will be developed during the project-development phase.

1. What is social housing?

Portland uses the term “social housing” to distinguish this model from traditional federally funded public housing and from affordable housing that is privately or nonprofit owned. In Portland’s proposed model, the defining features are meaningful public ownership, permanent affordability, and mixed-income rental housing serving workforce and middle-income families.

2. How would affordability be determined, and how much might it cost per month to live there?

Affordability is generally described using income limits published by the U.S. Department of Housing and Urban Development and adjusted for local areas. Eligibility for an income-restricted unit would be based on household income and would require income documentation.

The Task Force recommends that Portland’s initial social housing projects focus especially on workforce and middle-income households earning above 60% and up to approximately 100% of area median income, or AMI, while preserving flexibility to serve other income levels.

Affordable housing programs commonly use 30% of household income as a benchmark for housing costs. For illustration, 30% of the income of a two-person household at 80% AMI would be about $2,226 per month.

The table below shows the 60%, 80%, and 100% Portland AMI levels for reference. The Social Housing Program’s proposed focus begins above the 60% level:

Household size	60% AMI	80% AMI	100% AMI
1 person	$58,449	$77,920	$97,400
2 people	$66,780	$89,040	$111,300
4 people	$83,430	$111,300	$139,100

Other housing programs serve different income levels. For example, the Low-Income Housing Tax Credit (LIHTC) program commonly finances housing restricted to households at lower AMI levels, including 50% and 60% AMI.

If the City advances these projects, actual rents will depend on apartment size, project costs, available subsidy, and the final income mix approved for each development. The rent-setting method and actual rents would be established and made public during the project-development process.

3. What happens if a resident’s income increases after moving in?

A resident would not be required to move simply because their income increases. One of the goals of social housing is housing stability, and residents should not be penalized for earning more.

Income may still be reviewed periodically, and rents may be adjusted according to the rules established for each project. In a mixed-income development, this allows the City to respond to changes in household income while preserving the overall affordability and income mix of the property.

Because Portland would retain long-term control of the housing, the City could establish policies that allow residents to remain in their homes as their circumstances change.

4. How would the City keep the housing affordable over time?

The Task Force recommends that the City own the housing. If the projects move forward, that ownership would allow Portland to set the affordability requirements and control the property's long-term use.

The mix of rents could change as housing needs and project finances change, but the housing would remain an affordable, mixed-income public asset.

5. What role would the City play, and who else might be involved?

The Task Force recommends that the City provide financing, retain ownership, establish the project's public purpose, and oversee the resulting asset.

The City would not need to create its own development or property-management operation. Those functions could be performed by PHA, PHDC, or another qualified partner. The Council may establish a separate governance entity or appointed board to provide ongoing oversight and strategic direction for the Social Housing Program.

6. Who would residents contact if there were a problem with an apartment?

If the projects move forward, a professional property manager would handle maintenance, repairs, rent administration, and other day-to-day tenant concerns.

The City would remain the owner, but residents would generally contact the property manager for routine issues.

7. Would social housing provide a pathway to homeownership?

The Task Force's initial proposal is for permanently affordable rental housing, not individual homeownership.

City ownership is central to the model because it would keep the housing affordable and publicly controlled over time. The Task Force has not recommended converting the units to privately owned condominiums or creating a right-to-purchase program.

However, stable and affordable rent can make it easier for households to save for a down payment or pursue homeownership through another program. Increasing the overall housing supply may also help reduce pressure on rents and home prices across the market.

Portland could continue to pursue separate homeownership programs through other housing initiatives.

8. How would social housing avoid concentrating poverty or reinforcing segregation?

The Task Force recommends mixed-income housing rather than projects serving only one narrow income group.

Projects could include households at different income levels, with particular attention to workforce households who earn too much for deeply subsidized housing but still cannot afford many market-rate apartments. Location, access to transit and services, accessibility, and the relationship to the surrounding neighborhood would also be considered during project development.

9. How would the size and type of apartments be determined?

The mix of apartments would depend on housing need, the site, project costs, and the households the project is intended to serve.

The preliminary Cornell Street concept includes a range of apartment sizes and the potential for family-sized units, but the final design has not yet been developed.

10. What might happen if a household later needs a larger apartment?

If the projects move forward, the management plan could allow residents to request a different unit when household size or accessibility needs change. Whether a larger unit is available would depend on the size of the property and current vacancies.

City of Portland, Maine

Social Housing Task Force

Interim Report

Presented to the Housing and Economic Development Committee

May 19th, 2026

1. Executive Summary

Over the first several months of its charge, the Portland Social Housing Task Force conducted technical modeling, comparative research, and expert interviews to determine how the public sector can most effectively intervene in the local housing market. The Task Force also converged on a definition of social housing: a model where the *public sector maintains an active financial and ownership stake*, ensuring that investments are preserved and reinvested over time rather than serving as one-time subsidies.

Financial research has confirmed that the economics of production, specifically the rising costs of financing and construction, represent the primary barriers to new development in Portland. While the use of public land is a valuable tool, modeling demonstrates that land alone is insufficient to drive production without significant financial intervention. This finding establishes the cost of capital as a key domain where the City possesses the capacity to yield a meaningful impact on social housing production.

The emerging strategic direction positions the City as a financing partner rather than a direct developer, allowing the municipality to provide favorable capital terms while leveraging the expertise of existing organizations. Bond financing is currently under evaluation as the primary mechanism to scale this effort and support the recapitalization of public funds. A central component of this strategy is a partnership with the Portland Housing Authority, which offers a unique opportunity to combine municipal investment with established development and management capacity.

In the final phase of its work, the Task Force will focus on defining specific bond structures, establishing governance protocols for institutional partnerships, and identifying sites for initial pilot projects. These efforts aim to create a durable system that addresses critical housing gaps for workforce and middle-income households. The ultimate goal is an implementable roadmap and detailed pilot project proposal that balances programmatic ambition with technical and fiscal responsibility.

2. Charge of the Task Force

The Portland Social Housing Task Force was established by order of the City Council in March 2025 to study and develop a framework for government-led social housing in Portland.

The Council's intent in forming the Task Force was to respond to a widening gap between housing demand and housing production, and to explore the role that public entities might play in directly shaping the housing market to achieve long-term affordability and stability. As articulated in the resolution, the Task Force was charged with developing "a strategic framework for a social housing program… prioritizing permanent affordability, environmental sustainability, and inclusivity."

At its core, the Task Force's work is guided by three interrelated goals:

- **Affordability:** advancing models that ensure housing remains accessible to a broad range of Portland residents over the long term;
- **Sustainability:** designing systems that are financially and operationally durable over time;
- **Mixed-Income Communities:** promoting development patterns that integrate a range of income levels and avoid concentrations of poverty.

The Council further directed the Task Force to undertake a comprehensive scope of work, including identifying key leverage points in housing production, evaluating public financing strategies such as bonding, coordinating existing funding programs, assessing local barriers such as land and permitting constraints, and exploring models of public development and ownership, including partnerships with entities such as the Portland Housing Authority.

The Task Force was convened for a one-year period, beginning in August 2025, with a final report and recommendations due to the City Council within that timeframe.

Structurally, the Task Force consists of appointed members representing municipal leadership, housing practitioners, finance and development professionals, nonprofit leaders, and community members with lived experience navigating Portland's housing system. The group elected two co-chairs to guide its work and coordinate agendas. City staff from the Housing and Economic Development Department and the Housing and Community Development Division provide ongoing support, alongside facilitation and technical assistance from the Greater Portland Council of Governments (GPCOG).

To carry out its charge, the Task Force adopted a dual-track meeting structure. Regular business meetings are held to deliberate and advance the work plan, while separate educational sessions are used to deepen the group's understanding of housing finance, development models, and policy tools.

Task Force Members

The Task Force brings together a multidisciplinary group with expertise spanning housing development, municipal finance, public policy, nonprofit management, and lived experience in Portland's housing market. Members include:

- **Catherine Buxton:** Policy professional and housing advocate with experience in cooperative development and legislative engagement.
- **Wendy Cherubini:** Affordable housing policy and program management professional with extensive experience in community development and evaluation.
- **Jonathan Culley:** Local developer with experience in housing production, including mixed-use and multifamily development in Portland.
- **Jon Fetherston (Co-Chair):** Veterans Housing Services Liaison at Preble Street, with extensive experience in public sector leadership and housing systems.
- **Kristin Leffler:** Public school educator and Portland resident bringing lived experience navigating housing affordability challenges.
- **Councilor Sarah Michniewicz:** Portland City Councilor with experience in municipal governance and housing policy.
- **Matt Peters:** Housing development and finance professional with experience in real estate investment and project feasibility analysis.
- **Cullen Ryan:** Chief Strategy Officer for Three Rivers, with deep experience in supportive housing development and operations.
- **Jason Spector:** Strategic planning and public sector consultant with experience in program evaluation and cross-sector systems design.
- **Bill Stauffer:** Property owner and business operator with experience in real estate management and local economic conditions.
- **Paul Styslinger:** Natural Hazards Planner at the State of Maine with experience in infrastructure design, residential codes, and public program sustainability.
- **Councilor Kate Sykes (Co-Chair):** Portland City Councilor with a focus on housing policy and public investment strategies.
- **Tim Wells:** Real estate and development professional with experience in construction, finance, and land use.

As reflected in the membership, the Task Force was intentionally constituted to combine technical expertise with on-the-ground experience, ensuring that its recommendations are both analytically rigorous and grounded in the lived realities of Portland residents.

3. Approach and Methodology

The Task Force structured its work to move from broad exploration to focused analysis, pairing foundational learning with applied evaluation of how social housing could function within Portland's specific economic and institutional context.

From the outset, the group recognized that social housing is not a single model, but a set of tools and strategies that must be adapted to local conditions. As a result, the Task Force adopted an approach that combined comparative research, technical analysis, and iterative discussion with an emphasis on testing ideas against real-world constraints.

3.1 Meeting Structure and Work Plan

To support this approach, the Task Force established a dual-track meeting structure consisting of regular business meetings and supplemental educational sessions. Business meetings were used to deliberate on findings, review materials, and identify priorities and next steps. Educational sessions were designed to build a shared understanding of complex topics, such as housing finance, development economics, and public policy tools.

To date, the Task Force:

- Engaged external expertise and case studies from other jurisdictions, including mixed-income public production models in localities such as Chattanooga, Atlanta, Seattle, and Montgomery County, MD to understand how social housing models have been implemented elsewhere.
- Developed and tested financial models. Leveraging technical modeling from GPCOG to evaluate how variables such as financing costs, income mix, land value, and subsidy levels affect project feasibility.
- Reviewed local data and project conditions, including city-owned land inventories and the status of approved but unbuilt or stalled housing developments.
- Refined areas of focus, moving from a broad survey of possible approaches toward a more targeted examination of the most viable pathways for Portland.

As the work has progressed, the Task Force has begun to organize itself into more defined areas of inquiry with the intention of forming working groups to deepen analysis during the second half of its charge.

3.2 Areas of Study

The Task Force's work to date has focused on several core areas of study, each of which corresponds to a key dimension of the Council's charge.

- **Social Housing Models (Comparative):** The Task Force reviewed a range of national and international social housing approaches from other municipalities, including publicly owned, mixed-income developments, as well as hybrid models involving public financing and private or nonprofit delivery. Early discussions focused on defining what "social housing" should mean in Portland's context and how it could complement, rather than compete with, existing programs.
- **Financial Modeling and Feasibility:** A central component of the work has been the analysis of financial models to understand the feasibility of different housing scenarios. These models tested the impact of variables including interest rates, hard and soft construction costs, and income targeting. This revealed the significant challenges associated with bringing new projects to viability under current market conditions, specifically where construction and financing cost escalation has outpaced traditional subsidy models.
- **Public Land Analysis:** The Task Force reviewed inventories of City-owned land to assess potential development opportunities, while also examining site-specific constraints such as environmental limitations, existing uses, and regulatory considerations. This analysis helped clarify both the opportunities and limitations of relying on public land as a primary strategy for housing production.
- **Existing Project Pipeline (Stalled Projects):** Recognizing that a number of approved developments have not moved forward, the Task Force examined the local project pipeline. Particular attention was paid to projects that may be delayed or infeasible under current financing conditions, raising the possibility that targeted public intervention acting as gap financing could unlock projects otherwise stalled by recent shifts in the private lending market.
- **Partnership Pathways (Including Portland Housing Authority):** The Task Force explored potential partnerships with existing housing institutions, most notably the Portland Housing Authority (PHA). Discussions focused on how the City might leverage PHA's development experience, operational capacity, and existing project pipeline while contributing financing to enable mixed-income, publicly influenced housing development.

Taken together, these areas of study reflect an approach that is exploratory but also grounded in Portland's financial, regulatory, and institutional landscape.

4. Defining Social Housing

One of the earliest and most important areas of discussion for the Task Force was the question of definition: *what should "social housing" look like in the context of Portland?*

While the Council's resolution provides a general framework, describing social housing as a model in which public entities take an active role in the development and ownership of housing, it does not prescribe a single structure or implementation strategy.

As a result, Task Force members began their work with differing perspectives on what social housing should entail in practice. These differences were surfaced and explored through early discussions and a structured survey of members, which sought to clarify assumptions about public ownership, financial participation, and the role of the City.

4.1 Areas of Convergence and Clarification

Early in its work, the Task Force sought to clarify how members understood the concept of social housing, including the role of public ownership, financing, and long-term stewardship. This was explored through group discussion and a structured survey designed to test assumptions and surface areas of agreement.

While there were differences in emphasis, the survey results indicated a strong underlying alignment among members on several core principles. Across the Task Force, there was broad agreement that social housing should:

- Involve a meaningful public role in shaping housing outcomes, rather than relying solely on private market delivery
- Prioritize long-term and perpetual affordability, rather than time-limited restrictions
- Support mixed-income communities, rather than narrowly targeted or isolated developments; and
- Be structured in a way that is financially sustainable over time, rather than dependent on one-time interventions.

Where differences emerged, they were less about whether the public should play a role, and more about how that role should be structured and operationalized. In particular, members explored the extent to which the City should:

- Retain an ongoing ownership or equity stake in projects
- Act as a financial partner versus a direct developer
- Intervene in existing projects versus initiate new development

These discussions helped clarify that the Task Force was not divided on purpose or direction, but interested in working through the practical design of a model that could balance ambition with feasibility.

4.2 Public Investment as a Lasting Public Asset

As the Task Force worked through these questions, a key point of alignment emerged around the nature of public investment in housing: if the City is to deploy public resources at scale, those investments should be structured to create lasting public value, rather than functioning solely as one-time subsidies.

This principle distinguishes social housing, as understood by the Task Force, from more traditional approaches in which public funds are used to close financing gaps without retaining an ongoing public stake in the resulting asset.

Instead, the Task Force has increasingly coalesced around a model in which public investment is designed to:

- Retain an ownership or equity position, even if partial;
- Support repayment and recapitalization, particularly in the context of bond financing; and
- Enable reinvestment into future housing production, creating a cycle of sustained public impact.

In this framework, the City's role is not to fully assume the responsibilities of a developer or property manager, but to act as a long-term financial and strategic partner, ensuring that public contributions continue to generate public benefit over time.

This approach reflects a practical synthesis of the Task Force's discussions: it avoids both the limitations of one-time subsidy models and the complexity of building a fully municipal development apparatus, while preserving the central principle that public investment should result in ongoing public ownership, influence, and return.

4.3 Emerging Definition

Based on these discussions, the Task Force has begun to converge around a working definition of social housing for Portland:

Social housing is housing in which the public sector plays an active financial and ownership role, ensuring long-term affordability and allowing public investment to be preserved and reinvested over time.

This definition reflects several key principles:

- **Public Investment with Retained Value:**
  Public dollars are not treated solely as subsidy, but as investment structured in a way that allows the City to retain equity, repay capital (such as through bond financing), and redeploy resources into future projects.
- **Shared Ownership, Not Full Municipalization:**
  Social housing does not require the City to fully stand up and operate a comprehensive development and property management entity. Instead, it may involve partial ownership or equity stakes, often in partnership with experienced developers or public housing authorities.
- **Flexibility in Delivery:**
  The model allows for multiple pathways, including new construction, acquisition and rehabilitation, or participation in existing projects, so long as the core principle of ongoing public benefit and ownership is maintained.
- **Distinction from Traditional Subsidy Models:**
  Unlike conventional approaches that rely on one-time subsidies or tax incentives without long-term public return, this model emphasizes recapture, recapitalization, and continuity.

4.4 Implications for the Task Force's Work

This emerging definition has shaped the Task Force's subsequent analysis in several important ways:

- It has focused attention on financing structures, particularly those that allow the City to act as an investor rather than a grant-maker;
- It has elevated the importance of equity participation and long-term stewardship in project design; and
- It has informed ongoing discussions about partnership models, especially with institutions such as the Portland Housing Authority, where ownership and operational responsibilities can be shared.

At the same time, the Task Force recognizes that this definition is still being refined. The second phase of its work will further test how these principles can be translated into specific, implementable models within Portland's legal, financial, and institutional constraints.

5. What We Have Learned So Far

Through its first several months of work, the Task Force has moved from broad exploration to a more grounded understanding of how housing is produced in Portland, and where meaningful intervention may be possible. The findings below reflect recurring themes across financial modeling, case study review, and local analysis.

5.1 The Economics of Housing Production Are the Primary Constraint

The most consistent and consequential finding of the Task Force's work to date is that the economics of housing production, in particular the costs of financing and construction, represent the central barriers to new development.

Through financial modeling exercises, the Task Force examined how variables such as construction costs, income targeting, land value, and financing terms interact to determine project feasibility. These exercises demonstrated that even under highly favorable conditions, including scenarios with reduced or no land cost, limited or no property tax burden, and additional subsidy, projects often fail to "pencil out."

5.2 Public Land Alone Is Not Sufficient to Drive Housing Production

The Task Force examined the potential role of City-owned land as a catalyst for housing development. While public land can reduce project costs and create opportunities for strategic intervention, the analysis made clear that land is only one component of a much larger financial equation.

In many modeled scenarios, even the provision of free land was not sufficient to make a project viable without additional financial intervention. Furthermore, site-specific constraints, including environmental limitations, existing uses, and regulatory considerations, reduce the number of parcels that are realistically available for development.

As a result, while public land remains an important tool, the Task Force finds that it cannot, on its own, address the scale of Portland's housing challenges.

5.3 Financing Represents the Most Effective Municipal Lever

Given the constraints identified above, the Task Force has increasingly focused on financing as the most powerful and scalable lever available to the City. Unlike land use alone, financing tools have the potential to directly influence project feasibility by lowering the cost of capital, reducing risk, or enabling projects that would otherwise not proceed. Mechanisms such as bond financing, low-interest loans, or other forms of public investment can materially shift the financial structure of a project.

This insight has shaped the Task Force's emerging direction: that the City's most effective role may be as a financial partner, rather than solely as a regulator or land provider. In this framing, the City is positioned to unlock housing production at scale, while structuring its participation in a way that preserves long-term public value.

5.4 The Current Housing System Leaves Critical Gaps

The Task Force's work has also reinforced that Portland's existing housing development system, while producing important outcomes, does not fully meet the needs of the community.

In particular, there is a persistent gap in housing options for middle-income and workforce households, who often earn too much to qualify for traditional affordable housing programs, but not enough to access market-rate housing comfortably.

Existing financing tools, including federal and state programs, tend to be structured around specific income thresholds, leaving limited flexibility to address this "missing middle." As a result, the Task Force finds that new models are needed to complement, rather than compete with, existing programs.

5.5 Mixed-Income Development Is Preferred for Long-Term Sustainability

Across its discussions, the Task Force has consistently expressed a preference for mixed-income housing models. From both a social and financial perspective, mixed-income developments offer several advantages:

- They avoid the concentration of poverty associated with single-income developments;
- They create more stable and resilient communities; and
- They can support more sustainable financial structures by balancing different rent levels within a single project.

While deeper affordability remains an important long-term goal, the Task Force has recognized that mixed-income models may represent the most viable and scalable approach for initial implementation, particularly in a high-cost environment.

5.6 Multiple Intervention Pathways Are Viable

Finally, the Task Force has identified that there is no single pathway for public involvement in housing development. Instead, several potential entry points exist, each with distinct opportunities and challenges. These include:

- **Ground-up development**, where the City participates in the creation of new housing on vacant or underutilized land;
- **Acquisition and rehabilitation**, including the purchase and improvement of existing buildings;
- **Intervention in stalled or delayed projects**, where targeted financial support could enable projects that are otherwise unlikely to proceed; and
- **Acquisition of existing housing assets**, potentially removing units from speculative markets and stabilizing them over time.

This range of options suggests that a successful social housing strategy will likely require flexibility in approach, allowing the City to respond to different opportunities as they arise.

Taken together, these findings point toward a consistent conclusion: the City's most effective role in addressing the housing crisis may lie in strategically deployed financial intervention, structured to produce both immediate housing outcomes and long-term public value.

6. Emerging Strategic Direction

Building on the findings outlined above, the Task Force has begun to coalesce around a strategic direction for how the City of Portland might most effectively participate in the development of social housing.

This direction is not yet a final recommendation. Rather, it reflects a set of interrelated concepts that have emerged consistently through the Task Force's analysis and discussions, and which will be further tested and refined during its remaining work.

6.1 Role of the City: Financer vs. Developer

A central question for the Task Force has been the appropriate role of the City in housing development and operations. While some models of social housing involve the creation of a fully public development entity (responsible for land acquisition, construction, and long-term property management), the Task Force has recognized that establishing such an apparatus in Portland would present significant challenges in terms of capacity, cost, and time.

At the same time, the Task Force's analysis suggests that the City already possesses a powerful, and currently underutilized, tool: its ability to finance and structure capital for housing projects. As a result, the Task Force is increasingly exploring a model in which the City acts primarily as a financial partner, rather than a direct developer. In this role, the City could:

- Provide capital at more favorable terms than private markets;
- Influence project design, including income mix and long-term affordability; and
- Retain an ownership or equity position that preserves public value over time.

This approach allows the City to intervene at the point of greatest constraint - project financing - while leveraging the expertise of existing development and management entities.

6.2 Bonding as a Primary Tool (Under Evaluation)

Within this emerging framework, bond financing has surfaced as a potentially central mechanism for enabling City participation at scale.

Bonding offers several potential advantages:

- It allows the City to raise significant capital upfront, enabling multiple projects to move forward within a relatively short timeframe;
- It can provide lower-cost financing than is typically available through private lending markets; and
- It aligns with a model in which public investment is repaid over time, supporting recapitalization and reinvestment.

At the same time, the use of bonds introduces important questions related to risk, repayment structures, and long-term fiscal impact. The Task Force has begun exploring these issues, but additional analysis will be required to determine:

- Appropriate bond structures and terms;
- Risk mitigation strategies; and
- The relationship between bond financing and existing City funding mechanisms.

As such, bonding should be understood at this stage as a promising but still evolving tool, central to the Task Force's inquiry but not yet fully defined.

6.3 Partnership with the Portland Housing Authority (PHA)

The Task Force has identified a significant opportunity to advance social housing through partnership with the Portland Housing Authority (PHA).

Unlike many housing authorities nationally, PHA has demonstrated a willingness to explore collaborative models with the City. This presents a unique opportunity to combine PHA's strengths (including development experience, access to federal programs, and long-term property management capacity) and the City's potential role as a source of flexible capital, strategic direction, and public investment.

Through this partnership, it may be possible to:

- Expand or adapt existing PHA projects to include mixed-income components;
- Accelerate redevelopment efforts, including those associated with RAD conversions and other capital improvements; and
- Pilot new models of shared ownership and financing that align with the Task Force's emerging definition of social housing.

The Task Force also recognizes that such a partnership will require careful attention to governance and accountability, particularly where City capital is involved. As a result, further work will be needed to define appropriate structures that ensure alignment between the City and PHA while respecting their distinct roles and authorities.

6.4 Pilot Project Approach

Consistent with guidance from peer jurisdictions and practitioners, the Task Force is increasingly oriented toward a pilot project approach that would:

- Focus on a limited number of initial projects;
- Test key elements of the model, including financing, partnership structures, and income mix; and
- Generate practical experience that can inform future expansion.

This strategy reflects an understanding that social housing is not a single policy decision, but a system that must be built iteratively. Early projects can demonstrate feasibility, build institutional knowledge, and establish public confidence.

At the same time, the Task Force recognizes that even pilot projects must be designed with long-term scalability in mind, ensuring that lessons learned can be translated into a broader, sustainable program.

Taken together, these elements point toward a strategic direction in which the City leverages its financial capacity, partners with existing institutions, and proceeds through targeted implementation, building a model of social housing that is both ambitious and grounded in Portland's realities.

7. Work Remaining

While the Task Force has developed a clearer understanding of the challenges and opportunities associated with social housing in Portland, significant work remains to translate these insights into a fully defined and implementable framework.

The second part of the Task Force's work will focus on deepening analysis in several key areas, with the goal of producing actionable recommendations that are financially sound, legally viable, and operationally feasible.

7.1 Financing and Capital Strategy

Further work is needed to define the structure and implications of potential financing tools, particularly bond financing.

This will include:

- Evaluating different bond structures, including general obligation and revenue bonds;
- Assessing risk exposure and mitigation strategies, including how projects perform under varying market conditions;
- Exploring mechanisms for repayment and recapitalization, ensuring that public investment can be sustained and redeployed over time; and
- Clarifying how new financing tools would interact with existing resources, including the Jill C. Duson Housing Trust Fund and other local or federal programs.

This analysis will be central to determining the scale at which the City can responsibly participate in housing development.

7.2 Development Pathways

The Task Force has identified multiple potential pathways for public involvement in housing production. The next phase of work will further evaluate these options to determine where intervention is most effective. This will include:

- Comparing the feasibility and impact of new construction, acquisition and rehabilitation, and intervention in stalled projects;
- Identifying the conditions under which each pathway is most appropriate; and
- Developing criteria for prioritizing opportunities as they arise.

The goal is to establish a flexible but disciplined framework for how the City engages with different types of projects.

7.3 Partnership Models

Building on early discussions, the Task Force will further define how partnerships - particularly with the Portland Housing Authority - can be structured to support social housing.

This work will include:

- Clarifying roles and responsibilities across partner organizations;
- Identifying opportunities for regional collaboration with other public or quasi-public entities; and
- Developing models for shared ownership and financial participation that align with the Task Force's principles.

Particular attention will be given to ensuring that partnership structures preserve both operational effectiveness and long-term public value.

7.4 Land and Site Strategy

Although land alone is not sufficient to drive housing production, it remains an important component of a broader strategy. The Task Force will:

- Refine the list of viable City-owned parcels, taking into account physical, regulatory, and financial constraints;
- Develop criteria for site selection, including alignment with transit, services, and neighborhood context; and
- Evaluate opportunities for strategic acquisition or repurposing of additional sites, where appropriate.

This work will help ensure that land resources are deployed strategically in support of broader financing and development goals.

7.5 Legal and Institutional Capacity

The implementation of a social housing strategy will require careful evaluation of the City's legal authority and institutional structure.

Key areas of focus include:

- Confirming the City's authority to finance and participate in development, including any constraints under state law or municipal charter;
- Clarifying the role of existing entities, such as the Portland Housing Authority and other quasi-public organizations; and
- Developing a governance and partnership structure ("bridge") to support joint City–PHA projects.

In particular, the Task Force will examine how to establish a formal mechanism—such as board representation, intergovernmental agreements, or other governance tools—that ensures:

- Appropriate oversight of public investment;
- Alignment of project goals and outcomes; and
- Clear decision-making authority and accountability across institutions.

This work is essential to ensuring that any future program is both effective and publicly accountable.

7.6 Community Engagement

Finally, the Task Force will continue to engage with the community to better understand housing needs, priorities, and concerns. This will include:

- Communicating clearly about the concept of social housing and how it differs from existing models;
- Gathering input from residents, stakeholders, and community organizations; and
- Assessing the political and social viability of proposed approaches.

A successful social housing strategy will require not only technical feasibility, but also broad public understanding and support.

Appendix E: Municipal Bonding Options and Social Housing Revolving Fund

Purpose of This Appendix

The Task Force reviewed several ways Portland could finance social housing. The principal municipal bond options differ in borrowing cost, repayment structure, affordability potential, and the financial obligation assumed by the City.

This appendix explains the four municipal bond structures most relevant to Portland, illustrates how each might apply to a social housing project, and describes the proposed Social Housing Revolving Fund.

The case studies are hypothetical. They are intended to illustrate how the financing structures could work and are not final financing proposals. The specific terms and legal requirements of any financing would need to be confirmed by the City's Finance Director, Corporation Counsel, and bond counsel as individual projects are developed.

What Is a Municipal Bond?

A bond is a way of borrowing money.

Instead of borrowing from one bank, the City sells bonds to investors. Those investors may include individuals, pension funds, insurance companies, banks, and other institutions looking for a stable investment.

The investors provide money to the City upfront. In return, the City agrees to repay that money over a set number of years, with interest.

A municipal bond is simply a bond issued by a city, town, state, or other public body. Governments commonly use bonds to pay for expensive, long-lasting public investments such as schools, roads, fire stations, water systems, and other infrastructure.

Bonding allows the City to build something now and spread the cost over the years that the public will use it, rather than paying the entire cost from a single annual budget.

Understanding the Bond Options

Municipal bonds can be divided in two basic ways.

First, a bond may be either a **general obligation bond** or a **revenue bond**.

A general obligation bond is backed by the City's overall revenues and taxing authority. The City remains responsible for repayment even if the project financed by the bond does not generate enough revenue to cover the bond payments.

A revenue bond is repaid primarily from income generated by the project being financed. The amount that can be borrowed therefore depends on the project's ability to generate enough income to pay its operating costs, maintain reserves, and make the required bond payments.

Second, either type of bond may be **tax-exempt** or **taxable**.

Investors generally accept a lower interest rate on tax-exempt bonds because the interest they receive is exempt from federal income tax. That usually makes tax-exempt bonds less expensive for the City. Taxable bonds generally cost more but may offer greater flexibility in ownership, and use of proceeds.

For social housing, the central question is which financing structure best supports the City's goals for ownership, affordability, income mix, and long-term public value.

1. Tax-Exempt General Obligation Bonds

A tax-exempt general obligation bond is backed by the City's overall credit and taxing authority. The City promises to repay investors whether or not the financed property generates enough revenue to cover the bond payments.

Because the City stands behind the debt and the interest is exempt from federal income tax, this structure would ordinarily provide the lowest borrowing cost among the options reviewed.

For the program model considered by the Task Force, City ownership and tax-exempt general obligation financing provide the most direct route to low-cost capital. Federal rules would govern how the proceeds could be spent and how the financed property could be used.

Illustrative Portland case study: The two initial pilot models

Portland issues tax-exempt general obligation bonds to finance City-owned housing through either of the two pilot models recommended by the Task Force.

At **0 Cornell Street,** the City would own the land, finance the development, and own the completed housing. PHA, PHDC, or another qualified entity could be retained to develop and manage the property.

For the **PHA additive-units** pilot, the City would use tax-exempt general obligation bonds to finance and own additional rental units within a larger PHA development or redevelopment. PHA would develop and manage the coordinated project, while the City-owned portion would be established through a separate legal ownership structure.

Under either model, rental income would support property operations, maintenance, utilities, reserves, and an appropriate portion of the bond payments. General City revenues could support the remaining debt service because the housing would be treated as a long-lived public asset.

After the City-owned housing had met its operating, reserve, capital, and debt-service requirements, available financial returns would be deposited into the Social Housing Revolving Fund, subject to applicable law and the bond documents.

Advantages

- Usually provides the lowest borrowing cost available to the City.
- Uses Portland's overall credit rather than relying solely on the financial performance of one property.
- Creates greater room for lower rents because the project does not necessarily have to repay its full construction cost through rental income.
- Aligns directly with City ownership and retention of long-term public value.
- Allows the Council to determine that housing provides a public benefit worthy of support through general revenues.

Considerations

- The City is responsible for repayment regardless of project performance.
- The property and use of proceeds must comply with federal tax-exemption requirements.
- Larger borrowing amounts may require voter approval.
- The borrowing becomes part of the City's overall debt obligations and must be considered alongside other capital needs.

Best suited for

City-owned housing where permanent affordability and the lowest feasible rents are central goals, particularly when the project would not generate enough rental income to repay its entire capital cost.

2. Taxable General Obligation Bonds

A taxable general obligation bond is also backed by the City's overall credit and taxing authority. The difference is that investors must pay federal income tax on the interest they receive, so they generally require a higher interest rate.

Taxable GO bonds may be useful when a project does not meet federal tax-exemption requirements or when the City needs more flexibility in how the money is used, who owns the property, or how private and nonprofit partners participate.

Illustrative Portland case study: Acquisition with a development partner

Portland identifies an existing apartment building that could be acquired and preserved as mixed-income housing. The proposed ownership or partnership arrangement does not satisfy the requirements for tax-exempt borrowing.

The City issues taxable general obligation bonds to finance the acquisition and rehabilitation. The City might own the property directly or hold an ownership interest through another lawful structure.

Rental income supports operations and contributes to debt service, while the City remains responsible for repayment of the bonds. Any revenues or refinancing proceeds available after the project's obligations are met would return to the Social Housing Revolving Fund.

Advantages

- Offers greater flexibility in ownership, partnership arrangements, and use of proceeds.
- May finance activities or projects that do not qualify under federal tax-exemption rules.
- Is backed by the City's credit and therefore does not depend entirely on project income.
- Could support acquisition, rehabilitation, mixed-use development, or projects with substantial partner participation.

Considerations

- Carries a higher interest rate than tax-exempt GO debt.
- The City remains responsible for repayment.
- Higher financing costs may require higher rents, greater subsidy, or a smaller project.
- Larger borrowing amounts may require voter approval.

Best suited for

Projects where ownership, use, or partnership arrangements require greater flexibility and the benefits of that flexibility justify the higher borrowing cost.

3. Tax-Exempt Revenue Bonds

A revenue bond is repaid primarily from income generated by the project rather than from the City's general revenues and taxing authority.

Because investors rely on project revenue for repayment, the project must generally produce enough income to cover operating costs, maintain required reserves, and make its bond payments. The amount that can be borrowed is determined through financial underwriting of the project.

A tax-exempt revenue bond may offer a lower interest rate than taxable project financing, but it remains subject to federal tax requirements.

Illustrative Portland case study: Self-supporting mixed-income development

Portland develops a larger mixed-income rental project expected to generate enough revenue to support its full operating and financing costs.

The development includes a range of rents, including enough higher-rent or market-rate units to produce the income required by bond investors. The revenue bonds are repaid from the property's rental income and secured by the project rather than by the City's full taxing authority.

Because the property must support its own debt, there may be less flexibility to reduce rents or serve lower-income households unless the City contributes land, grants, or another form of subsidy.

Only revenue remaining after operations, reserves, capital needs, and bond payments are satisfied would be available for deposit into the Social Housing Revolving Fund.

Advantages

- May provide a lower interest rate than taxable project-based financing.
- Ties repayment primarily to project revenue rather than the City's general tax base.
- Can be appropriate for larger mixed-income developments with sufficient rental income.
- May limit the City's general financial obligation compared with a general obligation bond.

Considerations

- The project must generate enough income to pay operating costs, reserves, and debt service.
- Underwriting requirements may limit the amount that can be borrowed.
- The need to support debt service may require more higher-rent or market-rate units.
- There may be less flexibility to reduce rents or serve lower-income households without additional subsidy.
- Federal tax-exemption requirements still apply.

Best suited for

Mixed-income developments capable of supporting substantial debt from their own rental income, especially where the City wishes to limit reliance on general revenues.

4. Taxable Revenue Bonds and Other Project-Based Financing

Taxable revenue bonds are also repaid from project income, but the interest received by investors is taxable. They would therefore generally carry a higher interest rate than tax-exempt revenue bonds.

Taxable project-based financing may permit greater flexibility in ownership, income mix, commercial uses, and participation by development partners.

Illustrative Portland case study: Mixed-use housing with market-rate income

A proposed development includes rental housing together with commercial space, market-rate apartments, or a partnership structure that does not qualify for tax-exempt financing.

The project obtains taxable revenue bonds or another project-based loan. The debt is secured by the property and repaid from rents and other project income.

The development would need enough market-rate or higher-rent income to satisfy investors or lenders. Achieving deeper affordability might require a larger City subsidy, contributed land, or another source of public support.

Any financial return to the City or the Social Housing Revolving Fund would occur only after the project's operating expenses, reserves, and debt obligations were satisfied.

Advantages

- Offers greater flexibility in ownership, income mix, commercial uses, and private participation.
- Keeps repayment closely tied to the individual project.
- May be useful for developments with substantial market-rate income or commercial revenue.
- Can support projects that do not qualify for tax-exempt financing.

Considerations

- Generally carries a higher interest rate.
- The project must generate sufficient revenue to repay the debt.
- Higher financing costs and underwriting requirements may reduce the number of below-market units the project can support.
- Additional public subsidy may be needed to achieve deeper affordability.

Best suited for

Projects with a significant market-rate component, commercial income, or another reliable revenue source sufficient to support project-based debt.

5. Social Housing Revolving Fund

The Task Force recommends that the Council establish a dedicated Social Housing Revolving Fund as part of the social housing program.

The Fund would create a distinct and durable source of capital dedicated to social housing. It may be capitalized when the program is established or built over time through a combination of public resources and financial returns from individual projects.

The Fund could receive Council appropriations, grants, permitted bond proceeds, repayments, project revenues, refinancing proceeds, and other financial returns generated by the program. Its resources would remain dedicated to the preservation, development, and expansion of City-owned social housing.

After each property meets its operating, maintenance, reserve, capital, and debt-service requirements, available revenues and other financial returns should be deposited into the Fund and reinvested in existing or future social housing.

