



HOUSING COMMITTEE

DATE: Wednesday, October 14, 2020

TIME: 5:30 PM

LOCATION: ZOOM MEETING INSTRUCTIONS:

The Housing Committee will hold a remote meeting on Wednesday October 14 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/85454532280?pwd=Wnp4L1hQOHczNGszb1k4R296Wm\npnQT09>

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Or iPhone one-tap :

Or iPhone one-tap :

US: +16465588656,,85454532280# or +13017158592,,85454532280#

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Webinar ID:

854 5453 2280

AGENDA

1. Review and accept Minutes of previous meeting held on September 17, 2020
 - a. Minutes
2. Presentation, Overview and Report from the Rental Housing Advisory Committee
(This will be a verbal report and discussion; public comment may be taken.)
3. Presentation, Review and Recommendation to the City Council re: 2020 CDBG Priority Task Force Report
This is an actionable item and public comment will be taken.
 - a. 2020 CDBG Priority Task Force Report
4. Presentation of 2020 Interim Housing Report
This is an actionable item and public comment will be taken.
 - a. 2020 Housing Report
5. Affordable Housing TIF Policy Discussion RE: Potential Revisions to the Terms of Credit Enhancement Agreements
The Committee may make a recommendation to the Economic Development Committee; public comment may be taken.
 - a. TIF Policy Discussion
6. Update on the CDBG-CV (CARES Act) Rental Assistance Program
7. 2020 and 2021 Work Plan Discussion (new and/or updated recommendations to forward to the 2021 Housing Committee)
Work Plans
 - a. Work Plans

Next Meeting Date

THURSDAY November 12, 2020

Housing Committee Minutes of September 17, 2020 Meeting

A remote meeting of the Portland City Council's Housing Committee was held on Wednesday, September 17, 2020 at 5:30 P.M. via ZOOM. Councilors present at the meeting included Committee members Councilor Pious Ali, 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, and Jessica Hanscombe Licensing and Housing Safety manager, Keith Gautreau, Portland Fire Chief.

Item 1: Review and accept Minutes of previous meetings held on August 12, 2020

Motion by Councilor Ali to accept the minutes from August 12, 2020. Motion was seconded by Councilor Duson and the minutes were approved 2-0.

Item 2: Presentation, Overview and Integrated Report from Permitting and Inspections and Fire Department re: Short-term and Long-term Housing Safety & Inspections Program

Jessica Hanscombe, Licensing and Housing Safety Manger introduced this item. The Licensing and Housing Safety Division is a division of the Permitting and Inspections Department. There is a staff of 10 employees consisting of: Licensing and Housing Safety Manager, 3 Licensing and Registration Assistants, 2 Health Inspectors and 4 Housing Safety Inspectors. The division is responsible for all Long Term and Short Term Rental Registrations, Housing Inspections, Business Licenses and Health Inspections for the City of Portland.

There was one change in 2020 for Long Term Rental Registrations; the addition of an automatic late fee of \$10.00 per unit for any units not registered by February 1st of each year. Included in the packet of information for the Committee is a copy of the most current application (Attachment A). As of 8-24, there were 17,533 Long Term units registered with the City for a total of 4,243 properties.

A total of 660 properties (or 793 units) are registered as Short Term Rentals of 8-24. 56 units are on the wait list for non-owner occupied units. The city continues to work with Host Compliance to ensure that all units are registered. Included in the packet of information is a copy of the most current application (Attachment B).

In July 2019, Licensing and Housing Safety kicked off the first Joint Housing Safety and Fire Prevention Meeting. Staff met monthly to discuss Housing and Fire Code compliance and

enforcement. Included in the packet of information is a copy of the agendas and minutes from September 2019 through January of 2020 (Attachment C).

Housing Safety meets monthly with Community Policing, the Neighborhood Prosecutor, Fire Prevention and Public Works to address property issues.

In regards to Outreach, Licensing and Housing Safety had one Housing Safety Inspector attend each Southern Maine Landlord Association meeting; Licensing and Housing Safety sends reminder notices through SMLA email, and Jessica spoke at the December SMLA meeting and answered questions for about an hour. These meetings will continue when allowed under the COVID rules for large gatherings.

Included in the packet of information is the initial response from Licensing and Housing Safety to Covid-19 (Attachment I). In March, April and the beginning of May, Licensing and Housing Safety conducted virtual inspections, outside inspections, complaints, General Assistance approvals, follow ups, See Click Fix and life safety issues. The Division also worked and continues to work with Community Policing on Covid-19 related issues at properties around the City.

Fire Chief Keith Gautreau spoke after Jessica. He noted that unfortunately, due to the global Covid-19 pandemic that began back in February of 2020 the Department decided to suspend its proactive life safety inspection program. All of the Departments efforts focused on responding to the pandemic, maintaining staffing levels and reducing overtime, and salary costs. The Fire Department was asked to reduce its FY21 budget significantly (-5.0%) from the previous fiscal year, thus they had to make difficult decisions on how to provide service without any significant impact to public safety. As a result, the administration decided to cut some of the Department's programs, one of them being the Fire Prevention Bureau / Community Outreach division.

The Fire Department will continue to conduct Certificate of Occupancy Inspections, Tier II Hazmat Inspections, and Fire Prevention Permit Inspections. The residential short term and long-term life safety inspections will continue to be conducted by the Housing Safety Office. The Fire Department will continue to attend all of the Southern Maine Landlord's Assoc. monthly meetings for education and questions and answers, and the Fire Department will continue to collaborate and meet regularly with the Housing Safety Office on life safety concerns, inspections and complaints as the Authority Having Jurisdiction.

Councilor Duson opened the meeting to public comment.

Seeing no requests to comment, the public comment period was closed.

Councilor Duson thanked Fire Chief Gautreau and Jessica Hanscombe. She indicated she was surprised by the low number of owner occupied short-term rental units; she expected it to be a higher number.

Jessica Hanscombe noted rental registration are lower this year because of the moratorium (from March to June) on registrations (due to COVID-19). She expect those numbers to go up in the fall. There is no late fee for short term rentals if they do not register by the end of the year (December). There is a link

from the City's website to the governor's COVID-19 webpage for anyone that may have questions or concerns.

Councilor Duson noted her appreciation with the outreach to the Southern Maine Landlord Association and thanked the Fire Chief and Jessica again for their work to support the safety of City employees and citizens.

Councilor Ali had no questions but thanked the Fire Chief and Jessica for their respective reports.

Item 3: 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)

Mary Davis introduced this item. During the August 12 Housing Committee meeting, the Committee reviewed information on three city-owned properties (431 Commercial Street, 622 Auburn Street and 0 Gray Road, Falmouth). The City-Owned and Tax Acquired Property Committee (COTAPC) provided recommendations regarding these properties to the Housing Committee and the City Manager; however, the City Manager did not have an opportunity to provide his recommendation in time for the August 12 meeting. The Housing Committee subsequently voted to postpone action on all three properties until the City Manager's recommendations were available. Those recommendations are now available. A memo from the City Manager to the Housing Committee and Economic Development Committee (EDC) is attached for the Committee's review.

COTAPC recommended 431 Commercial Street be retained and 622 Auburn and 0 Gray Road, Falmouth be sold. As noted in his memo, the City Manager supports the COTAPC recommendations and has requested staff to work with the Economic Development Committee (EDC) to determine the best method to dispose of these parcels to maximize the development of housing. The EDC discussed the 622 Auburn and 0 Gray Road parcels during their September 15, 2020 with a recommendation to the City Council to dispose of these two properties jointly in a competitive RFP process.

Councilor Duson- supports the competitive bid process.

Councilor Ali- did the EDC take action on this item.

Mary Davis- the EDC did not take a formal vote, but they did direct staff to use a competitive RFP process.

Councilor Ali- would that include a sale at market rate?

Mary Davis- the City could offer it at market rate or could consider valuing the property to encourage affordable housing.

Councilor Ali- would this then come back to HC.

Mary Davis- we would work with EDC who would then make a recommendation to the Council. We

could come back to the HC, but the way the process is set up, it would go to the EDC.

Councilor Ali- let's go with EDC recommendation.

Councilor Duson- during our last meeting we had discussed approaching the developer at 165 Lambert and possibly discussing a sole source option proposal. The EDC discussed a sole source option and determined to go with a competitive bid process with an RFP. I am comfortable with the EDC recommendation based on the HC recommendation for affordable housing.

Councilor Duson opened the meeting to public comment.

Seeing no comment, the public comment period was closed.

Item 4: Communication Item: FY20 HUD Consolidated Annual Performance Report

Mary Davis introduced this item. The CAPER is a report required by HUD in which the City of Portland reports accomplishments for the CDBG, HOME and ESG Programs on an annual basis. The CAPER must be submitted to HUD by September 30. Staff may update or edit information in the report prior to submission to HUD. The HUD reporting system known as IDIS requires reporting in a specific manner, which is how and why the information is reported as it is. The report is essentially complete but will require a few changes prior to the filing date. This is presented as a communication item. No Committee action is required.

Councilor Duson thanked Mary Davis, and Housing and Community Development for their work.

Item 5: Communication Item: 2020 Interim Housing Report

Victoria Volent introduced this item. The biennial Interim Housing Report is prepared by the Housing and Community Development Division at the request of the City Council's Housing Committee. The report is designed to provide an overview of housing development achievements, housing data, and policy implementation during the year following the more extensive biennial Housing Report. The Interim Housing Report will be presented to the Housing Committee during their October 14 meeting.

The Interim Housing Report will include information regarding: • Housing development projects approved and/or funded during 2020 • Cumberland County HOME consortium housing development projects • City-owned property • Inclusionary zoning- 2020 projects and projects YTD • Subsidized housing development • Federal and local resource funds and allocation • AHTIF development projects • Recent housing policy initiatives and implementation tools • Licensing and Housing Safety yearly update • Fire Department yearly update on fire prevention activities and inspection programs • Rental Housing Advisory Committee update • Wait lists counts/ Market demand • PHA residence counts • and Construction costs.

Councilor Duson requested staff reach out to members of the City Council inviting them to join the Housing Committee for the presentation of the 2020 Interim Housing Report during the October meeting of the Housing Committee.

Item 6: 2020 Work Plan Discussion

Councilor Duson would like the annual summary of priorities or objects for the new Housing Committee members.

Councilor Ali- maybe at the next meeting we can discuss what we want to hand over to the next committee meeting.

Councilor Duson- agrees, the work plan discussion should include what we are going to hand over to the next Housing Committee.

