



HOUSING COMMITTEE

DATE: Wednesday, August 12, 2020

TIME: 5:30 PM

LOCATION: ZOOM MEETING INSTRUCTIONS:

The Housing Committee will hold a remote meeting on Wednesday, August 12, 2020 at 5:30 pm. This meeting will take place remotely using Zoom.

Virtual meetings are allowed using emergency legislation approved by LD 2167; 1 M.R.S. §403-A, that authorizes cities and towns to conduct meetings online.

Allow your computer to install the free Zoom app to get the best meeting experience. If you are not able to attend live, a recording will be uploaded to portlandmaine.gov/livestream the next day.

Please click the link below to join the webinar:

<https://us02web.zoom.us/j/88102693642?pwd=Q3dGQmdlQ1U1cEJUV05QbG5BM1dtUT09>

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Or iPhone one-tap :

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Webinar ID: 881 0269 3642

International numbers available: <https://us02web.zoom.us/j/88102693642?pwd=Q3dGQmdlQ1U1cEJUV05QbG5BM1dtUT09>

AGENDA

1. Review and accept Minutes of previous meeting held on July 8, 2020
 - a. Minutes
2. Review and Recommendation to the City Council on Disposition of Tax Acquired and City-owned Property (431 Commercial Street, 622 Auburn Street, 0 Gray Road, Falmouth)
This is an actionable item and public comment will be taken
 - a. Memo
3. Update on Development Projects within Portland and Member Consortium Communities
Communication Item
 - a. Memo
4. 2020 Work Plan Discussion
Work Plan
 - a. 2020 Work Plan

Next Meeting Date:
September 17, 2020 (THURSDAY)

Housing Committee Minutes of July 8, 2020 Meeting

A remote meeting of the Portland City Council's Housing Committee was held on Wednesday, July 8, 2020 at 5:30 P.M. via ZOOM. Councilors present at the meeting included Committee members Councilor Pious Ali, Councilor Kim Cook, and Councilor Jill Duson, Chair of the Committee. City staff present included Mary Davis Division Director Housing and Community Development, Victoria Volent Housing Program Manager, Greg Mitchell Division Director Economic Development, and Christina Grimando Director of Planning and Urban Development.

Item 1: Review and accept Minutes of previous meetings held on June 10, 2020

Motion by Councilor Ali to accept the minutes from June 10, 2020. Motion was seconded by Councilor Cook and the minutes were approved 3-0.

Item 2: Discussion and Housing Committee Direction Related to Request Received from Tom Watson to Amend the Portland City Council Approved 44/52 Hanover Street (former DPW Fleet Services Building) Purchase and Sale Agreement to Change the Development Program from Commercial Maker Space to a Mixed-Use Residential and Commercial Property

Greg Mitchell began with a brief overview and history of the proposed amendment to the Purchase and Sale Agreement for 44/52 Hanover Street. The Economic Development Committee previously reviewed this request during their June 16, 2020, meeting and directed staff to seek Housing Committee input due to the change to residential use. The EDC is planning to hold a public hearing on this proposal at their July 21, 2020, EDC meeting.

The proposal in front of the Committee is to change direction at 44/52 Hanover from the original proposal (maker space) to the construction of upwards of 171 residential rental units and 8,000 square feet of commercial retail space. Included in the 171 units would be seventeen (17) or 10% workforce rental units restricted to households earning at or below 100% of the Area Median Income (AMI) level and regulated under the City of Portland's Inclusionary Zoning Ordinance. The remaining one hundred and fifty-four (154) or 90% of the units would be traditional market-rate rental units. 52 Hanover Street would contain a diverse mix of apartment sizes and styles ranging from 400 square foot micro-units to 1,400 square foot townhouses. Thirty-seven (37) studios, ninety-seven (97) one-bedrooms and thirty-six (36) two-bedrooms are included in the plan. In addition to the rental units, two (2) levels of parking with one hundred and sixty-six (166) parking spaces would be created.

Councilor Ali asked how many residential units would be produced by this project.

Greg Mitchell confirmed the proposal is for 171 rental units of which 10% or 17 would be inclusionary zoning restricted. The developer is not requesting local subsidies from the City for this project.

Councilor Ali inquired into the level of affordability of the inclusionary zoning units.

Mary Davis noted the IZ units would be affordable at 100% AMI.

Councilor Duson requested a breakdown of the bedroom mix.

Tom Laliberte noted it varied from efficiencies to two and three bedroom units.

Councilor Cook acknowledged she was glad to see this request for a change to add housing. Portland needs market rate and subsidized housing. This is a great part of town to add density.

Councilor Duson reminded the public there would be a full public hearing at the Economic Development Committee meeting scheduled for July 21, 2020.

Councilor Duson opened the meeting to public comment.

Zach Barowitz (22 Huntress Street) asked how many naturally occurring affordable units would be within this project, and would any of the efficiency units be below the 100% AMI rate.

John Laliberte of Port Property Management answered, they are in the early stages of the project; trying to develop the pro forma and rent roll is premature. More market study is required before a solid projection could be presented.

Seeing no further comment, the public hearing was closed.

Councilor Duson noted she prefers is to see IZ units included on-site rather than payment of a fee-in-lieu.

Greg Mitchell indicated he would gather the requested information and provide it to the EDC for their July 21 meeting.