Initial capitalization and use of the Fund

The Task Force recommends that the Council establish a dedicated Social Housing Revolving Fund as part of the Social Housing Program.

The Fund would create a distinct and durable source of capital dedicated to social housing. It may be capitalized when the program is established or built over time through a combination of public resources and financial returns from individual projects.

The Fund could receive Council appropriations, grants, permitted bond proceeds, repayments, project revenues, refinancing proceeds, and other lawful resources. Its resources would remain dedicated to the preservation, development, and expansion of social housing.

After each property meets its operating, maintenance, reserve, capital, and debt-service requirements, available revenues and other financial returns should be returned to the Fund and reinvested in existing or future social housing.

Initial Capitalization and Use of the Fund

The Task Force recommends that the City evaluate meaningful initial capitalization of the Fund through tax-exempt general obligation bonds. Upfront capitalization could provide a dependable source of capital for multiple projects and allow the City to plan and act across a longer time horizon rather than assembling financing independently for each opportunity. The Council could also capitalize the Fund through appropriations, grants, transfers, project repayments, and other lawful public resources.

A larger initial capitalization could allow the City to advance projects as suitable opportunities arise, subject to the requirements governing the particular funding source and any necessary Council or voter authorization. The appropriate size, structure, and timing of any initial capitalization should be developed with the Finance Director, Corporation Counsel, and bond counsel.

The Fund could support predevelopment, site acquisition, environmental work, construction, rehabilitation, publicly owned units within larger developments, and capital needs of existing social housing. The precise treatment of bond proceeds, repayments, project revenues, and future uses will depend on the source of the funds and the structure of the projects being financed.

The Fund should remain distinct from the Jill C. Duson Housing Trust Fund. The Housing Trust Fund supports a broader range of affordable-housing projects and ownership models. The Social Housing Revolving Fund would be dedicated specifically to the development, preservation, and expansion of social housing.

6. Why the Task Force Recommends Tax-Exempt General Obligation Bonds First

Each municipal bond structure reviewed by the Task Force may be useful for a different kind of project.

Revenue bonds and other project-based financing may work well for developments that include enough market-rate or higher-rent income to cover operating expenses and repay their construction debt. Taxable financing may be appropriate when a project requires greater flexibility in ownership, use, or partnership structure.

For Portland's initial social housing program, however, tax-exempt general obligation bonds provide the strongest overall financing value.

The City's credit and the federal tax exemption should produce the lowest interest rate among the options considered. Lower borrowing costs mean that less project income must be devoted to financing costs, leaving more room for lower rents, a broader income mix, additional units, or a reduced need for other subsidy.

City ownership and tax-exempt general obligation financing reinforce one another. Public ownership and use support access to the least expensive municipal financing. That lower-cost financing, in turn, makes it more practical for the City to own the housing, preserve affordability, and retain the equity and long-term value created through the investment.

The recommendation for City ownership is therefore both a public-policy choice and a practical financing strategy. It combines permanent affordability and municipal equity with the lowest expected borrowing cost available to Portland.

General obligation financing also allows the Council to evaluate housing as a long-lived public asset rather than requiring each property to recover its full construction cost through rent. That flexibility is particularly important when the goal is to reach households that cannot afford newly constructed market-rate housing.

This does not mean that every future social housing project should use tax-exempt general obligation bonds. Different projects may call for different financing tools. For the initial program and pilot projects, however, tax-exempt general obligation financing offers the clearest route to achieving the greatest housing benefit from each public dollar invested.

E-1. Comparison of Financing Options for Social Housing

The following tables summarize the broader range of financing options reviewed by the Task Force. They illustrate how different structures may affect borrowing cost, borrowing capacity, City obligation, ownership, affordability requirements, and project flexibility.

Financing Type	Size Limits	Approval Process	Ownership	Illustrative Rate	Potential Uses	Affordability Requirements	Liability
Tax Exempt General Obligation	Bonding Limit: 0.05% of Current State Valuation ($10,140,315 : 2026) Spending Limit: 0.075% of Current State Valuation ($15,210,487 : 2026) Total combined amount of tax payer funds in any one project	Council Approval	Full municipal ownership, or other governmental entity	4.50%	Capital Improvement that the Council deems important and beneficial	None: set by Council	Full Liability
Tax Exempt General Obligation	Maxamium to be determined by staff and experts. Amount would impact overall bond rating and analysis for City	Voter Approval	Full municipal ownership	4.50%	Capital Improvement that the Council deems important and beneficial	None: set by Council	Full Liability
Tax Exempt Revenue	Determined by underwriting process; higher loan to value or lower debt service coverage ratio will increase interest rate	Council Approval	Full municipal ownership	5.00%	Capital Improvement that generates revenue that the Council deems important and beneficial	None: set by Council	Can be limited to the revenue generating asset
Tax Exempt 501(c)3	Determined by underwriting process; higher loan to value or lower debt service coverage ratio will increase interest rate; also financial strength of sponsor organization. Maximum of $100,000,000 per non-profit.	501c3 board approval	501c3 ownership	5.60%	Allowed by IRS / Treasury guidelines; improvements that further tax exempt mission	IRS Safe Harbor: 20% at 50% AMI, no less than 25% at greater than 80% AMI	Full Liability to 501c3 or limited to single purpose entity
Taxable General Obligation	Bonding Limit: 0.05% of Current State Valuation ($10,140,315 : 2026) Spending Limit: 0.075% of Current State Valuation ($15,210,487 : 2026) Total combined amount of tax payer funds in any one project	Council Approval	Any entity	5.25%	Capital Improvement / Investment deemed important by Council	None: set by Council	Full Liability
Taxable General Obligation	Maxamium to be determined by staff and experts. Amount would impact overall bond rating and analysis for City	Voter Approval	Any entity	5.25%	Capital Improvement / Investment deemed important by Council	None: set by Council	Full Liability
Taxable Revenue	Determined by underwriting process; higher loan to value or lower debt service coverage ratio will increase interest rate	Council Approval	Any entity	6.50%	Capital Improvement that generates revenue that the Council deems important and beneficial	None: set by Council	Can be limited to the revenue generating asset
MaineHousing Tax Exempt (private activity)	Loan to Value and Debt Service Coverage limits; there is probably an upper bound size limit	Borrowing entity (Council, Board, etc.)	Any entity	5.50%	Multifamily housing	20% at 50% AMI or 40% at 60% AMI	Full liability to borrower and guarantor
MaineHousing Taxable	Loan to Value and Debt Service Coverage limits; there is probably an upper bound size limit	Borrowing entity (Council, Board, etc.)	Any entity	6.00%	Multifamily housing	20% at 50% AMI or 40% at 60% AMI	Full liability to borrower and guarantor
MaineHousing 501c3, Governmental			501c3 or governmental	5.50%	Multifamily housing	20% at 50% AMI or 40% at 60% AMI; plus IRS safe harbor limits	Full liability to borrower and guarantor
Agency Loan (Fannie, Freddie, etc.)	Loan to Value and Debt Service Coverage limits	Borrowing entity (Council, Board, etc.)	Any entity	6.50%	Multifamily housing	None: set by Council	Limited to single purpose entity borrower
Bank Loan	Loan to Value and Debt Service Coverage limits; larger the loan the fewer bank partners will be able to do it	Borrowing entity (Council, Board, etc.)	Any entity	7.00%	Multifamily housing	None: set by Council	Depends

E-2. How Interest Rates Affect Borrowing Capacity Per Unit of Housing

This table shows how lower-cost borrowing can finance substantially more of the cost of each unit without increasing the annual debt payment. In this illustration, a 4.5% tax-exempt general obligation bond supports about **$58,000 more borrowing per unit** than financing at 6.5%. That can reduce the amount that must come from rents, City subsidy, or other sources, and can make it possible to build more housing with the same resources.

Financing Type	Illustrative Rate	Annual 1BR Debt Service	Debt Constant	Modeled Borrowing Capacity	Difference vs. 6.5% Agency Loan
Tax Exempt General Obligation	4.50%	$13,500	0.0539	$250,243	$58,085
Tax Exempt Revenue	5.00%	$13,500	0.0579	$233,307	$41,150
Tax Exempt 501(c)3	5.60%	$13,500	0.0627	$215,273	$23,116
Taxable General Obligation	5.25%	$13,500	0.0599	$225,509	$33,352
Taxable Revenue	6.50%	$13,500	0.0703	$192,158	$0
MaineHousing Tax Exempt (private activity)	5.50%	$13,500	0.0619	$218,120	$25,963
MaineHousing Taxable	6.00%	$13,500	0.0660	$204,466	$12,308
MaineHousing 501c3, Governmental	5.50%	$13,500	0.0619	$218,120	$25,963
Agency Loan (Fannie, Freddie, etc.)	6.50%	$13,500	0.0703	$192,158	$0
Bank Loan	7.00%	$13,500	0.0746	$181,034	$-11,124

Appendix F

Pilot Model One: 0 Cornell Street

A City-Owned Parcel for Potential Social Housing Development

The Task Force reviewed more than 30 City-owned parcels as part of its search for an appropriate first social housing development opportunity. Staff screened the properties for factors including parcel size, zoning, housing capacity, location, infrastructure, topography, land cover, and other development constraints. That broader site review is documented in Appendix H.

0 Cornell Street emerged as the Task Force's preferred initial City-owned pilot because it combines direct City ownership, residential zoning, a manageable development scale, and a relatively straightforward ownership structure. The site also has known environmental conditions that require further investigation and may require substantial remediation. The Task Force therefore recommends Cornell Street as a project-development pilot, subject to environmental, engineering, financial, and legal due diligence.

Parcel and Location

The property is identified in City records as 0 Cornell Street, CBL 151A A013001. It is accessed from Cambridge Street off University Avenue. City records identify the parcel as approximately 135,227 square feet, or 3.10 acres.

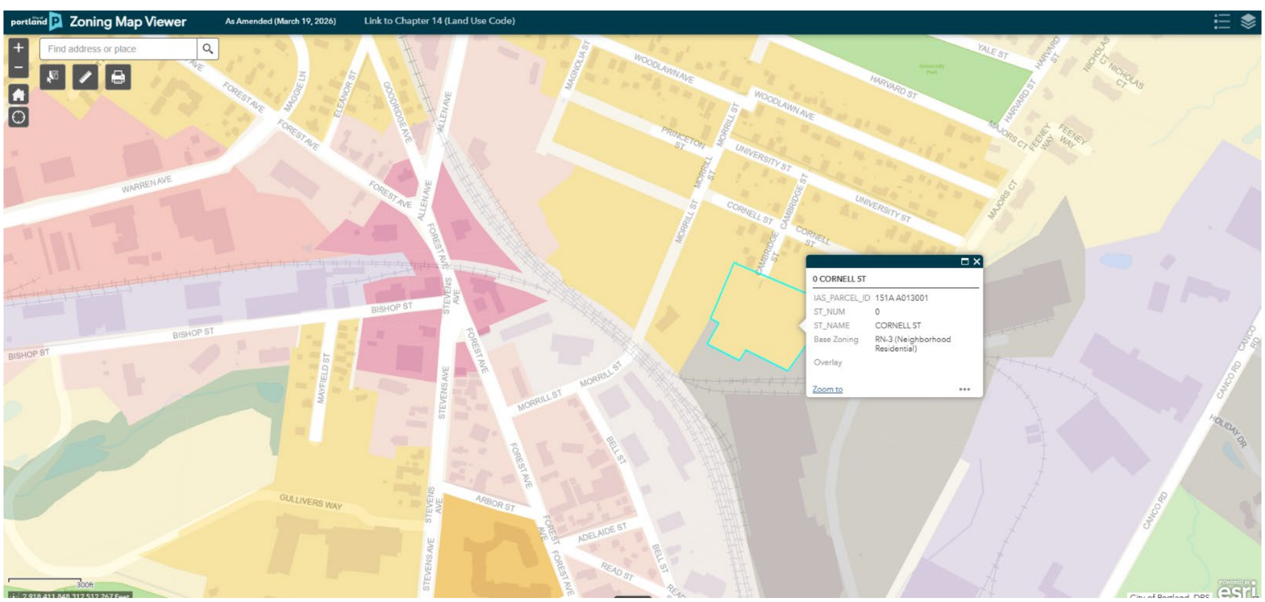

Figure 1. 0 Cornell Street parcel shown in the City of Portland Zoning Map Viewer.

Zoning

The property is located in the RN-3 residential zone, a medium-density residential district found primarily in off-peninsula neighborhoods. Recent state-law and local-code provisions affecting housing density may allow greater residential development than the base zoning would otherwise permit.

Based on preliminary review with the City's Zoning Administrator, a concept consisting of four 10-unit buildings may be feasible under applicable density provisions, subject to subdivision approval, extension of the roadway, compliance with dimensional standards, and full land-use review. This conclusion is preliminary and should be confirmed during project development.

Environmental Considerations

The site has known environmental concerns associated with the former Burt Company property. The property has been identified in federal and state environmental records and has been the subject of prior Maine Department of Environmental Protection Voluntary Response Action Program (VRAP) applications. A 2008 report identified arsenic and lead contamination, including lead-contaminated soils remaining on a southern portion of the Cornell Street property. Redevelopment may therefore require significant environmental investigation and remediation. Brownfields or other environmental funding may be available to offset some of these costs, but the environmental conditions remain a significant project risk that must be evaluated during the next phase.

Preliminary Project Concept

The preliminary concept tests a 40-unit social housing development made up of four 10-unit apartment buildings, with a mix of one-, two-, and three-bedroom homes. The illustrative unit mix includes 16 one-bedroom apartments, 12 two-bedroom apartments, and 12 three-bedroom apartments.

For purposes of the preliminary financial analysis, the concept assumes that 50% of the units serve households at approximately 80% of area median income (AMI) and 50% serve households at approximately 100% AMI. This is an illustrative assumption, not a final recommended income mix. The Task Force recommends an initial focus on households between 80% and 100% AMI, while preserving flexibility to adjust the mix during project development based on housing need, available financing, and project feasibility.

The preliminary massing study below illustrates one possible site configuration. The design has not been developed beyond this conceptual stage.

Figure 2. Preliminary massing study illustrating four 10-unit buildings and a possible public right-of-way extension.

Preliminary Pro Forma

The Task Force considered a preliminary hypothetical financial analysis to test the basic feasibility of the concept. The analysis is not based on final plans or specifications, and its assumptions have not been validated through formal market, construction-cost, engineering, or underwriting review.

The preliminary analysis estimates a total development cost in the range of approximately $14 million to $15 million and models roughly $700,000 in annual net operating income. The analysis assumes that the project would be financed primarily through City-issued debt. The Task Force recommends tax-exempt general obligation bonds as the starting financing structure for the Cornell Street pilot because they are expected to provide the lowest-cost municipal capital. Grants, environmental-remediation funding, or other lawful resources could supplement City bond financing where available. The final capital structure, debt-service contribution from project revenues, and any use of general City revenues would be determined during project development and approved by the Council.

Illustrative financial pro forma prepared for Task Force discussion; assumptions are preliminary and subject to revision.

Hypothetical Social Housing Financial Pro Forma

Building Details	
Number of Apartment Units	40
Floorplate Efficiency	85%
Building Square Feet	35,529

Unit Mix	% of Units	Units	Sf/Unit
Studio	20%	0	400
1-Bed	40%	16	500
2-Bed	30%	12	800
3-Bed	10%	12	1,050

Income (%AMI) Mix	
60%	0%
80%	50%
100%	50%

2025 Maximum Rents (from City of Portland website)	Studio	1-Bed	2-Bed	3-Bed
60%	$1,168	$ 1,362	$ 1,558	$ 1,753
80%	1,558	1,817	2,077	2,337
100%	1,947	2,272	2,596	2,921

Units by Type by Income	AMI 60%	80%	100%
Studio	0	0	0
1-Bed	0	8	8
2-Bed	0	6	6
3-Bed	0	6	6

Sources & Uses

Uses (Development Costs)			
Land			
Architecture & Engineering	15	psf	532,941
Developer Fee			500,000
Interest Carry			797,201
Construction	320	psf	11,369,412
Contingency	5%		659,978
	Total Uses		13,859,532
Sources (Funding)			
Jill Duson Trust Fund			572,850
Bond Financing	96%	TDCs	13,286,682
Other Grants			
			13,859,532

Debt Terms	
Loan	
Amount	$ 13,286,682
Amortization (years)	40
Rate	4.00%
Debt Constant	$0.05
Payment (Monthly)	($55,530)
Payment (Annual)	666,362
DSCR	1.10

Pro Forma Income				
Rent Income				$1,107,594
Vacancy/Credit Loss		7%		($77,532)
Net Revenue				$1,030,062
Operating Expenses				
Property Taxes				-
Insurance				30,000
Electric				70,000
Water/Sewer	42	pu/pm		20,160
Maintenance & Repai	60	pu/pm		28,800
Routine Maintenance				24,000
Turnover Expense				15,000
Snow and Landscaping				8,000
Trash Removal				4,000
Legal & Accounting				5,000
Capital Reserve				20,000
Prop Mgmt		7%		72,104
	Total Opex			297,064
Net Operating Income				**$732,998**
Debt Service				666,362
Cash Flow				**$66,636**

Figure 3. Hypothetical Social Housing Financial Pro Forma prepared for Task Force discussion.

Note: *The site plan, unit mix, development cost, rents, operating assumptions, and financing shown here are preliminary and illustrative. They were developed to test whether a City-owned social housing project at Cornell Street is sufficiently plausible to warrant further project development. They are not final plans, construction estimates, underwriting, or Council authorizations.*

Appendix G

Pilot Model Two: City-Owned Additive Units in a Portland Housing Authority Development

Purpose

The Task Force recommends testing a partnership model in which the City uses its financing capacity to add City-owned rental units to a Portland Housing Authority development or redevelopment.

PHA would continue to use LIHTC, HUD, MaineHousing, vouchers, and other established resources to finance housing for lower-income households. The City would use municipal financing to add housing serving a broader income range, with particular attention to households earning above 60% and up to approximately 100% of area median income.

The purpose is not to replace existing affordable-housing financing. It is to use City resources to produce additional housing, make fuller use of publicly controlled land, and broaden the income mix within one coordinated development.

PHA is a natural partner because it already has substantial development, financing, property-management, and asset-management experience. PHA has also identified properties where existing zoning may permit substantially more housing than traditional affordable-housing financing can support. City financing could help capture that unused development capacity.

879 Congress Street as a Case Study

The Task Force used PHA's proposed development at 873–879 Congress Street to examine how this partnership model could work.

The approved project is a seven-story mixed-use development containing 54 apartments and ground-floor commercial space. The site is located in the B-2b Community Business District on a major transit corridor adjacent to Maine Medical Center.

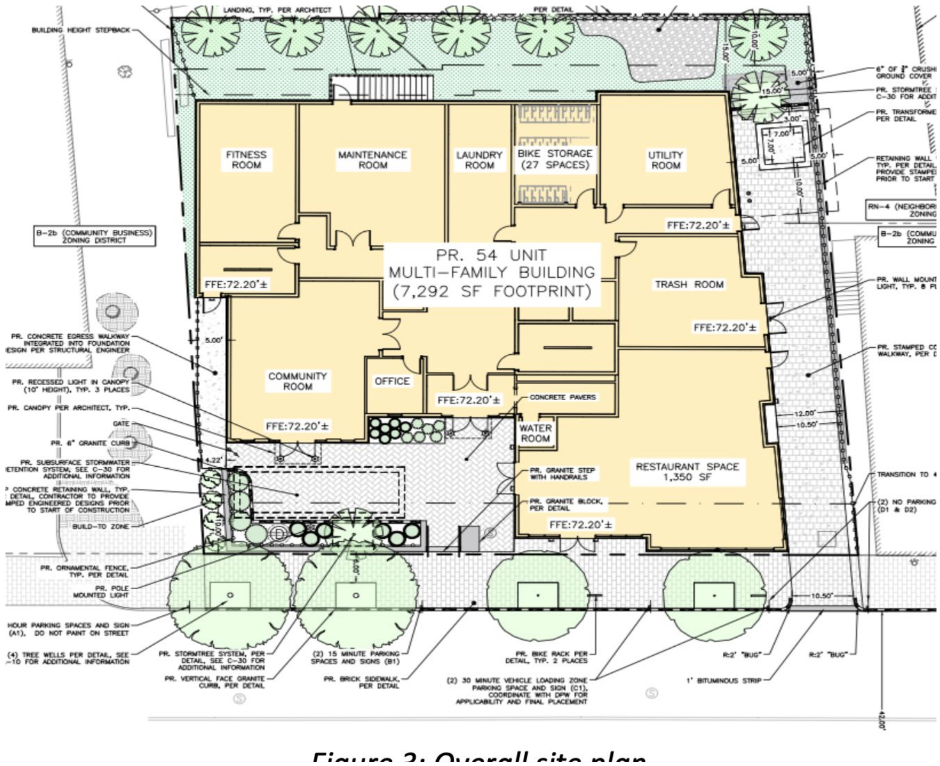

Figure G-1. Overall site plan, 879 Congress Street. The Task Force used this PHA/PHDC development as a case study for exploring how City-financed social housing might be incorporated into a future PHA project. Source: City of Portland Planning Board Report, July 28, 2026.

When PHA presented the project to the Task Force in April 2026, they provided an illustrative model in which all 54 units would operate at 80% AMI rents, without LIHTC financing and several other subsidy sources, and substituted a simplified interest-only loan structure.

The Task Force ultimately concluded that the City would be better positioned to add units serving a broader income range of households.

Ownership Structure

A City-owned component could be legally separated from the PHA-owned component through a condominium or similar ownership structure.

In this context, “condominium” refers only to the legal division of ownership within a rental development; it does not mean individually owned condominium apartments. The building would remain rental housing.

PHA or a PHA affiliate could own the portion financed through its programs, while the City owns the additional portion financed through City bonds. Common areas, building systems, land rights, insurance, reserves, maintenance, and other shared responsibilities would be addressed through project agreements. The development could still be designed, managed, and experienced as one mixed-income rental community.

The Additive-Unit Test

The central question for the pilot is:

Can City financing allow a PHA development to build more housing than PHA's existing financing would otherwise support?

For a selected project, the City and PHA would need to determine:

- how many units PHA can finance through its existing programs;
- how much additional development the site can physically and legally support;
- the practical number of additional units that can be added without materially changing the project's construction economics;
- the incremental cost of those units;
- the appropriate income and rent mix;
- the amount of City financing required;
- the portion of debt service, if any, that could be supported by project revenues; and
- the ownership, development, management, shared-cost, and long-term oversight agreements required.

That analysis would determine the actual number of City-owned additive units for the selected project. The Task Force has intentionally not assigned a hypothetical number of additive units to 879 Congress Street because the architectural, zoning, building-code, financing, and cost analysis needed to support such a number has not been completed.

Benefits of this model

The additive-units model could produce more housing on publicly controlled land without reducing the lower-income housing PHA would otherwise build or competing unnecessarily for scarce LIHTC resources. It could also broaden the income mix within a single development and make use of PHA's existing development and management expertise.

Potential benefits include:

- more total housing on publicly controlled land;
- workforce and middle-income housing integrated with lower-income housing;
- shared development, construction, and management efficiencies;
- City ownership of the additional housing; and
- a model that could be repeated as PHA develops or redevelops other properties.

What Congress Street Establishes, and What It Does Not

879 Congress Street is a useful immediate social housing development opportunity. Its location on a major transit corridor adjacent to Maine Medical Center illustrates the kind of setting where a broader mixed-income housing model may be especially valuable.

The Planning Board approved the seven-story, 54-unit development on July 28, 2026. This may make it difficult to incorporate a meaningful City-owned addition without redesign, delay, or increased costs.

If City-owned units can still practicably be incorporated at 879 Congress Street, the project could become the first pilot. If not, the same model should be applied to the next appropriate PHA development or redevelopment with remaining housing potential.

Figure G-2. Approved building elevation, 879 Congress Street. Source: City of Portland Planning Board Report, July 28, 2026.

What the Pilot Would Demonstrate

This pilot asks whether Portland can use its financing capacity and ownership to increase the amount and range of housing produced through a PHA development or redevelopment.

Advancing the pilot would occur through the broader governance and implementation framework recommended in the Task Force's Final Report. The specific development opportunity, financing structure, ownership arrangement, income mix, and agreements with PHA would be developed through that process and brought back to the Council as appropriate.

The value of the pilot extends beyond a single project. If successful, it could establish a repeatable framework for the City and PHA to combine their respective strengths, identify future opportunities earlier in the development process, and add City-owned social housing where public financing can make fuller use of available development capacity.

Appendix H: Development Opportunities Reviewed

As part of its work, the Task Force reviewed two categories of potential housing-development opportunities: City-owned land that might support new housing, and development projects that had received land-use approval but had not advanced to construction. These reviews were intended to identify where municipal intervention might be useful, not to designate every property reviewed as a future social housing site.

A. City-Owned Land

The Task Force began with an inventory of City-owned property prepared from City records. The purpose was to determine whether Portland already owned land that could support an initial social housing project without requiring land acquisition.

Properties were screened for factors including existing public use, parcel size and configuration, zoning and likely housing capacity, environmental constraints, wetlands and conservation restrictions, infrastructure, topography, and practical development potential. City staff presented the broader inventory in January 2026, after which approximately eight parcels were identified for closer review. Several sites proved constrained by size, configuration, existing uses, wetlands, conservation restrictions, or other development limitations.

Through this review, 0 Cornell Street emerged as the strongest candidate for an initial City-owned pilot. The City already owns the property, its zoning appears capable of supporting a modest multifamily development, and its ownership structure is relatively straightforward. Preliminary work examined a concept of approximately 40 units.

Cornell Street is not yet proven feasible. Environmental due diligence remains necessary and remediation may be required before development can proceed. The site nevertheless provided the Task Force with a useful opportunity to develop and evaluate a direct City-owned social housing model. Other City-owned properties may warrant consideration as the program develops.

Supporting document: City-Owned Land List prepared for the Task Force's January 2026 review.

B. Approved Projects Not Advanced to Construction

The Task Force also reviewed development projects that had received land-use approval but had not advanced to construction. Staff compiled this information from data used for the City's Housing Dashboard through the third quarter of 2025.

The review was intended to explore whether City financing or other public involvement might help move already-approved housing toward construction. It also reinforced an important finding: land-use approval alone does not produce housing; financing and project feasibility remain significant barriers between approval and construction.

The Task Force did not recommend beginning the Social Housing Program by acquiring or restructuring a stalled private development. Existing ownership, financing, lenders, approvals, and other project-specific complications made these projects less suitable as initial pilots. They may nevertheless present future opportunities where public investment could help create additional housing or preserve a project that would otherwise not advance.

Supporting document: Development Projects with Land-Use Approval That Had Not Advanced to Construction.

Supporting document: City-Owned Land List prepared for the Task Force's January 2026 review.

CBL	Street Address	Zoning	Known Major Concerns		
211 B003001	1928 CONGRESS ST	RN1		Topography	
112 G004001	12 DEERFIELD RD	RN3			
151A A013001	0 CORNELL ST	RN3			
428 C007001	563 WASHINGTON AVE	RN3			
058 A025001	32 SALEM ST	RN4		Topography	
148 C001001	143 READ ST	RN3			
402 B010001	0 LORING AVE	RN3			
275 C049001	91 RIGGS ST	RN3			
261 B055001	111 ROWE AVE	RN1			
261 B017001	0 TERRACE AVE	RN1			
275 C051001	87 RIGGS ST	RN3			
209A A014001	1956 CONGRESS ST	RN1	Land Cover	Topography	
013 K005001	0 SUMNER CT	RN4		Topography	
275 C029001	0 LOMOND ST	RN3			
083B E001001	0 DIAMOND AVE	IR2	Land Cover	Topography	
340 L017001	1315 FOREST AVE	RN1	Land Cover		
345 B005001	157 PLYMOUTH ST	RN1	Land Cover		
083B F007001	0 DIAMOND AVE	IR1	Land Cover	Topography	
269 B004001	56 HOLM AVE	RN3			
083B K001001	0 PARK AVE	IR2	Land Cover	Topography	
402 J001001	0 ASH ST	RN3	Land Cover	Topography	
352 D018001	284 PALMER AVE	RN1	Land Cover	Topography	
334 A015001	0 PALMER AVE	RN1	Land Cover	Topography	
166 B014001	21 RANDALL ST	RN3			Water/Sewer Line
126 G003001	56 CLIFTON ST	RN3			Water/Sewer Line
192 K032001	192 WOLCOTT ST	RN3			Water/Sewer Line
402 B011001	0 THURLOW ST	RN3	Land Cover		Water/Sewer Line
385 B027001	200 LAMBERT ST	RN1		Topography	Water/Sewer Line
261 G009001	0 HILLCREST AVE	RN1	Land Cover	Topography	
402 E008001	0 GERTRUDE AVE	RN3	Land Cover		Water/Sewer Line
160 D020001	60 ROSEDALE ST	RN3	Land Cover	Topography	Water/Sewer Line
300 E039001	148 COMMONWEALTH DR	RN1		Topography	Water/Sewer Line
296 A006001	0 WARREN AVE	RN1	Land Cover	Topography	Water/Sewer Line
085 V006001	238 SEASHORE AVE	IR1	Land Cover	Topography	Water/Sewer Line
283 B053001	86 DENNETT ST	RN1	Land Cover	Topography	Water/Sewer Line

Supporting document: City-Owned Land List prepared for the Task Force's January 2026 Review

CBL	Main Address	PF Address	[Project Name or] Description	Site Plan Application ID	Site Plan Approval Date (if Applicable)	Status	Number of Units Approved	Total # of Affordable Units	Total # of Low Income Affordable (0-80%	Total # of Workforce Affordable (80-120% AMI)	# of Affordable Units (RENTAL)	RENTAL Workforce Affordable (80-100% AMI)	RENTAL Low Income Affordable (0%-80%	#of Affordable Units (OWNER)	OWNER Workforce Affordable (80-120% AMI)	OWNER Low Income Affordable (0%-80%	Market Rate Units	# of Market Rate Units (RENTAL)	# of Market Rate Units (OWNER)	# of IZ units
029 L0030	203 FORE	203 Fore Street	Jordan's Meats Redevelopment	2012-491	8/14/2012	Expired	18	0	0	0	0	0	0	0	0	0	18	0	18	
028 I0060	167 NEWB	167 Newbury Street	Newbury Lofts	2012-540	9/11/2012	Expired	19	0	0	0	0	0	0	0	0	0	19	0	19	
025 B0030	SOMERSE	59 Somerset Street	Subdivision	2014-203	3/3/2015	Expired	440	0	0	0	0	0	0	0	0	0	440	440	0	
044 B0060	161 YORK STREET	161 York Street	York St Redevelopment	2016-261	2/28/2017	Expired	11	0	0	0	0	0	0	0	0	0	11	0	11	0
013 G012	221 CONGRES	221 Congress Street	221 Congress Street	2016-260	4/6/2017	Expired	17	0	0	0	0	0	0	0	0	0	17	0	17	0
045 E0210	SPRING	197 Spring Street	197 Spring Street	2017-061	5/9/2017	Expired	7	0	0	0	0	0	0	0	0	0	7	0	7	
135 E0080	510 STEVENS	510 Stevens Avenue	510 Stevens	2017-283	3/13/2018	Expired	3	0	0	0	0	0	0	0	0	0	3	3	0	
016 J0060	24 ST. LAWRENCE STREET	24 St. Lawrence Street	HR Property Mgt	2017-242	7/24/2018	Expired	5	0	0	0	0	0	0	0	0	0	5	0	5	
020 C0090	86 NEWBU	86 Newbury Street	Shipyard Redevelopment	000045-2018	9/25/2018	Approved with Conditions	10	1	0	1	1	1	0	0	0	0	9	9	0	1
344 E0060	300 ALLEN	300 Allen Avenue	Allen Ave - Mixed use, Estelle	000012-2018	9/25/2018	Expired	12	1	0	1	0	0	0	1	1	0	11	0	11	1
016 E0160	57 ST. LAWRENC	57 St. Lawrence Street	57 St. Lawrence	000525-2019	8/13/2019	Expired	16	1	0	1	1	1	0	0	0	0	15	15	0	1
026 F0080	CUMBERL	263 Cumberland Avenue	(89 room lodging	000748-2019	10/8/2019	Expired	0	0	0	0	0	0	0	0	0	0	0	0	0	
040 B0080	PLEASAN	32 Pleasant Street	Condos	000932-2019	3/10/2020	Expired	3	0	0	0	0	0	0	0	0	0	3	0	3	
293 D014	844 STEVENS	844 Stevens Avenue	844 Stevens Avenue	000961-2020	7/21/2020	Expired	20	0	0	0	0	0	0	0	0	0	20	20	0	0
327 B0040	1844 FOREST	1844 Forest Avenue	1844 Forest	000975-2020	2/9/2021	Expired	17	2	0	2	2	2	0	0	0	0	15	15	0	2
016 F0250	30-32 ATL	30-32 Atlantic Street	30-32 Atlantic Street	001667-2021	12/14/2021	Approved with Conditions	4	0	0	0	0	0	0	0	0	0	4	4	0	
015 B015	37 MONTF	37 Montreal Street	19 Willis Street	000807-2019	12/14/2021	Approved with conditions	12	1	0	1	0	0	0	1	1	0	11	0	11	0
118 A003	387 & 405	387 & 405 Deering Avenue	387 Deering Ave	001495-2021	2/22/2022	Expired	8	0	0	0	0	0	0	0	0	0	8	8	0	
036 H003	94 PORTLA	94 Portland Street	94 Portland Street	001845-2021	3/22/2022	Approved with Conditions	4	0	0	0	0	0	0	0	0	0	4	4	0	
013 D002	26 E. OXFO	26 East Oxford Street	26 E. Oxford Street	001837-2021	7/12/2022	Approved with Conditions	6	0	0	0	0	0	0	0	0	0	6	6	0	
053 A011	31 FOREST	31 Forest Street	31 Forest Street	002018-2022	1/24/2023	Approved with Conditions	3	0	0	0	0	0	0	0	0	0	3	3	0	
012 P0270	385 CONG	385 Congress Street	385 Congress Street	002156-2022	2/14/2023	Approved with conditions	9	0	0	0	0	0	0	0	0	0	9	0	9	
032 U003	185 COMN	185 Commercial Street	185 Commercial Street	002235-2022	2/28/2023	Approved with conditions	4	0	0	0	0	0	0	0	0	0	4	0	4	
190 K0100	73 POWSL	73 Powsland Street	Street	001808-2021	4/11/2023	Conditions	9	0	0	0	0	0	0	0	0	0	9	0	9	
027 A015	465 CONG	465 Congress Street	465 Congress Street	PL-002411-2023	5/23/2023	Approved with conditions	63	0	0	0	0	0	0	0	0	0	63	63	0	0
037 D002	511 CONG	511 Congress Street	Creation of Dwelling Unit	PL-002419-2023	6/13/2023	Approved with conditions	107	27	0	27		27	0	0	0	0	80	80	0	27
053 F0060	15 CRESCE	15 Crescent Street	15 Crescent Street	2023	12/12/2023	Conditions	5	0	0	0	0	0	0	0	0	0	5	0	5	
037 F0220	477 CONG	477 Congress Street	Street	2023	12/12/2023	Conditions	140	40	0	40	40	40	0	0	0	0	100	100	0	40
056 C002	64 PINE ST	64 Pine Street	TBD	PL-002678-2024	5/14/2024	Conditions	9	0	0	0	0	0	0	0	0	0	9	0	9	
142 B015	985 FOREST	985 Forest Avenue	985 Forest Avenue	PL-002918-2024	9/10/2024	Approved with Condit	18	5	0	5	5	5	0	0	0	0	13	13	0	5