Mary Davis – that is scheduled for the November meeting, but I can add it to the October meeting

Councilor Duson- we can have a preliminary discussion in October and then discuss it again in November.

Councilor Duson recommended the November meeting date be rescheduled. She requested staff conduct a doodle poll with Housing Committee members with three rescheduling options.

Motion to adjourn by Councilor Ali, seconded by Councilor Duson, (approved 2-0), the meeting adjourned at 6:29 P.M.

Respectively submitted,

Victoria Volent



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Housing and Economic Development Department
Gregory A. Mitchell, Director

TO: Councilor Duson, Chair
Member of the Housing Committee

FROM: Mary Davis, Division Director
Amanda Kelley, Compliance Officer
Kelley Walsh, Program Manager
Housing and Community Development Division

DATE: October 8th, 2020

SUBJECT: Review and Recommendation to City Council
Goals and Priorities & Allocation Process and Procedure for the 2021-2026
HUD 5-Year Consolidated Plan

SUMMARY OF ISSUE

The U.S. Department of Housing and Urban Development (HUD) requires that communities receiving HUD funding (CDBG, HOME, ESG) undertake a planning process every three to five years to review local affordable housing and community development needs. This process is designed to help communities develop priorities and multi-year goals in coordination with other community plans and resources to make a greater impact within the community.

The 5-Year Consolidated Plan will be submitted to HUD in May, 2021. Staff is seeking Council approval of the Community Development Goals and Priorities, as well as, changes to the CDBG allocation process. Staff is seeking changes at this time so they can be incorporated into the FY 21/22 CDBG Allocation Process which begins at the end of October. The needs, goals, and priority activities are outlined in the staff analysis section. In addition, the structural changes to the allocation process have been highlighted. Lastly, the needs, goals, priorities table and the CDBG Priority Setting Task Force Report are attached.

A letter from the City Manager detailing his recommendations regarding the 2020 CDBG Priority Setting Task Force Report is attached. There are several recommendations that the City Manager does not support, particularly during these challenging times. In his letter to the City Council, the City Manager indicates that it would be his preference that council accept the 2020 CDBG Priority Task Force Report and delay implementation of the recommendations noted in his letter for at least one year. At that time the City Council can re-assess the implementation of these recommendations prior to the start of the FY 2022-2023 CDBG program year.



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Gregory A. Mitchell, Director

REASON FOR SUBMISSION

The needs, goals and priorities outlined in the 5-Year Consolidated Plan, as well as changes to the allocation process requires council approval.

INTENDED RESULT

If approved, the City will follow the established priority activities when making decisions regarding the investment of CDBG, HOME and ESG funding. In addition, the changes to the process and procedure for CDBG allocations will be approved prior to the application and scoring process, thus providing transparency and predictability to applicants.

COMMITTEE GOAL/COUNCIL GOAL ADDRESSED

The proposed goals and priorities align with all four of the 2020 City Council Common Goals.

FINANCIAL IMPACT

The proposed goals and priorities would become the guiding document for the allocation of CDBG, HOME and ESG funding. In FY21 the City received \$1,933,057 in CDBG funding, \$1,053,258 in HOME funding, and \$166,383 in ESG funding.

STAFF ANALYSIS

Consolidated Planning Process

The City's current U.S. Department of Housing and Urban Development (HUD) 5-Year Consolidated Plan, was approved by the City Council on March 28, 2016. The Plan established 4 main goals and objectives: 1) Create strong, safe, accessible, and vibrant neighborhoods; 2) Increase housing availability and affordability; 3) Create economic opportunities to transition people out of poverty; and 4) Prevent and reduce homelessness.

It is time to re-assess the goals and priorities for the next 5 year HUD Consolidated Plan. The plan outlines how the City and the Cumberland County HOME Consortium will allocate federal funding. In addition to funded projects meeting national objectives and eligibility criteria, the plan requires projects to meet local level goals and priorities. Lastly, HUD requires public input in establishing the goals and priorities for the City of Portland.

On February 9, 2020, the City Council approved the re-establishment of the CDBG Priority Setting Task Force to review priorities, structural changes, and administrative changes to the allocation process.

Data Collection

HCD Staff created a robust outreach campaign to generate community feedback on the City's needs, goals, and priorities. The outreach efforts included targeted forums with stakeholders, tabling events at the farmer's market downtown, and a survey day in conjunction with



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Portland Adult Education's Census event. Unfortunately, COVID-19 forced HCD Staff to revise their outreach plan and take it entirely online. HCD staff created a targeted website to provide residents, business owners, and service providers with information regarding the consolidated planning process as well as multiple platforms to provide feedback. The website contained targeted surveys for the general public, business owners, social service providers, and past applicants and subrecipients of CDBG funding. The City highlighted the website multiple times throughout the spring and summer on their website and social media platforms. In addition, HCD staff partnered with Portland Downtown, the Chamber of Commerce, and Social Service provider networks to spread the word and encourage participation. At the time of survey close, there were 477 responses. This data was used to inform the Task Force decisions on priority activities.

CDBG Priority Setting Task Force Process and Work Plan

The Task Force had a strict work plan that covered changes to the CDBG Allocation process. The Task Force met 12 times between March and September, twice a month for two hours. The majority of these meetings had to take place over Zoom due to COVID-19.

The Task Force focused their analysis and review of the CDBG priorities and process in three distinct parts; structural, administrative, and guiding principles/priorities. Structural changes encompass the application guidelines and distribution of set asides and allowable grant requests. Administrative changes deal with priority points, penalty points, and the appeals process. Lastly, the guiding principles and priorities speak directly to the types of activities the money should be invested in.

Structural Changes

The Task Force voted to reduce the maximum grant request for Development Activities from \$250,000 to \$200,000. This change was based on a historic review of grant requests over the last 5 years, the average request for that time period was \$127,000.

The Task Force made a handful of changes to the funding set-asides and City funding caps in both the construction/development and social services categories. The City funding caps state a percentage that is allowed to go to City programs in a given funding year. The Task Force voted to reduce the City funding cap by 5% in each category, these changes would result in a 40% funding cap in social services and an 80% funding cap to construction/development. These changes were based on historic review of City programs that have received funding in the past. The Task Force also eliminated the 60% public infrastructure set-aside within the City funding cap in the construction/development category. In addition, a new set-aside was created for new programs that have not received CDBG funding. The set-aside is up to 20% of the previous year's allocation within the respective funding categories; construction/development and social service. The set-aside will be awarded to new programs that score 75 points or higher. If there are not enough eligible new programs to use the full 20%, the remainder will go back in to the general allocation fund.



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Scoring Changes (the revised scoring matrix is included in the Task Force Report)

The Task Force voted to change priority activities from two categories to three categories; HIGH, PRIORITY, and ELIGIBLE ACTIVITY. The categories are given priority points as follows; High 5 points, Priority 2 points, and Eligible Activity receives 0 points.

The Task Force made significant changes to the scoring structure as well as the sub categories. The goals of the changes are to streamline the scoring, make it more predictable for applicants and the allocation committee, and decrease arbitrary point value assignments to the subcategories. The Task Force made the decision to have each category be a multiple of 5 with a score of a 1 being poor and 5 being excellent. The Task Force did express concern that the Allocation Committee may feel the need to use half and quarter points, for example, an applicant may not deserve a perfect 5 but a scorer may feel they are above a 4 and award a 4.5. The Task Force feels the scoring structure should allow for this flexibility. In addition to simplifying the scoring structure the Task Force recommends the removal of the sub category for “consistent with city goals, plans, or initiatives”. The group feels that the subcategory is redundant and can be absorbed by “goals”.

Guiding Principles and Priority Changes

The largest part of the Task Force work focused around the City’s “Needs-Goals-Priorities” table, with a specific focus on high priority and priority activities. This work was informed by the community outreach effort taken by the HCD office. Overall, the Task Force suggested changing the priority activities to an alphabetical order format. The Task Force felt that this would make it clear to applicants and the public that the order of the activities do not relate to their importance, aside from the high priority and priority distinction.

Changes to Neighborhood Investment and Infrastructure

The Task Force voted to move “Parks and Recreation Activities” to the high priority category. In addition, they voted to remove “Historic Preservation” from the priority activity list. Historic Preservation will remain an eligible activity, but will not receive priority points.

Changes to Housing Availability

The Task Force renamed “Rental Assistance” to “Housing Start-up Assistance”. The purpose of this change is to encompass a broader range of housing activities, i.e. security deposit, rental payments, application fees.

Changes to Economic Opportunity

The Task Force removed “Façade Improvements” and “Financial Stability Services” from



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the priority list, as stated previously the activities are still eligible, but will not receive priority points. In addition, the Task Force moved “Job Creation” and “Microenterprise Assistance” from high priority to priority, allowing them to receive two priority points.

Changes to Addressing the Needs of the Growing Homeless Population

The Task Force voted to combine “Mental Health Services” and “Substance Abuse Services” in to one category labeled “Behavioral Health Services”. This newly named activity will remain a high priority activity. Task Force members that are also service providers stated that these two activities often go hand in hand and programs are designed to address both mental health and substance use disorders in tandem. Staff echoed this sentiment and stated that a majority of the social service programs address both issues.

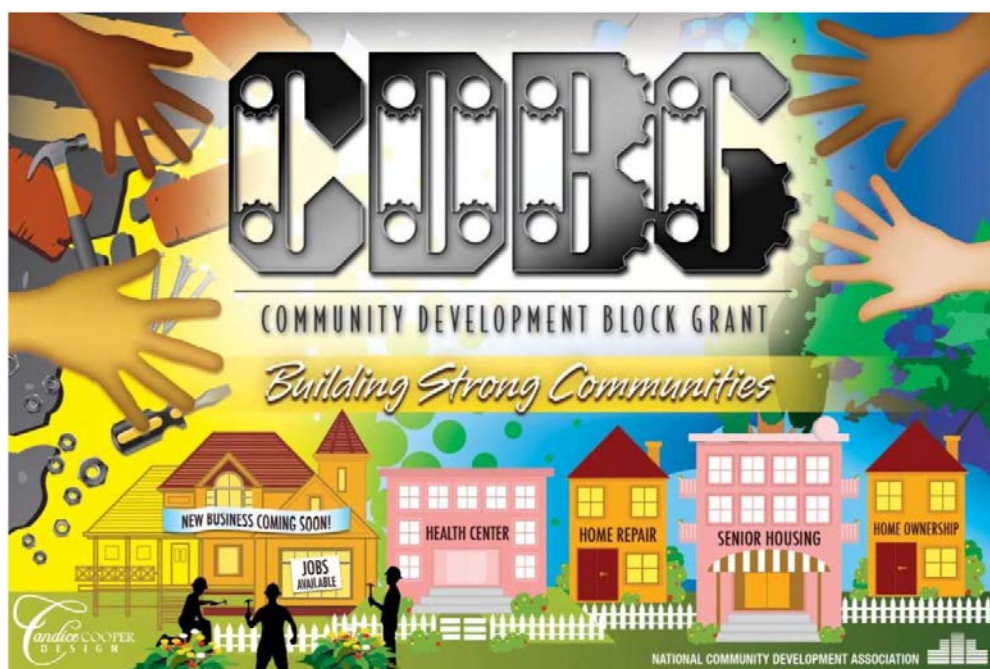
The Task Force renamed “Rental Assistance” to “Housing Start-up Services” in order to encompass a broader range of housing activities for homeless individuals, i.e. security deposits, rental payments, housing case management, application fees. This activity remains a high priority activity.