Item 3: Discussion and Housing Committee Input to the Economic Development Committee Regarding Review of Request for Proposals Responses Received for Redevelopment of City-Owned Property at 21 Randall Street, 43 & 91 Douglass Street, and 165 Lambert Street

Mary Davis introduced this item. The proposal came from the work of the Housing Committee from November 13, 2019 when the HC voted to recommend to the City Council the disposition of City-

owned property located 21 Randall Street, 165 Lambert Street, and 43 & 91 Douglass Streets. At the December 16, 2019 meeting of the City Council, the Council authorized staff to move forward with the disposition of these properties and requested staff investigate options to maximize housing development potential and recommend preferred disposition approaches, working with the Economic Development and Housing Committees (Resolve 10-19/20). During the joint Economic Development and Housing Committee meeting held on March 4, committee members passed motions authorizing staff to issue RFPs for the three properties. The RFPs were issued on April 7 with an opening date of June 16.

These proposals will be reviewed by the Economic Development Committee during their July 21 meeting. A notice was mailed to abutters within 500' of the projects. The public may weigh in on these proposals during this evening's meeting and during the July 21 meeting of the Economic Development Committee. At this time, based on the applications received, if these proposals are considered for funding, there would not be money in the Housing Trust fund to subsidize any of these proposals. Staff anticipates \$630,000 of new dollars available in the Housing Trust fund by mid-2021. Developers were asked if they could move forward with funding from HOME subsidies instead.

Patrick Ducas of Ducas Construction presented his proposal for 21 Randall Street. Ducas Construction is proposing to build a 3-story 12 unit building providing a mix of one-bedroom, two-bedroom, and three-bedroom units. All of the units would be reserved for families whose income is between 60-120% of the area median income. As designed Ducas Construction is offering a mix of unit sizes with (5) 1 bedroom units, (5) 2 bedroom units, and (2) 3 bedroom units. The building would be served by a single egress stair centrally located that provides access to both the front of the building along Illsley and the rear of the building parking lot. There would be a shared access laundry facility within the building on the first floor. The site affords the development with enough parking spaces for a 1:1 ratio, allowing each unit to have a dedicated parking space. The project would need to request a zoning change, and would request a subsidy and 9% LIHTC.

Scott Vonnegut and Tim Wells of the Greater Portland Community Land Trust presented their proposal for 21 Randall Street. GPCLT is proposing to develop 13 homes for households whose income is between 80% to 120% AMI. These would be homeownership units for the "missing middle range". The project does not require subsidies, which would minimize the cost to Portland. The Community Land Trust model would ensure the units would be affordable into perpetuity. All thirteen families would financially benefit. The project would include (8) three-bedrooms, and (5) one-bedroom units. Amenities would include a communal green space, seven dedicated parking sites, bike storage, and gardens. Additionally, GPCLT would also provide a variety of training and a strong support network for each household once they become homeowners. The key takeaways include; GPCLT is effectively and efficiently maximize housing potential; cost to the city is minimal and the least amount of any proposal; the CLT model offers a new and innovative model to reach the missing middle; it allows the city to utilize a new approach that strengthens and compliments the city's strategy to meet the affordability challenge; puts some new tools in the City's toolbox; brings in more social-economic diversity into the neighborhood; it is a high quality construction project; it does not compete for LIHTC or state or federal funds; the units would pay property taxes and contribute to the vibrancy of the City; and the GPCLT is ready to move as they are not dependent on subsidy funding streams.

Jack Soley, Hebert Development, and Avesta Housing presented their proposal for 43 & 91 Douglass Street. The project, known as Douglass Yards, would be a very inclusive and democratic project of 80 units, where rental tenants and homeowners, across the social economic spectrum, can live on the same campus. The majority of rental units (60%) would be affordable to households earning at or up to 50% AMI and the remaining units would be affordable to households earning at or up to 60% AMI. Half of the rentals would be two or three bedroom units, which are greatly needed in Portland. The majority of the condo units would be sold at 120% AMI and would be intentionally built small so that sale price points will always be attainable for most Portland residents into perpetuity. The two multi-unit buildings would be three-stories- the same height as existing buildings on Douglass Street. The single-family homes would have generous landscaping to provide buffering, and would be built on a scale consistent with abutting homes. A plus for the Douglass Yards team is all members have worked together on multiple projects. The team is familiar with each other and with one architect, one bank, and one contractor, they can execute and construct within the same team, which creates efficiencies that effect the speed and affordability of the project. Funds are immediately available for purchasing the land and construction of the affordable condos. There is a goal to provide sustainability with the use of renewable energy. Douglass Yards would have an on-site solar array. An important part of the project is that 60% of the apartments would be affordable at 50% AMI. Douglass Yards is a diverse project in which people of different ages and socio-economic backgrounds would share the same community. The team is ready to close on the property, apply for site-plan approval, and begin construction as soon as the City could issue permits.

Councilor Cook had clarifying questions regarding the purchase price, the amount of subsidy request from the Housing Trust fund, whether an AHTIF would be sought, and would LITHC be sought.

Jack Soley indicated the proposal calls for a purchase price of \$575,000 for the land. The condo project is not requesting any subsidies (federal, state or municipal). The first phase of the project would be the condo project and single-family homes with ADUs which would not depend on any subsidies of any kind. A zoning change would be requested. The project could begin by next year with occupancy at the end of the year. This would be a first phase. The second phase, which would require subsidies, would be ready to go after the first phase is completed.