033 H009	50 Cedar S	50 Cedar Street	Oxford Street	002885-2024	1/14/2025	Approved with Condit	24	0	0	0	0	0	0	0	0	0	24	24	0	6
026 A001(	158 Lanca	158 Lancaster Street	Phase 3 of 197 Oxford Street Phased Site Plan	002885-2024	1/14/2025	Approved with Condit	24	0	0	0	0	0	0	0	0	0	24	24	0	6
201 A005(	125 Thom	125 Thompson's Point	Point	003090-2024	2/25/2025	Approved with Condit	255	0	0	0	0	0	0	0	0	0	255	255	0	0
010 D001(	165 Washi	165 Washington Avenue	Avenue	003143-2024	2/25/2025	Approved with Condit	325	82	82	0	82	0	82	0	0	0	243	243	0	82
033 M001	PREBLE	61 Preble Street	61 Preble Street	PL-003222-2025	6/24/2025	Approved	217	0	0	0	0	0	0	0	0	0	217	217	0	55
299 D011(	29 BELFOR	29 Belfort Street	TBD	PL-003161-2024	7/8/2025	Approved	50	13	0	13	13	13	0	0	0	0	37	37	0	13
044 B006(	161 YORK	161 York Street	161 York Street	PL-003412-2025	10/28/2025	Approved with Condit	6	0	0	0	0	0	0	0	0	0	6	0	6	0
032 I0400	45 UNION	45 Union Street	45 Union Street	PL-003157-2024	12/9/2025	Approved with Condit	73	0	0	0	0	0	0	0	0	0	73	0	73	0
136 E0060	583 STEVE	65 McAuley Way - Building	TBD	001649-2021	1/25/2022	Conditions	28	0	0	0	0	0	0	0	0	0	28	0	28	3
136 E0060	583 STEVE	65 McAuley Way - Building	TBD	001649-2021	1/25/2022	Approved	42	0	0	0	0	0	0	0	0	0	42	0	42	5
018 A001(	58 FORE S	58 Fore Street	Ph. 2	2022	9/12/2023	Conditions	396	25	0	25	25	25	0	0	0	0	371	159	212	25
167 E0010	95 FRONT	95 Front Street	Street (PHA):	000672-2019	7/23/2019	Conditions	8	6	0	6	0	0	0	6	6	0	2	0	2	
022 I0030(	STREET	47 Boyd Street	47 Boyd Street	008001-2019	11/12/2019	Expired	3	3	3	0	3	0	3	0	0	0	0	0	0	
033 K009(	337 CUMB	337 Cumberland Avenue	Avenue	001140-2020	9/15/2020	Expired	60	48	48	0	48	0	48	0	0	0	12	12	0	
385 A001(	165 LAMB	165 Lambert Street	Lambert Woods	002078-2022	2/28/2023	conditions	90	90	0	90	0	0	0	90	90	0	0	0	0	0
124 J0050(	186 WOOI	202 Woodford Street	186 Woodford Street	PL-002753-2023	5/28/2024	Approved with Condit	46	46	46	0	46	0	46	0	0	0	0	0	0	0
124 J0050(	186 WOOI	186 Woodford Street	186 Woodford Street	PL-002753-2023	5/28/2024	Approved with Condit	51	51	51	0	51	0	51	0	0	0	0	0	0	0
022 H001(	OXFORD	70 East Oxford Street (AKA	TBD	PL-002845-2024	7/9/2024	Approved with Condit	55	50	50	0	50	0	50	0	0	0	5	5	0	0
016 F001(	ATLANTIC	42 Atlantic Street	42 Atlantic Street	2024	7/30/2024	Approved with Condit	30	30	30	0	30	0	30	0	0	0	0	0	0	0
046 D017(	ST	156 High Street	156 High Street	2024	8/13/2024	Approved with Condit	31	31	31	0	31	0	31	0	0	0	0	0	0	0
033 K010(	CUMBERL	331 Cumberland Avenue	Avenue	2024	8/13/2024	Approved with Condit	60	48	48	0	48	0	48	0	0	0	12	12	0	0
026 B018(	Oxford	197 Oxford Street	Oxford Street	002885-2024	1/14/2025	Approved with Condit	48	48	48	0	48	0	48	0	0	0	0	0	0	0
022 H001(	70 EAST O	9 Boyd Street - Phase 3	Phase 2	PL-003283-2025	5/27/2025	Approved	27	27									0	0	0	
022 H001(	70 EAST O	9 Boyd Street - Phase 2	9 Boyd Street - Phase 2	PL-003283-2025	5/27/2025	Approved	92	82									10	10	0	
217 A010(	1877 CON(	1877 Congress Street	TBD	PL-003020-2024	7/22/2025	Approved	156	78	0	78	0	0	0	78	78	0	78	26	52	39
269 B001(	1125 BRIG	1125 Brighton Avenue	TBD	PL-003379-2025	8/12/2025	Approved	50	50	47	3	50	3	47	0	0	0	0	0	0	0

(grey)	Affordable Projects
(yellow)	Site Plans associated with Master Development Plans (MDPs), which have extended approval timeframes
(orange)	Recent Approvals (Do not exceed average or median time for site plans to receive building permit approval
(blue)	Site Plans that exceed average and median timeframe from site plan approval to building permit issuance

Appendix I: Draft Council Resolution

CITY OF PORTLAND
IN THE CITY COUNCIL

RESOLUTION ACCEPTING THE SOCIAL HOUSING TASK FORCE FINAL REPORT, ENDORSING A FRAMEWORK FOR A SOCIAL HOUSING PROGRAM AND REVOLVING FUND, AND INITIATING NEXT STEPS FOR TWO INITIAL PILOT MODELS

WHEREAS, Portland is experiencing a sustained housing shortage affecting residents across a broad range of incomes; and

WHEREAS, the City Council established the Social Housing Task Force to develop a framework for government-led housing that advances permanent affordability, mixed-income housing, environmental sustainability, inclusivity, and long-term public value; and

WHEREAS, the Task Force conducted financial modeling, comparative research, site review, and consultation with housing practitioners, Portland Housing Authority representatives, City staff, Corporation Counsel, and bond counsel; and

WHEREAS, the Task Force found that construction and financing costs are principal barriers to housing production and that public land alone is generally insufficient to make projects financially feasible; and

WHEREAS, existing City housing resources and programs are valuable but are not sufficient to meet Portland's housing need at the scale required, making additional financing and production capacity necessary; and

WHEREAS, the Task Force found that the City's ability to issue debt and access lower-cost capital is one of Portland's strongest available tools for increasing housing production; and

WHEREAS, the City currently supports housing affordability through grants, loans, tax incentives, land contributions, and other public resources, but generally does not retain ownership of the resulting housing; and

WHEREAS, meaningful public ownership can allow public investment to create lasting public assets, preserve affordability over time, retain public value, and support future housing production; and

WHEREAS, the Task Force recommends that the City establish the public purpose, use public financing to create housing, retain meaningful public ownership, and rely on qualified partners for development, property management, and other specialized functions; and

WHEREAS, the Task Force identified a City-owned development at 0 Cornell Street and City-owned additive units within an appropriate Portland Housing Authority development or redevelopment as practical initial pilot models;

NOW, THEREFORE, BE IT RESOLVED, that the Portland City Council accepts the Final Report of the Social Housing Task Force; and

BE IT FURTHER RESOLVED, that the City Council endorses the creation of a City of Portland Social Housing Program as an ongoing municipal housing program for permanently affordable, mixed-income rental housing with meaningful public ownership; and

BE IT FURTHER RESOLVED, that the Council endorses the following principles to guide development of the Social Housing Program:

1. housing developed through the program should maintain meaningful public ownership;
2. affordability should be maintained over the life of the property;
3. the program should give particular attention to households earning above 60% and up to approximately 100% of area median income, while retaining flexibility to serve other income levels as housing needs, project feasibility, and financial conditions warrant;
4. projects should add to Portland's housing-production capacity by creating additional units, making fuller use of development opportunities, serving income levels not adequately reached, preserving housing at risk, or providing another measurable public benefit that would not otherwise occur;
5. qualified public, nonprofit, or private partners may develop, manage, or provide specialized services for the housing under agreements that protect the program's public purpose, affordability, ownership interests, and long-term stewardship;
6. project revenues should first support realistic operating, maintenance, reserve, and long-term capital needs and may also support debt service where appropriate;
7. financial value retained through the program should remain dedicated to social housing purposes and be reinvested in the preservation, development, and expansion of social housing; and
8. projects should advance environmental sustainability, climate resilience, accessibility, and inclusivity.

BE IT FURTHER RESOLVED, that the Council desires to establish a dedicated Social Housing Revolving Fund through which public financial value associated with the Social Housing Program can be retained and reinvested for future social housing purposes; and

BE IT FURTHER RESOLVED, that the Council requests preparation, for subsequent Council consideration, of the legislation and other actions necessary to establish the Social Housing Program, an appropriate governance structure, and the Social Housing Revolving Fund, consistent with the Final Report; and

BE IT FURTHER RESOLVED, that the Council identifies the following two initial pilot models for an implementation and project-development phase:

1. a City-owned mixed-income rental development at 0 Cornell Street, based preliminarily on a concept of approximately 40 units; and
2. City-financed and City-owned additive rental units within an appropriate Portland Housing Authority or Portland Housing Development Corporation development or redevelopment, using 879 Congress Street as a case study and possible project if its timeline permits; and

BE IT FURTHER RESOLVED, that, subject to required appropriations and other Council authorizations, the City Manager is requested to initiate an implementation phase for the two pilot models, including the feasibility and predevelopment work, financial and legal analysis, and development partnerships necessary to determine how the pilots can proceed; and

BE IT FURTHER RESOLVED, that the City Manager should identify the appropriate staff, administrative responsibility, contracted expertise, and other professional capacity needed to support the Social Housing Program and initial pilots, and bring any additional resource needs to the Council through the appropriate budget, appropriation, or authorization process; and

BE IT FURTHER RESOLVED, that financing proposals for the initial pilots should use the lowest-cost lawful financing available consistent with the program's public-ownership and affordability objectives; and

BE IT FURTHER RESOLVED, that the Council should establish a path for capitalizing the Social Housing Revolving Fund. Capitalization may occur through an initial pilot or another appropriate financing opportunity. If it has not occurred earlier, the Council should address capitalization as part of the next annual capital-budget process; and

BE IT FURTHER RESOLVED, that the Council requests a report back within a defined period on implementation progress, including the status and feasibility of the initial pilots, recommended program and governance actions, proposed financing or appropriations, and any additional Council authorizations needed to move the Social Housing Program forward; and

BE IT FURTHER RESOLVED, that the Council intends the Social Housing Program to continue beyond the initial pilots. The pilot models are intended to begin implementation and help establish practical, financial, legal, and administrative structures that can support additional social housing over time; and

BE IT FURTHER RESOLVED, that the implementation phase is intended to advance the Task Force's recommendations rather than conduct a new general study of social housing models, while allowing project-specific adjustments as feasibility and development work proceeds.

Appendix J: U.S. Social Housing and Public Housing-Production Models Reviewed

Purpose of This Appendix

The Task Force reviewed a range of U.S.-based public housing-production and ownership models to understand how other jurisdictions are using public financing, public land, housing-authority capacity, revolving funds, and development partnerships to produce permanently affordable, mixed-income housing.

The Task Force began with a comparative Social Housing Matrix summarizing the status, structure, funding, and notable features of programs in the United States and abroad. It then reviewed two broader studies of emerging U.S. models: The Emerging Spectrum of Government-Led and Publicly-Owned Housing Development Models, an October 2024 policy brief by Claudia Aiken, Matthew Murphy, and Hayley Raetz of the NYU Furman Center; and Interest Group Politics in U.S. "Social Housing" Experiments, a 2025 master's thesis by Zachary Davidson in the Massachusetts Institute of Technology's Department of Urban Studies and Planning. These materials allowed the Task Force to compare how different jurisdictions use public financing, ownership, housing authorities, and development partnerships.

The programs vary considerably. Some are established and have completed projects; others have only recently been authorized, remain under development, or exist as legislative proposals and feasibility studies. Some create a new public development entity; others work through an existing housing authority or nonprofit affiliate. Financing approaches include municipal bonds, revolving construction funds, dedicated taxes, federal housing programs, and combinations of public and private capital.

The Task Force did not seek to reproduce any one model. It reviewed these examples to identify elements that could be adapted to Portland's scale, legal authority, borrowing capacity, housing needs, and existing relationship with the Portland Housing Authority.

1. Mixed-Income Development Supported by Public Capital

The NYU Furman Center policy brief, The Emerging Spectrum of Government-Led and Publicly-Owned Housing Development Models, describes a group of emerging programs in which public entities use revolving funds or other public investment to finance part of the construction of mixed-income housing. The public financing generally replaces higher-cost private capital and may secure an ownership or equity interest for the public entity. These projects commonly include market-rate units whose rents help support units affordable to households earning approximately 50% to 80% of area median income.

Montgomery County, Maryland: Housing Production Fund

Montgomery County's Housing Opportunities Commission established a bond-funded Housing Production Fund to provide lower-cost construction financing for mixed-income developments. The fund was initially capitalized through two $50 million bond issuances supported by the County Council.

The fund provides short-term construction financing that is repaid when a project converts to permanent financing. The returned principal and interest can then be used for another project. The Housing Opportunities Commission expects the fund to revolve approximately every five years and retains majority ownership in the housing produced through the model.

The Task Force considered Montgomery County an important proof of concept for using public borrowing to create a revolving source of lower-cost capital while retaining a long-term public ownership interest.

Relevance to Portland: Montgomery County informed the Task Force's interest in establishing a Social Housing Revolving Fund and in structuring public investment so that repayments and financial value can support future housing.

Atlanta, Georgia: Atlanta Urban Development Corporation

Atlanta created the Atlanta Urban Development Corporation as a nonprofit subsidiary of its housing authority. Its emerging model is similar to Montgomery County's and combines revolving public capital with public land, City financial support, tax benefits, and the development capacity of existing public agencies.

Atlanta's model relies on partnerships rather than requiring the municipal government to perform all development functions internally.

Relevance to Portland: Atlanta demonstrates how a city can combine its financial capacity with an existing housing authority and outside development partners.

Chicago, Illinois: Green Social Housing Revolving Fund

Chicago approved a Green Social Housing Revolving Fund intended to support mixed-income housing through publicly backed revolving capital. At the time of the Task Force's review, the program had recently been approved and had not completed a project.

The Social Housing Matrix prepared for the Task Force described it as an independent nonprofit structure supported through a bond-seeded revolving fund.

Relevance to Portland: Chicago shows that revolving social housing funds are being considered in several U.S. cities, while also illustrating the difference between an authorized program and a model with a completed operating history.

Chattanooga, Tennessee: Invest Chattanooga

Chattanooga established a municipally seeded revolving investment fund associated with a nonprofit subsidiary of its housing authority with an initial $20 million municipal commitment.

The fund is intended to provide low-interest, subordinate financing covering up to approximately 25% of a project's cost and to function partly as a public equity investment.

Relevance to Portland: Chattanooga demonstrates how public capital can fill a financing gap while qualified outside partners continue to perform development and construction functions.

Colorado: Affordable Housing Financing Fund

Colorado's Affordable Housing Financing Fund uses a dedicated state income-tax set-aside to support public investment in mixed-income housing. Unlike a fund that depends principally on loan repayments, the Colorado model has an ongoing public revenue source.

The NYU Furman Center policy brief also describes a renter wealth-building component under which potential returns on the public investment may be distributed to residents.

Relevance to Portland: Colorado illustrates an alternative approach in which a housing-investment fund is supported by a dedicated recurring revenue stream rather than solely by the repayment of project loans.

2. Public Housing Redevelopment and Expansion

A second group identified in the NYU Furman Center policy brief uses existing public housing authorities and federal programs to renovate or replace public housing and add units. The report examines Boston, Cambridge, and Hawaii as examples using Faircloth-to-RAD and related federal assistance while retaining a public ownership interest.

Boston Housing Authority

Boston has used the development capacity of its housing authority, federal rental assistance, local resources, and private development partners to redevelop public housing and add new units.

The model focuses primarily on preserving and expanding deeply affordable housing, although some developments may include higher-rent units to support the project's financing.

Relevance to Portland: Boston demonstrates the value of using an experienced housing authority to coordinate federal programs, public ownership, and outside development partners.

Cambridge Housing Authority

Cambridge has used Faircloth-to-RAD together with LIHTC and other resources to support public housing redevelopment. The Cambridge Housing Authority has developed substantial expertise and also provides development and preservation assistance to other Massachusetts housing authorities.

Relevance to Portland: Cambridge illustrates how a housing authority can provide development capacity as well as long-term ownership and management.

Hawaii Public Housing Authority

Hawaii has pursued the redevelopment and expansion of existing public housing through Faircloth-to-RAD, federal assistance, and mixed-income development.

These efforts seek to preserve deeply affordable units, add housing, and retain public involvement in ownership and management.

Relevance to Portland: Hawaii demonstrates how land already controlled by a housing authority may be used more intensively when federal subsidies, local investment, and mixed-income development are coordinated.

These housing-authority examples are particularly relevant to Portland's proposed additive-units model. Portland's concept differs, however, because the City would use its own financing to add City-owned workforce units to a larger PHA development rather than relying solely on federal public housing programs.

3. Long-Standing Fully Affordable Models

The Task Force also reviewed established models that produce fully affordable housing without relying on a substantial market-rate component. The NYU Furman Center policy brief identifies Dakota County, Minnesota, and Idaho's The Housing Company as examples.

Dakota County, Minnesota: Community Development Agency

The Dakota County Community Development Agency has developed relatively small, fully affordable senior-housing properties since the 1980s.

The agency uses tax-exempt bonds supported by a general obligation pledge from Dakota County. It also receives revenue from a dedicated property-tax levy. Bond debt and operating revenue are managed across a larger portfolio, allowing the agency to spread financing, maintenance, and capital needs across multiple properties.

The agency's senior-housing program does not rely on LIHTC, providing greater flexibility in project design and use of resources.

Relevance to Portland: Dakota County illustrates the long-term value of building a portfolio of publicly controlled housing and the potential role of dedicated public revenue in supporting operations and debt.

Idaho: The Housing Company

The Housing Company is a nonprofit created by Idaho's housing finance agency. It has developed a substantial portfolio of fully affordable housing using LIHTC and other public resources.

Its large portfolio and accumulated expertise allow it to support new development and manage investments across multiple properties.

Relevance to Portland: The Housing Company demonstrates the advantages of specialized development and management capacity. It also reinforced the Task Force's decision to design Portland's program as complementary to existing affordable-housing development, using separate municipal financing and focusing on needs that are not adequately served through limited LIHTC resources.

4. Independent Public Development Authorities and Emerging Proposals

The Task Force reviewed several newer models centered on creating a new public development authority or establishing a statewide or local social housing program. Many of these efforts remain in their early stages.

Seattle, Washington: Seattle Social Housing Developer

Seattle voters created an independent public development authority to acquire, develop, own, and operate permanently affordable, mixed-income housing.

The model includes dedicated public funding and resident participation in governance. At the time of the Task Force's initial comparison, the authority had been created but had not completed a housing project.

Relevance to Portland: Seattle demonstrates the possibilities of a stand-alone public social housing authority. Portland did not select this approach because PHA and PHDC already possess development and property-management capacity that could be used through project-specific agreements.

California State and Local Initiatives

California has considered several statewide social housing bills and public development proposals. Zachary Davidson's 2025 MIT thesis, Interest Group Politics in U.S. "Social Housing" Experiments, also discusses local work in Los Angeles and San Francisco.

Some statewide proposals advanced only as study legislation or pilot proposals, while others did not become law. San Francisco conducted feasibility work and developed illustrative financial models for a possible local social housing program.

Relevance to Portland: California's experience shows that creating a large new statewide public development structure may require substantial legislative and political work before housing is produced. It also demonstrates the value of local financial modeling and smaller pilot projects.

Massachusetts

Massachusetts has considered bond-supported housing investment and a potential revolving financing program. At the time of the Task Force's review, the concept remained prospective and had not developed into an established production program.

Relevance to Portland: Massachusetts illustrates the potential for state bonding to support housing investment, but it also reinforced the Task Force's focus on implementation. In a housing crisis, authorization and proposed funding matter only if they lead to viable projects, completed construction, and homes people can actually occupy.

Rhode Island and Providence

Providence offers a useful example of a city using bond proceeds to support housing production. Its approach demonstrates that municipal bonding can provide housing resources at a scale that annual appropriations alone may not achieve.

Rhode Island also has legal tools that do not translate directly to Portland, including redevelopment authorities with bonding powers and a tax-stabilization structure that differs from Maine's tax increment financing system.

Relevance to Portland: Providence shows that a city can use bonding as a meaningful housing-production tool. Portland should adapt that lesson to the financing authority available here, particularly its own general obligation bonding capacity.

New York

Zachary Davidson's MIT thesis identifies several New York initiatives, including proposals for a statewide social housing development authority and the approval of two $50 million revolving loan funds.

At the time of the research, the revolving funds had advanced further than the proposal for a new statewide development authority.

Relevance to Portland: New York demonstrates that a revolving financing mechanism can be established without first creating a large new public development agency.

San Francisco, California

San Francisco conducted a feasibility study and developed illustrative project pro formas for a possible locally funded social housing program. The comparative Social Housing Matrix prepared for the Task Force described a potential $62 million revolving fund, but the program remained theoretical at the time of review.

Relevance to Portland: San Francisco demonstrates the usefulness of detailed financial modeling but also the distinction between studying a program and implementing one.

Kingston, New York

Kingston was identified as exploring a social housing initiative. The comparative Social Housing Matrix prepared for the Task Force described it as anticipated and unfunded, with limited program details available.

Relevance to Portland: Kingston reflects the growing national interest in social housing but did not provide a sufficiently developed model for Portland to follow directly.

5. Overall Lessons for Portland

The programs reviewed by the Task Force show that social housing is not a single prescribed structure. U.S. jurisdictions are experimenting with several approaches:

- revolving construction funds supporting mixed-income development;
- public housing authority redevelopment and expansion;
- fully affordable portfolios supported by bonds and dedicated revenues;
- new public development authorities; and
- public financing combined with nonprofit or private development capacity.

Several recurring lessons shaped the Task Force's recommendations.

Public financing can address a central production constraint

Many of the emerging models use municipal bonds, revolving funds, or other public resources to replace higher-cost private financing. The Task Force's own financial modeling similarly identified the cost of capital as an area where Portland may be able to make a meaningful intervention.

Revolving funds generally finance part of a project

The revolving funds reviewed do not ordinarily pay the entire cost of development. They frequently provide subordinate construction financing or public equity that fills a gap after senior construction debt and other resources have been secured.

Public investment can secure ownership and long-term value

Several models provide low-cost public capital in exchange for public ownership, equity, or long-term control. This distinguishes them from programs in which public assistance supports housing that remains entirely privately owned.

Mixed-income models depend on local economics

Many of the revolving-fund models use market-rate rents to support units affordable to households around 50% to 80% of AMI. Their feasibility depends on local market rents, development costs, public land, tax treatment, and the amount and cost of public financing.

Existing institutional capacity matters

The successful models generally rely on organizations with experience in underwriting, financing, project development, construction oversight, property management, and long-term asset management.

This finding supports Portland's proposed use of PHA, PHDC, and other qualified partners rather than the creation of a new municipal development agency.

A portfolio creates advantages over time

Long-standing models such as Dakota County show that a larger portfolio can spread financing, maintenance, management, and capital costs across multiple properties. That benefit develops gradually and requires a sustained program rather than a single isolated project.

No single model can be transferred directly to Portland

Every model depends on its own legal authority, state and local funding, public land, housing market, institutional capacity, and access to federal programs.

Portland's recommended approach therefore combines selected features from several models:

- the use of municipal bonding to obtain low-cost capital;
- direct City ownership and retention of public equity;
- a dedicated revolving fund;
- mixed-income housing responsive to locally identified needs;
- partnership with PHA and PHDC for development and management capacity; and
- an initial focus on two manageable pilot projects rather than creation of a large new public development authority.

The Task Force's recommendations did not arise from a single ideological or institutional model. They reflect a comparative review of U.S. programs and an effort to select the tools most suited to Portland's existing strengths and housing-production needs.

Appendix K: Draft Ordinance Establishing the Social Housing Program

Purpose

This draft is provided to illustrate the legislative structure that could be used to establish an ongoing City of Portland Social Housing Program and Social Housing Revolving Fund.

The ordinance is intended to translate the policy framework recommended by the Social Housing Task Force into a durable municipal program while leaving project-specific financing, appropriations, development agreements, bond authorizations, and other implementation decisions to subsequent Council actions as required.

CITY OF PORTLAND
IN THE CITY COUNCIL

ORDINANCE ESTABLISHING THE CITY OF PORTLAND SOCIAL HOUSING PROGRAM AND SOCIAL HOUSING REVOLVING FUND

Sec. ..1 Purpose

The purpose of this section is:

A. To establish an ongoing City of Portland Social Housing Program to increase the supply of permanently affordable, mixed-income rental housing in Portland;

B. To use public financing, public ownership, and development partnerships to produce housing that is not being consistently produced through existing private, nonprofit, and public housing programs;

C. To retain meaningful public ownership and the long-term value created through public investment; and

D. To establish a Social Housing Revolving Fund through which financial value associated with the program may be retained and reinvested in social housing.

Sec. ..2 Establishment of the Social Housing Program

There is hereby established the **City of Portland Social Housing Program**.

For purposes of this section, social housing means permanently affordable, mixed-income rental housing in which the City maintains meaningful public ownership consistent with the purposes of this section.

The Social Housing Program shall be an ongoing municipal housing program and shall not be limited to any particular pilot project, development site, or financing source.

Sec. ..3 Program principles

Housing developed or preserved through the Social Housing Program shall be guided by the following principles:

A. **Public ownership.** The City shall maintain meaningful public ownership sufficient to protect permanent affordability, ensure continued use of the property for social housing purposes, and retain public value created through City investment.

Depending on the project, the City may own an entire development, a legally defined portion of a coordinated development, or hold another ownership interest that accomplishes these purposes.

B. **Permanent affordability.** Housing shall remain affordable for the life of the City's ownership or other public interest in the property and shall not depend solely upon a time-limited affordability covenant.

C. **Mixed-income housing.** The program shall give particular attention to households earning above 60 percent and up to approximately 100 percent of area median income, while preserving flexibility to serve other income levels based on housing need, project feasibility, available financing, and other program objectives.

D. **Additional housing production.** Program investments should expand Portland's housing-production capacity by creating additional units, making fuller use of development opportunities, serving housing needs not adequately reached by existing programs, preserving housing at risk, or providing another substantial public benefit that would not otherwise occur.

E. **Professional development and management.** The City may contract or partner with qualified public, nonprofit, or private entities to provide development, construction, property management, financial, legal, and other specialized services.

F. **Financial stewardship.** Projects shall be structured to provide for realistic operating, maintenance, reserve, and long-term capital needs. Project revenues may support debt service where appropriate, but individual properties shall not be required to repay their entire development cost through rental income.

G. **Retention of public value.** Financial value retained through the program shall remain dedicated to social housing purposes and may be reinvested through the Social Housing Revolving Fund.

H. **Sustainability and accessibility.** Projects should advance long-term energy efficiency, climate resilience, accessibility, inclusivity, and reasonable utility costs.

Sec. ..4 Governance and administration

A. The City Council shall establish the policy and public-purpose requirements of the Social Housing Program and shall approve appropriations, municipal borrowing, acquisition or disposition of real property, and other matters requiring Council authorization.

B. The Council may establish a municipal development corporation, board, or other appropriate governance structure to provide ongoing oversight of the Social Housing Program, review program performance and potential investments, and recommend program priorities.

C. The City Manager, or the City Manager's designee, shall administer the Social Housing Program, subject to this section and the orders of the City Council.

D. The City Manager may assign City staff and retain or contract for professional expertise necessary to administer the program and protect the City's ownership and financial interests.

E. Development, construction, property management, and other specialized functions may be performed by qualified public, nonprofit, or private partners pursuant to agreements approved as required by law.

Sec. ..5 Establishment of the Social Housing Revolving Fund

The City Council shall establish a special revenue account under the name **"City of Portland Social Housing Revolving Fund"** ("Revolving Fund").

Subject to applicable law and Council authorization, deposits into the Revolving Fund may include:

A. Funds appropriated by the City Council;

B. Project revenues available for reinvestment after project obligations and reserve requirements are met;

C. Repayments of loans or other financial assistance made through the program;

D. Refinancing proceeds or other financial returns associated with social housing assets;

E. Federal, state, local, private, or philanthropic grants or contributions;

F. Interest and investment earnings attributable to the Revolving Fund;

G. Bond proceeds where legally permitted and authorized by the City Council; and

H. Other lawful revenues or resources designated by the City Council for social housing purposes.

The establishment of the Revolving Fund shall not require that the Fund be fully capitalized at the time this section is enacted.

Sec. ..6 Use of the Social Housing Revolving Fund

A. Assets of the Revolving Fund shall be used only in furtherance of the purposes of the Social Housing Program.

B. Subject to applicable law and Council authorization, the Revolving Fund may support:

1. acquisition of land or housing;
2. predevelopment, design, environmental, engineering, and other project-development costs;
3. construction, rehabilitation, preservation, or improvement of social housing;
4. capital contributions to projects in which the City maintains an ownership interest;
5. reserves and long-term capital needs associated with City-owned social housing;
6. financing or refinancing undertaken for social housing purposes; and
7. other lawful expenditures necessary to develop, preserve, expand, or steward social housing.

C. Money retained in the Revolving Fund shall remain dedicated to social housing unless otherwise authorized by the City Council consistent with applicable law.

Sec. ..7 Program planning and Council oversight

At least annually, the City Manager, in coordination with the program's governance structure, shall provide the City Council with a Social Housing Program report and recommended work plan.

The report should address, as applicable:

A. the status of existing social housing assets;

B. the financial condition and activity of the Social Housing Revolving Fund;

C. current development and predevelopment activity;

D. anticipated capital, operating, and reserve needs;

E. potential future development or acquisition opportunities;

F. program affordability and income-mix priorities;

G. recommended uses or capitalization of the Revolving Fund; and

H. proposed appropriations, borrowing, development actions, or other matters requiring City Council authorization.

The City Council may approve, modify, or otherwise act upon recommendations through the budget process, capital planning process, Council orders, or other appropriate actions.

Sec. ..8 Development and ownership agreements

Each social housing project may be structured according to the circumstances of the development, provided that all ownership, financing, development, management, ground-lease, condominium, shared-facility, or other agreements preserve the purposes and requirements of this section.

The appropriate structure and allocation of responsibilities shall be determined on a project-by-project basis and shall be subject to Council approval where required.

Sec. ..9 Relationship to other housing programs

The Social Housing Program is intended to supplement, not replace, existing City housing programs, Portland Housing Authority programs, nonprofit affordable-housing development, private housing production, or other state and federal housing resources.

The City should seek to use Social Housing Program resources in a manner that expands housing production and avoids unnecessary competition for scarce resources already dedicated to other affordable-housing programs.

State of Maine Housing Production Needs Study

Homes to support Mainers and Maine businesses, now and in the future.

October 2023

MaineHousing
MAINE STATE HOUSING AUTHORITY

GOVERNOR'S OFFICE OF
Policy Innovation and the Future

Department of Economic & Community Development

HR&A

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Acknowledgements

The State of Maine Housing Production Needs Study is the result of a joint effort between MaineHousing, the Governor's Office of Policy Innovation & Future (GOPIF), the Maine Department of Economic and Community Development (DECD), and a broad group of stakeholders. We thank the following individuals and organizations for their invaluable contributions to conceptualizing, informing, refining, and otherwise offering direct input to this Study. This Study was prepared by HR&A Advisors.

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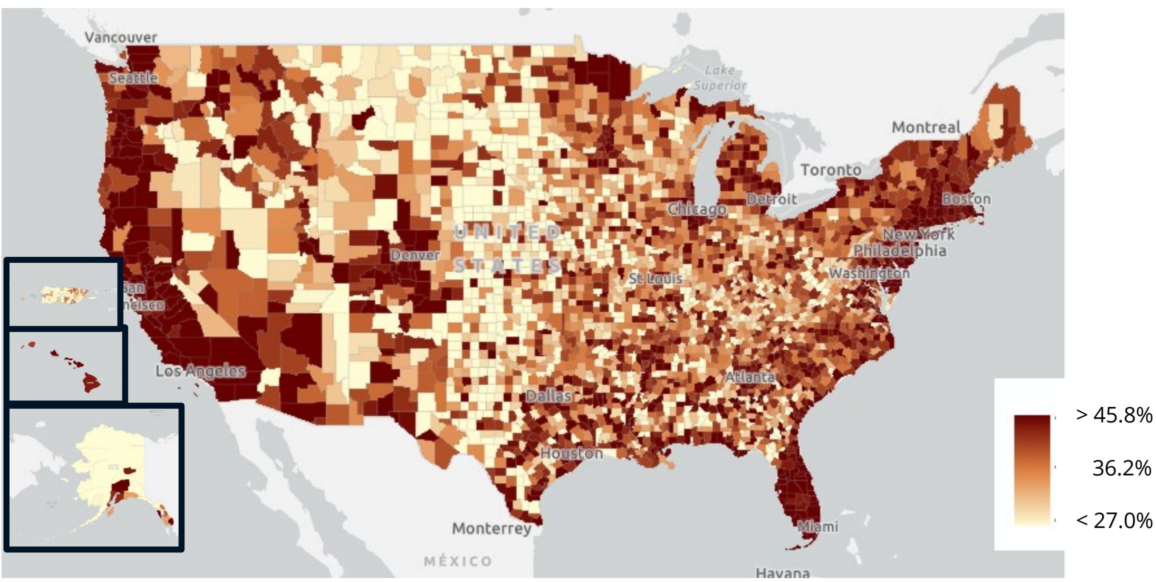
Executive Summary

Introduction

In response to a national housing crisis accelerated by the Covid-19 pandemic, policy makers are increasingly asking, *how many and what kind of homes are needed to meet the needs of our constituents and improve affordability?* The scale and nature of housing challenges varies significantly across regions and places but is driven by a primary underlying cause: housing production dropped precipitously after the Great Recession, leading to a nationwide undersupply of homes, especially at low and moderate income price points.[1] These trends were exacerbated by the pandemic through materials and labor shortages just as some places—Maine in particular—experienced a sudden influx of residents due to an increase in remote workers seeking a higher quality of life and an increase in international immigration. What was once primarily a problem for coastal cities has become a national one; almost every county in America now has significant rates of renter cost burden, among other housing challenges (Figure 1).

Figure 1: Percentage of Cost Burdened Renters by County



Source: American Community Survey 5-Year 2021

While Maine has historically had a relatively affordable homeownership market, this changed in the years leading up to the pandemic and has worsened since 2020.[2] Maine is also faced with an aging housing stock, leading more of the state's existing homes to sit vacant in need of reinvestment. These trends have led to a range of housing challenges for Mainers, including reduced housing quality, limited options to age in place, increased homelessness, and rising housing costs. All these issues are important to study further. However, at the most basic level, aligning housing production with population and economic growth is the foundation of a healthy housing market that offers quality homes at a price affordable to

[1] Betancourt, Gardner and Palim. (2022). Housing Insights: The U.S. Housing Shortage from a Local Perspective. Fannie Mae. https://www.fanniemae.com/media/45106/display

[2] MaineHousing Affordability Index. (2023). MaineHousing. https://mainehousing.org/data-research/housing-data/housing-affordability-indexes

residents. **The first step is to understand how many homes are needed to support broad affordability and availability, which lays the foundation to adopt policies to create those homes.**

Addressing housing supply challenges in Maine will require a comprehensive approach that considers both the **local regulatory changes** needed to increase housing supply through new construction and the **funding** needed to reinvest in Maine's aging homes and create new homes that are affordable to those with lower incomes, including seniors on fixed incomes, households waiting for federal work authorization, and others. Further, strategies to overcome other barriers, such as the capacity of the development and construction industry in Maine and environmental challenges, will all be necessary as part of a comprehensive approach to increase supply.[3] While this will require both local and state-wide strategies, the historic hyper-local response to what is ultimately a regional problem has been one of the primary barriers in Maine and nationwide to building enough homes.

In recognition of this, the State of Maine has taken the lead on a strategy to **build new homes and reinvest in existing homes state-wide** through the passage of LD 2003 and over $280,000,000 in affordable housing production funding since 2019. LD 2003 requires municipalities to permit a wider range of housing types and commits State financial and technical assistance for municipalities to support local and regional production targets, including through measuring regional housing production needs. LD 2003 recognizes that a data-informed approach to measuring regional and statewide housing production needs is key to a broader state-wide planning effort to increase housing production.

This Study is a key step in this process, and it aims to answer the question, **how many homes are needed in Maine now and in the future to support Mainers to have access to the homes they need, in a location that promotes economic opportunity, and at a price that ensures a high quality of life?** This Study is focused on measuring that need in alignment with the State's specific demographic and economic conditions as well as goals to ensure that Maine can sustain and grow its economy over time. This Study measures "homes" as housing units in any building type, including single family, attached housing and multifamily housing. Building and reinvesting in a diverse range of housing types to meet different household needs and price points will be crucial to meeting Maine's housing supply needs.

This Study, conducted by HR&A Advisors, was overseen by a Steering Committee representing MaineHousing, the Governor's Office of Policy Innovation and the Future (GOPIF), and the Department of Economic and Community Development (DECD), together the "Study Team", which met regularly to coordinate research planning, data collection, and priority areas of analysis.

The Study Team also solicited feedback from a Technical Working Group composed of representatives from the Department of Labor (DOL), the Maine State Economist, the Greater Portland Council of Governments, the Maine Association of Realtors, the Maine Municipal Association, and other experts.

Approach

Maine has a set of broad policy priorities that inform this Study's approach to measuring how many homes need to be built or reinvested in. The first is to have **enough homes overall to accommodate the existing demand for homes.** When there is an insufficient supply of homes, competition for the limited number of homes available drives up prices to levels that are unaffordable to many existing

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[3] Sturtevant and Curtis. (2023). Availability of Workforce Housing in Maine. University of Maine. https://usm.maine.edu/shaw-innovation-fellows/wp-content/uploads/sites/406/2023/05/Workforce-Housing-in-Maine_Sturtevant-Curtis_Shaw-Innovation-Fellowship-8-May-2023-1.pdf.

Mainers. A healthy housing market—one that has enough homes to accommodate existing demand across income groups—has a portion of homes that are vacant and available at any given time[4]. These available homes allow households to move about the state as they change jobs, move out of homes to start their own family, or otherwise need to relocate because of changes in their life. Right now, there are portions of the state where there are simply no homes available for a household to move into.

The second policy priority is to have enough homes **affordable, available and in the right locations to support the workforce necessary to sustain and grow Maine's economy.** The State's Economic Development Strategy focuses on the need for a workforce to support Maine's long-standing industries and to foster growth and innovation in new areas. To achieve these goals, Maine's economy requires workers to fill open positions as an increasing number of Mainers reach retirement and room for new workers to fill positions created as local businesses and the economy grow. Without enough homes for workers filling open job positions, businesses will continue to struggle and at times fail—harming the prosperity of all Mainers.

With these two goals in mind, this Study calculates both the number of additional homes needed currently to remedy **Historic Underproduction** and, by 2030, the **Future Need** to meet these policy priorities. In recognition of Maine's regional economies, Historic Underproduction and Future Need are calculated for three economic regions: the Coastal Region, comprising Cumberland, Hancock, Knox, Lincoln, Sagadahoc, Waldo, and York Counties, the Northeastern Region, comprising Aroostook, Penobscot, and Washington Counties; and the Central Western Region, comprising Androscoggin, Franklin, Kennebec, Oxford, Piscataquis, and Somerset Counties.