Lastly, the Task Force moved “Food Assistance” from High Priority to Priority, allowing applications to earn 2 priority points. The Task Force believes that there are many other federal funding sources for food assistance and therefore it does not need to remain a high priority for funding.

ATTACHMENTS

2020 CDBG Priority Setting Task Force Report
Letter from the City Manager

2020 CDBG PRIORITY SETTING TASK FORCE REPORT



2020 CDBG PRIORITY TASK FORCE REPORT

PARTICIPANTS

Adam Cohen
Andrew Ouellette
Ashish Shrestha
Ben Strick
Brad Hanscom
Chase Hewitt
Don Harden
Grace Braley
Jim Hall (Chair)
Julia Sheridan
Lucas Blom
Mark Adelson (Chair)
Matt Dubel
Sam Heck

INTRODUCTION

The 2020 CDBG Priority Task Force is pleased to present its final report to the Portland City Council for your consideration.

We found that the current system is extremely well run, and allocations continue to be made that meet important city needs. City staff are to be highly commended for their organization and knowledge, as well as, the hard work and commitment they bring to the effort of planning, distributing and monitoring the use of these funds. The changes we are recommending are intended to increase efficiency, fairness and transparency, to make minor evidence-based adjustments, and to target the city's highest priorities in a time of growing demand for resources and a dwindling stream of funding.

SUMMARY OF RECOMMENDED CHANGES:

- Create a capped set-aside to promote smaller new programs
- Adjust city funding caps to better match survey data with historical data
- Focus the city's "high priority" list on housing and employment
- Simplify the scoring process and subcategories
- Increase communication amongst funding sources
- Remain open to emerging needs

BACKGROUND

The Community Development Block Grant (CDBG) is a federal program from the Department of Housing and Urban Development (HUD) that distributes funding based on allocations from Congress to its entitlement communities, comprising over 1,200 cities and counties throughout

the country. Historically the City of Portland has received approximately \$2 million in CDBG funds annually.

For the past ten years this funding has decreased. There has also been increased scrutiny over the past few years of the Department of Housing and Urban Development and the CDBG program nationally. The need for focus and accountability is greater than ever before. The City of Portland must redefine how federal CDBG dollars are allocated to emphasize, to the greatest extent possible, successful and measurable outcomes.

The City's establishment of the CDBG Priority Task Force of 2020 stemmed from the City's commitment to re-evaluate every three to five years the priorities identified by the CDBG Priority Task Force of 2008 and 2012 and the CDBG working group in 2013. This process began with the Housing and Community Development (HCD) Ten Point Plan, approved by the City on October 1, 2007. The HCD Ten Point Plan, a product of the HCD Task Force, required the creation of the CDBG Priority Task Force, followed by the Annual Allocation Committee.

PROCESS

Positions on the 2020 Taskforce were advertised on the City website as a newsflash, as well as, on the Boards and Committees page. The advertisement included a description of the taskforce, along with the roles and duties of the members. Lastly, the application was available online with contact information attached if a paper copy was needed.

HCD Staff directly advertised the opportunity to participate to all past committee members, including the City Manager's Policy Advisory Committee, HCD Task Force, CDBG Priority Task Force, CDBG Annual Allocation/Scoring Committee, past applicants and awardees of CDBG and HOME funds, and interested parties from the 2019 District Meetings. In total, invitations were sent via email to 380 individuals and organizations.

HCD Staff received 18 applications by the January 24th deadline. Members were diverse in their skill sets, represented all of the demographics listed in the taskforce guidelines, and every neighborhood in Portland. At the February 19th, 2020 Council Meeting, the City Council approved an order to reinstate the task force and approved the applicants as members. Four members of the task force resigned due to unforeseen circumstances caused by COVID-19.

WORK PLAN

The Task Force had a strict work plan that covered three sections: priorities and principles, structural changes, and administrative changes to the CDBG allocation process. The Task Force met 12 times between March and September, twice a month for two hours. The majority of these public meetings had to take place remotely via Zoom due to COVID-19.

The largest part of the Task Force work focused on the City's "Needs-Goals-Priorities" table, with a specific focus on high priority and priority activities.

This was also the focus of a large community outreach effort planned by the HCD office. Unfortunately, due to COVID-19 was revised and conducted entirely online. HCD staff created a targeted website with information regarding the consolidated planning process as well as multiple platforms to provide feedback. The website contained targeted surveys for the general public, business owners, social service providers, and past applicants and subrecipients of CDBG funding. The City highlighted the link multiple times throughout the spring and summer on their website and social media platforms. In addition, HCD staff partnered with Portland Downtown, the Chamber of Commerce, and social service provider networks to spread the word and encourage participation. At the time the survey closed there were 477 responses. The Task Force used this data to inform their decisions regarding priority activities.

RECOMMENDATIONS

At a high level, the Task Force is generally recommending increased communication with other funding sources, both within the City government and outside in the community, so as to optimize similar outcomes and coordinate achievements together.

Analysis of prior applicant pools indicated that many specific CDBG processes are having the desired effect. For example, the minimum allowable grant request in both social service and construction / development has ensured an appropriate level of commitment required to run and report on a CDBG funded program. In addition, application penalties have reduced the number of difficult submissions that previously required intensive staff involvement in order to process. For brevity, we have not listed all the topics which the Task Force reviewed and ultimately decided should remain unchanged.

PRIORITIES

**see appendix for full table of needs / goals / priorities*

The task force recommends the following high priorities:

- Neighborhood Investment and Infrastructure: Public Infrastructure in targeted neighborhoods, including parks and recreation facilities, Accessibility/ADA Compliance, alternative modes of transportation, and Community Policing Administration.
- Housing: construction of new housing (HOME funds only), the adaptive reuse of buildings for housing, rehabilitation of existing housing, housing retention, housing start up assistance. Housing Start-up Assistance has replaced Rental Assistance to allow for a broad range of housing assistance services, i.e. security deposits, utilities, housing application assistance and fees.
- Economic development: career advancement services, job retention support services
- Homelessness: Housing Services for long term stayers, emergency services to prevent homelessness, shelter services, housing start up assistance, Behavioral Health Services. Housing Start-up Assistance has replaced Rental Assistance to allow for a

broad range of housing assistance services. Behavioral Health Services has replaced mental health and substance abuse services.

The above list represents adjustments to previous “high priority” activities. Most notably, we are recommending a combined category of “behavioral health” that captures both mental health and substance use services. This recognizes the co-occurring nature of mental health and substance use, and that best practice involves addressing both simultaneously.

SCORING

SCORING CATEGORY	POSSIBLE POINTS
Goal, Priority Impact Level & Community Need	30 Total
• Goal	15
• Priority impact (5pts high Priority, 2pts priority, 0pts eligible activity)	5, 2, or 0
• Community need	10
Guiding Principles:	30 Total
• Measurable community impact	10
• Diversity and inclusiveness	5 Construction/ 10 Social Service
• Priority to lower incomes	5 Construction/ 10 Social Service
• Location (construction only)	5
• Sustainability (construction only)	5
Capacity to deliver:	25 Total
• Financial need	5
• Leveraged funding	5
• Experience providing service	5
• Readiness to proceed	5
• Financial stability	5
Partnership/Collaboration	15 Total

PENALTY	POINTS DEDUCTED
Missing section/s	1 point deducted per item
Failing to follow Submission Guidelines , section I.C.3 (including but not limited to: application not typed, page limits, max/min request amounts, etc)	0.25 point deducted per instance
Errors (e.g. in budget calculation)	0.25 points deducted per instance

The task force reviewed subcategory scoring from several prior years, and recommends an adjustment to the overall scoring structure. The goal of the changes is to streamline the process, make it more approachable and predictable for applicants and the allocation committee, and decrease arbitrary point value assignments to subcategories.

Under this scheme, each subcategory will be ranked on a universal scale of 1-5 (poor to excellent), with multipliers applied to especially important categories, resulting in a total 100 possible points per application. For example, the “ Goal” scoring category is worth 15 total points. The Allocation Committee will score it 1-5 and that number will be multiplied by 3 to get the total points awarded out of 15. The Task Force feels this structure should allow for flexibility, and defers to HCD Staff and the Allocation Committee for minor changes. For example, the Allocation Committee may determine a need to apply fractional ranks (such as 4.5 out of 5.0) in order to achieve higher precision comparisons amongst applicants, or staff later recommends adjustments to category multipliers to catch up to changes in city priorities.

Relative weights have been simplified while attempting to respect the overall levels of importance that had been determined during prior scoring rounds.

- 15% of the overall score is weighted toward “Goal”, and 15% toward “Collaboration”
- 10% toward each of the following: Community Need, Measurable Outcomes, Diversity, and Lowest Income Served
- Each remaining subcategory contributes 5% to the overall total score.

The task force is also recommending a few fine-grained adjustments to scoring subcategories. The goal of these changes is to reduce redundancy and a neutralizing effect to the scoring. In addition, we felt that expanding the scoring and page limits for collaboration will result in quality outreach and partnership efforts. The taskforce chose to increase the page limits for the collaboration section from two pages to eight pages. Lastly, expanding priority activities to include all eligible activities will open up the applicant pool, while still giving preference to the aforementioned priority activities.

- “Consistent with City Plans” will now be captured under “City Goals” in both scoring and the narrative of the application
- Collaboration will be a single overall score rather than tiered scoring for Outreach, Letters of Support, and Memorandum of Understanding
- Priority Activity will include three categories for scoring, “High”, “Priority”, and “Eligible Activity”

SET-ASIDES AND GRANT RANGES

The Task Force analyzed average allocations and requests from year to year, and it became clear that there are hurdles for small, new, and innovative programs. Through this analysis and discussion the Task Force recommends the creation of a set-aside of up to 20% for new programs that can meet a minimum score of 75 (out of a possible 100), with any remainder to be allocated toward the general pool. We hope to create a balance between new applicants and

veteran programs that provide essential services. This dilemma and balance has been a consistent discussion between staff and the yearly allocation committee.