Rebecca Hatfield (Vice President of Real Estate Development at Avesta) noted the apartments would look for a 9% LITC and MaineHousing debt and subsidy. The project would not be requesting Housing Trust funds nor HOME funding, but would be requesting an AHTIF.

The Szanton Company and Maine Cooperative Development Partners presented their proposal for 43 & 91 Douglass Street. The project, known as Douglass Commons would be a 4-story 56 unit apartment building and 52 Limited Equity Ownership homes (i.e. Co-op) in three 3-story buildings with twelve units each and four 2-story buildings with four units each. Affordability restrictions on Limited Equity Co-op units would be permanent, and for the apartments, the longest period allowed by law, secured by covenants. The rental housing would have 16 units at or below 60% of the AMI, and 24 units at or below 50% AMI. The Cooperative Housing would have 21 units at or below 100% AMI, 17 units at or below 80% AMI, and 14 units at or below 60% AMI. The Co-op buildings would contain community rooms. The apartments would have a fitness room, community room, bike storage room, and an on-site resident services coordinator and property manager. The site would contain 81 dedicated parking sites

with a covered parking/bike parking structure, a community garden, and potential food forest and EV charge station. The project is intended to meet the needs of the missing middle – households between 60% and 120% AMI.

Councilor Cook had clarifying questions regarding the purchase price and if subsidies would be requested.

Nathan Szanton indicated the purchase price would be \$475,000. On the rental side, they are not requesting any funding from the Housing Trust fund or HOME but would request an AHTIF.

Liz Trice (Maine Cooperative Development Partners) noted the co-ops would request Housing Trust or HOME funding as well as an AHTIF.

Councilor Cook did not support the RPF requirement that the land be purchased at market rate when projects cannot move forward with affordable units without some type of subsidy (AHTIF/Housing Trust/HOME). She asked the Szanton team if purchasing the property were not a requirement, would this effect the subsidy request.

Nathan Szanton said for the rental housing piece, there is absolutely a huge relationship between purchase price and the requested AHTIF. Theoretically, if the purchase price were zero, they would ask for a much lower AHTIF. The numbers could be worked up in short order.

Brien Eng (Maine Co-op Development Partners) stated the reason they are asking for subsidies is to achieve the greatest level of affordability. With the limited equity housing co-op model, they are restricted to keeping affordability below the 100% AMI level. Their models are flexible enough that they could work through how to maximize affordability and address the other economic needs of the city.

Councilor Cook noted the money must come from somewhere; you have to make it up in one place if you are spending it in another. It would be worth understanding the relationship between the purchase price the city would receive and the city resources that would go into these projects. This would help make an informed decision about if it makes sense to ask a fair market price for the parcel and then expect to give it up in other ways. She would like to have that information for the EDC and the full Council.

Councilor Duson agreed this would be a useful discussion and supplemental to the presentation to the EDC as it relates to the information that the Housing Trust fund balance cannot support the current proposed requests.

Councilor Ali asked if the developers know the expected tax revenue for their project.

Councilor Duson directed the developers to send that information to Mary Davis for further distribution to the Housing Committee and Economic Development Committee members.

Brian Eng introduced the proposal for 165 Lambert by noting this is an exciting process for the co-op

model. This project is very similar to the co-op component in the Douglass Commons project. The target income group is the missing middle population. The project would provide attractive homeownership opportunities for striving middle class families. The site provides public transportation, open space, trails, established homes, and commercial area. These would be high performance, high quality homes. The project is presented in phases; phase I would be twenty single-family homes. Phase II would be 26 single-family homes. The project would complement and enhance what this neighborhood is already about (walking and biking trails, open space, high quality single-family homes). This project offers homeownership for the same financial burdens that renting something similar would present. The developers would collaborate with the existing neighborhood to bring public amenities to the neighbors within the proposed project.

Councilor Duson opened the meeting to public comment.

Zach Barowitz (22 Huntress Street) thanked the Council and staff for bringing the proposals to the table. Their letter of recommendation was based on an initial two-hour discussion with about sixteen people and follow-up meetings. The group is very pleased with housing being brought into the city. Neighbors were concerned with parking, not so much for themselves, but for visitors to the Douglass Field.

Rachel Ackoff (19 Lewis Street) supports the housing cooperative projects. At this time her three-member family can only afford to rent a one-bedroom unit. She would be thrilled to become a homeowner in a housing cooperative – a place where neighbors really get to know each other while living in a mixed-income community. She is personally very passionate about limited equity housing co-ops as a strategy for permeate affordable housing and loves the possibility of Portland being a real innovator and leader of the cooperative housing model. She has been meeting with other families and individuals (about 30 households in total) that are very excited about living in housing cooperatives. About one third of the group is below 60% AMI. She would like to see future RFPs that did not deduct points for including low-income households.

Ruth Bettinger (501 Summit Street) has questions about the Lambert Street proposal regarding sidewalks, green space, parking, lighting along the Washington Street Extension where the bus stop is located, and runoff.

Cynthia Grier (Westbrook Street) has been a part of the group of families meeting in regards to the Douglass Street co-op proposal. She is very excited about the design of the proposed project as well as the considerations the developer has made for the surrounding community and the emphasis that has been placed upon building community. She rents and is struggling to find affordable housing (she is below the 60% to 100% AMI income bracket). She would like to note that the Section 8 waitlist is five to eight years long. She is in favor of the development and would like to advocate for it.