Other studies have quantified the need for homes in Maine, particularly for affordable rental homes. For example, the National Low Income Housing Coalition (NLIHC) has estimated a shortage of 22,300 affordable and available rental homes for households making at or below 50% of Area Median Income (AMI) and mostly for extremely low income households. While the State of Maine Housing Production Needs Study considers housing need at the lowest income levels, the primary focus is on measuring overall production needs for both renters and homeowners across the income spectrum in Maine, incorporating the demand for seasonal homes, the need for additional workers, and the recent influx of higher income households to Maine, all of which significantly impact the availability and price of homes in Maine. Different approaches can be used together to understand different elements of housing need in the state.

This Study does not, however, detail the specific physical typologies of homes needed to support different populations including the elderly, asylum-seekers and refugees, those experiencing homelessness, and different household types more broadly. It is important for the State and municipalities to take into account local population needs and make regulatory and funding decisions accordingly, including by reducing regulatory barriers to building the types of homes that households need and securing funding for homes that can support populations with the highest need. Local planning should consider how different housing types, including single family, attached and multifamily rental and for-sale homes, can support availability at the price points needed while also considering local context.

Ultimately, setting production targets is a process that will need to account for regional variation in demographic trends, economic development needs, and existing constraints on housing development.

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[4] Vacant and available homes do not include vacant homes that are not currently available for full-time residence, whether due to disrepair, seasonal use, foreclosure, or other factors.

This Study provides analysis to help guide that process (Figure 2). As local planning follows, local adjustments to these targets should be balanced with the likely impact on the availability and affordability of homes for existing Mainers and the economic health of the state. These production targets will also need to be monitored over time as economic and demographic conditions change and as municipalities take steps to meet these targets. For more information about the Study approach, see page 12.

Figure 2: Setting Housing Production & Reinvestment Targets

Key Findings

While trends vary across the state, homes are becoming less affordable and harder to find in Maine. There are demand-side drivers, including sudden in-migration and declining labor force participation amongst Maine's aging population, and supply-side drivers, including low housing production and an aging housing stock, that are broadly driving these trends.

Demand-Side Drivers

Recent demand-side drivers, including **sudden in-migration** during the height of the Covid-19 pandemic and a **declining labor force from aging households**, are impacting the number of homes Maine needs. Maine experienced increased in-migration from out of state in recent years, concentrated in York and Cumberland Counties but distributed across the state. These in-migrants have higher incomes on average than existing Mainers and are able to pay more for homes. Maine has also experienced a surge in households seeking asylum, who generally have very low incomes in the short-term as they await federal work authorization.

At the same time, Maine's population is aging, resulting in a declining labor force. This impacts both the kinds of homes needed to accommodate a retiring population and homes needed to enable employers to attract more workers to the state to fill open job positions. Over the past decade, Mainers 55 and over have grown as a share of the population, and labor force participation among this group has significantly declined since 2017 as the group gets closer to retirement age. As a result, overall labor force participation has not recovered post-pandemic as older workers retire, even as labor force participation amongst younger groups has remained steady.

In order to fill the job vacancies created by increased retirement, Maine will need to bring in workers from out-of-state, who will in turn require additional homes to live in.[5] Maine currently has a very high share of unfilled job positions, with many parts of the state having more vacancies than available workers. Many of these jobs skew somewhat lower income, reflecting a growing mismatch between what many new workers could afford and the price of Maine's available homes.

Supply-Side Drivers

These demand-side drivers are exacerbated by supply-side challenges, namely Maine's **aging housing stock** and **low housing production** over the past decade.

As the housing stock ages, the share of homes that are unavailable to be occupied due to poor condition has increased. As these homes deteriorate over time, the inventory of homes can gradually decline through demolition. There is limited data to quantify the annual loss of homes through demolition or disrepair, however, individual towns and localities may have the information or begin to gather the information through demolition permits to track the loss of homes over time. Ultimately, this data will need to inform local production and reinvestment targets.

Maine has also had **low housing production relative to job growth across all regions**, but particularly in the Coastal Region, which is a key measure of housing supply issues. Both the Central Western and Northeastern regions have seen total housing inventory decline slightly since 2016. The state has also seen a decline in rental homes across all regions, which runs counter to the trend in almost every other housing market in America and is likely exacerbating Maine's workforce challenges, as workers in entry-level and lower wage positions often require rental housing options.

Finally, **the consistently high demand for seasonal homes means that Maine has historically required a higher number of homes relative to the number of year-round residents and available jobs than states with lower seasonal demand.**

Availability and Affordability

As a result of low production, reduced rental housing and an aging housing stock, the **availability of homes is declining** and **prices are increasing**, making it very difficult to access and afford homes and fill job openings in some parts of the state. Not all vacant homes in a housing market are available, as some vacant homes might be reserved as a seasonal home, in foreclosure, in disrepair or otherwise unavailable to the market for occupancy. True "availability" of the housing stock is defined as the vacant units that are ready and available for a household to move into. In a healthy housing market, typically about 5% of homes are vacant and available for use at any given time—allowing for housing choice flexibility and

[5] Maine's 2020 – 2029 Economic Development Strategy also aims to increase the labor force participation rate of groups with historically lower participation, such as women and people with disabilities. However, the plan acknowledges that in order to support Maine's economic growth, additional workers will also have to come from out of state.

Maine Economic Development Strategy 2020-2029: A Focus on Talent and Innovation. (2019). Maine Department of Economic and Community Development. https://www.maine.gov/decd/sites/maine.gov.decd/files/inline-files/DECD_120919_sm.pdf movement. **Across Maine, the share of homes vacant and available has fallen to an average of 2.3% statewide.**

Homeownership in Maine is becoming increasingly unaffordable. Under a standard definition set by the U.S. Department of Housing and Urban Development (HUD), homes are considered affordable if the rent or cost of ownership[6] is less than 30% of household income. Until recently, the cost of purchasing a home in Maine was such that a household earning the median income could afford the mortgage on the median home value. In recent years, however, the demand- and supply-side drivers described above, in addition to macroeconomic trends such as rising interest rates, have caused a significant divergence between the income needed to purchase a home in Maine and the actual median income of Mainers**; households now need to make over $100,000 annually to afford the median home price** As a result, buying a home in Maine now is not affordable for the majority of Mainers.

Renters in Maine are also facing affordability and availability challenges. Maine has seen a decline in renter-occupied units across the state since 2016, and the majority of renter households below 60% of Area Median Income (AMI)[7] in Maine were **cost burdened** (paying over 30% of household income in rent) in 2021, with the highest rates of cost burden in the Coastal Region. Although renter cost burden rates remained relatively consistent from 2016-2021 (the most recently available data), rents and homes prices increased significantly in 2022 and 2023 and exceeded wage increases, which has likely increased cost burden rates since 2021.

Measuring Housing Need

To address these needs and meet the State's policy priorities, Maine needs approximately 38,500 homes to remedy historic underproduction and will need an additional 37,900 to 45,800 homes to meet expected population growth and household change by 2030 (Table 1). Maine can meet this goal both through the **production of new homes** and **reinvestment in existing homes** that are vacant or unavailable due to disrepair or foreclosure.

Table 1: Historic Underproduction and Future Need by Region

Region	*Historic Underproduction*	*Future Need (2021 – 2030)*	*Total*
Coastal	21,200	24,200 – 28,000	45,400 – 49,200
Central Western	13,000	9,700 - 11,700	22,700 – 24,700
Northeastern	4,300	4,000 - 6,100	8,300 – 10,400
Maine	**38,500**	**37,900 - 45,800**	**76,400 – 84,300**

Historic Underproduction: The Study Team defines historic underproduction as the deficit of available homes for the existing population (the availability deficit) plus the deficit of homes for workers needed to

[6] Includes mortgage, property taxes, and insurance.
[7] See Appendix Page 5 for explanation of Area Median Income calculations.

increase the workforce to support Maine's existing economy (the jobs : homes deficit)[8]. For more information about how the Study Team measured historic underproduction in Maine, see page 40.

Future Need: The Study Team defines future need as the number of homes needed to support Maine's projected population and household change by 2030, while accounting for Maine's high demand for seasonal homes. For more information about how the Study Team measured future need in Maine, see page 52.

To put this need in context, Maine's total housing inventory in 2021 was about 737,800 homes. Increasing the number of homes to meet historic underproduction alone (38,500 additional homes) would constitute about a 5% increase in total homes across the state. To meet both current and future need by 2030, Maine would need to add 8,500 to 9,300 homes each year (Table 2). Currently, about 4,800 homes are permitted per year in Maine, and meeting this annual need would require a 77% to 94% increase in the number of permits (with geographic variation). It is important to note that annual building permits are not an exact measure of housing production, as not all permitted homes are built. The necessary increase in housing production may be larger than current permitting suggests and will vary based on the annual loss of homes in different regions.

Table 2: Annualized Production Needs Compared to Annual Building Permits by Region

	Total Annual Production Need	*5-year average (2016 - 2021)*	***% Change in Permits***	***Net Change in permits***
Coastal	**5,100 – 5,500**	3,400	**50% - 62%**	**1,700 – 2,100**
Central Western	**2,500 – 2,700**	1,000	**150% - 170%**	**1,500 – 1,700**
Northeastern	**900 – 1,100**	400	**128% - 175%**	**510 - 700**
Maine	**8,500 – 9,300**	4,800	**77% - 94%**	**3,700 – 4,500**

The number of additional homes needed varies across Maine's regions. Much of it is concentrated in the Coastal and Central Western Regions, which together need 34,200 homes to make up for historic underproduction, and another up to 39,700 homes to meet future need. The Northeastern Region, by contrast, needs about 4,300 additional homes to make up for historic underproduction and meet the economic needs of the region and another 4,000 to 6,100 homes to meet future need by 2030.

Even in places where overall population is aging and declining, there is still need for housing production and reinvestment; in fact, household formation can increase in these circumstances (children of an aging population move into their own homes and some existing households split up). For example, while Aroostook, Piscataquis and Somerset Counties are all projected to see a modest total population decline by 2030, all of those counties will still see a net gain in households in that time period as well as a housing stock that continues to age, requiring additional homes and reinvestment. Further, as these regions face a declining workforce, new homes at affordable price points will be essential to attracting workers to the region and ensuring that existing younger households can stay.

[8] The "availability deficit" measures the additional homes needed to create a healthy level of availability in the housing market, with "true availability" representing homes that are vacant and available to live in (defined as For Sale and For Rent in the American Community Survey).

Income Distribution

In addition to the number of homes that Maine needs to sustain and grow its economy, it is important to measure the price of homes needed to ensure that households hoping to work or age in place in Maine can afford them. The Study Team created a sample income distribution by allocating the availability deficit based on the income distribution of existing households (Table 3) and the jobs : homes deficit on the expected household income distribution of wages from open job listings (Table 4).

Table 3: Allocation of Availability Deficit Based on Existing Household Income Distribution[9]

Household Income	*Coastal*	*Central Western*	*Northeastern*
Regional Totals	**9,400**	**4,900**	**2,300**
Less than 20K	1,100	780	420
20K - 35K	1,000	760	380
35K - 50K	1,000	730	320
50K - 75K	1,700	880	410
75K- 100K	1,400	650	290
100K - 150K	1,700	690	290
150K+	1,500	410	190

Table 4: Allocation of Jobs : Homes Deficit Based on Estimated Household Wages of Open Job Listings[10]

Household Income	*Coastal*	*Central Western*	*Northeastern*
Regional Totals	**11,900**	**8,100**	**2,000**
Less than 20K	70	50	10
20K - 35K	660	360	170
35K - 50K	1,230	640	210
50K - 75K	2,000	1,400	410
75K- 100K	2,300	1,600	380
100K - 150K	3,200	2,300	470
150K+	2,500	1,700	350

[9] Income Distributions are allocated based on regional numbers and rounded to the tens for counts in the hundreds, and hundreds for counts over a thousand. Due to rounding, numbers may not sum exactly to regional or state numbers.

It is important to note that low- and moderate-income households are more constrained in their choices and more likely to pay more than they can afford for a home. **Because of that, policy makers should emphasize strategies to increase affordable housing production for low- and moderate-income households** in addition to strategies to increase the supply of homes more broadly. At the local level, this may include weighting the income distribution of needed homes more heavily towards low- and very low-income populations to account for this need.

Geographic Distribution

Across regions, individual jurisdictions are contributing more or less to housing demand based on job growth, demographic and migration trends, and other factors, including the existing inventory of available housing and the share of seasonal homes.

To measure local contributions to housing demand, the Study Team weighted the allocation of regional need to the county level by both population share and job share of each county. Weighting allocation by population and jobs helps ensure that housing to address the State's historic underproduction is being added in places where jobs are, both to support households in living close to where they work and also to ensure that towns and cities that are growing economically are also accommodating the population needed to support that growth. This avoids issues of decreasing affordability when housing is not provided where job growth exists, and unnecessary development in areas where there may not be as significant job or population growth.

There are many alternative ways to allocate housing to more granular geographies across Maine, many of which would incorporate unique criteria specific to certain areas of the State.

Setting Production Targets

Meeting this housing need will require Maine to **set housing production and reinvestment targets** that address both historic underproduction and disinvestment and account for future need. The next step in the process will be to set housing production and reinvestment targets at the local level and to consider the different housing typologies that can support housing production across the income spectrum. To move from the regional level to the local level will involve consideration of local obstacles such as available infrastructure, development capacity and other factors. It will also involve dialogue among communities about where and how to accommodate growth and target reinvestment within the region.

Ultimately, creating enough homes in Maine is foundational to the wellbeing of *all Mainers* and can only be achieved if the State and federal government, municipalities and the private sector work together on an ongoing basis. This will require **evaluating important metrics**, such as availability rate, housing production, cost burden, job availability, housing loss and others over time and **adjusting housing production and reinvestment targets** to adapt to changing conditions.

In order for stakeholders to monitor these changing conditions and track progress towards local housing production targets, the State will be providing an online data dashboard of baseline housing conditions at the state, county, and municipal level that will be updated on a periodic basis. Moving forward, improved collection of both building permitting and demolition data, as well as continuous tracking of vacancy trends, will also be critical for monitoring new development. For more information on evaluation and implementation, see page 58.

Study Approach

Introduction

There are many different policy makers, planners, organizations, and researchers who are already working to understand housing needs in Maine, deliver programs and services, and plan for current and future housing needs. This Study involved extensive engagement with state and regional experts and stakeholders to inform its approach and methodologies.

This Study, conducted by HR&A Advisors, was overseen by a Steering Committee representing MaineHousing, the Governor's Office of Policy Innovation and the Future (GOPIF), and the Department of Economic and Community Development (DECD), together the "Study Team", which met regularly to coordinate research planning, data collection, and priority areas of analysis.

The Study Team also solicited feedback from a Technical Working Group composed of representatives from the Department of Labor (DOL), the Maine State Economist, the Greater Portland Council of Governments, the Maine Association of Realtors, the Maine Municipal Association, and other technical experts. Members of the Working Group provided ongoing input on data sources, analytical approaches—including consistency with existing methodologies used by State agencies—preliminary findings, and methodology development for measuring housing production and reinvestment needs. In addition, the Study Team conducted a series of interviews regarding the housing needs of special populations and the role of housing in supporting economic development across the state with organizations including:

- Maine Immigrants' Rights Coalition
- Jewish Community Alliance of Southern Maine
- Catholic Charities Maine
- Maine Immigrant and Refugee Services
- Island Institute
- Island Housing Trust
- Bath Housing
- WishRock Housing Group

Interviewees described a broad range of opportunities and challenges in Maine's housing market. Emergent themes included the need for housing to support Maine's aging population while welcoming new households to help support Maine's economy; concerns about the impact of Maine's seasonal housing and short-term rentals on the available year-round stock; the challenges of providing homes for the growing number of asylum seeker and refugee populations, and the difficulties faced by employers in filling open job positions without available workforce housing.

Crucially, these discussions highlighted **key State economic development goals** that informed the Study Team's methodology to measure housing production and reinvestment needs—namely, to encourage and enable communities **to plan for housing to support a high quality of life for all Mainers while also supporting economic stability and growth in the state.**

Background Research and Existing Studies

The Study Team conducted a review of existing studies and plans to understand previous research on housing challenges and opportunities in Maine. The National Low Income Housing Coalition (NLIHC) has estimated a shortage of over 22,000 rental homes, however this shortage is specifically for low-income renters, suggesting the overall number for all income groups is much higher.

A recent study by researchers at the University of Southern Maine found that Maine is short 20,000 – 25,000 homes for existing extremely low-income Maine residents, as well as 10,000 – 20,000 homes that are necessary to attract enough workers to fill open job positions. [11] In total, the study estimates Maine has a shortage of 30,000 – 40,000 new homes currently.

When considering broader housing needs beyond housing supply, housing studies at the municipal level[12] echo common themes, including:

- Lack of homes necessary to accommodate an aging population while creating homeownership opportunities for younger households.
- Aging housing stock in need of repair and reinvestment.
- Lack of affordable housing for low and middle-income households, exacerbated by undersupply of homes, and (anecdotally) increased housing demand from out-of-state in-movers.
- Difficulty filling open job positions due to limited housing availability.
- Housing located far from jobs and transit, resulting in long commutes and high household travel costs.
- Concerns about a rise in seasonal housing and short-term rentals putting pressure on the housing stock within certain tourism-heavy communities.

This Study intersects with these issues in certain areas, including by measuring the number of homes needed to support healthy availability in the housing market overall and a healthy job market. This Study builds on previous work by considering the regional need for homes across the income spectrum as well as the need to meet demand for seasonal homes and homes for recent higher income in-migrants, both of which significantly impact the availability and price point of homes for low and moderate-income residents. This Study does not, however, detail the specific physical typologies of homes needed to support different populations including the elderly, asylum-seekers and refugees, those experiencing homelessness, and different household types more broadly. It is important for the State and municipalities to take into account local population needs and make regulatory and funding decisions accordingly, including by reducing regulatory barriers to building the types of homes that households

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[11] Sturtevant and Curtis. (2023). Availability of Workforce Housing in Maine. University of Maine. https://usm.maine.edu/shaw-innovation-fellows/wp-content/uploads/sites/406/2023/05/Workforce-Housing-in-Maine_Sturtevant-Curtis_Shaw-Innovation-Fellowship-8-May-2023-1.pdf.

[12] Crane Associates and EPR. (2022). City of South Portland Housing Needs Assessment and Strategy. https://go.boarddocs.com/me/sport/Board.nsf/files/CF9GZQ46438A/$file/Att.%201%20-%20Final%20Housing%20Report_05.20.2022.pdf.

Edwards, Keith. (2021). Augusta housing study shows changes needed to address lack of affordable housing. Kennebec Journal. https://www.centralmaine.com/2021/02/15/augusta-housing-study-shows-changes-needed-to-address-lack-of-affordable-housing/.

Camoin Associates and The Musson Group. (2018). Housing Needs Analysis and Assessment: Mount Desert Island, ME. Island Housing Trust. https://static1.squarespace.com/static/569fba9076d99cc6c04e5005/t/5cc204b16f3d150001a80f8a/1556219104894/IHT-Housing-Study-2018.pdf.

need and securing funding for homes that can support populations with the highest need. Local planning and studies should consider how different housing types, including single family, attached and multifamily rental and for-sale homes can support availability at the price points needed while also considering local context.

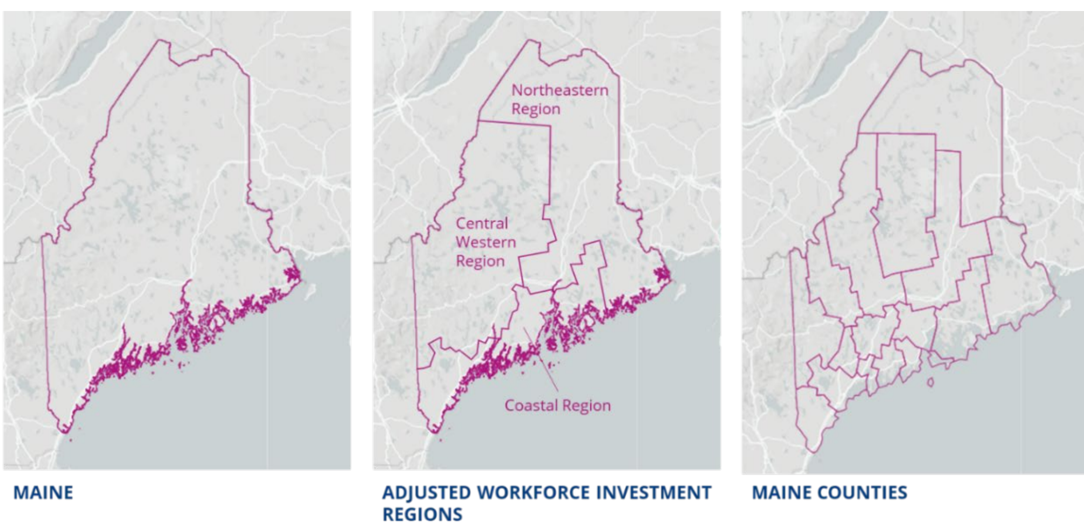
The Study Team reviewed housing production studies across the country to compare how different methodologies can be used to accommodate important local economic and housing market trends in Maine. In California, regional goals incorporate population, vacancy rates, overcrowding, cost burden, and replacement rates, and are allocated to the municipal level by regional councils of governments (COGs). Similarly, Oregon sets regional targets incorporating projected need, historic underproduction, and homes for people experiencing homelessness based on population and vacancy rates. Massachusetts, rather than using regional metrics, sets a goal of 10% affordable housing for each municipality. For more information on national production goal methodologies, see Appendix Page 3.

Determining Geographic Boundaries

Given the alignment between State economic development goals and housing needs, the Study Team strove to align the geographic boundaries of this study with Maine's economic geographies. Maine's housing and labor markets are unusually regional— Maine has the longest median 1-way commute in miles in the United States, with the median commuter traveling close to 10 miles each way.[13] As a result, this Study uses regional geographies when measuring housing need in Maine relative to jobs but also points to the need for new homes that can support Mainers to live closer to their jobs.

In recognition of this, the Study Team selected the Department of Labor's three Workforce Investment Regions as the highest geographic level for the Study (Figure 3).[14]

Figure 3: Maine Workforce Investment Regions and Counties



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[13]Commutes Across America: Where Are the Longest Trips to Work? (2018). Streetlight Data. https://www.streetlightdata.com/wp-content/uploads/2018/03/Commutes-Across-America_180201.pdf

[14] In order to align the Workforce Investment Region boundaries with Census data used to study current housing needs in Maine, the Study Team reallocated Hancock and Piscataquis Counties from the Northeastern Region to the Coastal and Central Western Regions, respectively.

The Coastal Region, consisting of Cumberland, Hancock, Knox, Lincoln, Sagadahoc, Waldo, and York Counties and encompassing the greater Portland area, is the most heavily populated of the three regions and is currently home to 55% of the state's jobs in 2023[15]. The Central Western region consists of Androscoggin, Franklin, Kennebec, Oxford, Piscataquis, and Somerset Counties, and is home to the cities of Augusta, Lewiston and Auburn. The Northeastern region is the smallest and most rural of the three regions, consisting of Aroostook, Penobscot, and Washington Counties. For a detailed list of towns, counties and cities in each region, see Appendix Page 1.

[15] Defined as total employment (Bureau of Labor Statistics, 2023) added to total open job listings (Job Openings and Labor Turnover Survey, 2023).

What is happening in Maine's housing market now?

Overview

Before measuring housing production needs, the Study Team explored existing conditions and trends in Maine's housing market to understand key demographic, economic and housing inventory dynamics that influence housing need. These conditions and trends, summarized below, highlight Maine's unique economic, demographic and housing market conditions, all of which inform both the need for more homes in Maine and the opportunity for homes to better support economic development in the state.

Adequate housing supply to meet demand is the foundation of affordability in any housing market, including Maine's diverse regional housing markets (Figure 4). As such, it is important to understand both housing supply and housing demand trends to ensure that enough homes are created and preserved in Maine that are the type and price that households need. This study explores both demand-side drivers of housing need (demographic and economic change) and supply-side drivers (housing age, type, prices and production) to arrive at housing production and reinvestment needs. While trends vary across the state, recent demand-side trends, including sudden in-migration and declining labor force participation, are exacerbated by Maine's aging housing stock and low overall housing production over the past decade. As a result, the availability of homes is declining and prices are increasing, making it very difficult to access and afford homes in some parts of the state.

The following sections explore these trends in greater detail and illustrate how these trends impact Maine's housing supply needs.

Figure 4: Supply and Demand of Homes

*In a healthy housing market, **housing demand**, the number of households by income level, size, and type, is equivalent to **housing supply**, the number of suitable homes for households, with some additional availability (vacancy). When housing demand exceeds housing supply, more homes are needed to ensure availability and affordability.*

Demand-Side Drivers of Housing Need

Overall population and population growth determines how many people presently need homes and how many people will need homes in the future. The **type** and **size of households**, in combination with population growth, determines how many homes and what types of homes are needed to accommodate the population and their household needs. Finally, **household income** determines how much money households can put towards housing costs each month, impacting the needed price point of homes.

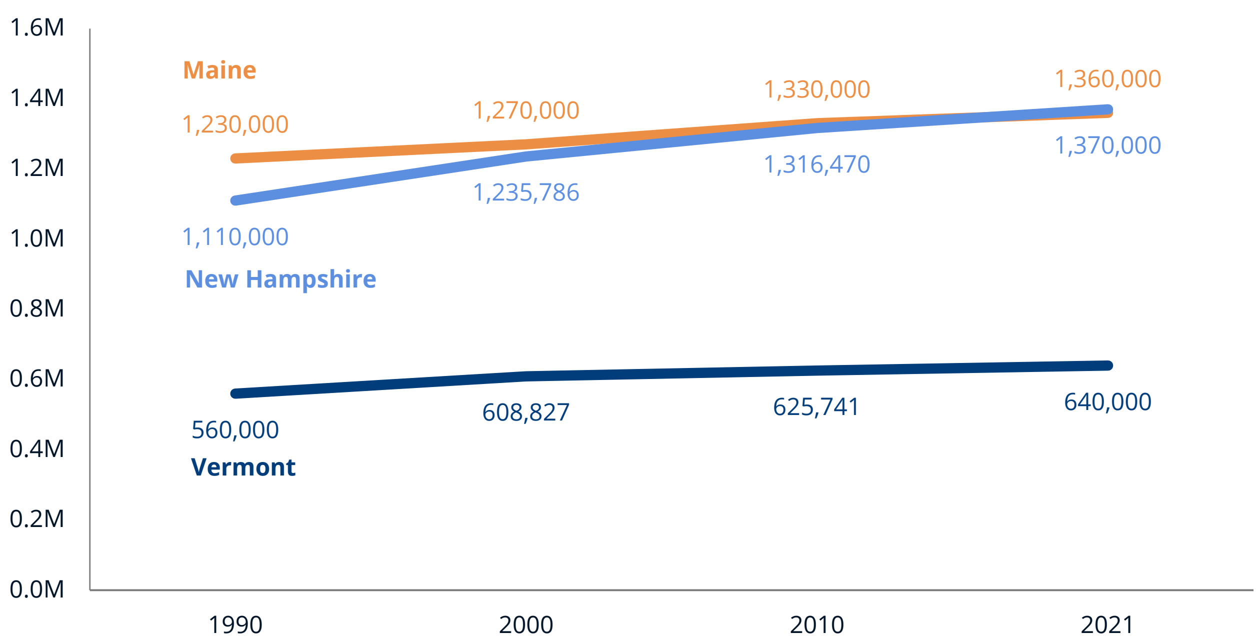
Each of these local factors is influenced by both regional and national trends, and changes in any of these elements will impact the amount, type and price point of homes needed in a housing market. **Maine has experienced recent demand-side shocks,** including the following:

- **Sudden in-migration** during and after the Covid-19 pandemic, generally from higher income households (in-migrants had an average household income of $88,000 compared to $78,000 of existing residents.[16]
- A **surge in asylum-seekers**, who generally have very low incomes in the short term.
- A **declining labor force** as the State's population ages, impacting both the kinds of homes needed to accommodate the population and employers' ability to fill open job positions.

Population Change

Historically, Maine has experienced modest overall population growth, with a 10.5% increase in population from 1990 to 2021. This growth has lagged other northeastern states; New Hampshire grew by 23.7% and Vermont by 14% in this time period (Figure 5).

Figure 5: Comparative State Population Growth, 1990 – 2021

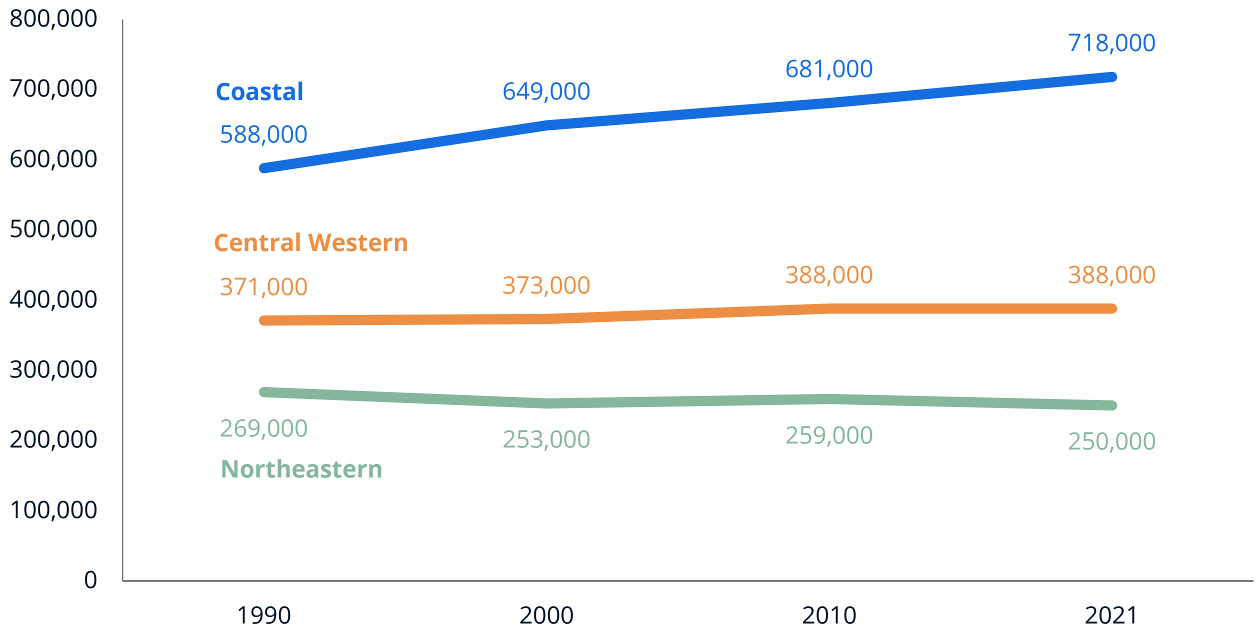


Source: Decennial Census 1990 – 2021

While the State has grown overall, population change has varied across the state. The Coastal Region, where most of the state's population is concentrated, has grown by 22.2% since 1990. Much of the Coastal Region's growth has been driven by Cumberland and York Counties, which each grew by nearly 7% from 2010 to 2021 alone. By contrast, the Central Western Region only grew by 4.6% and the Northeastern Region declined by -6.8% in that time period (Figure 6).

[16] Maine's average household income of $78,000 is higher than the median household income of $63,200, which is used as a reference point throughout the rest of this report.

Figure 6: Population Growth by Region, 1990 – 2021



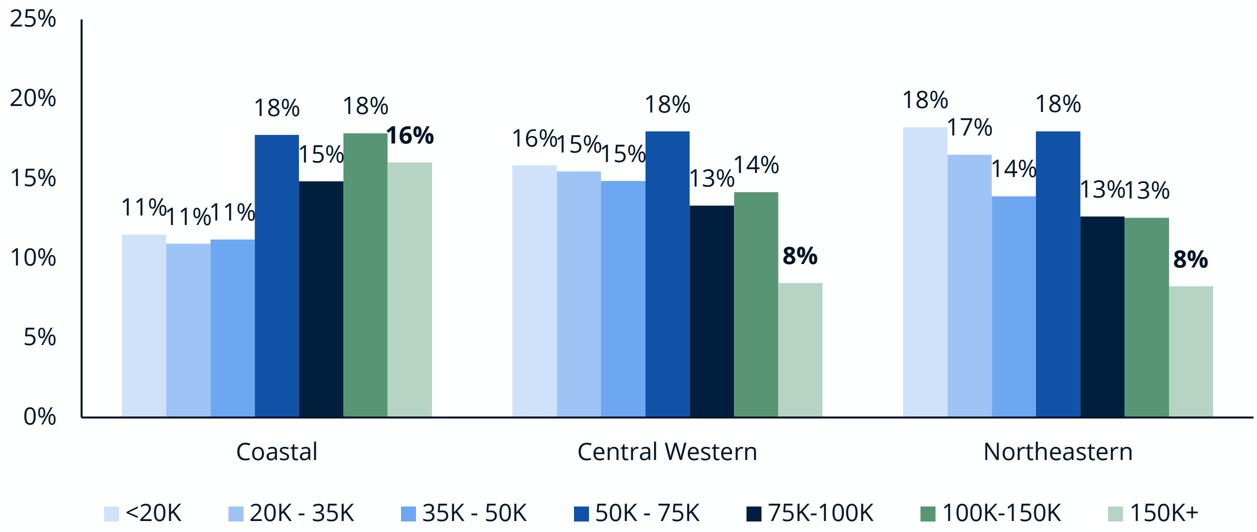
Source: Decennial Census 1990 – 2021

Income Distribution

Maine's households are somewhat lower income than its neighboring states, with a median household income of $63,200 relative to New Hampshire's median income of $83,400 and Vermont's median income of $69,000. 58% of households earn less than $75,000, slightly more than the 54% of households earning under $75,000 in the United States as a whole.

Income distribution varies by region, however, with higher incomes in the Coastal Region in particular. 16% of households in the Coastal Region earn more than $150,000, relative to 8% in the Central Western and Northeastern Region. The Northeastern Region has the lowest incomes, with almost 50% of households earning less than $50,000 annually (Figure 7).

Figure 7: Income Distribution by Region, 2021



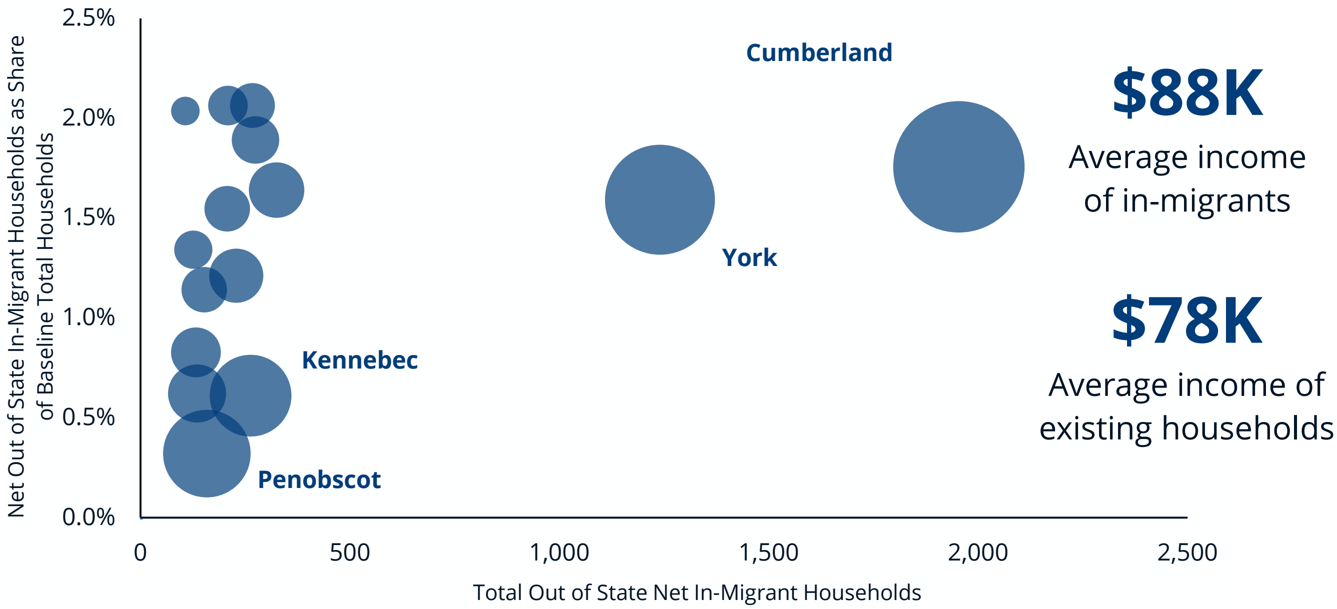
Source: American Community Survey 5-Year 2021

Recent In-Migration

Recently, significant in-migration has quickly increased the demand for homes in Maine. This is particularly concentrated in York and Cumberland Counties, which respectively received 1,200 and 2,000 in-migrant households in 2020 alone (a little under 2% of their baseline total households). On average, the recent in-migrant households have somewhat higher incomes than existing households, with an average income of $88,000 compared to a median income of $63,200 for existing households[17]. This has increased demand for housing across the income spectrum, but particularly at higher price points (Figure 8).

[17] IRS data only provides average income of in-migrants, rather than median income, preventing direct comparison to Maine's median income. The average income of Maine's existing residents is $78,000.