Based on review of average grant requests over the last 5 years, the Task Force is recommending that the maximum allowable request in the construction / development category be reduced from \$250,000 to \$200,000 per program. Very few applicants request the maximum, and the average request was well below, at \$127,000.

The Task Force also recommends a slight reduction in the City funding caps:

- Reduce the maximum City funding cap in Social Services from 45% to 40%
- Reduce the maximum City funding cap in Construction and Development from 85% to 80%
- Simplify the overall calculation by eliminating the 60% public infrastructure cap.

The hope with these changes is to allow a larger number of applications to receive funding through the initial allocation process, rather than requiring a redistribution intervention by the City Manager or City Council.

ADDITIONAL CONSIDERATIONS

It became clear from the beginning that we were working at an extraordinary time in Portland's history, and this would need to be reflected in our recommendations to the Council even if specific responses remain unknown at this time. It's critically important that the overall funding process can balance the need for structure with an ability to remain open and flexible to address new emerging priorities and needs the City will be facing throughout the 5 year timeframe of the plan. The task force identified three emerging areas that may impact how CDBG funds are allocated in coming years.

COVID-19 and Portland's response to the ongoing health crisis:

It's likely COVID-19 will impact the City and its residents for many years to come and in every facet of life in Portland. As we've learned, the City's lower income and non-white populations are hurt the most by the pandemic. The economy, business growth, employment opportunities, housing, education, health care, food security, human services, and transportation are all in some form of change or limbo due to this health crisis. CDBG funding will have a future role in mitigating some of the impacts, and the City needs to begin planning now on how best to face these challenges.

New Homeless Service Center:

Preventing and alleviating homelessness remains an important priority for the City. CDBG funding can have an important direct or indirect role in making the City's plan for the new Homeless Service Center a reality, in cooperation with the state's ongoing development of more regional solutions. Although generally the task force valued more permanent solutions over

temporary, we agreed that emergency shelter needs to remain a high priority at this time. This could be revisited if a more stable situation were to prevail.

Racial Equity and Inclusion :

The Task Force had initial discussions at the beginning of this process regarding funding for Community Policing. The item was tabled, and discussed again in light of the national spotlight on racial justice and equity, and local community outcries for increased social service funding. The Task Force believes the City's Community Policing efforts are valuable and successful, and should remain a high priority. However, a majority of the Task Force believes that the City should begin to plan for funding Community Policing administration from the City's budget, both to ensure stability of ongoing critical services, and to free up additional CDBG funds for human services that complement these efforts. We understand the strain the city's budget is under and how difficult it might be to absorb 100% of this function, so at this time we are not recommending immediate removal of the CDBG set-aside for community policing administration.

APPENDIX

- I. Needs-goals-priorities table
- II. Summary of motions and votes

NEED	GOAL	PRIORITY IMPACT LEVEL
<p>Neighborhood Investment & Infrastructure:</p> <p><i>Description:</i> Public safety and mobility are key components to improving the livelihood of Portland neighborhoods. There is a significant need to build neighborhood sidewalks where none exist, improve ADA compliance, and increase access to alternative modes of transportation. Additionally, there is a need to increase resident’s ability to remain or become active and engaged members of their neighborhoods through community based services and programs.</p> <p><i>Basis for Relative priority:</i> In 2019 & 2020 the Portland City Council identified four goals that identified this need: 1) 15 buses for 15 minutes: Add 15 buses to our fleet allowing us to reduce peak hour wait times to an hour to 15 minutes. 2) Light Hybrid rail to the eastern waterfront: install hybrid electric rail cars to come into Portland’s eastern waterfront to reduce traffic. 3) Implement a plan for installation of solar arrays. 4) Increase public transit infrastructure and capacity in the City. The 2030 Comprehensive plan lists the following strategy: Full Service City: 2. Provide services to all residents. Operate City facilities and services in an efficient and effective manner that is responsive to all segments of the community.</p> <p>Resource: City of Portland <i>2019 & 2020 City Council Common Goals. and the 2030 City of Portland Comprehensive Plan</i></p>	<p>Create strong, safe, accessible and vibrant neighborhoods:</p> <p><i>Description:</i> Invest in infrastructure to improve neighborhood assets and build strong, safe, accessible and vibrant neighborhoods. Improve accessibility and livability through age-friendly designs and ADA compliance. Build sidewalks and trails to improve connectivity, increase the use of bicycles as a mode of transportation, and redevelop streetscapes to create shared streets for cars, bikes, and pedestrians that integrate with the fabric of the neighborhood. Support programs that increase safety in neighborhoods for residents and visitors.</p> <p>Invest in programs and services that address the specific needs of members of the community. Encourage programs that build a sense of inclusiveness, safety, and security within individual neighborhoods.</p>	<p>Including but not limited to (in alphabetical order, not in order of priority):</p> <p>HIGH PRIORITY</p> <ul style="list-style-type: none"> • Accessibility/ADA compliance • Alternative modes of transportation • Community policing • Park and Recreation Facilities • Public infrastructure in targeted neighborhoods <p>PRIORITY</p> <ul style="list-style-type: none"> • Community centers and engagement programs • Disability Services • Non-profit rehab • Public infrastructure outside of targeted neighborhood • Senior Services • Tree planting

NEED	GOAL	PRIORITY IMPACT LEVEL
<p>Housing Availability:</p> <p><i>Description:</i> In the 2019 Housing report it was reported that Portland has an affordability gap of \$255,796. In addition, there is a lack of affordable rental housing within Portland’s housing supply. The City Council continues to make housing availability and affordability their goal.</p> <p><i>Basis for Relative priority:</i> In 2019 & 2020 the Portland City Council identified the following goal to address this need: Increase access to rental and home ownership that is safe, affordable, and accessible.</p> <p>Resources: 2030 Workforce Housing Demand Study 2019 City of Portland Housing Committee, Interim Housing Report 2019 & 2020 City Council Common Goals.</p>	<p>Increase housing availability & affordability:</p> <p><i>Description:</i> Increase housing availability and affordability to all Portland residents regardless of income, race, ethnicity, and family size. Encourage housing development by removing barriers to traditional urban housing types while ensuring the inclusion of workforce and age-friendly housing in significant development projects.</p>	<p>Including but not limited to (in alphabetical order, not in order of priority):</p> <p>HIGH PRIORITY</p> <ul style="list-style-type: none"> • Adaptive reuse for housing • Construction of new housing (HOME funds only) • Housing Retention • Housing Start up Assistance • Rehabilitation of existing housing <p>PRIORITY</p> <ul style="list-style-type: none"> • Environmental testing and remediation • Energy efficiency/weatherization • Fair housing activities • Heating and fuel assistance • Legal services Tenant/landlord counseling services

NEED	GOAL	PRIORITY IMPACT LEVEL
<p>Economic Opportunity:</p> <p><i>Description:</i> Portland has a well-developed employment support system with many established providers. However, the system is fragmented, providers work in silos, there is insufficient funding to cover needs of potential workers, and career planning and financial stability are often prioritized less than job placement. Employment retention support is scarce and turnover results in economic uncertainty for employees and higher costs for employers.</p> <p><i>Basis for Relative priority:</i> In 2019 & 2020 the Portland City Council identified the following goal: Promote Economic Development in the City in a manner that provides for increased property values, diversification across industry sectors and high paying jobs. Specifically, as it relates to HUD programming and objectives, the Council further identified the need to advance work on the “Minority and Women-owned Business Development Initiative” and secure City Council approval to invest CDBG funds in workforce development.</p> <p>Resources: <i>Portland Economic Development Vision and Plan</i> Portland Community Chamber of Commerce: <i>Portland’s Economic Scorecard 2014-2015</i> Muskie School of Public Service: <i>The State of Infant Pre-K Childcare in Portland, Maine 2015</i> GPCOG <i>2014-2018 Economic Development Action Plan</i></p>	<p>Create economic opportunities to transition people out of poverty:</p> <p><i>Description:</i> Invest in Portland businesses to enable them to expand to create jobs. Invest in persons wanting to create microenterprises. Engage job seekers in a continuum of services to increase their professional capacity, financial stability, and ability to maintain employment. Focus on difficult to employ populations including homeless, new Americans and single parent head of households. Combine resources and build partnerships between public and private entities to provide opportunities to transition Portland residents out of poverty to sustainable employment and financial stability.</p>	<p>Including but not limited to (in alphabetical order, not in order of priority):</p> <p>HIGH PRIORITY</p> <ul style="list-style-type: none"> • Career advancement services <ul style="list-style-type: none"> • Education • Job training • GED attainment • ESL • Job retention support services <ul style="list-style-type: none"> • Childcare vouchers • Housing counseling • Transportation assistance <p>PRIORITY</p> <ul style="list-style-type: none"> • Job Creation • Microenterprise Assistance

NEED	GOAL	PRIORITY IMPACT LEVEL
<p>Address the Needs for Growing Homeless Population:</p> <p><i>Description:</i> The shelter system in Portland is beyond capacity. Staff and local organizations struggle to deal with overflow strategies to meet increasing need. Data from 2019 showed that 79% of the shelter consumers were new consumers, the average length of stay at the shelter is under 60 days. Homeless Prevention and Rapid Rehousing are key components to help reduce shelter usage and homelessness. Additionally increased case management is needed for those who have mental illness and substance abuse issues to help them navigate the service delivery system.</p> <p><i>Basis for Relative priority:</i> In 2019 & 2020 the Portland City Council identified the goal: Continue the effort to reduce homelessness, assist people experiencing homelessness through City, Regional, and State efforts.</p> <p>Resource: 2020 City Council Common Goals 2019 Health and Human Services Shelter Report</p>	<p>Prevent and Reduce Homelessness:</p> <p><i>Description:</i> Prevent individuals and families from becoming homeless and entering into the shelter system. Rapidly rehouse those who enter the shelter system. Provide necessary resources to assist vulnerable population’s transition out of homelessness, including housing opportunities for chronically homeless or long-term stayers at homeless shelters.</p>	<p>Including but not limited to (in alphabetical order, not in order of priority):</p> <p>HIGH PRIORITY</p> <ul style="list-style-type: none"> • Behavioral Health Services • Emergency services to prevent homelessness • Housing and Housing Services for long-term shelter consumers • Housing Start up Costs • Shelter services <p>PRIORITY</p> <ul style="list-style-type: none"> • At risk youth services • Food Assistance