Jonah Fertig- Burd (Durham) former Munjoy Hill resident who works with the Cooperative Development Institute. He is excited to be supporting the Douglass Commons and GPCLT proposals. These proposals offer the city of Portland something different. The other proposals are good, but Portland already has a lot of affordable rentals and condos. This would put forth a new innovative model of homeownership. There has been strong leadership from the immigrant community with the Douglass Commons and Lambert Street proposals. The RFP scores are close, but this is an opportunity to support a housing model that builds community pride and ownership. He is excited Portland is

considering these proposals.

Tracey Scala (166 Lambert Street) lives directly across from 165 Lambert. In the rendering for 165 Lambert, she did not see where cars would enter into the development. In addition, she is surprised something could be built there given the wetlands and concentration of wildlife.

Charles O'Rourke- (79 Douglass Street) is mostly disappointed in that he understood the old West School site would be additional ball fields and an extension of parking for the park. He is disappointed to hear from 80 to 100 residential units would be built so close to where he lives. However, he appreciates the presentation by Nathan Szanton, Brian Eng and Liz Trice and likes what he hears about cooperative housing. He is excited about the possibilities cooperative housing could bring to this overlooked site.

Michael Belleau (with Portland GPCLT) explained the development concept behind the row house design at 21 Randall Street. The second option was presented earlier by Scott Vonnegut and Tim Wells. The first option is for a 7 unit row- house of three-bedrooms with seven parking spots. The original selling price of \$340,000 was found to be too high. Option two came from the need to lower the selling price but it comes at the expense of reducing the bedroom size. The preference is to create homes with three and four-bedrooms for Portland families. He would like to raise the selling price so they could create three and four-bedroom units. With the co-op model, the income of the families would be enough to afford the units.

Apollo Karar (Auburn Street) is a new Mainer who is struggling to be a homeowner due to his income level. When he heard about the opportunity provided by co-ops, he was excited at both the chance to become a homeowner and for the community aspect of the co-op. He has attended meetings regarding the co-ops and is excited at the positive impact this would have for other low-income, hardworking Portland residents for stable housing. He urges the Committee to consider the co-op proposals.

Brian Eng spoke as a Portland resident in support of the innovative and hard work the GPCLT and Maine Cooperative Development Partners have completed.

Seeing no further comments, the public hearing was closed.

Councilor Cook indicated Ruth's questions would be addressed during site plan review conducted by the Planning Board.

Brian Eng mentioned his contact information is included in the RFP and he welcomes people reaching out to him with their questions. He also noted nothing is set as this preliminary stage. He would like to address all questions. Regarding Tracey Scala's question on the entrance, it would be across the street from her home at 166 Lambert Street.

Councilor Duson thanked Committee members and staff for their work in bringing forward the parcels and alternative homeownership models.

Councilor Cook is excited to see the potential housing from the RFPs. Her strong preference is for the

CLT and the Cooperative housing models being proposed. Portland is fortunate to have these other housing proposals. The CLT and co-op proposals would give the city an opportunity to partner with organization to get these models off the ground in a new and innovative way that will hopefully provide not only housing but a model to follow by other communities.

Councilor Ali agrees with Councilor Cook and thanked all the developers who presented this evening.

Item 4: 2020 Work Plan Discussion Session

Councilor Duson noted the September 9th meeting needs to be reschedule due to a scheduling conflict. She requested staff to send out a doodle poll fairly quickly to tie down the date well in advance.

Mary Davis asked the Committee if they would like to meet in August. The Committee members answered yes.

Councilor Duson opened the meeting to items not on the agenda.

Seeing no comments, the public comment period was closed.

Motion to adjourn by Councilor Ali. Councilor Cook seconded the motion. Motion passed (3-0). The meeting adjourned at 7:41 P.M.

Respectively submitted,

Victoria Volent



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

TO: Councilor Duson, Chair
Members of the Housing Committee

FROM: Mary Davis, Division Director
Housing and Community Development Division
Victoria Volent, Housing Program Manager

DATE: August 7, 2020

SUBJECT: Review and Recommendation to the City Council on Disposition of Tax Acquired and City-Owned Property (431 Commercial Street, 622 Auburn Street, 0 Gray Road, Falmouth)

Introduction

Department wide surveys conducted by COTAPC for the disposition of three city-owned properties (431 Commercial Street, 622 Auburn Street and 0 Gray Road, Falmouth) have been completed and are presented below per the request of the Housing Committee for consideration and recommendation to the City Council for disposition.

Disposition of Tax Acquired and City-Owned Property

Section 2-313 of the City Code governs the process by which the City disposes of tax acquired and city-owned property. The responsibility of implementing the City's Property Disposition Guidelines and Procedures is with the City Owned and Tax Acquired Property Committee (COTAPC). The Committee has four major functions:

- Selecting properties for sale using pre-established criteria
- Establishing conditions for the sale of individual properties
- Selecting the method of marketing and disposition
- Reviewing bids/proposals to purchase and making a recommendation to the City Manager

After receiving a recommendation from COTAPC to dispose of city-owned property, the City Manager would recommend to the City Council authorization of the disposition process. After approval by the City Council to begin the disposition process, COTAPC would then proceed with the sale process. COTAPC, on behalf of the City, may place criteria on the disposition of individual properties or groups of properties that meet the City's objectives. COTAPC would meet to determine if a minimum acceptable purchase price can and should be set for a particular parcel based on assessed value, potential for reuse, and current condition of the property. The City Council may act to authorize staff or the appropriate City Council Committee to review bids/proposals for a recommendation to the City Council for a Purchase and Sale Agreement. In cases where more than one proposal is received for the same property but for different uses, the COTAPC may recommend to the City Manager the proposal and use that will best accomplish the City objectives as detailed in Section I of these Rules, regardless of price offered.