Figure 8: In-Migration Versus Baseline Population by County, 2020

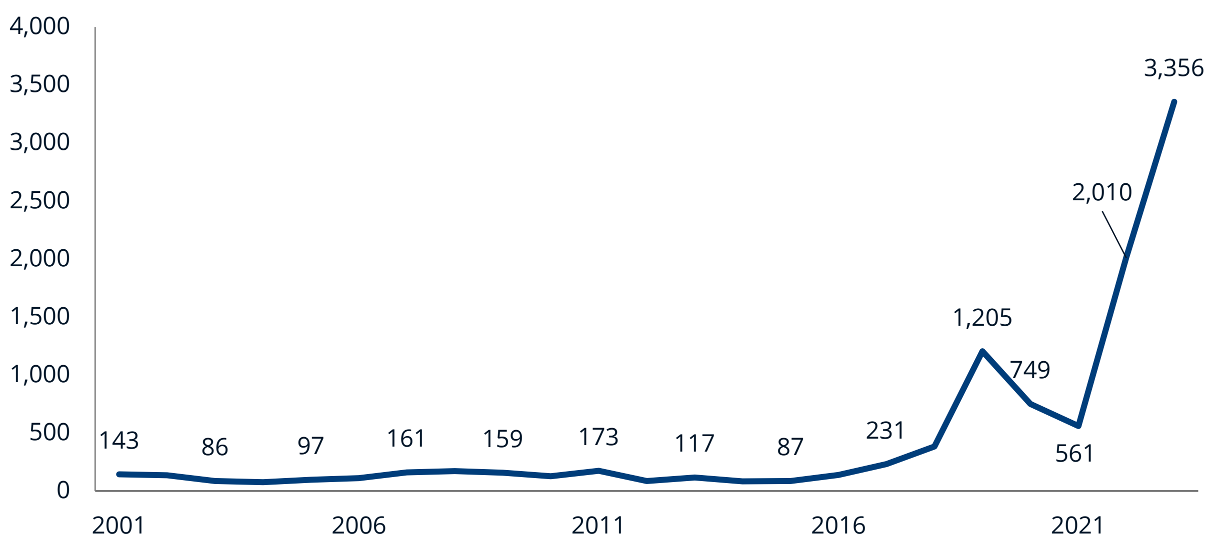


Source: Internal Revenue Service 2021, American Community Survey 5-Year 2021

Bubble Size = Baseline Population

Demand at the lowest income levels is also being impacted by a recent uptick in households seeking asylum, who generally need short-term housing support. Since 2018, the number of individual notice-to-appear cases filed annually in Maine (a proxy for the total number of asylum seekers arriving in Maine) has risen from under 400 to nearly 3,400 as of August 2023 (Figure 9).

Figure 9: Total Individual Notice-To-Appear Cases Filed, 2001 - 2023



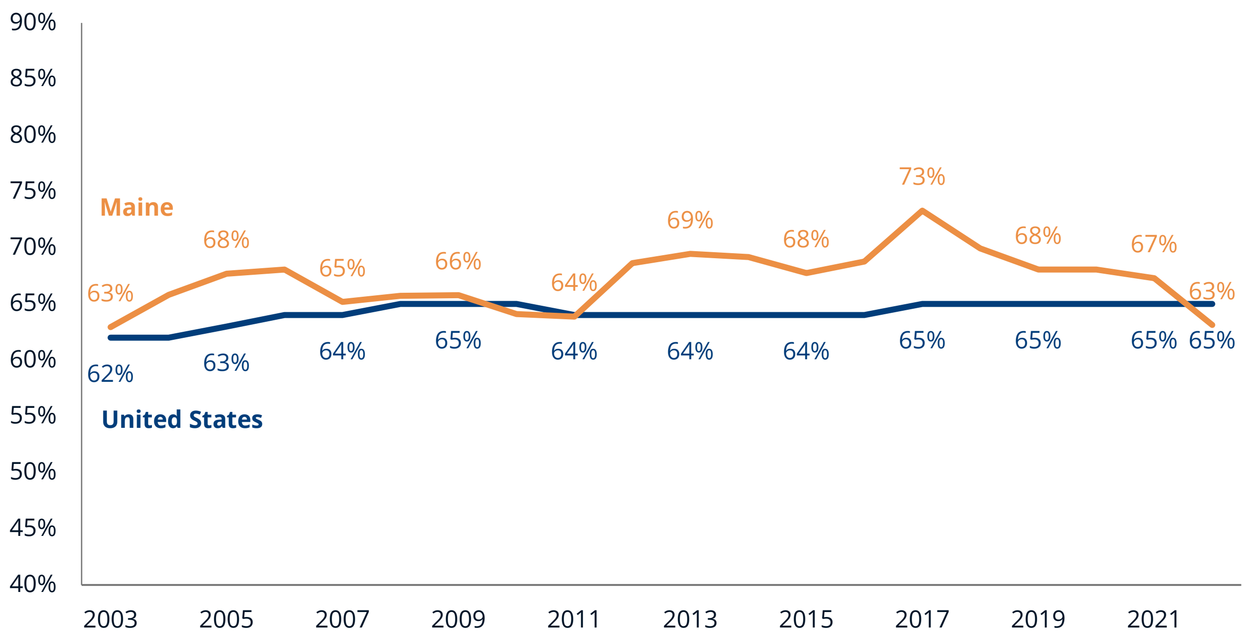
Source: TRAC New Proceedings Filed in Immigration Court; Notice to Appear Deportation Cases 2001 – 2023

Facing short-term restrictions on employment by the Federal Government, households seeking asylum often rely on Maine's General Assistance Program to find housing in the private market or utilize subsidized housing, which is difficult and costly to build quickly. Locations where housing is more affordable may be far from public transportation, a particular barrier for households without access to a car, and far from the support of existing refugee and asylum seeker communities. In addition, a high proportion of larger households arriving—data from the Office of Maine Refugee Services (OMRS) suggests that asylum seekers have an average household size of 4 people compared to 2.6 in the state on average—can make it difficult to find affordable homes that allow families to stay together.

Labor Force Participation

Maine has an aging population, which also means an aging labor force. Since 2011, Mainers 65 and over have grown from 16% to 21% of the population. This is significantly higher than in the United States overall (16%) and higher than all neighboring states, including Vermont (20%), New Hampshire (18%) and Massachusetts (17%). Until recently, Maine had significantly higher labor force participation amongst 55 – 64 year-olds relative to the United States as a whole, peaking at 73% in 2017. The decline of this labor force participation rate, which accelerated during the Covid-19 pandemic and does not track with national trends for this age group, is already impacting the health of Maine's economy as businesses find it increasingly challenging to fill open job positions (Figure 10).

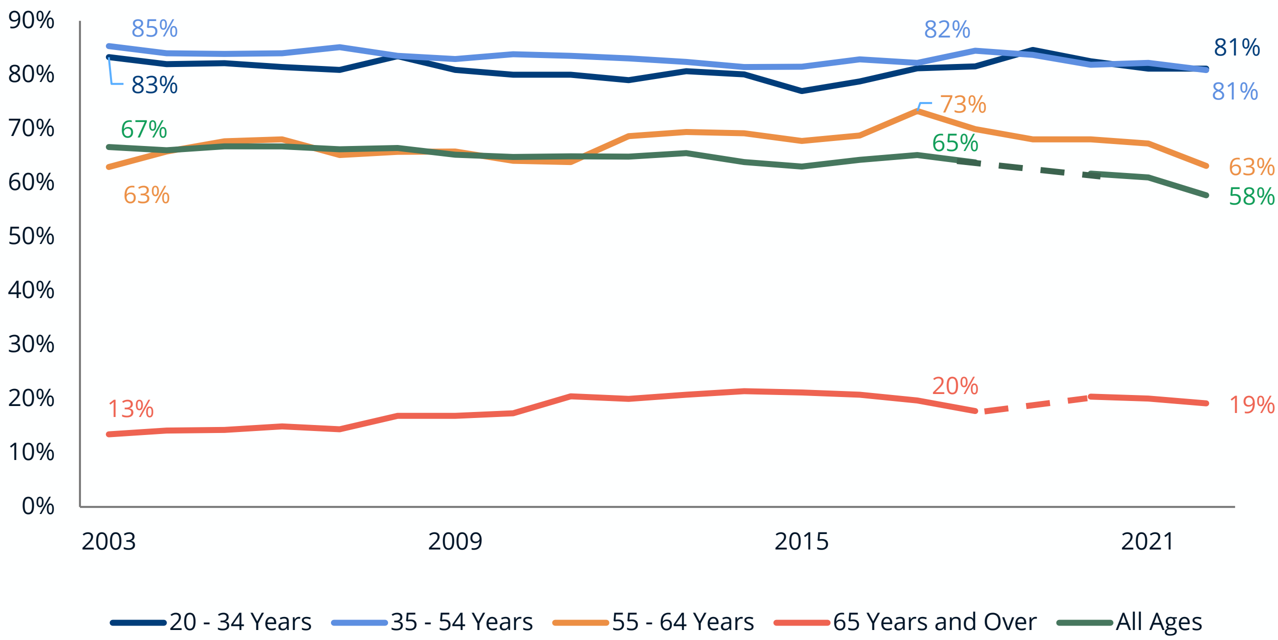
Figure 10: Ages 55 - 64 Labor Force Participation, Maine vs. United States, 2003 - 2022



Source: Bureau of Labor Statistics Local Area Unemployment Statistics 2003 – 2022

The decline in labor force participation amongst older Mainers suggests pandemic-driven early retirements, while labor force participation amongst younger groups has remained relatively consistent (Figure 11). As a result, Maine's overall labor force participation has not recovered to pre-pandemic levels, in contrast with the national labor force participation rate, which has largely recovered.

Figure 11: Maine Labor Force Participation by Age, 2003 – 2022



Source: Bureau of Labor Statistics Local Area Unemployment Statistics 2003 – 2022

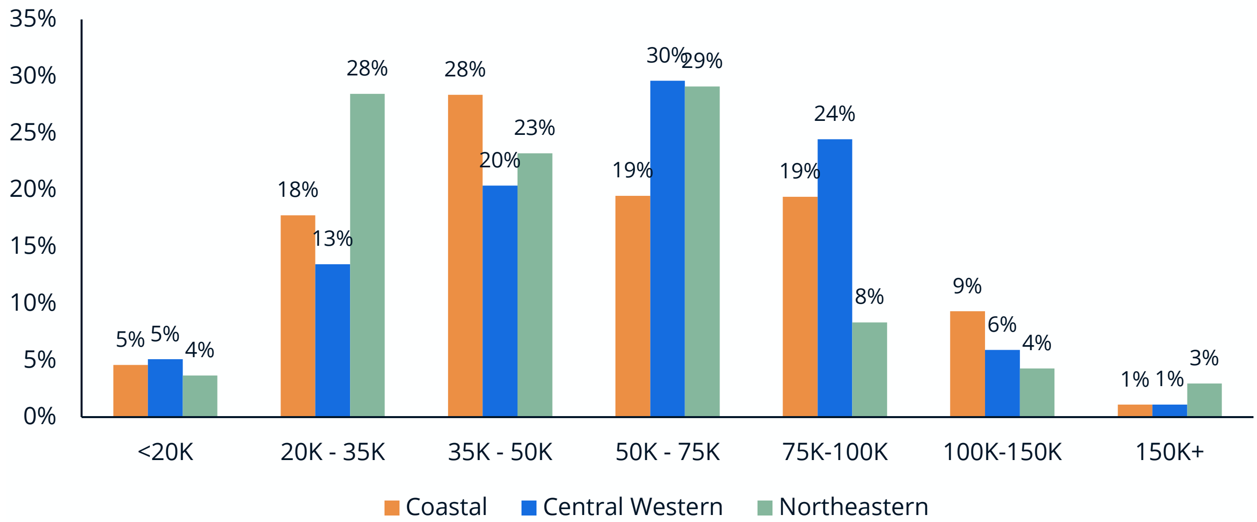
Note: No data in 2019 for All Ages and 65 Years and Over.

This decline in labor force participation for older adults, as well as Maine's aging population more broadly, has contributed to a need for additional households to support Maine's existing economy. As of May 2023, Maine had 46,000 unfilled job positions, just over half of which are estimated to be located in the Coastal region[18].

Unfilled job listings skew toward lower paying positions. In the Northeastern and Coastal regions, over 50% of job listings pay less than $50,000 annually (Figure 12). This suggests that in-migrants, who are generally higher income, are not necessarily filling these positions at high rates as they move to the state. It also creates a large and growing mismatch between the home price that workers can afford and the price of available homes.

[18] HR&A analysis of Bureau of Labor Statistics Job Openings and Labor Turnover Survey, 2023.

Figure 12: Job Listing Wages by Region, 2022 - 2023



Source: Lightcast 2023

There has been a dramatic uptick in the "Unclassified" category, which includes new employer accounts from out of state that have not yet been processed by the State Department of Labor in their Quarterly Census of Employment and Wages. This may be a reference to the increase in remote workers, but further study is needed to understand the increase in remote work in Maine and the impact on wages.

The result of these economic and demographic trends is that the ability to pay for higher-priced homes is increasing for some segments of the population while others struggle to afford costs in an increasingly constrained market. Existing residents who are not actively part of the workforce or who have low or moderate wages (particularly those earning less than 80% of AMI) are competing in the same housing market. The Coastal Region is particularly impacted by this increased demand by higher wage households, but this region has also seen an influx of households seeking asylum who are in need of much lower cost housing options. Without adequate increased housing supply to meet this rising demand at different price points, Mainers are seeing reduced availability and affordability across all regions, as described in further detail below.

Supply-Side Drivers of Housing Need

Housing supply is influenced by **the total number of homes in a market,** the **types of homes** (may include multifamily at varying densities, single-family homes, mobile homes, or other non-traditional home types (boats, etc.), the **tenure of homes available** (homes can be either owned or rented), the **price point** (can be influenced by available subsidy programs, overall supply of homes and by what tenure or type, and be impacted by demand and the **availability** (whether the home is vacant and available for a user to occupy by renting or purchasing).

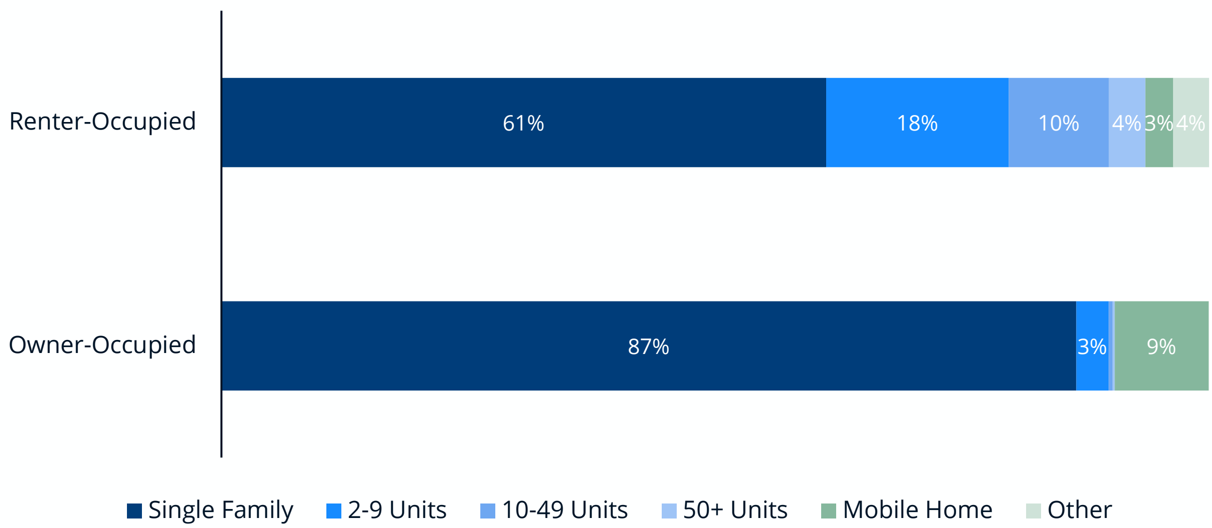
Maine's existing housing supply is composed primarily of single-family homes that are owned, which is also the primary type of housing that has been added to the market. However, **over the last decade, Maine's housing production has lagged job growth. Furthermore, the inventory of homes that need reinvestment is increasing, which is reducing the overall availability of homes.**

Tenure and Typology

Owner-occupied homes represented 73% of all Maine's homes in 2021, a high share relative to the housing stock of the United States as a whole, which was 65% owner-occupied in 2021. Of those owner-occupied homes, close to 87% were single-family homes (on par with the United States owner-occupied stock, which is 89% single-family) (Figure 13). Notably, mobile homes, an affordable homeownership option, made up 9% of the owner-occupied stock.

There is greater diversity in Maine's renter-occupied housing stock, with low-density 2-9 unit buildings providing about 20% of the rental options in the state, and 10 – 49 unit buildings providing about 10% of rental options. The rental stock has a high representation of single-family homes, however, with single-family homes making up 61% of rental homes, close to twice the single-family share of the United States rental stock (33%). This is likely due to the overall character of Maine's housing inventory, local zoning regulations and the rural nature of much of the state.

Figure 13: Occupied Units by Typology and Tenure in Maine, 2021



Source: American Community Survey 5-Year 2021

Subsidized Housing

Federal, State and local subsidy can be used to provide direct assistance to households or to reduce the cost to build or operate homes. Although income eligibility for subsidized housing varies by program, these subsidies are typically available to households making up to 80% of Area Median Income. The most prominent funding source for affordable housing is the federal Low-Income Housing Tax Credit, provided to developers of affordable rental housing[19], which ultimately reduces the total rent that occupants pay to better align with what they can afford. Public housing, another common type of affordable housing, is typically owned and managed by the local housing authority. Housing vouchers, a form of direct subsidy to tenants, provides rental assistance that allows households to rent on the private market at a price point they can afford (or, in some cases, specific project-based units).

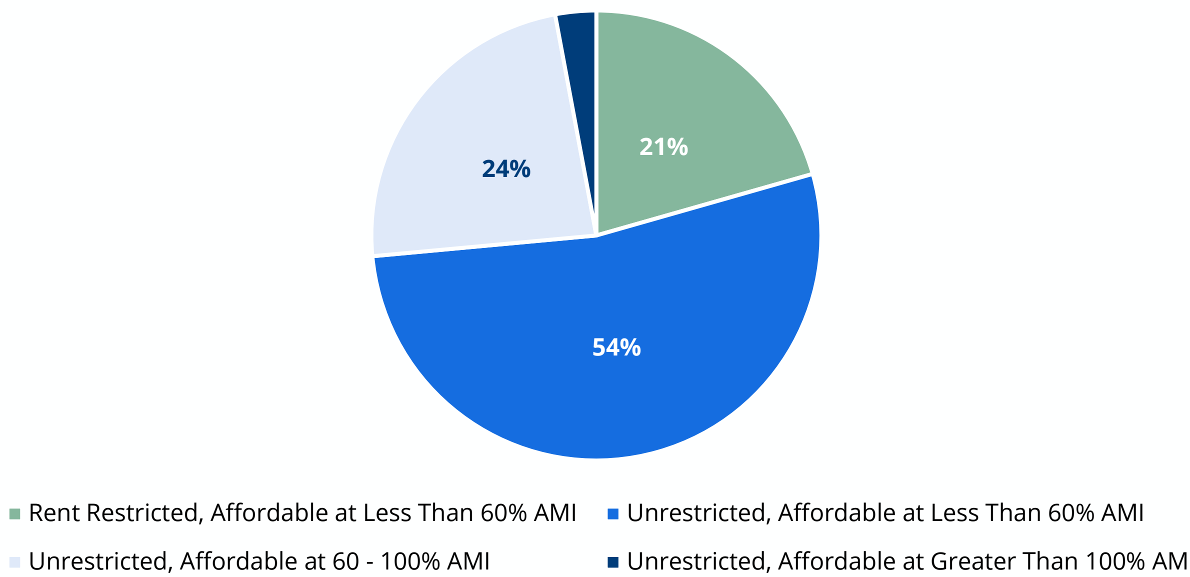
In 2021, Maine had approximately 28,000 subsidized rental homes with income restrictions ensuring affordability to households making less than 60% of AMI. These homes make up 21% of the rental

[19] The Low-Income Housing Tax Credit program gives State and local agencies an annual budget to issue tax credits to support construction or preservation of affordable housing.

housing stock, a substantial share (Figure 14). Maine has continued to add affordable housing: just over 7,500 of these subsidized, income-restricted units have been added since 2010 (Figure 15).

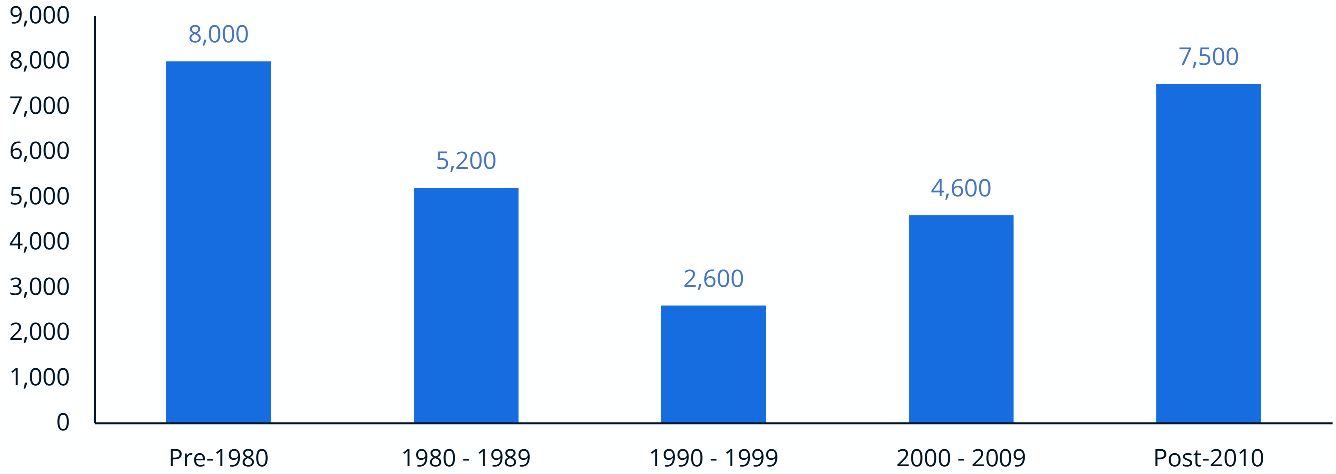
A further 71,850 units were affordable to households making less than 60% of AMI without rent restrictions, often referred to as "Naturally Occurring Affordable Housing (NOAH)." These units made up 54% of Maine's rental stock in 2021.

Figure 14: Rental Housing by Affordability and Rent Restricted Status, 2021



Source: American Community Survey 5-Year, Public Use Microdata Sample (PUMS) 2021, National Housing Preservation Database 2021

Figure 15: Rent Restricted Units in Maine by Earliest Subsidy Date, 2021

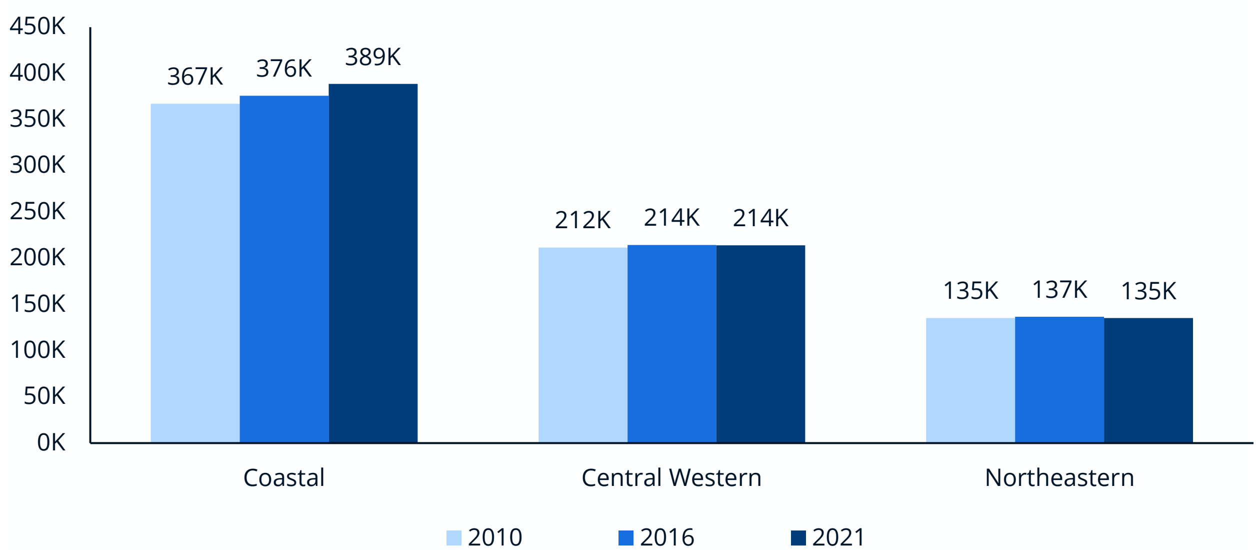


Source: National Housing Preservation Database 2021

Housing Production

Overall housing production has lagged job growth over the past decade—particularly in the Coastal region. All regions have gained significantly more jobs than housing units, with total housing inventory remaining essentially constant since 2016, with a slight decline in the Northeastern Region (Figure 16, Table 5). Job growth has been primarily concentrated in the Coastal Region, and while housing inventory there has grown modestly, the region has seen only 21,300 homes built relative to an increase of 39,334 jobs over the past decade (Table 5). The Northeastern region in particular has had modest job growth. However both the Northeastern Region and Central Western regions have availability rates of close to 2%, suggesting that limited housing supply may be impeding the ability of new workers to move to these regions to fill open positions.

Figure 16: Total Housing Inventory by Region, 2010 - 2021



Source: American Community Survey 5-Year 2021

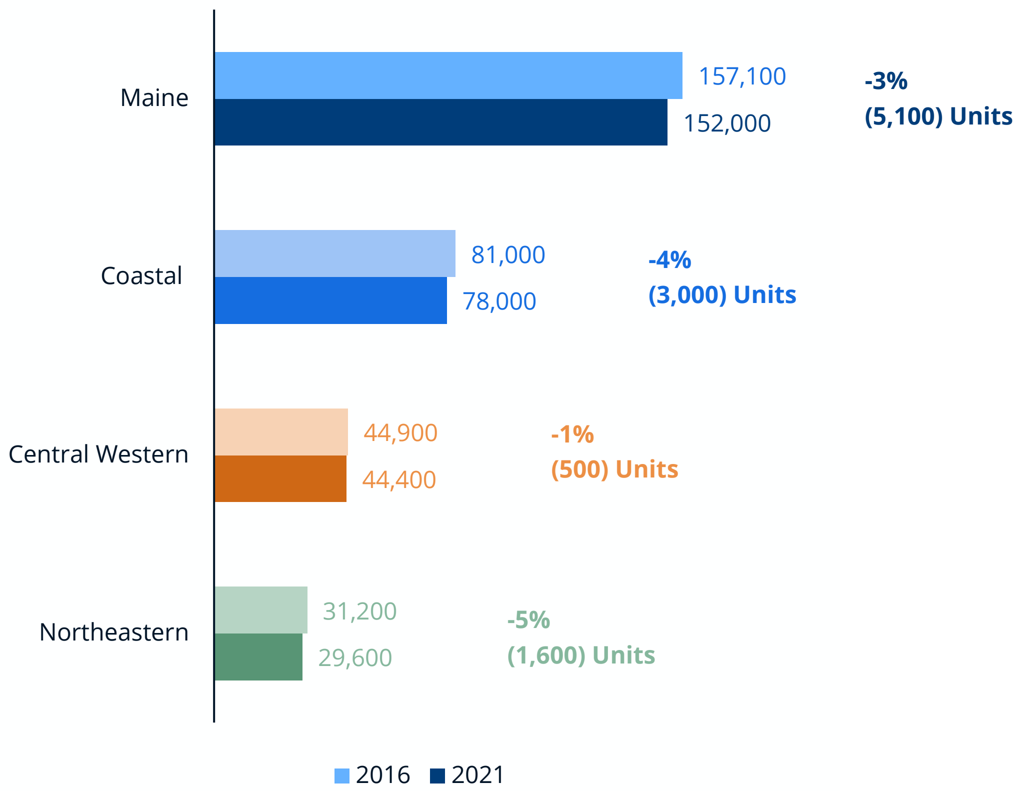
Table 5: Net New Units versus Change in Employment and Job Listings

	New / Lost Units 2010 -2021	New / Lost Jobs (2010 - 2022)	Change in Job Listings (2010 – 2022/23)	Availability Rate
Coastal	+21,304	+39,334	+13,144	2.1%
Central Western	+2,389	+5,791	+9,408	2.2%
Northeastern	(181)	+725	+2,583	3.0%

Source: American Community Survey 5-Year 2021, Bureau of Labor Statistics State Current Employment Statistics 2010, 2023 allocated using QCEW, Lightcast job listings 2010 , 2023

Notably, the state has experienced an overall decline in rental homes, with the greatest gross and percentage loss in the Coastal region of 3,000, or a 4% loss (Figure 17). This may be exacerbating labor force challenges for low and moderate wage jobs, which typically do not pay enough for workers to afford most homeownership options and thus rely heavily on rental housing.

Figure 17: Renter Occupied Units by Region, 2016 - 2021



Source: American Community Survey 5-Year 2021

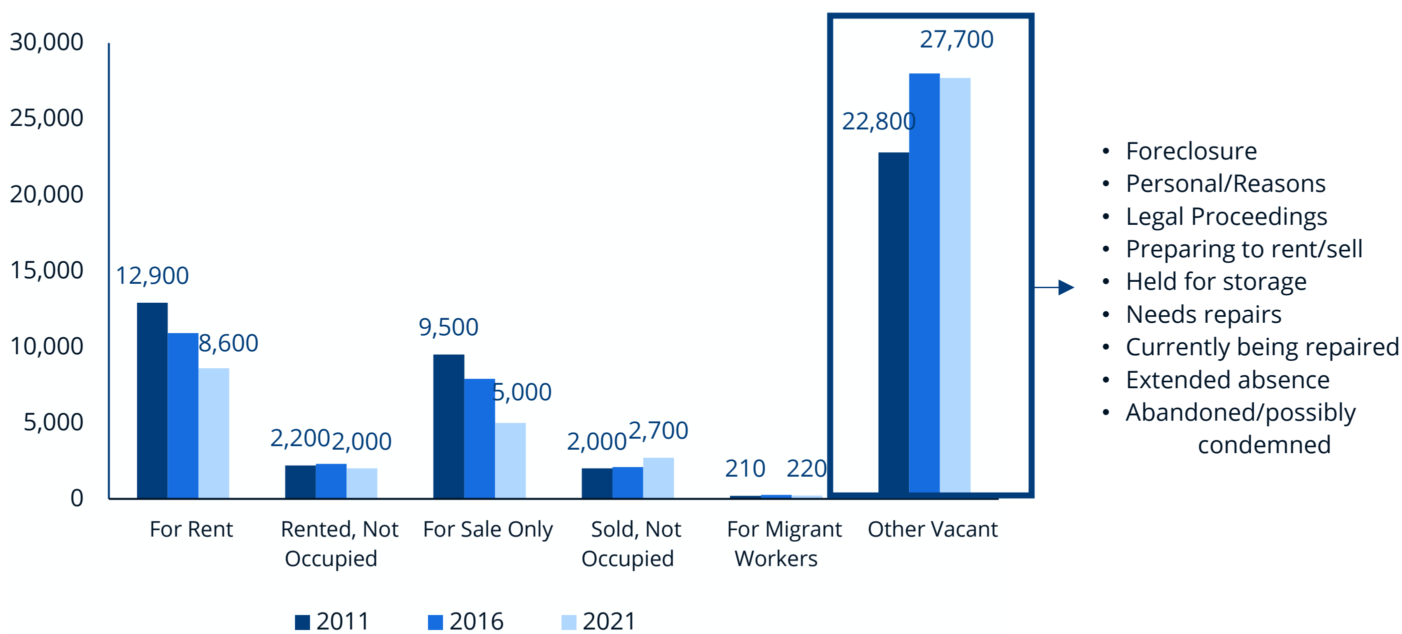
Moderate and low-density rental homes (single-family and 2-9 unit homes) in particular have declined in stock since 2016, with Maine seeing a loss of 4,800 single family homes (a 14% decline)

and 4,100 low-density (2-9 unit) homes (a 5% decline). These losses are concentrated among homes affordable to households earning 60 – 80% of AMI, which since 2016 have declined by over 3,500 single-family homes (a 33% decline) and almost 1,400 low-density homes (a 9% decline), although modest growth in higher density rental housing for low- and moderate-income renter households may have eased some cost pressures for renters.

Vacant Housing Stock

Facing limited housing production relative to demand, some of Maine's growing housing demand is being absorbed by vacant housing stock. All regions have seen a decrease in vacant for-rent and vacant for-sale housing stock, meaning that there are increasingly limited available housing options for both renters and homebuyers (Figure 18). This scarcity increases competition for available homes and helps drive up prices. Simultaneously, Maine's inventory of homes that are unavailable due to other conditions including foreclosure, repairs and family reasons, has increased by nearly 5,000 statewide since 2011, further reducing the available housing stock.[20]

Figure 18: Vacant Housing in Maine, 2011 - 2021

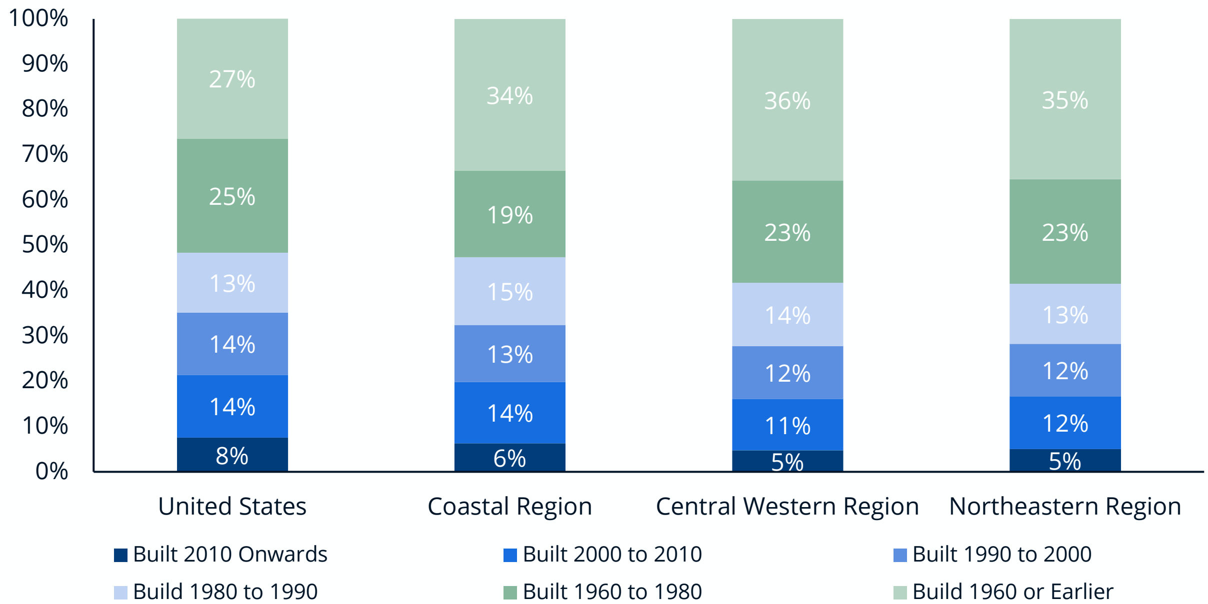


Source: American Community Survey 5-Year, Public Use Microdata Sample (PUMS) 2021

Much of this need for repair and reinvestment is likely driven by Maine's aging housing stock. Maine's homes are older on average than the rest of the country, with homes built before 1960 making up around 35% of the housing stock in all regions, relative to 27% in the United States as a whole (Figure 19). This aging is particularly acute in the Central Western and Northeastern regions, where close to 60% of homes in 2021 were built before 1980.

[20] American Community Survey detailed vacancy breakdowns, including the share of Other Vacant housing in need of repair, are unavailable historically, limiting this study's ability to directly assess changes in need for repair over time.

Figure 19: Age of Housing Stock by Region, 2021



Source: American Community Survey 5-Year 2021

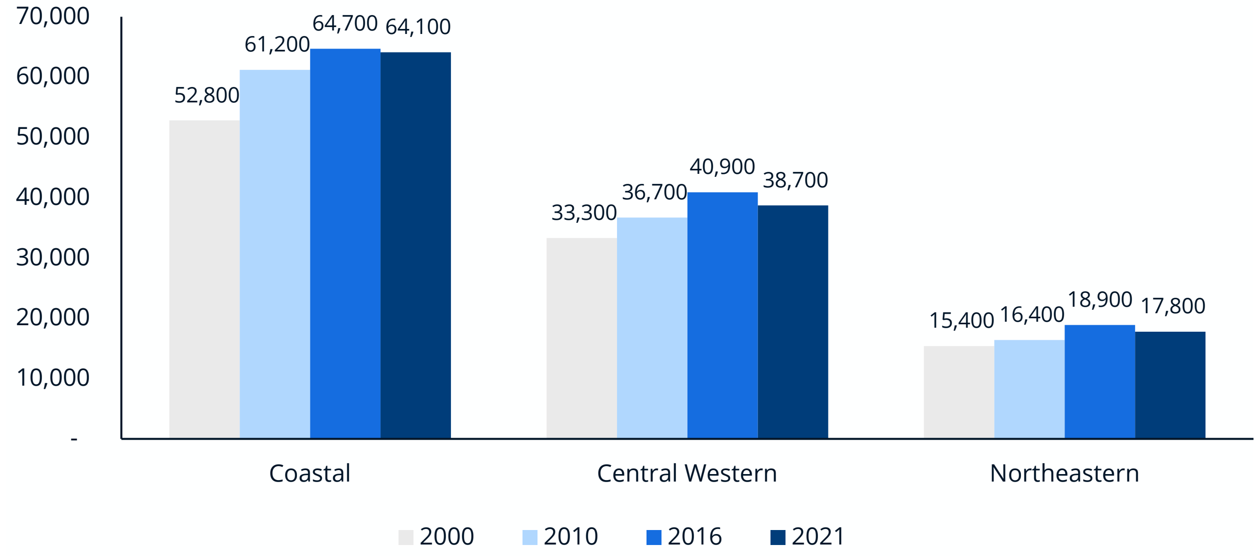
Both Maine's aging stock and increasing share of homes unavailable due to foreclosure, repairs and other reasons suggest that declining housing quality is a significant factor in Maine's housing availability challenges. However, data directly assessing housing quality in Maine is scarce, and further study will be needed to more accurately measure the extent of repair and reinvestment needed in Maine's housing stock.