II. SUMMARY OF APPROVED MOTIONS

- Motion to keep the Social Service Application minimum request at \$10,000
 - Passed 14-0, 1 abstained
- Motion to keep the Community Policing \$150,000 set-aside
 - Passed 11-1, 2 abstained
- Motion to reduce the Construction and Development Application maximum request from \$250,000 or 30% of the prior years allocation to a flat number of \$200,000.
 - Passed 12-1, 1 abstained
- Motion to keep the Construction and Development Application minimum request at \$10,000
 - 14-0, 1 abstained
- Motion to eliminate the 60% infrastructure cap and reduce the City funding cap from 85% to 80% for construction and development programs
 - Passed 14-0, 1 abstained
- Motion to reduce the City funding cap in social services from 45% to 40%
 - Passed 9-0, 1 abstained
- Motion to keep penalty points as is
 - Passed 13-0
- Motion to move park and recreation activities to high priority category and keep all other neighborhood investment and infrastructure the same
 - Passed 10-0
- Motion to remove historic preservation from priority activities list
 - Passed 6-5
- Motion to rename rental assistance to start up assistance and move from priority to high priority, everything else stays the same. Discussion, member clarified calling the activity rental housing start up assistance.
 - Passed 11-0
- Motion to remove façade improvements from priority activities
 - Passed 7-4
- Motion to remove financial stability services from priority activities
 - Passed 10-1
- Motion to move job creation from high priority to priority activity
 - Passed 6-5
- Motion to move microenterprise assistance from high priority to priority activity
 - Passed 8-3
- Motion to allocate 0 points to non-priority activities, 2 points to priority activities, and 5 points to high priority activities.
 - Passed 9-1
- Motion to combine mental health and existing substance abuse disorder activity in to one activity, labeled 'Behavioral Health', with a designation of high priority
 - Passed 13-0
- Motion to make 'housing start up services' a high priority activity
 - Passed 13-0
- Motion to change food assistance from high priority to priority activity
 - Passed 13-0
- Motion to allocate category points in both Social services and Development as follows:

- 30 points - Goal, Priority Impact Level & Community Need
- 30 points - Guiding principles
- 25 points - Capacity to deliver
- 15 points – Collaboration
- Passed 11-0
- Motion to allocate Goal, Priority Impact Level, & Community Need sub-categories points, in both Social Services and Development Activities, as follows:
 - 15 points - Goal
 - 10 points - Community need
 - 5 points - Priority
 - Passed 9-2
- Motion to remove Guiding principles sub-category consistency with city goals, plans, and initiative (4 points) and include this subcategory with the Goal, Priority Impact Level and Community Need, Goal Subcategory
 - Passed 10-0
- Motion for to allocate measurable community impact, diversity and inclusiveness, Priority to lower income as follows in social service
 - Measurable Community Impact 10
 - Diversity and Inclusiveness 10
 - Priority to Lower Incomes 10
 - Passed 7-3
- Motion for to allocate measurable community impact, diversity and inclusiveness, Priority to lower income as follows in Development
 - Measurable Community Impact 10
 - Diversity and Inclusiveness 5
 - Priority to Lower Incomes 5
 - Location 5
 - Sustainability 5
 - Passed 9-1
- Motion to allocate Capacity to deliver subcategory point distribution as follows:
 - 5- Financial need
 - 5- Leveraged funding
 - 5- Experience Providing Service
 - 5- Readiness to Proceed
 - 5- Financial Stability
 - Passed 9-1
- Motion to create a single scoring line ‘Partnership/Collaboration’ with a maximum of 15 points.
 - Passed 9-0, 1 abstention
- Motion to expand page limit to 8 pages for the collaboration section for both narrative and supporting materials
 - Passed 10-0
- Motion new applicants be required to score a minimum of 75 points to be considered for the set-aside.
 - Passed 10-0



CITY OF PORTLAND
Executive Department
Jon P. Jennings, City Manager

October 8, 2020

Members of the Portland City Council:

As you know, the CDBG Priority Task Force was re-established to assist with the creation of a new 5-Year Consolidated Plan which will be submitted to HUD in May, 2021. The Task Force was charged with reviewing the current CDBG allocation process and making recommendations for improvement. The Task Force work plan covered three areas: (1) Review of priorities and guiding principles, (2) Review of the structural framework of the program, and (3) Review of the administrative framework of the CDBG allocation process.

I would like to take this opportunity to thank the members of the Task Force for their work during this unprecedented time. The Task Force met 12 times between March and September, with all but one of their meetings occurring remotely due to the COVID-19 pandemic. I commend them for their dedication in performing their work in these unusual circumstances.

While I applaud the work and effort the Task Force put into the recommendations outlined in the *2020 CDBG Priority Task Force Report*, there are several recommendations that I do not support, particularly during these challenging times.

(1) Priorities and Guiding Principles:

The Task Force made several recommendations in the high priority and priority impact areas of the City's CDBG Program. I do not support three of the recommendations in the Priority Impact Level. I feel strongly that Job Creation, Microenterprise Assistance and Food Assistance should remain as high priority activities. Year after year during the annual CDBG allocation process, I have been consistent in my recommendations that food security is a basic necessity and integral service provided to the most vulnerable in our community. In light of the ongoing impacts of the COVID-19 pandemic, ensuring that funding is available for businesses in Portland will be key to economic recovery in the City.

(2) Structural Changes

Set-asides: While the Task Force did not recommend immediate removal of the CDBG set-aside for community policing, they did recommend that the program be funded through the City's budget. I do not support this recommendation in light of the City's current budget issues and the need to continue to provide this valuable community service.

The ability to use CDBG resources to fund public infrastructure projects in low to moderate income neighborhoods of the city is extremely important. The Task Force is recommending elimination of the set aside for city public infrastructure projects. Currently the set aside allows up to 60% of the

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info@portlandmaine.gov www.portlandmaine.gov

maximum funding available to city programs in the development activities category to be set aside for public infrastructure projects. I do not support the Task Force's recommendation to eliminate this set-aside, at this time. The City will be dealing with the financial impacts of the COVID-19 pandemic for several years. Elimination of this set-aside at this time will have negative impacts on the City's ability to address the public infrastructure needs throughout the city and particularly in CDBG eligible neighborhoods.

Many CDBG entitlement communities retain all of their CDBG funding for municipal use. In fact, most communities are required to cap CDBG funding to social service agencies at 15% of the total CDBG allocation. Portland is an exception and is allowed to provide up to 33% of the total CDBG allocation to social service agencies. For this reason along with others mentioned previously in this letter, I do not support the Task Force recommendations to reduce the maximum City funding cap in Social Services from 45% to 40% of the allocation and the maximum City funding cap in Construction and Development from 85% to 80% of the allocation.

Maximum cumulative grant requests: The Task Force recommended a reduction in the maximum grant request for Development Activities from \$250,000 to \$200,000. As noted above, I do not, at this time support the Task Force Recommendation.

It would be my preference that council accept the 2020 CDBG Priority Task Force Report and delay implementation of the recommendations noted above for at least one year. At that time the City Council can re-assess the implementation of these recommendations prior to the start of the FY 2022-2023 CDBG program year.

New Programs: You may remember that during the CDBG funding recommendations over the last several years, I noted my desire to see new and innovative programs benefit from CDBG assistance. I am pleased to see that the members of the Task Force agreed and I enthusiastically support their recommendation to create a set-aside for new and innovative programs.

I thank you for the opportunity to share my thoughts and recommendations.

Sincerely,



Jon P. Jennings
City Manager

INTERIM HOUSING REPORT

Update of Housing Data and Policy Implementations

2020



October 2020

Victoria Volent

HOUSING AND COMMUNITY DEVELOPMENT, HOUSING & ECONOMIC DEVELOPMENT DIVISION



**2020 Interim Update of Housing Data and Policy Implementations
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The Interim Housing Report has been prepared by the Housing and Community Development Division, Housing and Economic Development Department at the request of the City Council's Housing Committee. This report is designed to provide an overview of housing activity, actions, and accomplishments the City has adopted to address the issues of housing availability and affordability as well as policies and initiatives related to housing safety, registration and inspections.

2020 HOUSING DEVELOPMENT ACHIEVEMENTS

- **271 approved housing units year to date**
- **536 housing units under review**
- **Disposition of 3 City-owned properties for the potential development of 150 new housing units**
- **100 units approved for renovation**
- **171 rental units in the pipeline**
- **221 units of subsidized rental housing (funded in 2018) to be completed and leased-up during December to February 2021**

When it comes to creating housing- affordable and market rate units- Portland is achieving results beyond the goals established in the Comprehensive Plan. In response to the demand for housing, Portland continues to implement innovative approaches to leverage scarce resources towards housing creation. The production goal is 2,557 housing units over the next ten years, or 256 units per year. As of September, the Planning Board had already approved 271 housing units of which 146 units would be for low-income households. Six other projects currently under review would create an additional 536 units of housing. The disposition of city-owned property that is suitable for housing development has attracted bids that would create approximately 150 new units of market rate and affordable rental, homeownership and cooperative housing. The developer of city-owned property sold in 2018 has requested a change in the project from commercial to 171 residential units. And a much needed renovation of 100 affordable units will help preserve affordable homes for seniors and persons with disabilities. These projects, currently in the pipeline, total 957 units or 37% of the ten-year total housing production goal. By February of 2021, 221 units of rental housing (funded in 2018) is expected to be completed and leased-up.

2020 PLANNING BOARD APPROVALS

- 271 Approved Housing Units
- 233 Rental Units
- 9 Inclusionary Zoning Units
- 176 Affordable Units

The Planning Board has approved 271 rental and condo units, year to date, including 30 units affordable to median income renters and owners, and 146 units affordable to low-income households.