431 Commercial Street

This 1.29 acre (56,245 sq. ft.) parcel located in the West End near the Casco Bay Bridge at 431 Commercial Street is a parking lot used by downtown employees and visitors as well as the City for storage and operations purposes, including placing cars there during snow bans. The assessed value of the property is \$562,500.

The property was acquired by the City of Portland in the Order of Condemnation dated August 18, 1997 for the purpose of permitting the expansion of the facility at the International Marine Terminal. A payment of \$590,000 was remitted to the previous owner (Angelo Ciocca of Bridgeport Associates).

The property is located in the B-5b zone, which is characterized by urban commercial mixed-use. A minimum lot area per dwelling unit in the B-5b zone does not exist.

During the July 28 meeting of COTAPC, the Committee determined its recommendation to the City Manager is to retain 431 Commercial Street. It was also noted that the City Manager's Working Waterfront Group also sees this piece of land as valuable to the marine industry and for needs unforeseen at this time. It is seen as an asset for transportation issues as development density increases in the area. Below are the results of the department-wide survey conducted by COTAPC.

- *I strongly believe that the City should maintain ownership of this parcel and continue to use it primarily as a parking lot with a small area for storage for downtown Public Works functions. This lot provides an affordable parking option for downtown employees and visitors in addition to Island residents and their guest. It also provides snow ban parking. Without this lot many small businesses would be adversely effected and there would be an increased demand on the on street parking. In a "no Covid year", this lot can generate approx. \$100,000 per year in revenue. I urge the City to maintain this lot in it's current status.*

Jon Peeverada – Parking Division Director

- *PW and Waterfront use this location for salt operations including a salt shed and parking during parking bans. In summer months we use it for storage and litter vac debris. An alternative location in the general area is going to need to be found or it will significantly impact work in the downtown and waterfront.*

Christopher Branch – Director of Public Works

- *The City should retain this particular piece of property. It is a prime piece of real estate and the City has a unique opportunity to control the future development of this parcel by retaining it and keeping in alignment with the 2030 Comprehensive Plan for this area such as helping to balance the transportation needs of the Commercial St. corridor.*

One of the most common analyses in real estate is the principle of Highest and Best Use. Highest and best use is defined as: the reasonably probable and legal use of vacant land or an improved property that is legally permissible, physically possible, appropriately supported, financially feasible, and that results in the highest value.

I'll come back to this, but first let's talk about current value. This parcel is coded in our CAMA (Computer Assisted Mass Appraisal) system as City Residual Vacant Land. It's been this way since the last revaluation in 2006 and the assessed value has been the same \$562,500 since that time. Because it's tax-exempt, the value has not been thoroughly reviewed or scrutinized over the years, which is very typical for tax-exempt parcels. (No one ever really cares about the value of tax-exempt parcels until they become taxable.)

Had we implemented the new values on April 1 developed for the 2020 Revaluation Project, this parcel would have stayed coded as City Residual Vacant Land and the value would have effectively doubled to \$1,125,000 as "residual" land in this area came in at \$20/psf. If this parcel became taxable and was coded as a "Primary Buildable/Improved" parcel, the post-reval land value would be \$3,554,700 or \$63/psf. Although we are not implementing these values as the revaluation has been pushed back until next April 1 and this value could change slightly, I think this information is critically important to consider when we look at both the value and worth of this parcel and the concept of Highest and Best Use.

Is housing the highest and best use for this parcel? On one of the busiest corridors in the City? Next to a major bridge overpass? Across from a bustling International Marine Terminal? One with a plan to build a 170,000 sq. ft. cold storage facility? (What's that increased truck traffic count look like?) I say all this to argue that a land use other than housing would be considered Highest and Best for this parcel.

Christopher Huff – Tax Assessor

- *We should keep this lot. As we have sold lots in the downtown core, we have lost valuable storage and operations space that is convenient to downtown, as well as*

parking. While Public Works would use this space much more than Parks, Rec and Facilities, we often work together on Winter Operations or to store materials, equipment, etc... and this lot is useful for that purpose.

Ethan Hipple- Acting Director of Parks, Recreation and Facilities Department

- *Right now it's not only operationally important (as John and Chris point out) for the City, but it's also a parcel that has been targeted for so many different interests and needs - parking, working waterfront, storage, shelter, housing, etc. - that at the least there should be a broader discussion of what could or should happen there beyond just its viability for housing.*

Christine Grimando – Director of Planning and Urban Development

622 Auburn Street

622 Auburn Street abuts the Falmouth property line and contains 4.85 acres of land. 4.17 acres are considered dry upland with potential for development; access would be from Auburn Street through the right of way. A survey of the property by a wetland scientist concluded no vernal pools are located on the site. Standing water on the property is the result of road ditching and culverts.