Seasonal Homes and Short-Term Rentals

Maine's tourism and seasonal economy has also shaped its available housing supply. Maine has always had a high share of seasonal homes, representing 16% of Maine's total housing stock in 2021. The proportion of seasonal homes statewide has remained generally level, with a slight decrease from 124,500 homes in 2016 to 120,600 homes in 2021 (Figure 20). 85% of seasonal homes were concentrated in the Coastal and Central Western Regions, where seasonal housing makes up close to a fifth of the housing stock (Figure 21). In the Coastal Region, the share of seasonal housing remained consistent from 2000 – 2021 (Figure 22).

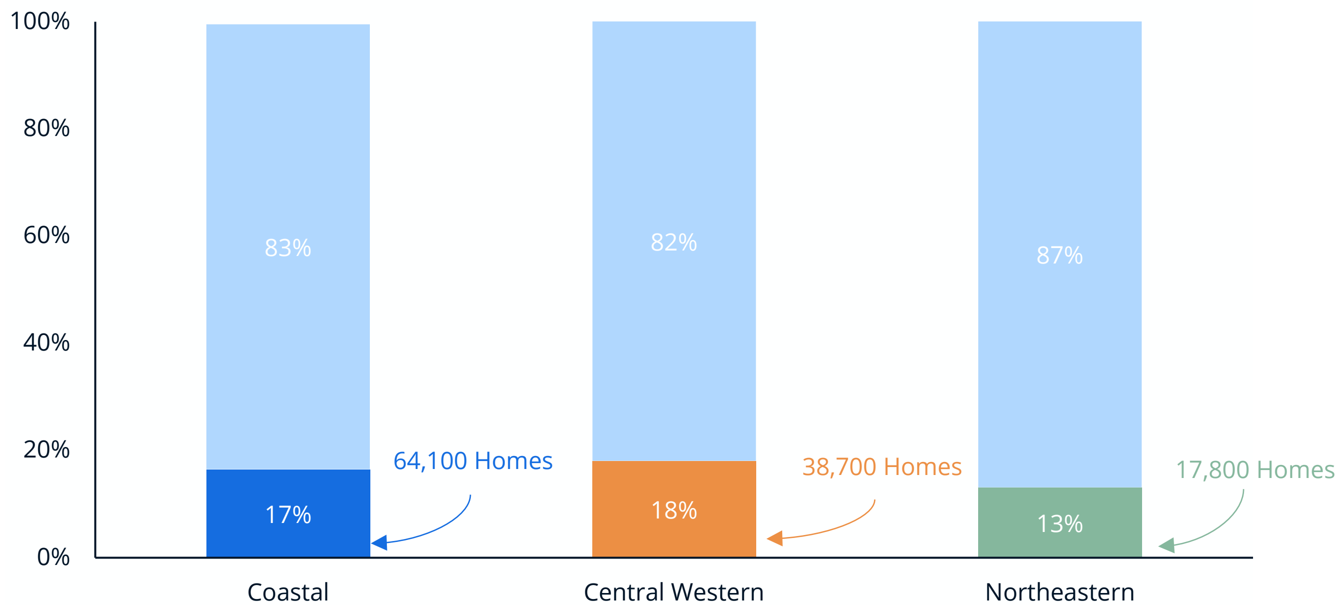
The consistently high demand for seasonal homes means that Maine has historically required a higher number of homes relative to the number of year-round residents and available jobs than states with lower seasonal demand.

Figure 20: Seasonal Homes Over Time by Region, 2000 - 2021



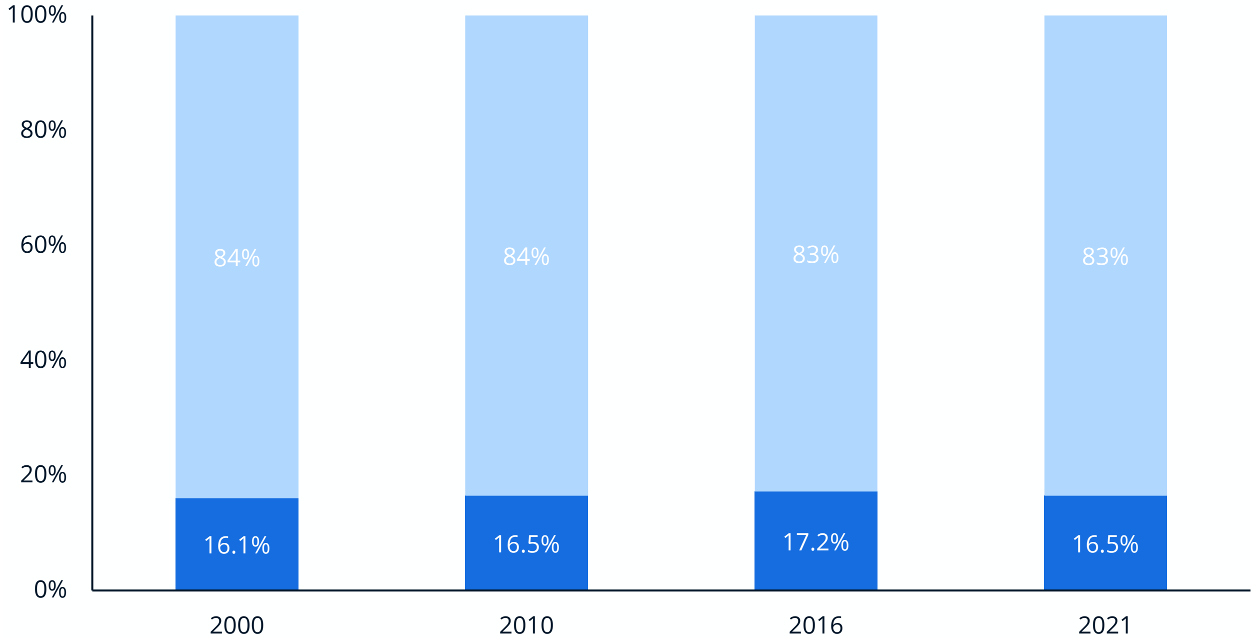
Source: Decennial Census 1990 – 2021

Figure 21: Seasonal Housing as Share of Total Homes by Region, 2021



Source: American Community Survey 5-Year 2021

Figure 22: Seasonal Housing As Share of Total Homes Over Time in the Coastal Region, 2021



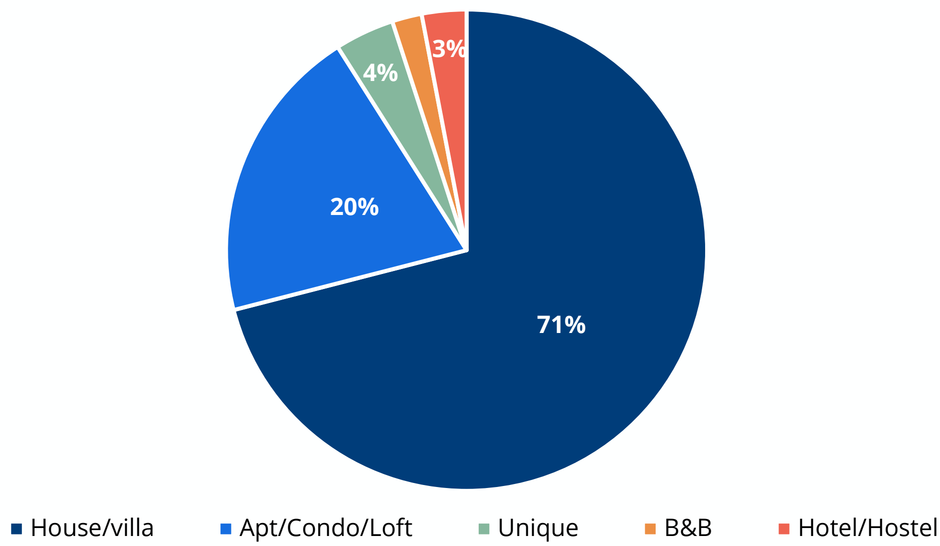
Source: American Community Survey 5-Year 2000, 2010, 2016, 2021.

The rise of online short-term rental platforms has raised some concerns in Maine about the extent to which available homes are being converted to short-term rentals. Using AirDNA, a platform tracking Airbnb and Vrbo rentals across the state, the Study Team found that Maine had 23,859 short-term rental properties with at least one reservation between April 2022 and 2023, largely concentrated in the Coastal region (16,904), followed by the Central Western region (5,014) and Northeastern region (1,941), about 20% of seasonal homes overall.[21]

While short-term rentals make up an increasing share of seasonal homes, they are not always directly comparable to homes that might otherwise be available to year-round residents looking for housing because of type, size, location and price point, or because the owners occupy them for part of the year. Many of these properties would not viably serve as year-round housing at all— 9% of the AirDNA inventory is hotels and hostels, B&Bs, and "unique" listings (e.g., tents, treehouses, caves, etc.) (Figure 23). Of the total AirDNA inventory, the Study Team identified 57% percent that are directly relevant to the supply of year-round homes—defined as an entire single family or multifamily unit, available more than 3 months out of the year.

[21] Note that the count of overall seasonal homes will likely incorporate most full-time short-term rentals, and may exclude short-term rentals that are used as a primary residence most of the year.

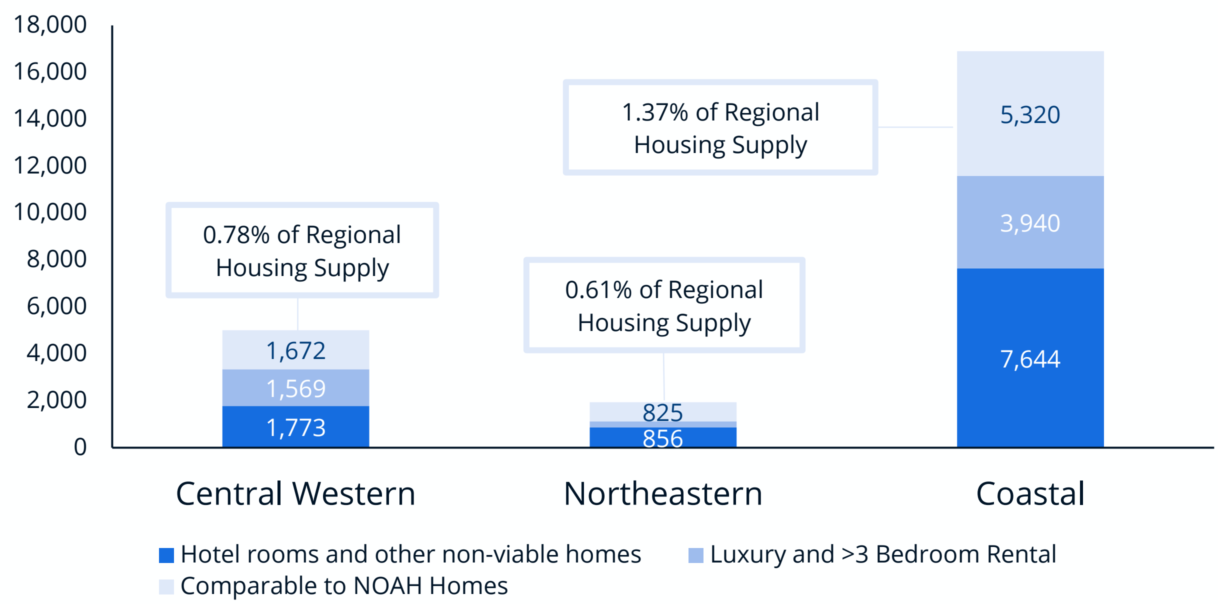
Figure 23: Short-Term Rentals by Typology, April 2022 - 2023



Source: AirDNA 2023. All properties with at least one reservation in the past year.

Further, not all short-term rentals would be available at a price point affordable to the median renter if offered on the private market, whether due to size, location, or high-end design. Excluding luxury rentals and rentals with more than 3 bedrooms from the data, the Study Team found that about 33% of the short-term rental stock is reasonably comparable to naturally occurring affordable housing (NOAH) on the market based on size and quality. In each region, the total number of current short-term rentals that meet this criteria range from just 0.6% to 1.4% of the total housing supply (Figure 24).

Figure 24: Short-Term Rental Inventory by Region, 2021



Source: AirDNA 2021

Concentration of short-term rentals is notably varied across the state, however, and conversion to short-term rental units may be putting more significant pressure on housing markets in areas with a high concentration of seasonal homes and heavy tourist demand, or in locations where this is a small number of homes overall. In Hancock County, for example, active short term rental inventory made up close to 10% of the total housing stock, and those that might otherwise be comparable to NOAH housing[22] made up about 3% of the total stock. In Lincoln and Franklin Counties, short-term rentals made up just over 6% of the total housing stock, and those comparable to NOAH housing made up 2.5% and 1.76% of the total stock, respectively. For breakdown of short-term rental inventory by county, see Appendix Page 6.

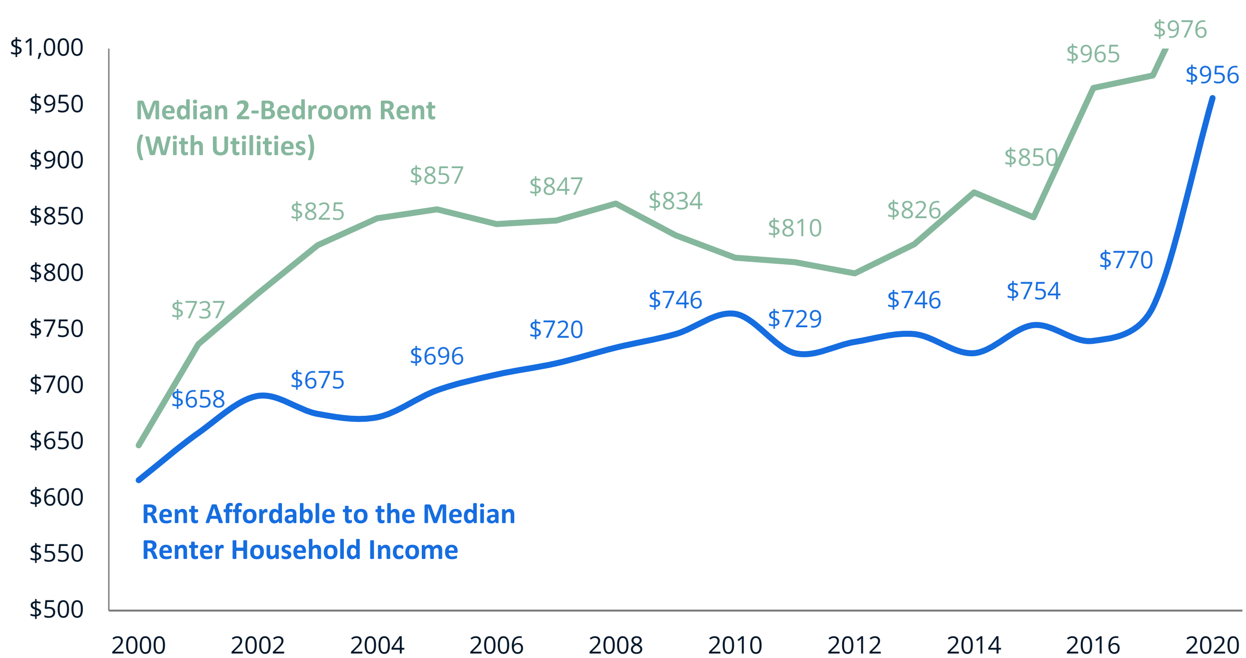
Housing Availability and Affordability

The demand-side and supply-side trends described impact both **affordability** and **availability** in Maine's housing market, making it difficult for Mainers to find available housing that they can afford, especially in the Coastal region. Improving this will require aligning housing supply with the amount, type and location of homes needed by Maine's existing and future households.

Rental Affordability

Median rent for a 2-bedroom unit, utilities included, has historically been unaffordable in Maine, meaning that the median rent across the state exceeded the rent affordable to the median renter (under a standard definition set by HUD, rent is considered "affordable" when it does not exceed 30% of monthly income) (Figure 25). Between 2016 and 2021, Maine saw a significant uptick in median rents, along with rising median incomes, a trend that has occurred nationally.

Figure 25: Rental Affordability in Maine, 2000 - 2020

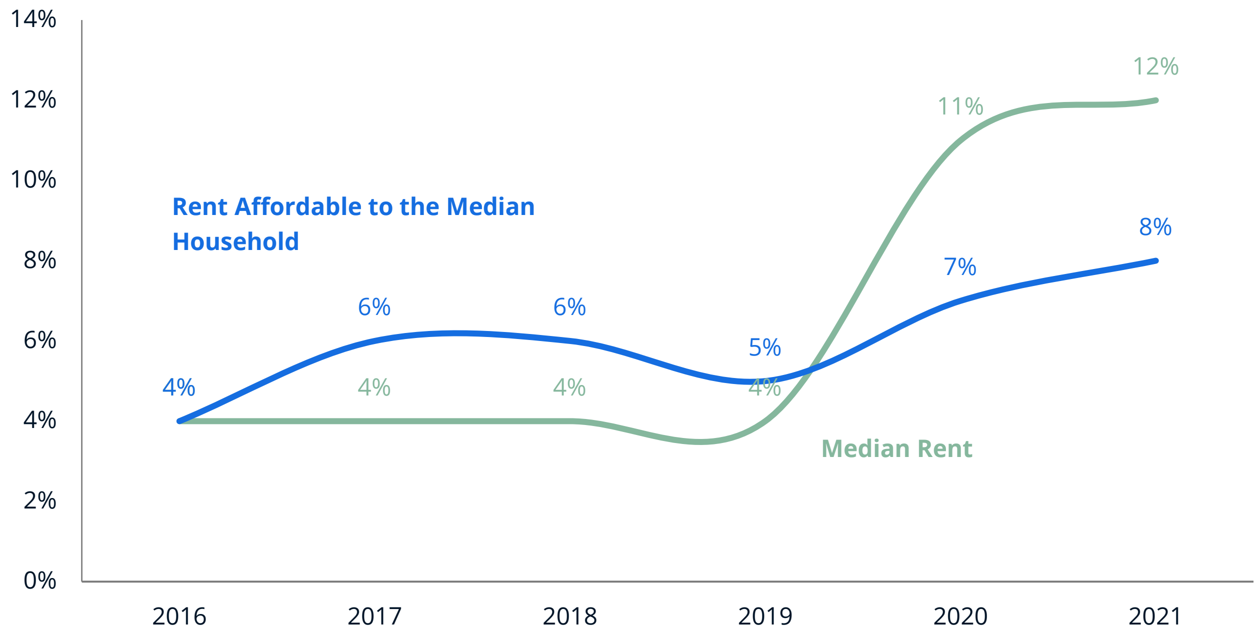


Source: MaineHousing Rental Affordability Index

[22] Luxury units and large homes with over 3 bedrooms removed.

Rental affordability has been an increasing challenge in recent years. In many places, rents have increased more quickly than wages. Rent in the Portland MSA increased by 12% in 2021 while renter household incomes increased by about 8%; before the Covid-19 pandemic, renter wages were increasing faster than rents in the Portland MSA (Figure 26). Recent inflation in the rental housing market has likely exacerbated this trend.

Figure 26: Portland MSA Median Renter Income Versus Median Rent, Year Over Year Percent Change, 2016 – 2021

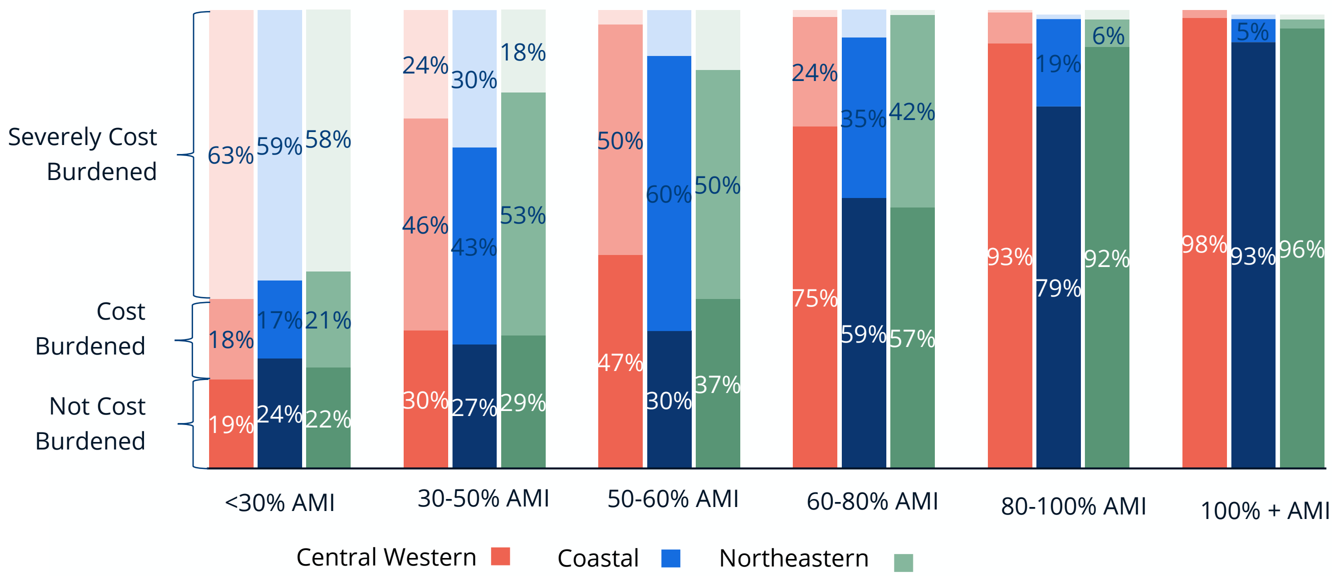


Source: American Community Survey 5-Year 2021, Zillow 2023

In the Augusta area, rents have been increasing faster than median renter household incomes since 2017; in 2020, however, the median renter income fell by close to 2% while rents continued to rise by 9%. In 2021, rents rose by 14%, close to twice as fast as median renter income, which rose by 8%. The Bangor area, which prior to 2021 had seen faster income growth than rent growth, saw rents rise by 12% in 2021 relative to median renter income growth of only 4%.

The majority of renter households below 60% of Area Median Income (AMI) are cost burdened in Maine (Figure 27). This held steady from 2016 to 2021, with a modest decline in cost burden for the lowest income renters, who may be supported by new subsidized affordable housing development (see Appendix Page 7). Renters in the Coastal Region experience the highest rates of cost burden, with the exception of the lowest income renters, around 80% of whom are cost burdened or severely cost burdened across all three regions.

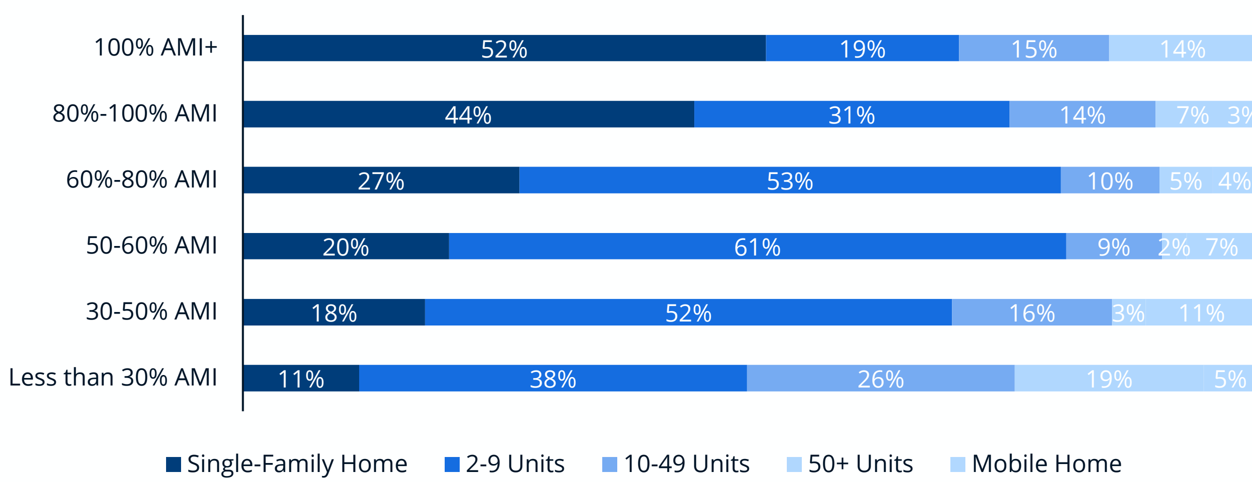
Figure 27: Share of Renters Cost Burdened by Region, 2021



Source: American Community Survey 5-Year, Public Use Microdata Sample (PUMS) 2021

Throughout the state, moderate and lower density building types support affordability for renter households making less than 80% of AMI (Figure 28). While single family rentals tend to be affordable to households making more than 80% of AMI across the state, over 60% of the homes affordable to renter households making less than 50% AMI are in moderate density rental buildings, or those with between 2 and 49 rental units.

Figure 28: Rental Housing Types Affordable by Income Bracket in Maine, 2021



Source: American Community Survey 5-Year, Public Use Microdata Sample (PUMS) 2021

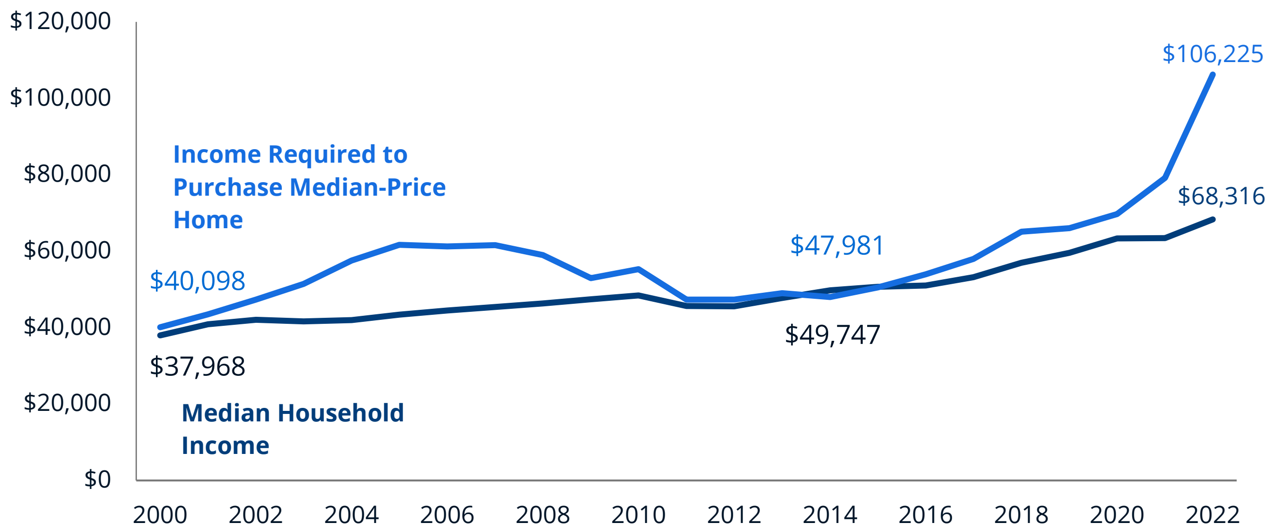
Housing affordability by building typology and region are not all consistent with statewide data. The Coastal region has a distribution most similar to the state, while the Central Western and Northeastern regions have a higher share of 10 or more unit homes affordable to homes over 100% AMI. The Central Western region also has a notably higher proportion of mobile homes across all income levels. A full breakdown of regional housing distribution by Area Median Income can be found in Appendix Page 7.

Homeownership Affordability

Until recently, Maine had a relatively affordable homeownership market, meaning the cost of purchasing a home has been relatively aligned with the purchasing capacity of the median household. Purchasing a home is considered affordable to a household if the costs of ownership, including a mortgage, property taxes, and insurance, do not exceed 30% of total household income.

In recent years, however, the demand- and supply-side drivers described above, in addition to macroeconomic trends such as rising interest rates, have caused a significant divergence between the income needed to purchase a home in Maine and the actual median income of Mainers, who now need to make over $100,000 annually to afford the median home price (Figure 29).

Figure 29: Purchasing Capacity Over Time, 2000 - 2022[23]

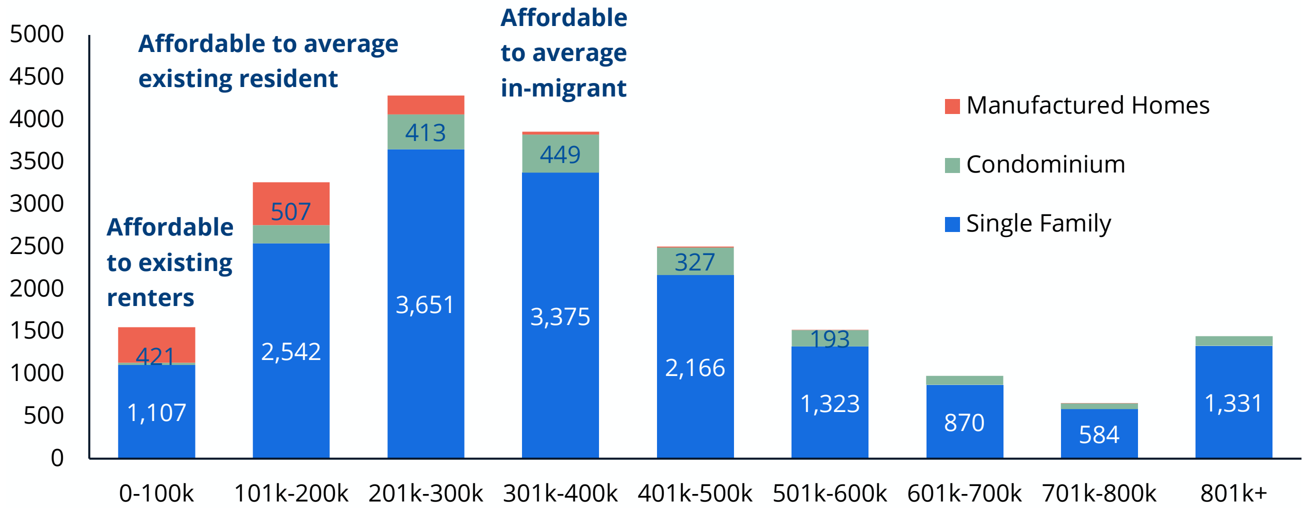


Source: MaineHousing 2022

Home sales prices since 2022 have been concentrated in the $200,000 - $400,000 range. As of July 2023, the median sales price in the state was $387,400, a 9% increase from the prior year and a 63% increase from July 2019[24]. These prices are generally relatively affordable to in-migrants, who are on average higher income than existing residents, but mostly unaffordable to the average existing resident in Maine, and even less so to the average existing Maine renter (Figure 30). Given Maine's historic affordability, it is likely that higher income existing and new homeowners are "underhoused" or buying down market, increasing competition for moderate income homebuyers.

[23] Purchasing capacity over time is provided based on Maine Housing Methodology, which uses average property tax rate by county and assumes 28% as the cost burden threshold.
[24] Redfin 2023.

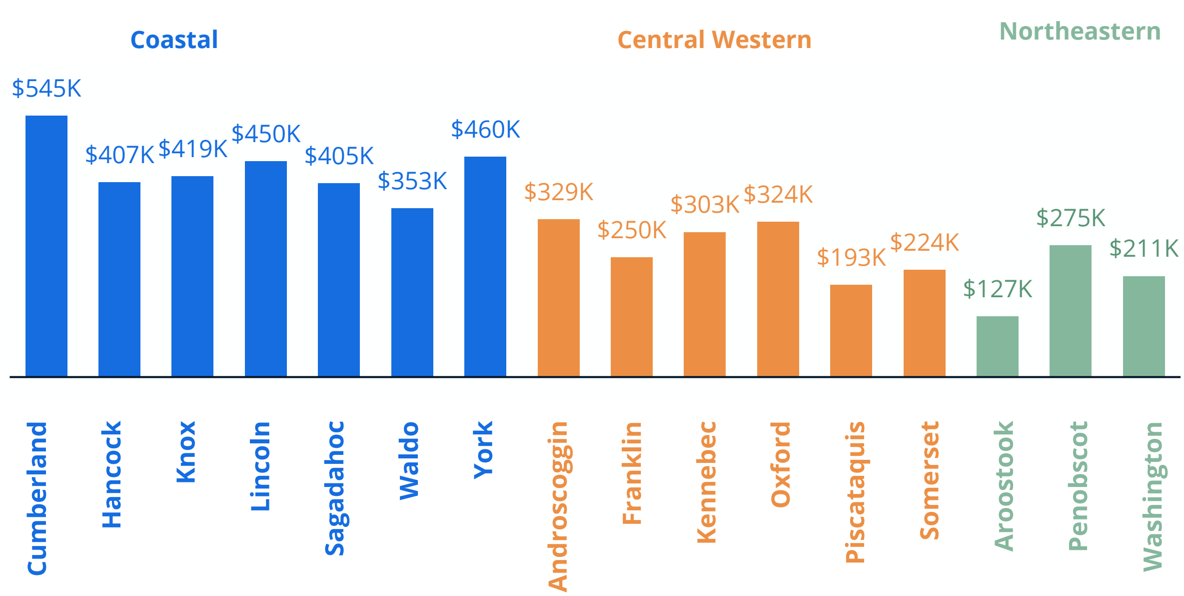
Figure 30: Maine Home Sales by Price Point, 2022 - 2023



Source: Maine MLS Data 2023, Internal Revenue Service 2021, American Community Survey 5-Year 2021

Home sale prices vary significantly by region and are highest in the Coastal Region, particularly in Cumberland and York Counties, with an average sale price of $434,000 (Figure 31). The median home sale price in the Northeastern and Central Western Regions are $204,000 and $270,000 respectively in 2023.

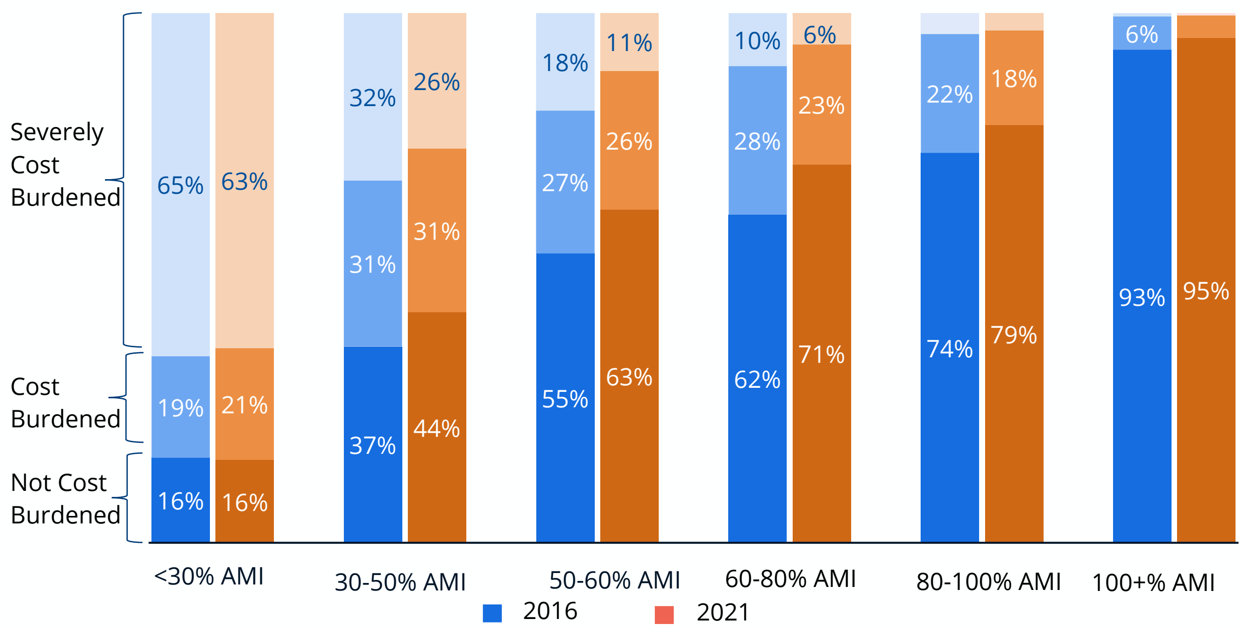
Figure 31: Median Home Sales Price by County, 2023



Source: Redfin 2023

Despite the historic affordability of the homeownership market, 20% of homeowners still experienced cost burden in 2021, a 4% decrease from 2016 (Figure 32). Cost burden for homeowners remained level from 2016 to 2021 for the lowest income households but decreased for all other income groups. Given data limitations on measuring cost burden in real-time, *this likely does not fully capture the impact on cost burden of the most recent home price increases.*

Figure 32: Share of Owners Cost Burden Over Time in Maine, 2016 – 2021

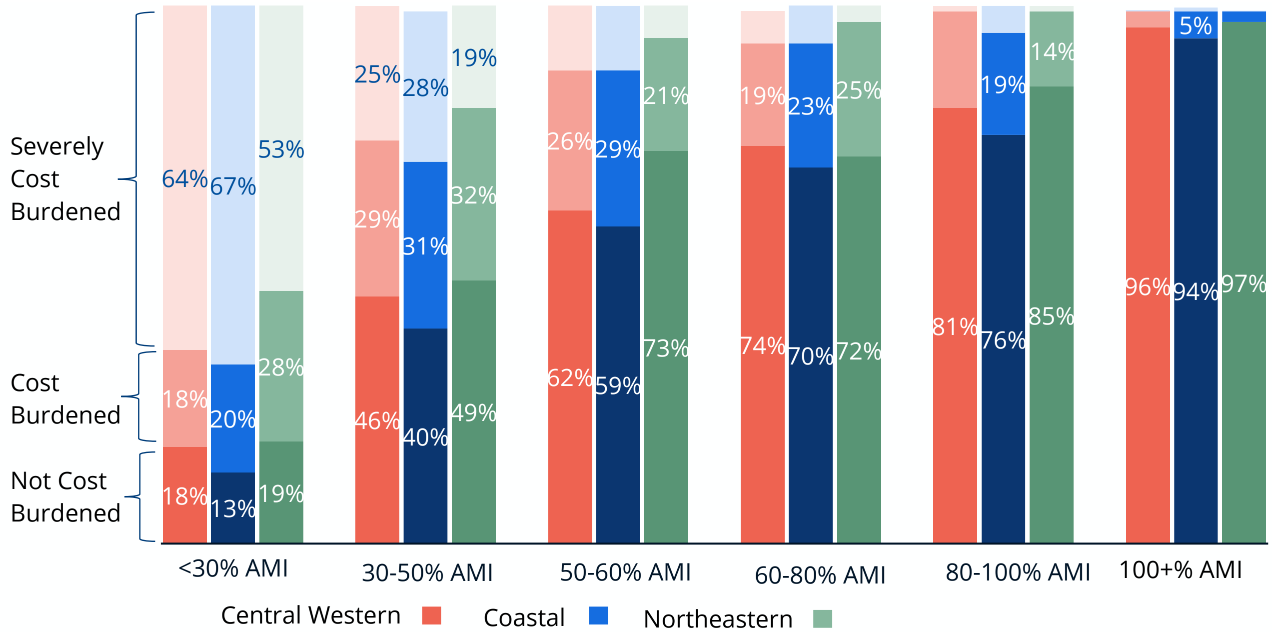


Source: American Community Survey 5-Year, Public Use Microdata Sample (PUMS) 2021

Notably, very low-income homeowners have experienced very high-cost burden rates, even more than renters of the same income. This may be partially driven by Maine's large senior homeowner population; **senior homeowners in Maine tend to be lower income than other households and rely on fixed incomes, and in aggregate face higher rates of cost burden.**

Regionally, owner cost burden rates are highest in the Coastal Region, likely due in part to significantly higher home values (Figure 33).