Address	Type	# of Residential Units Approved	# of Units Rental	# of Units Owner	# of Units Created by Residential IZ units	IZ Contribution	Total # of Affordable units	Market Rate Units
58 Fore Street	Rental	14	14		2	\$0	2	12
5-7 India Street	Rental	24	24		3	\$0	3	21
6 White Birch Lane	Rental	3	3		0	\$0	0	3
104 Grant Street	Condo	23	0	23	3	\$0	23	0
77 Lambert Street	Condo	6	0	6	0	\$0	0	6
844 Stevens Avenue	Rental	16	16		0	\$217,572	0	16
148 Newbury Street	Condo	3		3	0	\$0	0	3
83 Middle Street	Rental	50	50		na	\$0	50	0
200 Valley Street	Rental	60	60		na	\$0	48	12
128 North Street	Rental/Condo	12	6	6	1	\$21,757	2	10
337 Cumberland Avenue	Rental	60	60		na	\$0	48	12
Totals		271	233	38	9	\$239,329	176	95
IZ= Inclusionary Zoning								



INCLUSIONARY ZONING

During 2020, the Planning Board:

- Approved 4 Inclusionary Zoning projects (that were not subsidized)
- Approved 9 on-site workforce units
- Approved \$239,329 in fee-in-lieu payments for the Housing Trust fund

Address	Status	# of Units	Type	Workforce Units	On-Site	Off-Site	Fee-in-lieu
169 Newbury St (Luminato)	Completed	26	Condo	2	0	2	\$0
62 India Street (Mason Block)	Completed	29	Condo	0	0	0	\$276,500
443 Congress St	Completed	28	Rental	0	0	0	\$280,000
20 Thames St (Twenty Thames)	Completed	27	Condo	0	0	0	\$270,000
1 Joy Place (Onejoy)	Completed	12	Condo	1	1	0	\$0
60 Parris St (Parris Terraces)	Completed	23	Condo	2	2	0	\$0
70 Anderson St	Completed	10	Rental	1	1	0	\$0
132 Marginal Way	Completed	192	Rental	23	23	0	\$0
86 Newbury Street (Shipyards)	Completed	10	Rental	1	1	0	\$0
1700 Westbrook St (Stroudwater)	Building permit issued	123	SF/Townhouse	12	12	0	\$0
383 Commercial (Hobson's Landing)	Building permit issued	89	Condo	8	0	8	\$0
56 Hampshire St (Verdante)	Building permit issued	30	Rental	1	0	1	\$209,398
50 Monument Square	Building permit issued	21	Rental	0	0	0	\$222,789
40 Free Street	Building permit issued	51	Rental	5	5	0	\$10,609
10 Hammond Street	Building permit issued	16	Condo	0	0	0	\$169,744
75 Chestnut St (Lofts 75)	2016 Approval extended	52	Rental	0	0	0	\$565,687
153-165 Sheridan St (Sumner Hgts)	2017 Approval extended	19	Condo	1	1	0	\$0
218-220 Washington St	Approved (2017)	45	Condo	0	0	0	\$416,250
22 Hope Ave Subdivision (Brandy Ln)	Approved (2018)	16	SF Home	1	1	0	\$0
300 Allen Avenue	Approved (2018)	12	Condo	1	1	0	\$10,609
57 St. Lawrence Street (MHNCD)	Approved (2019)	15/1	Rental/SF	2	2	0	\$63,456
130 Morning Street (MHNCD)	Approved (2019)	9	Condo	1	1	0	\$0
58 Fore Street	Approved (2020)	14	Rental	2	2	0	\$0
104 Grant Street (Goodwin)	Approved (2020)	23	Condo	3	3	0	\$0
5-7 India Street	Approved (2020)	24	Rental	3	3	0	\$0
844 Stevenes Ave.	Approved (2020)	20	Rental	0	0	0	\$217,572
128 North St (MHNCD/IZ)	Approved (2020)	6/6	Condo/Rental	2	2	0	\$21,757
Totals		926		72	61	11	\$2,734,371
MHNCD= Munjoy Hill Neighborhood Conservation District Overlay							

A development of ten or more units of housing in the City requires the project to provide either on-site or off-site workforce housing units, or make a payment to the City's Housing Trust Fund. Since passage of the Ensure Workforce Housing Ordinance in 2015, there have been 24 projects reviewed under the Inclusionary Zoning requirements, 1 project reviewed under the Munjoy Hill Neighborhood Conservation District Overlay Ordinance, and 2 under both. The projects have chosen a number of creative approaches towards meeting the Ordinance, which is designed to provide flexibility in how to produce workforce housing.

HOTEL INCLUSIONARY ZONING

- 121 Middle Street, fee-in-lieu of \$72,314
- 1 Center Street (Canopy by Hilton), fee-in-lieu of \$513,810
- 754 Congress Street (Longfellow Hotel), fee-in-lieu of \$178,882

In 2019, Portland amended Chapter 14 of the Land Use Code to require new hotel projects with 10 or more hotel rooms within any 5-year period, to provide low-income housing for rent on-site, or pay a fee-in-lieu to support affordable housing in the City. Based on City analysis, most specifically the analysis documented in the Greater Portland Council of Government study “Proposed Hotel Linkage Fee: Supportable Range” finds that new hospitality development creates a need for new affordable housing. This need is the result of the fact that hospitality developments necessarily create a number of jobs that do not pay employees at a rate sufficient to allow those employees to afford market-rate housing in the City.

HOTEL INCLUSIONARY ZONING DEVELOPMENT PROJECTS			
April 2019 - October 2020			
Address	Status	# of guest rooms	fee-in-lieu
121 Middle Street (3rd floor)	Completed	11	\$ 41,866
121 Middle Street (2nd floor)	Building permit issued	8	\$ 30,448
1 Center Street (Canopy by Hilton)	Building permit issued	135	\$ 513,810
754 Congress Street (Longfellow Hotel)	Building permit issued	47	\$ 178,882
Totals			\$ 765,006

As of October 2020



1 Center Street



754 Congress Street

SUBSIDIZED HOUSING DEVELOPMENT

- The City has leveraged \$17,143,911 in federal and local funding, and invested \$37,144,129 in newly created tax revenue from the increase in the property value of 15 affordable housing development districts to subsidize the creation of 1,600 units of affordable housing since 2000. 178 Kennebec Street, 58 Boyd Street, 977 Brighton Avenue, and Deering Place are expected to be completed and leased up by January 2021.

Subsidized Housing Development in Portland Since 2000								
Owner/Project	Appropriation Date	Units	HOME	HDF	CDBG	HTF	TIF	NSP
Unity at Bayside	2000	33	\$ 86,500	\$ -	\$ 363,863	\$ -	\$ -	\$ -
Island View Apartments	2001	70	\$ 71,015	\$ 192,639	\$ 136,346	\$ -	\$ -	\$ -
St. Dominic's Family Housing	2002	12	\$ -	\$ 436,500	\$ -	\$ -	\$ -	\$ -
Brannigan House	2002	10	\$ 93,000	\$ -	\$ -	\$ -	\$ -	\$ -
Wellesley Estates	2002	45	\$ -	\$ 256,000	\$ -	\$ -	\$ -	\$ -
Yale Court	2002	30	\$ 150,000	\$ 200,000	\$ -	\$ -	\$ -	\$ -
Fay Garman Senior Housing	2003	12	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ -
Logan Place	2003	30	\$ 435,000	\$ -	\$ -	\$ -	\$ -	\$ -
Peninsula Community I	2003	12	\$ 300,000	\$ -	\$ -	\$ -	\$ -	\$ -
Peninsula Community II	2004	16	\$ 307,700	\$ -	\$ -	\$ -	\$ -	\$ -
Peninsula Community III	2004	10	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ -
IRIS Park Apartments	2004	31	\$ -	\$ 250,000	\$ -	\$ -	\$ -	\$ -
Walker Terrace	2004	40	\$ 382,000	\$ 220,000	\$ -	\$ -	\$ -	\$ -
Fore River	2005	20	\$ 388,474	\$ -	\$ -	\$ -	\$ -	\$ -
Valley Apts. (Shalom House)	2005	24	\$ 320,000	\$ -	\$ -	\$ -	\$ -	\$ -
Pearl Place I Apartments	2005	60	\$ 427,000	\$ -	\$ -	\$ -	\$ 615,502	\$ -
Bayside East	2006	20	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ -
53 Danforth Street	2008	43	\$ 325,000	\$ -	\$ -	\$ -	\$ -	\$ -
Florence House	2008	25	\$ 240,000	\$ -	\$ -	\$ -	\$ -	\$ -
Oak Street Lofts	2011	37	\$ -	\$ -	\$ -	\$ 380,585	\$ -	\$ -
Pearl Place II Apartments	2011	54	\$ 400,000	\$ -	\$ -	\$ -	\$ -	\$ -
Elm Terrace	2011	38	\$ 403,795	\$ -	\$ -	\$ -	\$ -	\$ -
409 Cumberland	2012/2013	57	\$ 500,000	\$ -	\$ -	\$ -	\$ 759,392	\$ -
Adams School	2013	16	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,710,000
Bayside Anchor	2013	45	\$ 500,000	\$ -	\$ -	\$ -	\$ -	\$ -
Thomas Heights (134 Washington)	2013/2014	18	\$ 522,448	\$ -	\$ -	\$ -	\$ 207,116	\$ -
17 Carleton Street Apts.	2015	37	\$ -	\$ -	\$ -	\$ -	\$ 726,000	\$ -
Rosa True School	2015	10	\$ 149,500	\$ -	\$ -	\$ -	\$ -	\$ -
Motherhouse	2017	88	\$ 627,223	\$ -	\$ -	\$ -	\$ -	\$ -
65 Munjoy	2017	8	\$ -	\$ -	\$ -	\$ 175,000	\$ -	\$ -
58 Boyd Street	2018	55	\$ 200,000	\$ -	\$ 30,000	\$ -	\$ 2,144,566	\$ -
977 Brighton Avenue	2018	40	\$ -	\$ -	\$ -	\$ 300,000	\$ 1,954,486	\$ -
Deering Place (510 Cumberland)	2018	75	\$ 500,000	\$ -	\$ -	\$ -	\$ 4,185,757	\$ -
37 Front Street	2018	111	\$ 510,174	\$ -	\$ 250,000	\$ 925,000	\$ 6,056,916	\$ -
178 Kennebec Street	2018	51	\$ 370,000	\$ -	\$ -	\$ -	\$ 2,889,164	\$ -
83 Midde Street	2019	44	\$ 193,266	\$ -	\$ 200,000	\$ 136,734	\$ 1,559,287	\$ -
66 State Street	2019	30	\$ 299,999	\$ -	\$ -	\$ -	\$ 2,672,169	\$ -
200 Valley Avenue	2020	60	\$ 97,545	\$ -	\$ -	\$ 497,455	\$ 4,092,269	\$ -
337 Cumberland Avenue	2020	60	\$ -	\$ -	\$ -	\$ 500,000	\$ 2,722,057	\$ -
577 Washington Avenue	2020	100	\$ 400,000	\$ -	\$ 184,150	\$ -	\$ 3,809,991	\$ -
104 Grant Street	2020	23	\$ -	\$ -	\$ -	\$ -	\$ 2,749,457	\$ -
Total		1,600	\$9,799,639	\$1,555,139	\$ 1,164,359	\$2,914,774	\$37,144,129	\$1,710,000
Total local and federal funding		\$17,143,911						
Total newly created tax rev to dev.		\$37,144,129						
Avg. City Contribution/Unit		\$10,714.94						

RESOURCES

FEDERAL SOURCES OF REVENUE

The U. S. Department of Housing and Urban Development’s (HUD) mission is to “create strong, sustainable, inclusive communities and quality affordable homes for all.” To fund this mission, HUD allocates money directly to state and local governments for community planning and development projects through a variety of programs such as HOME Investment Partnership Program (HOME), Community Development Block Grants (CDBG), and Housing Development Services (HDF).