This property has been the subject of many proposed uses including rezoning to an office park zone (which the Council did not pass); housing development (which was withdrawn due to neighborhood opposition); and for athletic fields.

0 Gray Road, Falmouth

The majority of 0 Gray Road is bound by Highway I95 to the north, Falmouth/Portland City boundaries to the south, 6 parcels to the west, and a couple of residential properties to the east. Currently, the site is undeveloped. The parcel contains approximately 13.3 acres with an assessed value of \$52,600. It is zoned “Mixed Use Cluster District” (MUC), which includes residential. With a minimum lot size for single-family detached and accessory dwelling units at 20,000 sq. ft., if the site was deemed 100% developable, it could yield 28 units.

The Town of Falmouth has confirmed the paper streets for this Falmouth property have been continued, including Ray and Eugene Streets, which are possibilities for accessing this parcel. The wetland scientists Jones Associates, Inc. determined there are three streams located within the property. Two streams on the property only occur on the parcel for a short distance before flowing off the lot. The largest stream bisects the property north and south by its east to west flow. There appears to be a stream in the area of Eugene Street, which could be crossed with a permit from MDEP and ACOE.

COTAPC Recommendation

During the July 28 meeting of COTAPC, the Committee determined its recommendation to the City Manager is to retain 431 Commercial Street, and sell 622 Auburn Street and the abutting property at 0 Gray Road, Falmouth as one property.

Next Step

Based on the rules outlined in Section 2-313 of the City Code, COTAPC presented their recommendation to the City Manager to retain 431 Commercial Street and jointly sell 622 Auburn and 0 Gray Road, Falmouth. The City Manager is reviewing the COTAPC recommendations and will present his recommendation to the City Council regarding the disposition of these properties, per the City Code.

The Housing Committee may choose to take action on these parcels, similar to the actions taken on city-owned property at 21 Randall Street, 43 & 91 Douglass Street, 165 Lambert Street, 156 Brackett Street and 176 Clark Street.

Attachments:

431 Commercial Street: GPS map

622 Auburn Street: GPS map

0 Gray Road, Falmouth: GPS map

431 Commercial Street



Parcel 043 C007

P



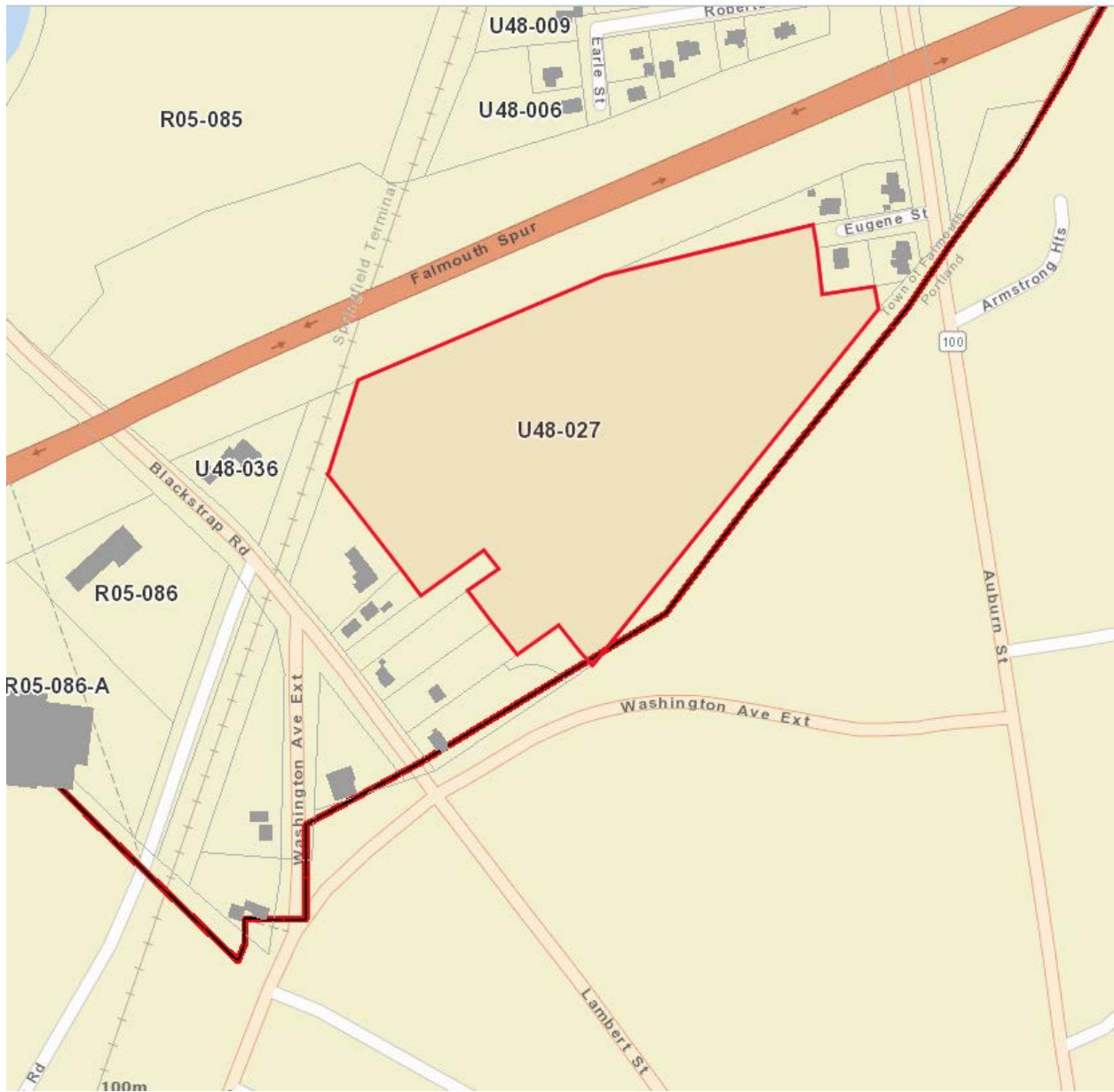
Parcel 043 C009



City of Portland Maine Parcel Viewer



Falmouth, ME





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

TO: Councilor Duson, Chair
Members of the Housing Committee

FROM: Mary Davis, Division Director
Housing and Community Development Division
Victoria Volent, Housing Program Manager

DATE: July 13, 2020

SUBJECT: HOME Program- Portland and Cumberland County
Consortium Communities

INTRODUCTION

During the February 12, 2020 meeting of the Housing Committee, members of the Committee requested staff to provide a summary memo of all development projects within Portland and the Cumberland County HOME Consortium communities that have benefitted from HOME funding. This memo provides a description of the HOME program, background history of the creation of the Cumberland County HOME Consortium, annual allocation funding since 2009, and a list of development projects within Portland and Cumberland County funded through HOME subsidies.

HOME Program: Cumberland County HOME Consortium

The Home Investments Partnerships Program (HOME) was established by Congress in 1992. Through the U.S. Department of Housing and Urban Development (HUD), HOME funds are awarded annually as formula grants to participating jurisdictions. Portland has been a participating jurisdiction since 1992. The concept of forming a City of Portland/Cumberland County HUD HOME Consortium (CCHC) was first discussed in April 2007. Prior to 2009, Portland received an annual allocation of HUD HOME funds but the communities of Cumberland County did not. The creation of the Consortium brought additional funding to encourage member communities to contribute towards the rehabilitation and development of decent, safe, affordable housing in consortium communities. As the “Lead Entity” of the Consortium, Portland receives 100% of the administrative funds allowed under the HOME

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Program, and retains independent operation of its HOME program. The County’s Municipal Oversight Committee controls the allocation of the County’s portion of the HOME funds.

Funding Allocation:

When the Consortium was formed in 2009, it included a “hold harmless” clause to ensure the City, as an existing HOME grantee, would continue to receive funding equal to its allocation prior to the formation of the Consortium. In addition to being held harmless, participation in the HOME Consortium bestows additional benefits to Portland. If the City were a stand-alone grantee, the estimated HOME allocation for Portland (using a HUD HOME Allocation estimated calculation) would be approximately \$567,149. Of that amount 10% would be set aside for administrative costs (\$56,715) leaving \$510,434 for program funding. In comparison, under the current consortium agreement, the city receives the administrative set-aside (\$102,069) along with approximately \$524,000 in program funds.

The following chart separates HOME allocation funding between Portland and the Cumberland County HOME Consortium since 2009.

Year	Total	Portland	County
FY20-21	\$ 1,053,258	\$ 645,647	\$ 407,611
FY19-20	\$ 1,020,693	\$ 625,685	\$ 395,008
FY18-19	\$ 1,151,710	\$ 705,998	\$ 445,712
FY17-18	\$ 824,856	\$ 505,637	\$ 319,219
FY16-17	\$ 832,642	\$ 510,410	\$ 322,232
FY15-16	\$ 820,832	\$ 473,597	\$ 347,236
FY14-15	\$ 913,178	\$ 543,341	\$ 369,837
FY13-14	\$ 866,153	\$ 515,216	\$ 350,937
FY12-13	\$ 898,543	\$ 533,230	\$ 365,313
FY11-12	\$ 1,221,812	\$ 752,982	\$ 468,830
FY10-11	\$ 1,379,749	\$ 850,155	\$ 529,594
FY09-10	\$ 1,387,142	\$ 853,921	\$ 533,221
			\$ 4,854,750

Affordable Housing Development Projects

The consortium has been a successful collaboration in support of affordable housing throughout Cumberland County. From July 2009 through January 2020, over 441 housing units have been proposed, rehabilitated, or created with \$1,892,276 of HOME funding within ten projects in the Consortium communities.

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During that same period, Portland has proposed, rehabilitated or created 752 housing units with \$5,247,420 of HOME funding within fourteen projects.

Attached are two spreadsheets providing additional details on each project.

For the July 1, 2020 through June 30, 2021 application cycle, the Portland City Council is reviewing two multifamily housing projects for receipt of \$497,545 in HOME funding. 200 Valley Street would create 60 rental units of which 48 would be affordable, and 577 Washington Avenue (Washington Gardens) would rehabilitate 100 units of affordable housing. The CCHC has received one request from Developers Collaborative for \$350,000 in HOME funding for a proposed 48 unit senior housing project located at 15 Harrison Road, Bridgton.