Figure 33: Share of Owners Cost Burdened by Region, 2021



Source: American Community Survey 5-Year, Public Use Microdata Sample (PUMS) 2021

Overall, the availability of homes in Maine is declining while costs relative to incomes are rising. This crunch in the housing market is being driven by demand-side shocks including sudden in-migration and need for additional workers to support Maine's economy, and supply-side pressures including limited housing production and a rising number of homes in need of reinvestment due to poor condition. To improve housing availability and affordability for Mainers, Maine will need to increase housing production and reinvestment aligned with the amount, type and location of housing needed by both existing and future households.

How many homes does Maine need today?

Quantifying how many homes Maine needs today to improve both **availability** and **affordability** for Mainers requires measuring how many homes *should have* been built or reinvested in in recent years (historic underproduction) to support population and job growth with stable availability. Addressing this historic underproduction is a State policy priority that aims to ensure affordability for all Mainers while supporting the economic health of the State. **In some areas of the state, addressing historic underproduction might reflect the need for new homes to address population and economic growth, while in other areas of the state that have not seen significant population growth, this may reflect the need to invest in or replace aging housing stock that is deteriorating past its useful life.**

If the existing housing deficit continues to grow, Maine will struggle to support economic growth or maintain its existing economic activity, and it will become increasingly difficult and costly to address affordability challenges for low- and moderate-income residents. Existing residents with changing housing needs won't have the flexibility to move within their existing housing markets. Lack of homes will also inhibit the growth of Maine's labor force and economy, which could pull from out of state if there were sufficient places for new residents to live. Aligning housing development with economic and demographic trends will help support Maine's economy and stabilize housing prices for existing residents.

Historic Underproduction

Historic Underproduction includes two components: the **availability deficit** and the **jobs : homes deficit**. The combination of these two measures is intended to capture both the homes needed now to support healthy availability for existing households, as well as homes that would support households to move to Maine and fill unfilled jobs. These deficit measures, defined in Figure 34, are based on the State's economic targets[25].

Figure 34: Components of Historic Underproduction

Availability Deficit + **Jobs : Homes Deficit** = **Historic Underproduction**

Not enough homes for a functional housing market

Not enough homes to support additional labor force needed for existing job market

Availability Deficit

The "availability deficit" measures the additional homes needed to create a healthy level of availability in the housing market overall, with "true availability" representing homes that are vacant and available to live in. This designation is a key component of the analysis, as not all homes that are defined as "vacant" are available to be lived in. Availability rate is an important characteristic in a housing market as it allows flexibility in housing choice. A 1:1 household to unit ratio with zero availability would make it almost impossible for existing households to move and could not accommodate any growth in households.

[25] The State Department of Labor targets an unemployment rate of 3.5% and a job openings rate of 3.0%.

Measuring "true availability" requires an understanding of how vacancy is measured. There are many different types of vacant units, some of which are not available to be occupied by households looking for a home because they are seasonal homes, in foreclosure, or in need of repair, for example.[26]

The Study Team measures "true availability" as the number of vacant for-sale and for-rent homes in the market; in other words, homebuyers and prospective renters could access these homes when they need to move (Figure 35).

Figure 35: Vacant Housing Stock Composition

Across the state of Maine, the availability rate has plummeted to 2.3% on average, well below what is often considered to be a healthy rate of 5%. This is true for all regions in Maine (Figure 36). These low availability rates indicate a general housing shortage that is putting pressure on regional housing markets due to lack of available homes. [27]

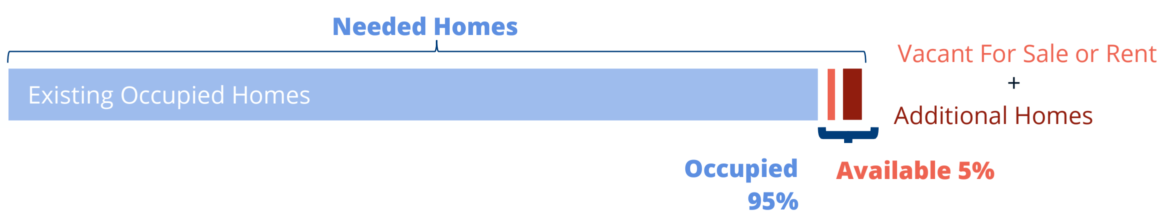
[26] High level Vacancy categories in the American Community Survey includes Seasonal Homes, Other Vacant, rented or sold not occupied, for migrant workers, vacant for rent and vacant for sale.

[27] The true availability rate is taken as a percentage of total homes, where total homes are calculated as occupied renter homes, occupied owned homes, vacant for rent and vacant for sale. The true availability is then calculated as the percentage of vacant for rent and vacant for sale of the total homes.

Figure 36: Available and Occupied Housing Stock by Region, 2021

The Study Team calculated the homes needed in each region to achieve a target availability rate of 5%, which would support broader affordability and availability for all Mainers (Figure 37).

Figure 37: Housing Stock including Target Availability Rate



Based on this target availability rate, the Study Team estimates that an additional **16,500 homes** are needed in Maine now to create a healthy rate of availability for existing residents (Table 6).

The need varies significantly by region and is the greatest in the Coastal Region – with about 9,300 units needed to address the availability deficit. The Central Western and Northeastern regions have lower availability needs at 4,900 and 2,300 respectively, reflecting lower populations and higher availability in the Northeastern Region.

Table 6: Homes Needed to Meet Regional Availability Deficit

Region	*Units*
Coastal Region	9,300
Central Western Region	4,900
Northeastern region	2,300
Statewide	***16,500***

Jobs : Homes Deficit

The "jobs : homes" deficit component of Historic Underproduction in Maine was developed by the Study Team to measure the number of additional homes needed to house a labor force that can support Maine's current economy. This homes deficit is calculated using two components:

1. Deficit resulting from a tight labor market (based on a target unemployment rate)
2. Deficit resulting from unfilled job openings (based on a target job openings rate)

In collaboration with the Department of Labor and based on the State's labor market goals, the Study Team used a **target unemployment rate of 3.5%** and a **target job openings[28] rate of 3.0% in this analysis.[29]**

The unemployment rate reflects the percentage of the workforce that is unemployed at any given time; these individuals are available to fill unfilled positions and are important for supporting a healthy labor market. The job openings rate is the share of unfilled jobs within the overall job market. Every region in Maine has an average annual unemployment rate, measured based on employment trends from May 2022 – April 2023, lower than the target 3.5%. Measured rates range from 2.4% in the coastal region to 3.1% in the Northeastern Region. The job openings rate for all regions exceeds DOL's target rate of 3.0%, ranging from 4.4% in the Northwestern Region to 9.2% in the Central Western Region (Table 7).

Table 7: Existing Unemployment and Job Openings by Region

	Unemployment Rate (Avg May 2022 – April 2023)	*Job Openings Rate[30] (Avg May 2022 – April 2023)*
Coastal Region	2.4%	6.1%
Central Western Region	2.9%	9.2%
Northeastern Region	3.1%	4.4%
Statewide	**2.7%**	**6.5%**

Unemployment and job openings targets are meant to bring labor supply and labor demand in the state into better balance to support a healthy economy and ensure economic opportunity for all Mainers.

- **Unemployment Rate** The target unemployment rate of 3.5% is reflective of a full employment economy in which the overwhelming majority of people who want a job have one. In a full employment economy, a small share of the labor force is experiencing unemployment, which is often transitional. This might include people searching for a job because they have recently entered or re-entered the labor force, people who may be seeking to change careers or those who recently completed an educational or training program and are seeking a job that aligns with their skills and preferences.

[28] Job Openings Rate is defined as the percent of job openings in the labor market over the sum of total jobs and job openings.
[29] Measurements of unemployment and job listings are based on annual averages to account for seasonal changes in the workforce.
[30] Calculated using Job Openings and Labor Turnover Survey gross numbers and allocating to regions based on proportion of Lightcast data job openings over a one year period.

- **Job Openings Rate** A target job opening rate of 3.0% reflects a labor market in which most of the labor demand in the state is met and there is a healthy balance between available job opportunities and the number of unemployed job seekers throughout the state. Job openings similarly capture labor market transitions where some employers are growing and seeking to expand their staff levels while many others are seeking to fill an available job opening due to replacement needs because the incumbent job holder has retired, accepted a promotion, switched careers, or otherwise left a job.

Better aligning job openings with unemployment requires additional workers to fill those jobs, and with a low unemployment rate, many of those workers will need to come from out of state. **Without homes that can accommodate those additional households at a price point they can afford, Maine will continue to struggle to sustain healthy labor market conditions, which will harm local businesses.**

The job openings rate is 6.5% statewide on average over the last year and is down from a pandemic level high of 8.1% in 2021[31], but remains elevated compared with pre-pandemic averages. Since March 2022, the Federal Reserve has raised interest rates to reduce inflation, which had reached a 40 year high of 9.1% in June of 2022[32]. Due to these ongoing changes, the Study Team has selected an alternate base conditions job openings rate that reflects an elevated condition to the pre-pandemic average, but not as severe as the current measurements reflected by the May 2022 – April 2023 average (Table 8).

Table 8: Job Openings Rates for Historic Conditions, Existing Conditions and Modified Near-Term Conditions

	Job Openings Rate[33](Avg May 2022 – April 2023)	*Job Openings Rate 5-year Regional averages (2015-2019)*	***Job Openings Rate Midpoint***
Coastal Region	6.1%	4.5%	**5.3%**
Central Western Region	9.2%	4.4%	**6.8%**
Northeastern Region	4.4%	4.0%	**4.2%**
Statewide	6.5%	4.4%	**5.5%**

To calculate the number of homes needed to support this target scenario, the Study Team measured the additional workers needed to achieve these target labor market conditions. This number represents the additional workers necessary to reduce the job openings rate and support an employment rate reflective of a full employment economy. See Figure 38 for the Coastal Region example.

[31] JOLTS Seasonally Adjusted July 2021

[32] TED: The Economics Daily. (2022). Consumer Prices up 9.1 percent over the year ended June 2022, largest increase in 40 years. BLS https://www.bls.gov/opub/ted/2022/consumer-prices-up-9-1-percent-over-the-year-ended-june-2022-largest-increase-in-40-years.htm

[33] Calculated using Job Openings and Labor Turnover Survey gross numbers and allocating to regions based on proportion of Lightcast data job openings over a one-year period.

Figure 38: Existing and Target Labor Force Conditions: Coastal Region Example

Based on the resulting workers needed, the Study Team measured the number of homes needed to accommodate this additional labor force. The Study Team applied a jobs : homes ratio to these numbers by region, which is based on the existing jobs : homes ratio but with a 5% availability rate. By incorporating all occupied homes, this ratio accounts for working, non-working and unemployed populations, and the number of jobs supported by one home, taking into account a 5% market availability rate. Figure 39 reflects an example ratio of 1.15, indicating that in the Coastal Region, one home for every 1.15 jobs would incorporate a healthy availability rate.

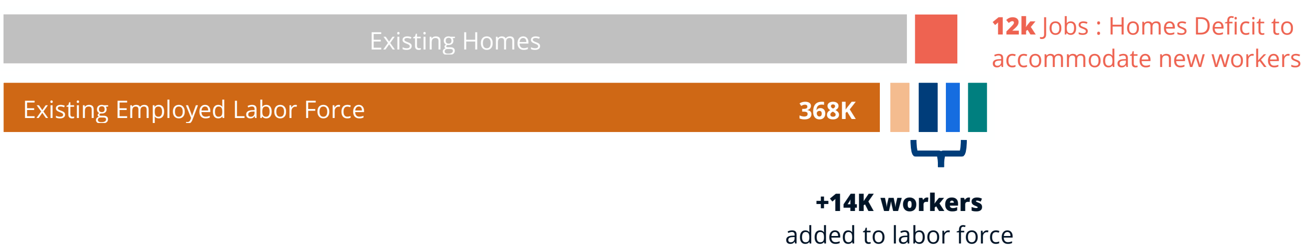
Figure 39: Jobs : Homes Ratio Calculation for the Coastal Region

$$\frac{\text{Employed Labor Force: } \mathbf{368K}}{\text{Existing Occupied Homes: } \mathbf{304K} + \text{Required Available Homes: } \mathbf{16K\ (5\%)}} = \mathbf{1.15}$$

Jobs : Homes Ratio

The Study Team calculated this ratio for each region and used it to measure the homes required to house the additional workers needed by region. See Figure 40 for the Coastal Regional example.

Figure 40: Homes Needed to Support Target Workforce Conditions: Coastal Region Example



Based on this analysis, the additional labor force needed to support Maine's existing economy is approximately **24,100 workers**, who would require **22,000 additional homes** statewide to account for a healthy availability rate. Accounting for regional differences in labor force needs, there is a shortage of 11,900 homes in the Coastal Region, 8,100 homes in the Central Western Region and 2,000 homes in the Northeastern Region (Table 9).

Table 9: Workers and Homes Needed to Address Jobs : Homes Deficit

	Required Workers	*Target Jobs Housing Ratio*	*Additional Homes Needed*
Coastal Region	13,700	1.15	11,900
Central Western Region	8,400	1.03	8,100
Northeastern Region	2,000	1.01	2,000
Statewide	**24,100**		**22,000**

Economic and labor force conditions are constantly changing, and the State will have to monitor labor force conditions and make adjustments to the target rates as needed to support evolving goals.

Including both historic underproduction and the jobs : homes deficit, **Maine needs 21,200 homes in the Coastal Region, 13,000 homes in the Central Western Region, and 4,300 homes for the Northeastern region (Table 10).**

Table 10: Historic Underproduction by Region, 2021

Region	*Availabilitly Deficit*	*Jobs : Homes Deficit*	*Total Historic Underproduction*
Coastal	9,300	11,900	21,200
Central Western	4,900	8,100	13,000
Northeastern	2,300	2,000	4,300
Maine	16,500	22,000	38,500

Income Distribution

In addition to the number of homes that Maine needs to sustain and grow its economy, it is important to measure the cost of the homes needed to support affordability in the market. The Study Team allocated both the availability deficit and the jobs : homes deficit by price point as an example of how production targets can be distributed, however, regional and local planning work will need to be done to further allocate the housing types and price points that will support affordability.

The Study Team calculated affordable monthly rent by income based on a monthly housing cost burden of 28%, including a utility allowance using the average of Statewide HUD utility allowance schedules[34]. The Study Team calculated affordable home purchase price including monthly mortgage payments, property taxes, utilities and insurance (Table 11).

[34] MaineHousing's Affordability Index measures affordability at 28% of monthly household income.

Table 11: Affordable Rent and Home Prices by Income Group, 2023

Income Range	*Affordable Monthly Rent*[35]	*Affordable Home Price*
Less than 20K	< 80	N/A
20K - 35K	81 – 430	< 36,500
35K - 50K	431 – 780	36,501 – 90,700
50K - 75K	781 – 1,360	90,701 – 180,900
75K- 100K	1,361 – 1,950	180,901 – 271,200
100K - 150K	1,951 – 3,110	271,201 – 451,700
150K+	3,111 +	451,701 +

Availability Deficit Income Distribution:

The availability deficit impacts all households as people seek to move. This may include those who are hoping to downsize to age in place, those who have growing households, households with a change in income and desire to relocate because of it, households with a change in job location, and other reasons for relocation. One way to view the allocation of this deficit is to distribute it across the income distribution of the region (Table 12).

Table 12: Existing Household Income Distribution

Household Income	*Coastal*	*Central Western*	*Northeastern*
Less than 20K	11%	16%	18%
20K - 35K	11%	15%	17%
35K - 50K	11%	15%	14%
50K - 75K	18%	18%	18%
75K- 100K	15%	13%	13%
100K - 150K	18%	14%	13%
150K+	16%	8%	8%

A limitation of this methodology is that it does not fully capture greater need at low- and moderate-income levels. Low- and moderate-income households are more constrained in their choices and more likely to pay more than they can afford in housing costs. It is important to increase the availability of homes at different price points, with an emphasis on homes that are affordable to lower income

[35] Apartment unit monthly rents were calculated assuming 28% of income towards housing expenses less utility allowance. Utility allowance was calculated using HUD schedules assuming a 2 bedroom garden apartment unit.

households. Methods of reallocation to address the need at lower income levels may vary by geographic region and respond to specific needs of certain areas of the state. Adjustment to lower incomes should account for what proportion of the population within which income groups is the highest cost burdened for both renters and homeowners. Methods that include this factor will have a better chance of addressing the need at income levels that are paying the highest share of their household income in home costs.

The allocation of the Availability Deficit based on existing income distribution varies by regional characteristics, with the Northeastern and Central Western having greater need at lower household incomes than the Coastal Region (Table 13). Northeastern and Central Western Regions have 49% and 46% of households respectively at household incomes less than 50K, while the Coastal region proportion of households less than 50k is 34%.

Table 13: Allocation of Availability Deficit Based on Existing Household Income Distribution[36]

Household Income	*Coastal*	*Central Western*	*Northeastern*
Regional Totals	**9,400**	**4,900**	**2,300**
Less than 20K	1,100	780	420
20K - 35K	1,000	760	380
35K - 50K	1,000	730	320
50K - 75K	1,700	880	410
75K- 100K	1,400	650	290
100K - 150K	1,700	690	290
150K+	1,500	410	190

Jobs : Homes Deficit Income Distribution

To allocate the homes needed to fill the jobs : homes deficit by price point, the Study Team aligned the wages of existing job openings with home prices that would be affordable to those wages. The methodology used to arrive at this distribution included a multistep process that reviewed job listing data for wages and aligned those wages with typical household incomes associated with them (Table 14).[37] This distribution allows job listing wages to be allocated to household incomes by accounting for households with more than one earner.[38]

This distribution is a tool to help regions and municipalities plan for housing that households can afford based on available jobs, ensuring that they can move to and stay in Maine.

[36] Income Distributions are allocated based on regional numbers and rounded to the tens for counts in the hundreds, and hundreds for counts over a thousand. Due to rounding, numbers may not sum exactly to regional or state numbers.
[37] The Study Team calculated a wage distribution using job listing wages based on a review of job listings over a 12 month period, June 2022 - May 2023.
[38] Using the Public Use Microdata Sample, the Study Team used regional household averages in Maine, Vermont and New Hampshire to estimate the likely total household income of individuals who hold similar jobs across the region. For additional detail about this analysis, see Appendix Page 12.

Table 14: Estimated Household Income Distribution for Job Listings by Region

Household Income	*Coastal*	*Central Western*	*Northeastern*
Less than 20K	0.6%	0.7%	0.6%
20K - 35K	5.5%	4.4%	8.4%
35K - 50K	10.4%	7.9%	10.6%
50K - 75K	16.7%	16.8%	20.4%
75K- 100K	19.3%	20.3%	18.9%
100K - 150K	26.9%	28.9%	23.6%
150K+	20.6%	21.0%	17.6%

Using the resulting household income distribution, the Study Team allocated the jobs : homes regional deficits by the estimated household incomes for workers needed to fill open jobs in each region (Table 15).

Table 15: Allocation of Jobs : Homes Deficit to Household Incomes Based on Wages of Open Job Listings[39]

Household Income	*Coastal*	*Central Western*	*Northeastern*
Regional Totals	**11,900**	**8,100**	**2,000**
Less than 20K	70	50	10
20K - 35K	660	360	170
35K - 50K	1,230	640	210
50K - 75K	2,000	1,400	410
75K- 100K	2,300	1,600	380
100K - 150K	3,200	2,300	470
150K+	2,500	1,700	350

Historic Underproduction Geographic Distribution

Across regions, individual jurisdictions are contributing more or less to housing demand based on job growth, demographic and migration trends, and other factors, including the existing inventory of available

[39] Income Distributions are allocated based on regional numbers and rounded to the tens for counts in the hundreds, and hundreds for counts over a thousand. Due to rounding, numbers may not sum exactly to regional or state numbers.

housing and the share of seasonal homes. Housing need in each region is impacted by the existing conditions and trends of individual jurisdictions and counties, and as such requires both local and regional approaches to tackling housing production needs.

To measure local contributions to housing demand, the Study Team considered both population share and job share of each county. Weighting allocation by both population and jobs helps ensure that housing to address the State's historic underproduction is being added in places where jobs are, both to support households in living close to where they work and also to ensure that towns and cities that are growing economically are also accommodating the population needed to support that growth. This avoids issues of decreasing affordability when housing is not provided where job growth exists, and unnecessary development in areas where there may not be as significant job or population growth.

There are many ways to allocate housing to more granular geographies across Maine, many of which would incorporate unique criteria specific to certain areas of the State, particularly due to the varying growth trends across Maine. For purposes of this study, the Study Team weighted housing need based on population and jobs shares in each region. Using the Coastal Region as an example, the greatest allocation of homes based on this methodology is to Cumberland County, which represents 42% of the region's population and 54% of the region's jobs (Table 16). In the Central Western region Kennebec has the greatest weighted allocation and in the Northeastern region Penobscot has the greatest weighted allocation.

Table 16: County Level Distributions Historic Underproduction[40]

Counties	*Population Share*	*Job Share*	*Weighted Allocation*	*Historic Underproduction*
Maine Historic Underproduction				**38,500**
Hancock County	8%	7%	7%	1,500
Cumberland County	42%	54%	48%	10,200
Knox County	6%	5%	5%	1,100
Lincoln County	5%	3%	4%	870
Sagadahoc County	5%	5%	5%	1,100
Waldo County	6%	3%	4%	900
York County	29%	22%	26%	5,500
Piscataquis County	4%	4%	4%	510
Androscoggin County	28%	30%	29%	3,800
Franklin County	8%	7%	7%	900
Kennebec County	32%	39%	35%	4,600
Oxford County	15%	11%	13%	1,700
Somerset County	13%	10%	12%	1,500
Aroostook County	27%	24%	25%	1,100
Penobscot County	61%	66%	64%	2,700
Washington County	12%	9%	11%	460

[40] County Distributions are allocated based on regional numbers and rounded to the tens for counts in the hundreds, and hundreds for counts over a thousand. Due to rounding, numbers may not sum exactly to regional or state numbers.

How many homes will Maine need to accommodate future population growth?

Overview

The State of Maine is projected to grow by about 3% over the next decade, with growth primarily concentrated in the Coastal region (Table 19). In addition to the housing that Maine needs now, the state will need additional housing this decade to accommodate population change and support both new household formation and in-migration.

The Maine State Economist develops population projections every two years to accommodate changing demographic and growth conditions. While the state overall is growing, it is important to note that not all areas in the state are projected to grow in the coming decade. However, even in places where overall population is aging and declining, there is still need for housing production and reinvestment; in fact, household formation generally increases these circumstances (children of an aging population move into their own homes and some existing households split up). For example, while Aroostook, Piscataquis and Somerset Counties are all projected to see a modest total population decline by 2030, all of those counties will still see a net gain in households in that time period, requiring additional homes. Further, as these regions face a declining workforce, new homes at affordable price points will be essential to attracting workers to the region and ensuring that existing younger households can stay.

Table 17: Estimated Population Change, 2020-2030

County	2020 Population	2030 Population	% Growth	Added /Lost People
Northeastern Region				
Aroostook	66,994	66,937	-0.1%	-57
Penobscot	152,007	153,327	0.9%	1,320
Washington	31,062	33,555	8.0%	2,493
Central Western Region				
Androscoggin	111,039	113,477	2.2%	2,438
Franklin	29,418	29,603	0.6%	185
Kennebec	123,754	130,259	5.3%	6,505
Oxford	57,849	58,321	0.8%	472
Piscataquis	16,768	15,935	-5.0%	-833
Somerset	50,404	49,781	-1.2%	-623
Coastal Region				
Cumberland	303,312	308,124	1.6%	4,812
Hancock	55,460	56,707	2.3%	1,247
Knox	40,609	41,130	1.3%	521
Lincoln	35,192	35,364	0.5%	172
Sagadahoc	36,688	36,921	0.6%	233
Waldo	39,635	42,405	7.0%	2,770
York	212,089	225,816	6.5%	13,727
Statewide				
Maine	1,362,280	1,397,663	2.6%	35,383

Source: Maine State Economist 2023

Recent shifts in population growth due to unexpected global and economic events, including the COVID-19 pandemic, demonstrate the unpredictable nature of population projections. As such, the State will need to continue to monitor population change to better understand long term expectations. It is not certain whether recent growth is a longer-term trend or was a short-term, Covid-induced change.

Despite the uncertainty, Maine should continue to plan for population and household growth, which is crucial for maintaining the health of Maine's economy. Planning for housing to support that growth will ensure that the increased demand over time will not exceed the supply of housing, causing prices to rise.

Accommodating Population Growth

The Maine State Economist's population projections anticipate 35,000 additional residents in Maine by 2030. This change in population varies by region, with the Northeastern region projected to grow by 1.5%, Central Western by 2.1%, and Coastal by 3.25%. Maine's statewide growth of 2.6% is modest compared to the State of New Hampshire, which is expected to grow by 6.95% between 2020 and 2030[41], and is also less than Massachusetts which is expected to grow 4.21% between 2020 and 2030[42][43].

Based on average household characteristics and the age distribution of the projected population, these residents translate to approximately 37,000 new households statewide by 2030. Future housing will need to accommodate not only these new households but also a healthy availability rate and an allowance for seasonal/alternate home use. The additional allocation for seasonal homes/alternate use homes assumes that the relative demand for seasonal homes remains constant as the population grows. This assumption is based on historic data, which has indicated that while seasonal homes as a percentage of total homes has fluctuated slightly it has stayed relatively constant since 2000 (Table 20).

Table 18: Seasonal Homes and Alternate Use as a Percentage of Total Homes Over Time

Year	*2000*	*2010*	*2016*	*2021*
Coastal	16.6%	17.2%	17.8%	17.1%
Northeastern	12.7%	12.8%	14.6%	13.9%
Central Western	17.5%	17.7%	19.8%	18.8%

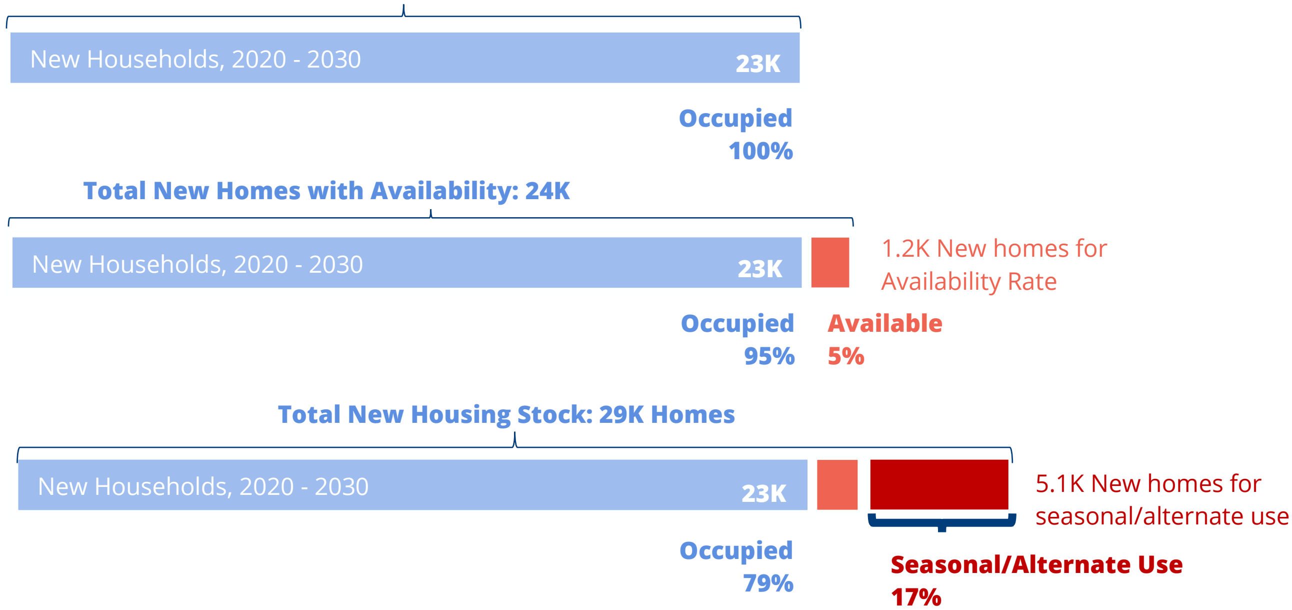
Without accommodating the demand for seasonal homes and alternate uses, seasonal buyers and other users will acquire more of the housing stock that could otherwise be occupied by full-time residents (Figure 41).

[41] Scardamalia, Robert. (2022). State, County, and Municipal Population Projections: 2020 – 2050. New Hampshire Department of Business and Economic Affairs, Office of Planning and Development. https://www.nheconomy.com/getmedia/0205c62d-9c30-4b00-9c9e-d81d8f17b8b3/NH-Population-Projections-2020-2050-Final-Report-092022.pdf

[42] UMass Donahue Institute. (2018). Regional Population Projections for 2020 RTPs. https://www.mass.gov/doc/projections-final-for-rtps-0/download

[43] The state of Vermont projected an increase of 2.5%, however projections were executed in 2013 and do not reflect recent national trends.

Figure 41: Future Housing Need Methodology: Coastal Region Example



Jurisdictions across the state already add housing every year. On average from 2016 - 2021, The Coastal, Central Western and Northeastern regions permitted 3,400, 1,000, and 400 units respectively. This analysis simply measures the number of new homes that would align with projected population growth, within a range of +/- 0.5% to accommodate uncertainty around future growth. Accounting for varying population projections in each region and a steady availability rate of 5%, **between 38,000 and 46,000 additional units will be needed by 2030 to accommodate households and associated vacant and seasonal units for a healthy housing market (Table 21).**[44]

Table 19: Future Need Scenario Low / High Range 2021 – 2030 Growth

Region	*Change in Households*	*Homes to Accommodate Availability*	*Homes to Accommodate Seasonal Use*	***Total Homes Needed***
Coastal	19,000 – 21,900	1,000 – 1,200	4,200 – 4,900	**24,200 – 28,000**
Central Western	7,800 – 9,300	410 – 490	1,500 – 1,900	**9,700 – 11,700**
Northeastern	3,000 – 4,700	160 - 250	790– 1,100	**4,000 – 6,100**
	29,800 – 35,900	1,600 – 1,900	6,500 – 7,900	**37,900 – 45,800**

Annualizing the total homes needed over nine years results in 2,700 – 3,100 homes for the Coastal Region, 1,100 – 1,300 homes for the Central Western Region, and 430 – 660 homes for the Northeastern Region (Table 22). Any adjustments to population projections will result in adjustments to production

[44] Population projections provided by the State Economist are for population growth during the period between the year 2020 and 2030. Since data sources for this study are aligned with 2021 or a 2021 equivalent, a year of growth demand is removed from the total. Adjusted housing need by region for the time period 2021 – 2030 is summarized in Table 14. Adjusted Regional Housing Demand for time period 2021 - 2020. The total adjusted projected need to accommodate future growth from 2021 – 2030 across all regions in Maine is 42,200 units.

targets. Similar to the jobs : homes deficit, any anticipated changes in future conditions regarding slower or faster growth than expected would impact homes needed to address future growth.

Table 20: Annualized Production Goals Future Need, 2021 – 2030

Region	*Annualized Production Goal Range: Future Need*
Coastal	2,700 – 3,100
Central Western	1,100 – 1,300
Northeastern	430 - 660

Future Need Geographic Allocation

The future need projections are based on the Maine State Economist's population projections, which occur every two years and are output at the county level for the State of Maine.

While the state overall is growing, not all areas in the state are projected to grow in the coming decade. Certain counties show much greater additional housing need to accommodate population change. Need is sized based on population shifts including aging, dissolution of multi-person households resulting in additional household formations and anticipated economic changes. Aroostook, Piscataquis and Somerset Counties are projected to see a modest total population decline by 2030, with Piscataquis seeing a decrease in the low growth scenario. However, in all other scenarios there will likely be a net gain in households in that time period, requiring additional homes (Table 21).

Table 21: County Level Distributions, Future Need by 2030

Counties	*Future Need Low*	*Future Need High*
Maine Future Need	**37,900**	**45,800**
Hancock County	1,900	2,200
Cumberland County	7,200	8,600
Knox County	1,400	1,700
Lincoln County	880	1,100
Sagadahoc County	770	950
Waldo County	2,100	2,300
York County	10,100	11,100
Piscataquis County	-30	110
Androscoggin County	2,200	2,700
Franklin County	820	1,000
Kennebec County	4,500	5,100
Oxford County	1,900	2,300
Somerset County	330	600
Aroostook County	720	1,100
Penobscot County	1,400	3,000
Washington County	1,700	1,900

Total Need

To arrive at the overall annual production need for the State for the nine years from 2021 – 2030, the Study Team summed the annual production need for both historic underproduction and future need. This assumes that historic underproduction and future need can be addressed incrementally. The combined annual production needed to account for both historic underproduction and future need is **between 8,500 and 9,300 homes statewide per year (Table 22)**.

Table 22: Annualized Production Need 2021 – 2030

	Annualized Future Need	*Annualized Historic Underproduction Need*	***Total Homes Needed Annually***
Coastal	2,700 – 3,100	2,400	**5,100 – 5,500**
Central Western	1,100 – 1,300	1,400	**2,500 – 2,700**
Northeastern	430 - 660	480	**900 – 1,100**
Total for Maine	**4,200 – 5,100**	**4,300**	**8,500 – 9,300**

The Study Team compared these annual production needs to building permit data released annually by HUD. All regions will require an increase in production, with a range of 50% to 175% increase required to achieve the high end of the production goals (Table 23). These numbers provide context for how much more housing regions will need to permit compared to historical trends to address this need. While the percent change in building permits needed in the Central and Northeastern Regions is higher than in the Coastal Region, the need is much smaller overall. More than half of annual production needs are in the Coastal Region, while the Northeastern Region would need to permit and build about 900 homes per year to meet these goals.

Table 23. Annual Production Needs Benchmarked to Historic Permitting

	Total Annual Production Need	*5-year average (2016 - 2021)*	***% Change in Permits***	***Net Change in permits***
Coastal	**5,100 – 5,500**	3,400	**50% - 62%**	**1,700 – 2,100**
Central Western	**2,500 – 2,700**	1,000	**150% - 170%**	**1,500 – 1,700**
Northeastern	**900 – 1,100**	400	**128% - 175%**	**510 - 700**
Maine	**8,500 – 9,300**	4,800	**77% - 94%**	**3,700 – 4,500**

Source: Annual units permitted by county as measured by HUD, average 2016 - 2021

Next Steps and Implementation

In response to the requirements established in LD 2003, this Study measures the number of homes needed to meet the housing and economic development goals established by the State of Maine. The next step in the process will be to set housing production and reinvestment targets at the local level and to consider the different housing typologies that can support housing production across the income spectrum. To move from the regional level to the local level will involve consideration of local obstacles such as available infrastructure, development capacity and other factors. It will also involve dialogue among communities about where and how to accommodate growth within the region.

The assessment of regional housing need and the local targets will need to be updated periodically to reflect changing conditions. In particular, there is considerable uncertainty around whether recent in-migration is a longer-term trend or a short-term impact of the Covid-19 pandemic. The State and regional partners will need to establish a process to evaluate and modify production targets based on changing housing, labor force, demographic and population conditions and make those changes available to the public.