HOME and CDBG FUNDING

- \$497,545 HOME Funds Allocated for Fiscal Year 2020-2021
- 2 Affordable Housing Projects
- 60 New Rental Units
- 100 Rehabilitated Units

HOME and CDBG FUNDED HOUSING DEVELOPMENT

- **200 Valley Avenue:** Avesta Housing Development Corporation
 - \$97,545 HOME Funds;
 - 497,455 Housing Trust Funds;
 - \$4,092,269 Affordable Housing Tax Increment Financing (TIF)
 - 60 new units of rental housing;
 - 15 efficiency units, 38 one-bedroom units, 9 two-bedroom units and 13 three-bedroom units;
 - 36 units will be affordable to households earning at or below 50% Area Median Income (AMI), 12 units will be affordable to households earning at or below 60% AMI, and 12 units will be at market rates.

Portland’s Plan 2030

“While Portland has welcomed much needed new housing construction in recent years, both the lack of sufficient housing supply and the affordability of that housing for a healthy socioeconomic cross-section of the population remain critical challenges.”



200 Valley Avenue

- **577 Washington Avenue (Washington Gardens):** Portland Housing Development Corp.
 - \$400,000 HOME Funds;
 - \$184,150 CDBG Funds;
 - \$3,809,991 Affordable Housing Tax Increment Financing (TIF)
 - Affordable Housing TIF returning an average of \$96,305 annually to the developer over 30 years;
 - 100 units of senior rental housing (60% affordable at or below 50% AMI and 40% at or below 60% AMI).



577 Washington Avenue

CUMBERLAND COUNTY HOME CONSORTIUM

- 516 housing units proposed, rehabilitated or created from July 2009 to September 2020
- 490 low and moderate income units
- \$2,179,887 invested over eleven years

Portland has been a participating jurisdiction in the U.S. Department of Housing and Urban Development (HUD) HOME Program since 1992. The City of Portland/Cumberland County HOME Consortium was established in 2009 to bring federal funding to communities within Cumberland County to encourage member communities to contribute towards the rehabilitation and development of decent, safe, affordable housing in Cumberland County. Portland is the lead entity of the consortium meaning the City receives 100% of the administrative funds allowed under the HOME 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.

CUMBERLAND COUNTY HOME CONSORTIUM FUNDING 2009 - 2020

Owner/Project	Community	Project	Appropriation Date	Low/Mod Units	Total Units	HOME	# Eff	# 1-Bed	# 2-Bed	#3-Bed
Oak Leaf 2	Freeport	3 new mobile homes	2011	3	3	\$ 118,994	0	20	5	0
Sandy Creek	Bridgton	Rehabilitation	2013	20	20	\$ 125,000	0	3	7	10
Steeple Square	Westbrook	Rehabilitation	2014	73	73	\$ 173,650	0	23	15	35
Bartlett Woods	Yarmouth	New Construction	2015	28	28	\$ 122,236	0	22	6	0
Blackstone Apartments	Falmouth	19 New (39 total)	2016	19	19	\$ 123,125	0	33	6	0
Larrabee Commons	Westbrook	New Construction	2017	38	38	\$ 220,000	0	38	0	0
Riverview Terrace/Larrabee Woods	Westbrook	Rehabilitation	2017	83	83	\$ 240,000	26	53	4	0
West End Phase I	South Portland	New Construction	2018	50	64	\$ 246,046	22	16	16	10
Harnois Apartments	Westbrook	New Construction	2018	61	61	\$ 100,000	0	61	0	0
West End Phase II	South Portland	New Construction	2019	40	52	\$ 423,225	16	16	12	8
15 Harrison Road	Bridgton	New Construction	2020	48	48	\$ 155,000	0	48	0	0
16 Hancock Street	Gray	New Construction	2020	27	27	\$ 132,611	0	27	0	0
County Sub Totals				490	516	\$2,179,887	64	360	71	63
Total County Investment	\$2,179,887									
Avg. County Contribution/Unit	\$4,224.59									



15 Harrison Road, Bridgton



16 Hancock Street, Gray

HOME FUNDING RIPPLE EFFECT

HOME funds fill a gap and make projects more financially viable. According to the report *A Place to Call HOME*, HOME funding is not only “critical to helping address the lack of affordable housing in the area, but it helped spur widespread economic activity”.

For example, the 57 unit, Avesta Housing project at 409 Cumberland (completed in 2015) set aside 46 units for low-income families earning less than 60% AMI and serves residents who were previously homeless. “Avesta used \$500,000 in HOME funds... employed 373 construction workers – 99% of whom were Maine residents- paying \$1.72 million in construction wages and \$3.8 million in building materials. Additionally, the City of Portland received \$14,271 in development-related fees ... and annual property taxes increased from \$6,106 to \$36,848 after construction”.

Community Housing of Maine (CHOM) transformed the former Children’s Hospital at 68 High Street into 38 units of low-income housing. Elm Terrace received \$403,795 in HOME funding and created 399 construction jobs. “The \$10.6 million project opened in 2013 and is “credited with helping to reduce the number of chronically homeless women in Portland’s homeless shelters, resulting in significant savings for the City”.

The City anticipates projects allocated HOME funding this fiscal year to have a similar impact in the community.



Elm Terrace- 68 High Street

LEAD HAZARD REDUCTION GRANT

- 450 housing units have been made lead-safe in Greater Portland since 1995.

The City of Portland has committed to eliminating lead poisoning in children since 1995 when it received its first HUD Lead Hazard Reduction Grant. The control and elimination of lead-based paint remains a critical focus of the City of Portland in the Housing and Community Development Division and over the years, 450 units have been made lead-safe in Greater Portland. Within the Lead Hazard Reduction Grant program, Portland has effectively and successfully addressed lead hazards that are prevalent in the City's older housing stock.



The 2020-2023 Lead Hazard Reduction grant from HUD will complete lead hazard control work in 100 units throughout Cumberland County. To date, lead hazard remediation work has been completed in only two units due to the COVID-19 related suspension of the program in spring and summer. The program has enrolled 36 additional units, with completion of abatement activities expected by the end of 2020. A Healthy Homes inspection is also performed by program staff on all qualifying units, enabling the program to address code violations and health and safety issues separate from the lead hazards.

LOCAL SOURCES OF REVENUE

HOUSING TRUST FUND

- \$997,455 Housing Trust funds allocated for fiscal year 2020-2021
- 2 Affordable Housing Projects
- 120 New Rental Units (includes 200 Valley Avenue - see HOME and CDBG Funded Housing Development)

HOUSING TRUST FUND DEVELOPMENT PROJECTS

- **337 Cumberland Avenue:** Portland Housing Authority Development
 - \$500,000 Housing Trust Funds;
 - 60 new units of rental housing;
 - 36 units will be affordable to households earning at or below 50% of the Area Median Income (AMI), 12 units will be affordable to household earning at or below 60% AMI, and 12 units will at market rate.



337 Cumberland Avenue

- **200 Valley Avenue:** Avesta Housing Development Corporation (see HOME and CDBG Funded Housing Development)
 - \$97,545 HOME Funds;
 - 497,455 Housing Trust Funds;
 - 60 new units of rental housing;

HOUSING TRUST FUND SOURCES AND USES

- The Housing Committee recommended and the Council appropriated \$997,455 from the Housing Trust fund in 2020.
- Housing Trust funding for 2020 supplements funding towards two projects creating 120 units of rental housing.
- \$285,863.43 was deposited into the Housing Trust Fund in 2020.

The Housing Trust fund was established to promote, retain; and create an adequate supply of housing, particularly affordable housing, for very-low, low, and median-income households, and to limit the net loss of housing units in the City.

During 2020, deposits into the fund were contributed from short term rental penalty fees (\$7,700), a transfer from the short-term rental registration program (\$122,694.50) and the appropriation of \$163,168.93 from the sale of city-owned property at 99 Capisic Street. Expenditures for 2020 included \$497,455 to leverage the creation by Avesta of 60 rental units at 200 Valley Street, \$500,000 towards 60 units of housing for Portland Housing Authority’s 337 Cumberland Avenue project, and \$1,000 payout from the Affordable Rental Housing Incentive Program. This program provides a one-time \$1,000 incentive payment to any current holder of a non-owner-occupied short term rental registration who 1) gives up that registration; 2) registers the unit as a long term rental; and 3) enters into a one-year lease agreement with a tenant who will receive Section 8 or GA funds for that unit. The Council approved this program as part of their response to COVID-19. The Housing Trust Fund has a balance of \$698,939.63 as of October 1, 2020.