Attachments:

Portland HOME Funding 2009 – 2019

Cumberland County HOME Consortium Funding 2009 - 2019

**Draft 2020 Housing Committee Work Plan
as of August 4, 2020**

August 12, 2020

1. (Action Item) Review and Recommendation to the City Council on Disposition of Tax Acquired and City-Owned Property (431 Commercial Street, 622 Auburn Street, 0 Gray Road, Falmouth)
2. Communication Item Update on Development Projects within Portland and Member Consortium Communities
3. 2020 Work Plan Discussion

September 17, 2020

1. Presentation, Overview and Integrated Report from Permitting and Inspections and Fire Department re: Short-term and Long-term Rental Housing Safety & Inspection Program - Implementation and Financial Report (Public Comment)
2. Presentation, Overview and Report from the Rental Housing Advisory Committee (Public Comment)
3. Communication Item: FY20 HUD Consolidated Annual Performance Report
4. 2020 Work Plan Discussion

October 14, 2020

1. Lodging House Discussion
2. Presentation of 2020 Interim Housing Report
3. 2020 Work Plan Discussion

November 11, 2020 (Veterans Day – will need to reschedule meeting date)

1. Review of 2020 Annual Housing Committee Report
2. 2020 and 2021 Work Plan Discussion (new and/or updated recommendations to forward to the 2021 Housing Committee)

December 9, 2020 – no December meeting?

WORK PLAN TOPICS

Coordinate and be kept aware of ReCode Committee process, meetings, etc.

Street Standards

City-Owned Property

200 Lambert Street

33 Portland Street

Inclusionary Zoning – minor process/clarifying language updates

Housing Policy Forum – to be referred to 2021 committee

COMPLETED WORK

January 9, 2020 (Thursday)

1. 2020 Work Plan Discussion
2. Communication Item(s): Follow-up Response to Comments regarding the 2019 Housing Report, and Bayside Village Follow-up

February 12, 2020

1. Rental Housing Advisory Committee Policy Recommendation
2. (Action Item) Housing Program Budget - Review and Recommendation to the City Council
3. (Action Item) Renewal of Membership in the Cumberland County HOME Consortium
4. (Action Item) Review and Recommendation to the City Council of the 2020 Housing Trust Fund Annual Plan
5. (Action Item) Affordable Housing Development Application - Review and Approval to Issue by the Committee
6. (Action Item) Affordable Housing TIF Application – Review and Approval to issue by the Committee
7. Presentation of City-Owned Property for Review
8. 2020 Work Plan Discussion – Housing Committee Goals for 2020

March 4, 2020 – Joint Meeting Economic Development

1. Presentation on Limited Equity Co-Operative Housing Model
2. Presentation on changes to HUD/CDBG Eligible Areas Map
3. (Action Item) Review, public hearing and possible recommendation to Council re: AHTIF request, 104 Grant Street
4. (Action Item) Review and Authorization to Release RFP re: disposition of City-Owned Property at 21 Randall Street, 165 Lambert and 43/91 Douglass Street; (Possible Executive Session to discuss disposition of City-Owned Property)

5. Executive Session to provide direction to staff regarding possible disposition of city-owned real estate at 431 Commercial Street and city-owned property in Falmouth

April 8, 2020 Cancelled

April 22, 2020

1. Presentation of Federal, State, and local update regarding COVID-19 and housing related issues.
2. Communication Item update on issuance of RFP for 43 & 91 Douglass Street, 165 Lambert Street, and 21 Randall Street
3. 2020 Work Plan Discussion

May 13, 2020

1. Executive Session: Possible disposition of City-owned real estate at 431 Commercial Street; and Possible disposition of City-owned property in Falmouth.
2. (Action Item) Review and Recommendation regarding Rental Housing Advisory Committee Policy Recommendation
3. (Action Item) Review and Recommendation to the City Council of CDBG-CV and ESG-CV Supplemental Funding Recommendations
4. Review of Funding Requests Received from the Affordable Housing Development Applications – Avesta 200 Valley Street, PHA Washington Gardens and 337 Cumberland Avenue
5. (Possible Action Item) Review, public hearing and possible recommendation to Economic Development Committee and/or City Council re: AHTIF requests CHOM 83 Middle Street, Avesta 200 Valley Street, 337 Cumberland Avenue, PHA Washington Gardens – 577 Washington Avenue
6. (Action Item) Review and Recommendation to City Council re: Disposition of City-Owned Property at 157 Brackett Street and 176 Clark Street
7. 2020 Work Plan Discussion

June 10, 2020

1. (Action Item) Review and Recommendation to the City Council of Funding Requests Received from the Affordable Housing Development Applications – Avesta 200 Valley Street, PHA Washington Gardens and 337 Cumberland Avenue
2. Discussion and Housing Committee direction related to an Affordable Housing Tax Increment Financing request for a housing development proposal located at 45 Brown Street
3. Communication Item FY21 HUD Annual Allocation Plan
4. 2020 Work Plan Discussion including Housing Forum discussion

July 8, 2020

1. Discussion and Housing Committee direction related to Tom Watson's request to amend the Portland City Council approved 44/52 Hanover Street (former DPW Fleet Services Building) Purchase and Sale Agreement to change the development program from commercial maker space to a mixed-use residential and commercial property.
2. Discussion and Housing Committee input to the Economic Development Committee regarding review of RFP responses for redevelopment of city owned property at 21 Randall Street, 43 & 91 Douglass Street and 165 Lambert Street.
3. 2020 Work Plan Discussion – including rescheduling of the September meeting date (conflict with City Council Meeting)