In order for stakeholders to monitor these changing conditions and track progress towards local housing production targets, the State will be providing an online data dashboard of baseline housing conditions at the state, county, and municipal level that will be updated on a periodic basis. Moving forward, improved collection of both building permitting and demolition data, as well as continuous tracking of vacancy trends, will also be critical for monitoring new development.

Finally, there are a number of important issues in this report that deserve further study to ensure that housing policy in Maine reflects changing conditions. In particular, more data and information is needed to understand the specific housing needs of Maine’s aging population, asylum seekers and refugees, and those who are facing housing quality issues and energy insecurity.

Appendix

Appendix Table 1: State of Maine's Study Geographic Regions Defined

Counties	Cities	Towns
Northeastern Region		
Aroostook County	Caribou, Presque Isle	Allagash, Amity, Ashland, Bancroft, Blaine, Bridgewater, Castle Hill, Caswell, Chapman, Crystal, Dyer Brook, Eagle Lake, Easton, Fort Fairfield, Fort Kent, Frenchville, Grand Isle, Hamlin, Hammond, Haynesville, Hersey, Hodgdon, Houlton, Island Falls, Limestone, Linneus, Littleton, Ludlow, Madawaska, Mapleton, Mars Hill, Masardis, Merrill, Monticello, New Canada, New Limerick, New Sweden, Oakfield, Orient, Perham, Portage Lake, Saint Agatha, Saint Francis, Sherman, Smyrna, Stockholm, Van Buren, Wade, Washburn, Westfield, Westmanland, Weston, and Woodland
Penobscot County	Bangor, Brewer and Old Town	Alton, Bradford, Bradley, Burlington, Carmel, Charleston, Chester, Clifton, Corinna, Corinth, Dexter, Dixmont, East Millinocket, Eddington, Edinburg, Enfield, Etna, Exeter, Garland, Glenburn, Greenbush, Greenfield, Hampden, Hermon, Holden, Howland, Hudson, Indian Island, Kenduskeag, Lagrange, Lakeville, Lee, Levant, Lincoln, Lowell, Mattawamkeag, Maxfield, Medway, Milford, Millinocket, Mount Chase, Newburgh, Newport, Orono, Orrington, Passadumkeag, Patten, Plymouth, Springfield, Stacyville, Stetson, Veazie, Winn and Woodville
Washington County	Calais and Eastport	Addison, Alexander, Baileyville, Beals, Beddington, Centerville, Charlotte, Cherryfield, Columbia, Columbia Falls, Cooper, Crawford, Cutler, Danforth, Deblois, Dennysville, East Machias, Harrington, Indian Township, Jonesboro, Jonesport, Lubec, Machais, Machiasport, Marshfield, Meddybemps, Milbridge, Northfield, Pembroke, Perry, Princeton, Robbinston, Roque Bluffs, Steuben, Talmadge, Topsfield, Vanceboro, Waite, Wesley, Whiting and Whitneyville
Central Western Region		
Androscoggin County	Auburn, and Lewiston	Durham, Greene, Leeds, Lisbon, Livermore, Livermore Falls, Mechanic Falls, Minot, Poland, Sabattus, Turner and Wales
Franklin County		Avon, Carrabassett Valley, Carthage, Chesterville, Eustis, Farmington, Industry, Jay, Kingfield, Madrid, New Sharon, New Vineyard, Phillips, Rangeley, Strong, Temple, Weld and Wilton
Kennebec County	Augusta, Gardiner, Hallowell and Waterville	Albion, Belgrade, Benton, Chelsea, China, Clinton, Farmingdale, Fayette, Litchfield, Manchester, Monmouth, Mount Vernon, Oakland, Pittston, Randolph, Readfield, Rome, Sidney, Vassalboro, Vienna, Wayne, West Gardiner, Windsor, Winslow and Winthrop
Oxford County		Andover, Bethel, Brownfield, Buckfield, Byron, Canton, Denmark, Dixfield, Fryeburg, Gilead, Greenwood, Hanover, Hartford, Hebron, Hiram, Lovell, Mexico, Newry, Norway, Otisfield, Oxford, Paris, Peru, Porter, Roxbury, Rumford, Stoneham, Stowe, Sumner, Sweden, Upton, Waterford, West Paris and Woodstock

Piscataquis County		Abbott, Atkinson, Beaver Cove, Bowerbank, Brownville, Dover-Foxcroft, Greenville, Guilford, Medford, Milo, Monson, Parkman, Sangerville, Sebec, Shirley, Wellington and Willimantic
Somerset County		Anson, Athens, Bingham, Cambridge, Canaan, Cornville, Detroit, Embden, Fairfield, Harmony, Hartland, Jackman, Madison, Mercer, Moose River, Moscow, New Portland, Norridgewock, Palmyra, Pittsfield, Ripley, Saint Albans, Skowhegan, Smithfield, Solon and Starks
Coastal Region		
Cumberland County	Portland, South Portland, and Westbrook	Baldwin, Bridgton, Brunswick, Cape Elizabeth, Casco, Cumberland, Falmouth, Freeport, Gorham, Gray, Harpswell, Harrison, Naples, New Gloucester, North Yarmouth, Pownal, Raymond, Scarborough, Sebago, Standish, Windham, and Yarmouth
Hancock County	Ellsworth	Amherst, Aurora, Bar Harbor, Blue Hill, Brooklin, Brooksvile, Bucksport, Castine, Cranberry Isles, Dedham, Deer Isle, Eastbrook, Franklin, Frenchboro, Gouldsboro, Great Pond, Hancock, Lamoine, Mariaville, Mount Desert, Orland, Osborn, Otis, Penobscot, Sedgwick, Sorrento, Southwest Harbor, Stonington, Sullivan, Surry, Swans Island, Tremont, Trenton, Verona, Waltham and Winter Harbor
Knox County	Rockland	Appleton, Camden, Cushing, Friendship, Hope, Isle au Haut, North Haven, Owls Head, Rockport, St George, South Thomaston, Thomaston, Union, Vinalhaven, Warren and Washington
Lincoln County	Wiscassett	Alna, Boothbay, Boothbay Harbor, Bremen, Bristol, Damariscotta, Dresden, Edgecomb, Jefferson, Newcastle, Nobleboro, Somerville, South Bristol, Southport, Waldoboro, Westport, Whitefield and Wiscasset
Sagadahoc County	Bath	Arrowsic, Bowdoin, Bowdoinham, Georgetown, Phippsburg, Richmond, Topsham, West Bath and Woolwich
Waldo County	Belfast	Belmont, Brooks, Burnham, Frankfort, Freedom, Islesboro, Jackson, Knox, Liberty, Lincolnville, Monroe, Montville, Morrill, Northport, Palermo, Prospect, Searsmont, Searsport, Stockton Springs, Swanville, Thorndike, Troy, Unity, Waldo and Winterport
York County	Biddeford and Saco	Acton, Alfred, Arundel, Berwick, Buxton, Cornish, Dayton, Eliot, Hollis, Kennebunk, Kennebunkport, Kittery, Lebanon, Limerick, Limington, Lyman, Newfield, North Berwick, Ogunquit, Old Orchard Beach, Parsonsfield, Sanford, Shapleigh, South Berwick, Waterboro, Wells and York

Review of Housing Production Goal National Precedents and their Methodologies

National Housing Production Goal Analysis precedents were reviewed in the development of the State of Maine's methodology. Three examples specifically reviewed were the California Regional Housing Need Allocation, the Oregon Housing Needs Analysis, and Massachusetts Chapter 40B.

California Regional Housing Need Allocation

The California Regional Housing Need Allocation sets state and regional housing production goals and requires local government's zoning and housing plans to work towards achieving those goals. The State of California Department of Housing and Community Development (HCD) sets the amount of new housing units each region is required to produce within the income categories of Very Low (0 – 50% AMI), Low (50 – 80% AMI), Moderate (80% - 120% AMI) and Above Moderate Income (120% AMI +).

HCD sets the amount of housing needed by region using population projections from the California Department of Finance and adjusted based on local characteristics of target vacancy, overcrowding and share of cost-burdened households. The housing need is set every eight years for the next 8 year cycle. After regional numbers are set, regional organizations then allocate a share of units to local jurisdictions within their region. Local jurisdictions report progress towards their allocations to HCD annually using a progress report template.[1]

Oregon Housing Needs Analysis

In 2019, Oregon passed House Bill 2003 directing Oregon Housing and Community Services (OHCS) to support housing needs as outlined by Oregon's statewide land use planning program. Oregon's model for estimating regional housing need is called the Oregon Housing Needs Analysis (OHNA). This methodology is used by OHCS to measure current housing need, historic underproduction, projected housing need over the next 20 years, and housing need for those currently homeless. It also considers the impacts on housing markets from vacation homes. The methodology incorporates guidance on the distribution of unit affordability in a region, with the latest methodology suggesting that about 32% of Oregon's housing need should be affordable to households earning less than 60% of state median income. and allocates this regional need to the local level with guidance on unit typologies (single family or multifamily). This is intended to replace housing need calculations previously executed at the local level.

The OHNA also establishes local production targets for cities with populations over 10,000, which the state tracks and evaluates regularly through a Housing Production Dashboard presenting data on progress towards production targets. Furthermore, the state tracks ongoing housing equity indicators, including cost burden and homeownership rates by race, age, and disability status.[2]

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[1] Association of Bay Area Governments. (2020). Regional Housing Needs Allocation Proposed Methodology: San Francisco Bay Area, 2023-2031. https://abag.ca.gov/sites/default/files/rhna_methodology_report_2023-2031_finalposting.pdf
Association of Bay Area Governments. (2021). Regional Housing Needs Allocations Frequently Asked Questions. https://abag.ca.gov/sites/default/files/documents/2021-12/ABAG_2023-2031_RHNA_FAQ_Dec2021.pdf

[2] Oregon Department of Land Conservation and Development Oregon Housing and Community Services. (2022). Oregon Housing Needs Analysis Legislative Recommendations Report: Leading with Production. https://www.oregon.gov/lcd/UP/Documents/20221231_OHNA_Legislative_Recommendations_Report.pdf

Massachusetts Chapter 40B

Massachusetts 40B is a state statute that overrides local authority to block affordable housing development in the State of Massachusetts. Chapter 40B enables Local Zoning Boards of Appeals to approve affordable housing developments, with at least 20 – 25% of the units have long-term affordability restrictions, under flexible rules. Chapter 40B is a controversial law as it allows developers of affordable housing to appeal a local decision to the state if the community in which the developer is looking to build has less than 10% of year-round housing as affordable housing, or less than 1.5% of its land area as affordable housing.

Municipalities can receive a 1 or 2-year exemption from the developer appeals process through the creation of a Housing Production Plan (HPP) and maintaining annual affordable housing growth of 0.5%. Characteristics of approved plans include the following:

- Units must be part of a subsidized development built or operated by a public agency, non-profit or limited dividend organization.
- A minimum of 25% of units must be income restricted at 80% AMI with restrictions for at least 30 years.
- The proposed development must be subject to a regulatory agreement and monitored by a public agency or nonprofit organization.
- Owners must meet affirmative marketing requirements.

Implemented in 1969, this policy has a long history reflecting its successful implementation in the state for the creation of housing in many communities. Many towns since the policy's implementation have exceeded the 10% threshold, a count that continuously increased throughout the 2000s. Chapter 40B has produced over 60,000 units in over 1,200 developments and is considered responsible for approximately 34% of all housing production in Greater Boston from 2002 – 2006.[3]

[3] MassHousing. (2023). Chapter 40B and MassHousing. https://www.masshousing.com/en/programs-outreach/planning-programs/40b

Citizens' Housing and Planning Association. (2011). Fact Sheet on Chapter 40B The State's Affordable Housing Zoning Law. https://www.chapa.org/sites/default/files/Fact%20Sheet%20on%20Chapter%2040B%202011%20update.pdf

Regional Area Median Income Percentage to Gross Household Income

PUMS data was used was used as a basis for existing conditions analysis throughout the report. To understand household income levels at a more regional level using PUMS, HUD fair market rents were applied by PUMA to understand household incomes with respect to percentage of AMI levels. There are 10 PUMA geographies in the State of Maine and multiple HUD geographies within some PUMAs, so the two datasets did not align exactly. Since PUMA geographies cannot be broken down further, a HUD fair market rent needed to be selected for each individual PUMA. For those PUMAs which had multiple Fair Market Rent areas in them, the Study Team took HUD AMI limits with the largest population within a particular PUMA.

Appendix Table 2: PUMA to HUD Geography Crosswalk

PUMA Geography	PUMA Code	HUD Geography
Northeastern Region		
Northeast Maine – Aroostook & Washington Counties PUMA	23 00100	Aroostook County
Penobscot County PUMA	23 00300	Penobscot County – Bangor, ME HUD Metro FMR Area
Central Western Region		
Androscoggin County PUMA	23 00600	Androscoggin County – Lewiston – Auburn ME, MSA
Northwest Maine – Oxford, Somerset, Franklin & Piscataquis Counties PUMA	23 00200	Oxford County
Kennebec County PUMA	23 00400	Kennebec County
Coastal Region		
Cumberland County (Southeast) – Portland, South Portland &Westbrook Cities PUMA	23 01000	Cumberland County – Portland, ME HUD Metro FMR Area
Coastal Maine Region – Hancock, Knox, Waldo &Lincoln Counties PUMA	23 00500	Hancock County
Sagadahoc & Cumberland (North) Counties – Bath City & Brunswick PUMA	23 00700	Sagadahoc County – Sagadahoc County, ME HUD Metro FMR Area
South Maine – York (west) & Cumberland (West) Counties PUMA	23 00800	York County – Portland ME HUD Metro FMR Area
Cumberland (Outside Portland) & York (East) Counties – Biddeford & Saco Sities PUMA	23 00900	Cumberland County – Cumberland County, ME (Part) HUD Metro FMR Area

Short Term Rental County-Level Findings

Appendix Table 3: Short-Term Rental Inventory as Share of Total Housing Supply by County, 2023

Counties	Total AirDNA Inventory	NOAH-Comparable AirDNA Inventory
Northeastern Region		
Aroostook County	1.2%	0.5%
Penobscot County	1.1%	0.4%
Washington County	3.2%	1.5%
Central Western Region		
Androscoggin County	0.5%	0.2%
Franklin County	6.2%	1.8%
Kennebec County	1.1%	0.4%
Oxford County	4.8%	1.4%
Piscataquis County	4.1%	1.9%
Somerset County	1.5%	0.8%
Coastal Region		
Cumberland County	2.8%	0.9%
Hancock County	9.8%	3.1%
Knox County	5.2%	1.6%
Lincoln County	6.3%	2.5%
Sagadahoc County	2.4%	0.9%
Waldo County	3.7%	1.5%
York County	4.2%	1.1%

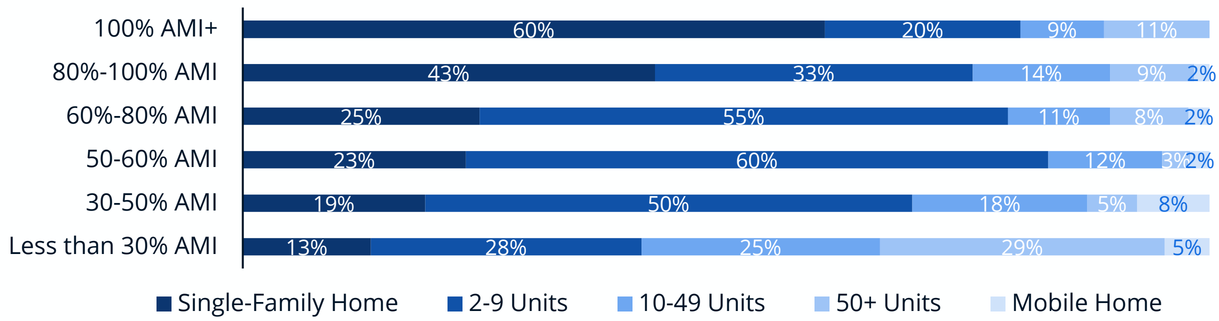
Source: AirDNA 2023; American Community Survey 5-Year, 2021.

Note: Total AirDNA Inventory defined as properties with at least one reservation in the past year. NOAH-Comparable AirDNA Inventory defined as properties with at least one reservation in the past year, available more than 3 months out of the year, that are an entire single family or multifamily unit, and excluding luxury rentals and rentals with more than 3 bedrooms.

Housing Typology Distribution by AMI – Regional Breakout

Housing typologies by income in the Coastal Region generally mirror that of the state (Appendix Figure 1). Notably, buildings with 50 or more units support affordability for very low-income households in the Coastal Region.

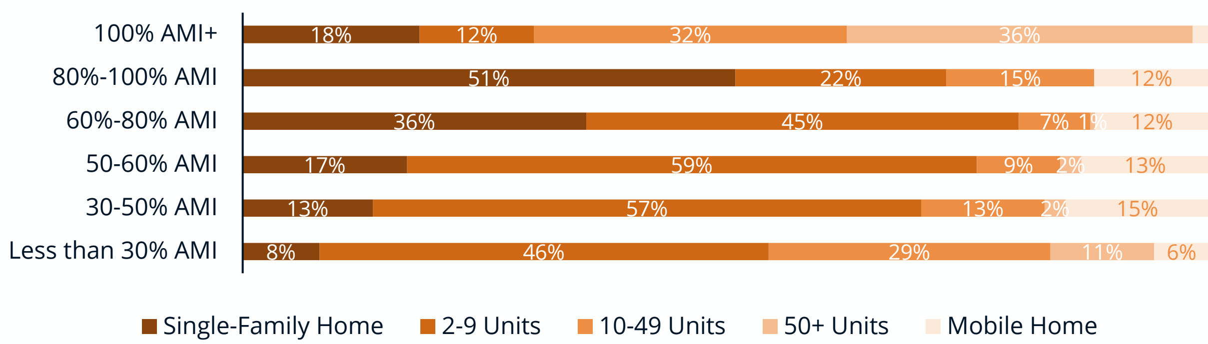
Appendix Figure 1: Rental Housing Types Affordable by Income Bracket in the Coastal Region, 2021



Source: American Community Survey 5-Year, Public Use Microdata Sample (PUMS) 2021

Compared to the state as a whole, the Central Western Region has a high share of 10 or more-unit homes affordable to households over 100% of AMI, and a high share of single-family homes supporting households between 60 – 100% of AMI (Appendix Figure 2). 2-9 unit buildings are an important source of homes affordable to renter households making very low incomes in this region.

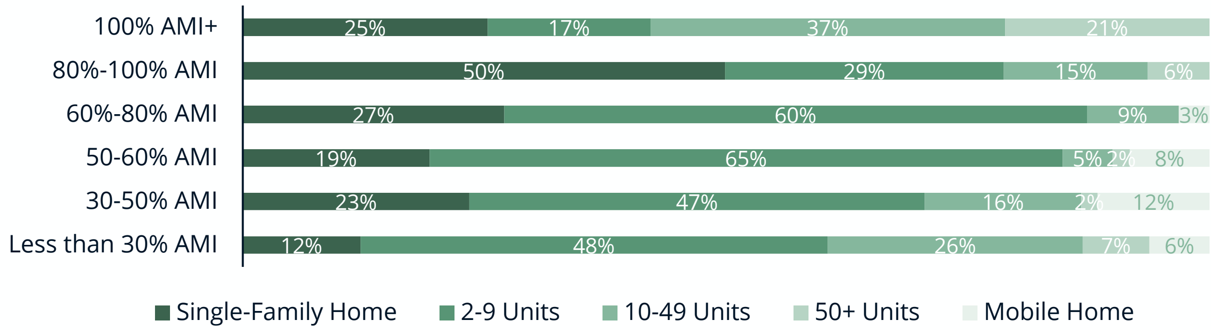
Appendix Figure 2: Rental Housing Types Affordable by Income Bracket in the Central Western Region, 2021



Source: American Community Survey 5-Year, Public Use Microdata Sample (PUMS) 2021

In the Northeastern region, 2-9 unit buildings are the most prevalent source of rental homes affordable to renter households making less than 80% AMI, with a higher share of higher-density rental buildings affordable to households over 100% of AMI (Appendix Figure 3).

Appendix Figure 3: Rental Housing Types Affordable by Income Bracket in the Northeastern Region, 2021



Source: American Community Survey 5-Year, Public Use Microdata Sample (PUMS) 2021

Job Openings Rate Calculation Methodology

The Study Team used an adjusted method to calculate job openings when compared to the Job Openings and Labor Turnover Survey (JOLTS) values. The JOLTS data is benchmarked primarily from the Quarterly Census of Employment and Wages program (QCEW). Our analysis is based on the FRED employment numbers resulting from the Current Population Survey (CPS) survey. To translate these values to the FRED data source, the JOLTS job opening numbers were allocated to regions based on Lightcast job listings data, and then applied to FRED Employment numbers – reflecting a ratio of listings to employment rather than the traditional JOLTS measure of jobs. This adjustment shifts the opening rate slightly from the corresponding JOLTS reported rate.

Home Affordability Calculation by Household Income

Home affordability calculations for both rental and homeownership incorporated necessary additional expenses typical of homeowners and renters.

Renter Affordability Calculation

For renter affordability ranges correlating to the predetermined income ranges, a cost burden ratio of 28% was used based on Maine Housing's standard assumptions. Rental Utility allowance was selected from HUD regional tables and included in the affordability calculation by netting it out of the households monthly payment. The utility allowance for rental units was assumed to be an average value of Maine's region tables (Tables for Regions 4, 5, 6 and 7, Region 1, and Region 2 and 3) and assumed to be a 2-bedroom garden unit. This utility allowance was assumed at $381 per month, and includes electric heating, cooking, lighting, and water heating, water, sewer, and trash collection.

The resulting affordable rent shown in Appendix Table 4 is what the corresponding household income could afford.

Appendix Table 4: Regional Household Income Range with Corresponding Rental Affordability

Income Range	*Affordable Monthly Rent*[4]
Less than 20K	< 80
20K - 35K	81 – 430
35K - 50K	431 – 780
50K - 75K	781 – 1,360
75K- 100K	1,361 – 1,950
100K - 150K	1,951 – 3,110
150K+	3,111 +

Homeowner Affordability Calculation

For homeowner affordability ranges correlating to the predetermined income ranges, a cost burden ratio of 28% was used based on Maine Housing's standard assumptions. Additional cost assumptions incorporated are as follows:

- Utilities – $500 per month, Assumed for a 3 bedroom single family home averaging across all region tables and including electric heating, cooking, lighting, and water heating, water, sewer, and trash collection.
- Insurance - $80 per month
- Property Taxes – Assumed to be an average rate of 1.39%, based on an assessed value of 75%

[4] Apartment unit monthly rents were calculated assuming 28% of income towards housing expenses less utility allowance. Utility allowance was calculated using HUD schedules assuming a 2 bedroom garden apartment unit.

Home mortgage costs were estimated using the corresponding household income and current market conditions, including an 80% loan to value, 7.5% interest rate, 4% closing costs with a 30-year amortization.

Appendix Table 5: Regional Household Income Range with Corresponding Affordable Home Purchase Price

Income Range	*Affordable Home Price*
Less than 20K	N/A
20K - 35K	< 36,500
35K - 50K	36,501 – 90,700
50K - 75K	90,701 – 180,900
75K- 100K	180,901 – 271,200
100K - 150K	271,201 – 451,700
150K+	451,701 +

Methodology for Job : Homes Deficit Household Income Allocation

The Jobs : Homes deficit income allocation was calculated using a methodology that includes both PUMS data and Lightcast job opening distribution data.

Data was collected on the distribution of personal and corresponding household incomes for those living in the Northeastern Region. To ensure the analysis incorporated a sufficient sample size of households and their incomes, a larger geography was used rather than specific regional geographies. Because of this data limitation, this regional distribution was then applied to all regions job listings instead of having regional specific distributions. States included in this Northeastern Region geography for the purposes of this calculation include New Hampshire, Vermont, and Maine. The resulting matrix shows the estimated distribution of household income for individual earners within a specific personal income range (Appendix Table 6).

Appendix Table 6: Regional Household Income Distribution by Personal Income

Household Income	*Less Than 20K*	*20K-35K*	*35K-50K*	*50K-75K*	*75K-100K*	*100K-150K*	*150K+*
Less Than 20K	12%	0%	0%	0%	0%	0%	0%
20K-35K	12%	28%	0%	0%	0%	0%	0%
35K-50K	12%	14%	25%	1%	0%	0%	0%
50K-75K	18%	23%	22%	27%	1%	0%	0%
75K-100K	14%	14%	24%	23%	25%	1%	0%
100K-150K	18%	12%	20%	33%	41%	41%	1%
150K+	15%	8%	9%	16%	33%	57%	99%

The Study Team derived a distribution of individual wages from Lightcast job listing data. The Study Team used Unique Postings from June 2022 to May 2023 individually for each region, summing based on average incomes of occupation codes (SOC). The resulting summary provided individual wage distributions of job listings over the selected one-year period by region (Appendix Table 7).

Appendix Table 7: Individual Job Listing Income Distributions by Region

Personal Listing Income	*Less Than 20K*	*20K-35K*	*35K-50K*	*50K-75K*	*75K-100K*	*100K-150K*	*150K+*
Coastal	4.6%	17.8%	28.4%	19.5%	19.4%	9.3%	1.1%
Central Western	5.1%	13.5%	20.4%	29.6%	24.4%	5.9%	1.1%
Northeastern	3.7%	28.4%	23.2%	29.1%	8.3%	4.3%	2.9%

The resulting individual wage distributions were then applied to the overall household income distribution, resulting in an estimate of a regional household income distribution which one could expect out of state relocations for open job opportunities to fall within (Appendix Table 8).

Appendix Table 8: Estimated Household Income Distribution for Job Listings by Region

Household Income	*Coastal*	*Central Western*	*Northeastern*
Less than 20K	0.6%	0.7%	0.6%
20K - 35K	5.5%	4.4%	8.4%
35K - 50K	10.4%	7.9%	10.6%
50K - 75K	16.7%	16.8%	20.4%
75K- 100K	19.3%	20.3%	18.9%
100K - 150K	26.9%	28.9%	23.6%
150K+	20.6%	21.0%	17.6%

The Study Team then applied the estimated Jobs : Homes deficit to the resulting household distribution expected for out of state relocations to Maine for new job opportunities in Appendix Table 8, totaling 11,400 units for the Coastal Region, 7,500 for the Central Western Region, and 1,900 for the Northeastern Region. The resulting distribution of the Jobs : Homes deficit provides an estimate on which to base home prices such that out of state relocating households could afford to purchase them (Appendix Table 9).

Appendix Table 9: Allocation of Jobs : Homes Deficit to Estimated Household Incomes Based on Wages of Open Job Listings

Household Income	*Coastal*	*Central Western*	*Northeastern*
Less than 20K	70	50	10
20K - 35K	630	330	160
35K - 50K	1,180	600	200
50K - 75K	1,900	1,300	390
75K- 100K	2,200	1,500	360
100K - 150K	3,100	2,200	450
150K+	2,350	1,600	340
Total	**11,400**	**7,500**	**1,900**

City of Portland | Parks, Recreation, and Facilities Department
Ethan Hipple, Director

To: City Council
Mark Dion, Mayor

CC: Danielle P. West, City Manager
Dena Libner, Assistant City Manager

From: Ethan Hipple, Director, Parks, Recreation and Facilities Department

Date: August 18, 2026

Re: Registration Update for Before and After Care Program

The purpose of this memo is to provide information related to capacity and enrollment at the City of Portland's Before and After Care Program (B&A), an essential and very popular program administered by the Department of Parks, Recreation and Facilities (PRF) at nine elementary schools in Portland, including Peaks Island.

With the current approved staffing budget and available space within the schools and/or community centers, we can safely run a program with a maximum of 450 children enrolled across 9 sites. As of August 2026, enrollment is capped at 385 due to unfilled staff vacancies in our Recreation Division. Until the staff positions are filled, we intentionally limit enrollment to ensure we can run a safe and high-quality program that is sustainable for the existing children and staff. Once those staff vacancies are filled, we can admit more children off of the waitlist and increase the overall total enrollment.

When the program is at full capacity,, there are often 70-80 children remaining on the waitlist.

Recruiting

Our Recreation Division, assisted by Human Resources, has been actively recruiting, hosting pop up hiring events, and promoting our referral hiring bonus program to hire for the season since late spring 2026. While we successfully hired many seasonal staff for our summer camps, staffing during the school year remains a challenge, as many of our summer staff depart for college or other seasonal work.

Pay is competitive with other local providers, offering $18 to start for on-call staff, up to a $21 starting rate for Programmer II positions. These permanent positions also include city benefits and University of Southern Maine tuition reduction for benefit-eligible employees. Many positions are part-time, which are less desirable than full-time positions for many potential candidates.

Thanks to a Council budget amendment in FY2026, we added four Recreation Programmer II positions. These positions are higher paid and have more regular schedules. Despite the extra pay and benefits, we still have a number of vacancies for Programmer IIs, along with unfilled Programmer I positions (entry level) and on-call/temp help.

To meet the immediate need for staff, we have numerous staff in our front office who will be on site at schools to assist field program staff until key positions are filled.

Registration Timing

PRF started the program registration process earlier this year (moved it to the beginning of June, instead of the end of July) so that if families found themselves on the waitlist, they would have more time to look for alternative arrangements.

Space Limitations

While each B&A school site is different, at most schools we are limited to using the gym and cafeteria, which constrains enrollment. In some schools, like Longfellow, we have seen continued decreases in the amount of space available for us to use. We have explored renting private spaces to increase capacity at high-demand sites, but did not advance this option due to the significant rental costs. We continue to actively explore the possibility of using off-school sites for programs with space limitations.

Conclusion

Recreation staff will continue to explore solutions to the aforementioned, long-standing staffing issues. We have a dedicated and professional group of staff who run the existing program, but we would benefit by increased retention and recruiting. While the staffing challenges in the childcare and after school care industries are systemic throughout Portland and across the country, we believe that continued work to make schedules more attractive and offering competitive pay can help alleviate some of the issues.

MEMORANDUM
City Council Agenda Item

FROM:

DATE: July 22, 2026

SUBJECT: Order 14-26/27 Accepting and Appropriating a $4,028 Donation from Diane Ricciotti for the Portland Police Department - Sponsored by Danielle P. West, City Manager

SPONSOR: City Manager Danielle West
(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st Reading 7/20/2026 **Final Action 8/24/2026**

Can action be taken at a later date: No

Does this item involve a new contract with the City: No

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY
Accept and appropriate $4,028 donation from Diane Ricciotti for the purchase of a ballistic vest for a newly-certified Portland Police K9 officer.

II. AGENDA DESCRIPTION
This item accepts and appropriates a $4,028 donation from Diane Ricciotti specifically to be utilized for the purchase of a ballistic vest for a new police canine.

The vest is a lightweight body armor designed for police, military, and working dogs that shields vital organs from gunshots, stabbings, explosives, and blunt force trauma while maintaining full mobility for high-threat operations.

This item must be read on two separate days. It received its first reading on July 20. Five affirmative votes are required for passage after public comment.

III. BACKGROUND
Portland Police K9 officers play a vital role in keeping our City safe. Every day, police K9s are deployed into high-risk situations—such as tracking armed suspects, searching buildings, or subduing violent offenders—where they face the same physical dangers as their human handlers. While human officers wear body armor as a standard safety protocol, these dogs often enter dangerous areas entirely unprotected, leaving them vulnerable to stabs, slashes, and gunfire. A protective vest shields a K9's vital organs, significantly increasing their chances of surviving a lethal assault. The purchase of the K9 Storm vest will help to protect a valued member of the law enforcement team.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED
Acquire a protective vest specifically designed and custom fitted to a specific Portland Police canine officer.

V. FINANCIAL IMPACT
No financial impact.

VI. STAFF ANALYSIS AND BACKGROUND

Diane Ricciotti contacted the Police Department requesting to purchase one or more ballistic vests for PD K9 officers. PD has a recently certified K9 for whom this would be an appropriate donation.

VII. RECOMMENDATION

Accept and appropriate the gift.

VIII. LIST ATTACHMENTS

1. Order - Accepting and Appropriating a $4k Donation from Diane Ricciotti for PPD
2. CC Agenda Item Memo - K9 Vest Donation .docx

Prepared by:
Date: 07/22/2026

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

CITY OF PORTLAND
IN THE CITY COUNCIL

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

ORDER ACCEPTING AND APPROPRIATING A $4,028 DONATION FROM DIANE RICCIOTTI FOR CANINE BALLISTIC VEST

ORDERED, that a donation of $4,028 from Diane Ricciotti is hereby accepted and appropriated to the Police Department to be utilized for the purchase of one canine ballistic vest; and

BE IT FURTHER ORDERED, that the City Manager or designee is hereby authorized to execute whatever documents are necessary or convenient to effect the intent and purpose of this Order.

MEMORANDUM
City Council Agenda Item

FROM: Paul Jason King, Major, Portland Police Department

DATE: June 22, 2026

SUBJECT: Order Accepting and Appropriating a $4,028 donation from Diane Ricciotti for the purchase of a ballistic vest for a PPD K9 officer

SPONSOR: Danielle P. West, City Manager

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING

DATE ACTION IS REQUESTED:
1st Reading date: 7/20/26 Final Action date: 8/24/26

Can action be taken at a later date: No

PRESENTATION:

I. SUMMARY

Accept and appropriate $4,028 donation from Diane Ricciotti for the purchase of a ballistic vest for a newly-certified Portland Police K9 officer.

II. AGENDA DESCRIPTION

This item accepts and appropriates a $4,028 donation from Diane Ricciotti specifically to be utilized for the purchase of a ballistic vest for a new police canine.

III. BACKGROUND

Portland Police K9 officers play a vital role in keeping our City safe. Every day, police K9s are deployed into high-risk situations—such as tracking armed suspects, searching buildings, or subduing violent offenders—where they face the same physical dangers as their human handlers. While human officers wear body armor as a standard safety protocol, these dogs often enter dangerous areas entirely unprotected, leaving them vulnerable to stabs, slashes, and gunfire. A protective vest shields a K9's vital organs, significantly increasing their chances of surviving a lethal assault. The purchase of the K9 Storm vest will help to protect a valued member of the law enforcement team.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Acquire a protective vest specifically designed and custom fitted to a specific Portland Police canine officer.

FINANCIAL IMPACT

No financial impact

V. STAFF ANALYSIS AND BACKGROUND

Diane Ricciotti contacted the Police Department requesting to purchase one or more ballistic vests for PD K9 officers. PD has a recently certified K9 for whom this would be an appropriate donation.

VI. RECOMMENDATION

Accept and appropriate the gift.

VII. LIST ATTACHMENTS

Order

Prepared by: Nicole Albert, Associate Corporation Counsel
Date: June 17, 2026

MEMORANDUM
City Council Agenda Item

FROM:

DATE: July 22, 2026

SUBJECT: Order 16-26/27 Amendment to Portland City Code Chapter 6 RE: National Electric Code - Sponsored by Danielle P. West, City Manager

SPONSOR: The Mayor, City Manager, City Clerk, Corporation Counsel, the Planning Board, or up to three (3) members of the Council shall sponsor any orders or other items. If sponsored by a Council Committee, please include the date the committee met and the results of the vote.

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st Reading **Final Action**

Can action be taken at a later date: No If action cannot be taken at a later date, please explain why. Do NOT write yes or no; that will be automatically generated by the checkbox.

Does this item involve a new contract with the City: No

PRESENTATION: Please list the presenter(s), type, and length of presentation

I. SUMMARY

II. AGENDA DESCRIPTION

The Maine Electricians' Examining Board recently adopted the 2026 edition of the National Electrical Code ("NEC"), effective July 1, 2026. This Order updates Chapter 6 of the City Code to incorporate the most recent version of the NEC by reference. By aligning the City Code with state law, this amendment ensures ongoing compliance and eliminates the need for future revisions whenever the state board updates the NEC.

This item must be read on two separate days. It received its first reading on July 20. Five affirmative votes are required for passage after public comment.

III. BACKGROUND

Background information that will not appear in the Agenda Description

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

V. FINANCIAL IMPACT

Please indicate whether or not there is a financial impact. Please note that per Council Rule 12, this form must have "a separate fiscal impact statement memo attached if the impact of the item is $50,000 or more in a given fiscal year. This memo shall include details and information describing the fiscal impact including, but not limited to, projected costs, revenues or savings over a three (3) year period and/or any potential impacts on the City tax levy."

VI. STAFF ANALYSIS AND BACKGROUND

Staff Analysis that will not appear in the Agenda Description.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

1. Amendment - Ch6 re National Electric Code

Prepared by:
Date: 07/22/2026

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

CITY OF PORTLAND
IN THE CITY COUNCIL

SARAH MICHNIEWICZ (1)
WESLEY PELLETIER (2)
REGINA L. PHILLIPS (3)
ANNA BULLETT (4)
KATE SYKES (5)

AMENDMENT TO PORTLAND CITY CODE
CHAPTER 6 RE: National Electric Code

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND, MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:

1. That the Section 98 of the Portland City Code Chapter 6 is hereby amended to read as follows:

DIVISION 2. - BUILDING STANDARDS

Sec. 6-98. Adoption of standardized codes.

(a) The City hereby adopts the following codes by reference, pursuant to 30-A M.R.S. § 3003:

1. The Maine Uniform Building and Energy Code ("MUBEC"), as required by 10 M.R.S. § 9724;

2. The appendix to the Maine Uniform Building and Energy Code ("MUBEC") containing optional energy conservation and efficiency requirements, as provided by 10 M.R.S. §9722, sub-§6, ¶O; and

3. The National Electric Code, NFPA 70 ~~(2020)~~ ("NEC") that is adopted by the Electricians' Examining Board pursuant to 32 M.R.S. § 1153-A.

(b) MUBEC and the appendix to MUBEC containing optional energy conservation and efficiency requirements shall be enforced by the building authority, which shall be accomplished through inspections performed by the City building official and code enforcement officers, pursuant to 25 M.R.S. § 2373.

***