Sources and Uses of Housing Trust Funds

YEAR	DEPOSITS	YEAR	EXPENDITURES
2002/03	Maine Medical Center HRO	2011	Avesta Oak Street Lofts
	\$ 315,580.00		\$ (380,585)
2002	Sportsman's Grill HRO	2014	Housing First Pre-Development RFP
	\$ 40,000.00		\$ (75,000)
2009	Berlin City Auto HRO	2015	65 Hanover & 52 Alder Sts Feasibility Study
	\$ 116,000.00		\$ (9,250)
2010	Stop n Shop HRO 2010	2017	65 Munjoy Street
	\$ 289,250.00		\$ (175,000)
2012	Rockbridge/Eastland Park HRO	2019	60 Parris Terr. Downpayment Assistance
	\$ 42,500.00		\$ (24,000)
2012	Riverwalk/Ocean Gateway HRO	2018	37 Front Street (not yet spent)
	\$ 250,000.00		\$ (925,000)
2012	118 Congress LLC Easement	2018	977 Brighton Avenue
	\$ 3,500.00		\$ (300,000)
2017	91 & 97 Belfort Street (sale of TAP)	2019	83 Middle Street (not yet spent)
	\$ 86,423.99		\$ (136,734)
2017	116 Upper A Street (sale of TAP)	2019	18 Luther Street (not yet spent)
	\$ 78,526.74		\$ (36,000)
2017	443 Congress Street IZ	2020	200 Valley Avenue (not yet spent)
	\$ 280,000.00		\$ (497,455)
2018	62 India Street IZ	2020	337 Cumberland Avenue (not yet spent)
	\$ 276,500.00		\$ (500,000)
2018	Short Term Rental Fee transfer	2020	Affordable Rental Housing Incentive
	\$ 33,138.80		\$ (1,000)
2018	0 Thames Street (WEX) sale		Total Expenditures
	\$ 1,000,000.00		\$ (3,060,024)
2019	20 Thames Street IZ & Easement		
	\$ 270,000.00		
2019	20 Thames Street (for balcony overhang)		
	\$ 7,500.00		
2019	Short Term Rental Penalties		
	\$ 15,200.00		
2019	Short Term Rental Fee transfer		
	\$ 176,118.00		
2019	56 Hampshire Street Easement fee		
	\$ 12,123.00		
2019	17 Sumac Street (sale of TAP)		
	\$ 79,617.86		
2019	121 Middle Street (HOTEL IZ)		
	\$ 41,866.00		
2020	99 Capisic Street (sale of TAP)		
	\$ 163,168.93		
2020	Short Term Rental Penalties		
	\$ 7,700.00		
2020	Short Term Rental Fee transfer		
	\$ 122,694.50		
	Previous INTEREST EARNED		
	\$ 51,555.81		
	Total Deposits		
	\$ 3,758,963.63	BALANCE	\$ 698,939.63

HRO - Housing Replacement Ordinance; IZ = Inclusionary Zoning Fee-in-lieu; TAP = Tax Acquired Property as of 10-1-2020

AFFORDABLE HOUSING TAX INCREMENT FINANCING (TIF)

Tax Increment Financing (TIF) is a financing tool that allows municipalities to pay for major improvements projects and affordable housing developments without raising taxes or relying on ever-scarcer federal subsidies. Affordable housing benefits the community and but for this funding assistance, developers would not pursue these projects due to financial unfeasibility. 33% of the units in the development must be designated as affordable units, which significantly reduces revenue against the backdrop of all-time high construction costs.

Funding revenue is generated from the new assessed value of a development and the new, higher property taxes resulting from the increase in assessed value. Six affordable housing TIFs, approved during 2020, will provide affordable rental and homeownership housing for years to come.

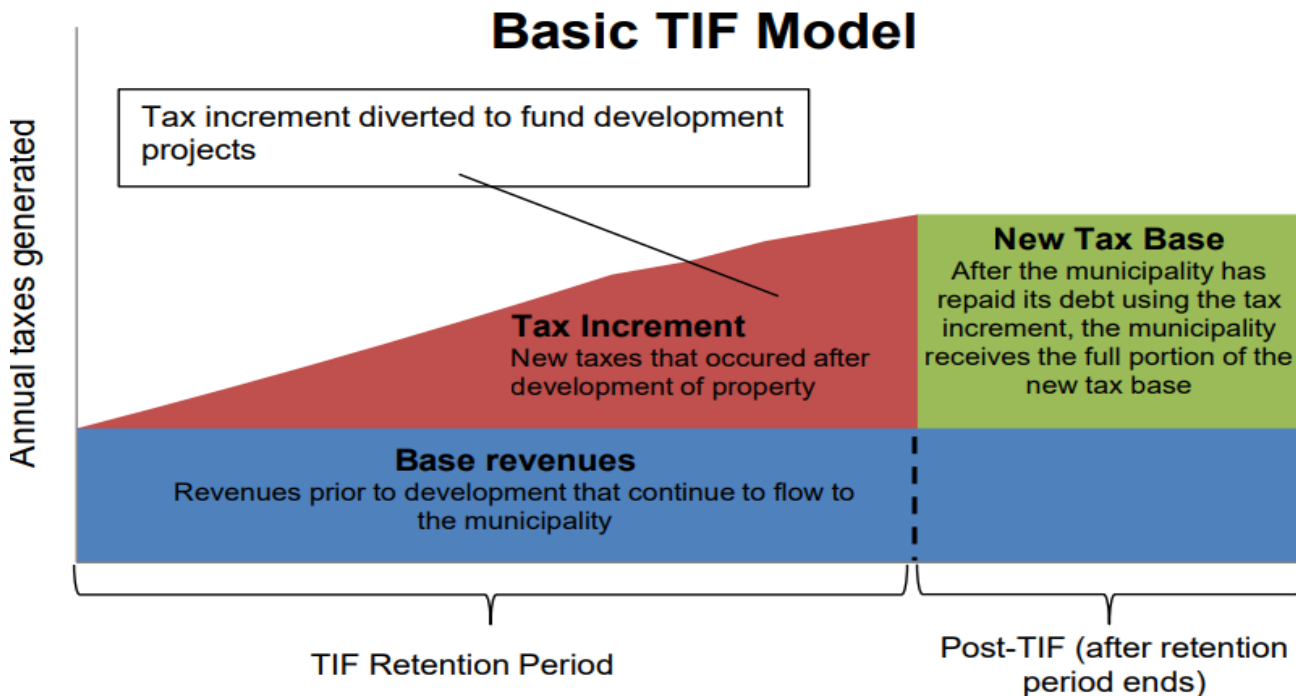
To better understand the benefits of a TIF to the City and the developer, the following is a closer look at the TIF assisted project located at 104 Grant Street.

104 Grant Street (The Goodwin): Renewal Housing Associates

- 23 new units of home ownership housing;
- 1 efficiency unit, 22 one-bedroom unit,;
- 12 units will be affordable at or below 120% AMI and 11 units will be at market rates.

104 Grant Street is currently a vacant, single-story commercial building constructed in 1923. The property has an assessed value of \$419,600. When completed, the new four-story, 23 unit condominium project’s assessed value is estimated to be \$4.419 million, which would yield \$3.99 million in increased annual assessed property value (\$4.419 million - \$419,600 = \$3.99 million).

75% of the taxes on the increased annual assessed value would be returned to the developer to cover the costs associated with creating the new building while 25% of the new taxes on the increased annual assessed value would be deposited into the City’s General Fund. After thirty years, the TIF will expire and the City General Fund will receive 100% of the new property taxes.



Additionally, communities using AHTIF avoid the loss in state revenue sharing and state education subsidy that occurs when the City’s taxable assessment increases, and communities avoid the increases in county taxes that otherwise would occur with increased property values. The revenue shift benefitting the city is a total of \$755,135 over thirty years.

If this project were a typical market rate rental project with 1 efficiency unit (at \$1,500 per month) and 22 one-bedroom units (at \$1,700 per month), the assessed value at post-revaluation would be \$3,603,100 (or \$815,900 less than the post-revaluation assessment of the 104 Grant affordable condo project). A lower assessed value equates to less property tax revenue for the City. More importantly than lost tax revenue is the loss of 12 hard-to-find, new affordable homeownership units for first-time buyers and middle-income Portland residents.

The average sale price of a condo on the Portland peninsula is \$440,000 (the median is \$358,000) - which is unaffordable to the middle-income 1 and 2 person households that earn between \$65,000 and \$90,000. With the TIF, 104 Grant Street is able to offer a unit for sale at \$223,000 and another at \$260,000 (and 10 other lower priced units). TIFs also require the preservation of long-term affordability through deed restrictions, meaning the next generation of buyers will also be able to purchase an affordable condo unit on the peninsula.



104 Grant Street- The Goodwin

2020 INCOME AND RENTAL DATA

2020 INCOME LIMITS- PORTLAND HUD METRO AREA

- HUD describes households in the 30% AMI bracket as extremely low-income
- 80% AMI households are described as low-income households
- 100% AMI represents Portland’s Workforce Housing rental households
- 120% AMI represents Portland’s Workforce Housing home ownership households

Maximum Income Levels

AMI	Household Size					
	1	2	3	4	5	6
30%	\$ 21,100	\$ 24,100	\$ 27,100	\$ 30,100	\$ 32,550	\$ 35,160
50%	\$ 35,150	\$ 40,150	\$ 45,150	\$ 50,150	\$ 54,200	\$ 58,200
60%	\$ 42,378	\$ 48,422	\$ 54,486	\$ 60,540	\$ 65,383	\$ 70,226
80%	\$ 42,150	\$ 48,150	\$ 54,200	\$ 60,180	\$ 65,000	\$ 69,850
100%	\$ 70,630	\$ 80,720	\$ 90,810	\$ 100,900	\$ 108,972	\$ 117,044
110%	\$ 77,693	\$ 88,792	\$ 99,891	\$ 110,990	\$ 119,870	\$ 128,748
120%	\$ 84,756	\$ 96,864	\$ 108,972	\$ 121,080	\$ 130,767	\$ 140,453

Source: HUD, 2020 Income limits – Portland HUD Metro FMR Area

The U.S. Department of Housing and Urban Development (HUD) computes income limits for Portland based on local Area Median Income (AMI). At least 11 HUD programs and 14 other federal programs use some variation of HUD’s income limits. Portland applies HUD’s income limits to determine and monitor household eligibility with the City’s Inclusionary Zoning and Low-Income Housing programs, and for residential housing federally funded through HOME and Community Development Block Grants (CDBG).

MAXIMUM MONTHLY RENT – PORTLAND HUD METRO AREA

- HUD’s measure of housing affordability is spending 30% or less of gross monthly income towards housing expenses.
- An affordable two-bedroom rental unit for a Workforce household of two to four people is \$2,018.

AMI	Bedroom Count					
	1	2	3	4	5	6
30%	\$ 527.50	\$ 602.50	\$ 677.50	\$ 752.50	\$ 813.75	\$ 879.00
50%	\$ 878.75	\$ 1,003.75	\$ 1,128.75	\$ 1,253.75	\$ 1,355.00	\$ 1,455.00
60%	\$ 1,059.45	\$ 1,210.55	\$ 1,362.15	\$ 1,513.50	\$ 1,634.58	\$ 1,755.65
80%	\$ 1,373.75	\$ 1,570.00	\$ 1,766.25	\$ 1,962.50	\$ 2,120.00	\$ 2,277.50
100%	\$ 1,765.75	\$ 2,018.00	\$ 2,270.25	\$ 2,522.50	\$ 2,724.30	\$ 2,926.10
120%	\$ 2,118.90	\$ 2,421.60	\$ 2,724.30	\$ 3,027.00	\$ 3,269.18	\$ 3,511.33

Source HUD 2020 Income limits – Portland HUD Metro FMR Area

Affordable housing means different things to different people depending upon income level. To be considerable affordable, rent and utilities in an apartment or the monthly mortgage payment and housing expenses for a homeowner should be less than 30% of a household's gross monthly income.

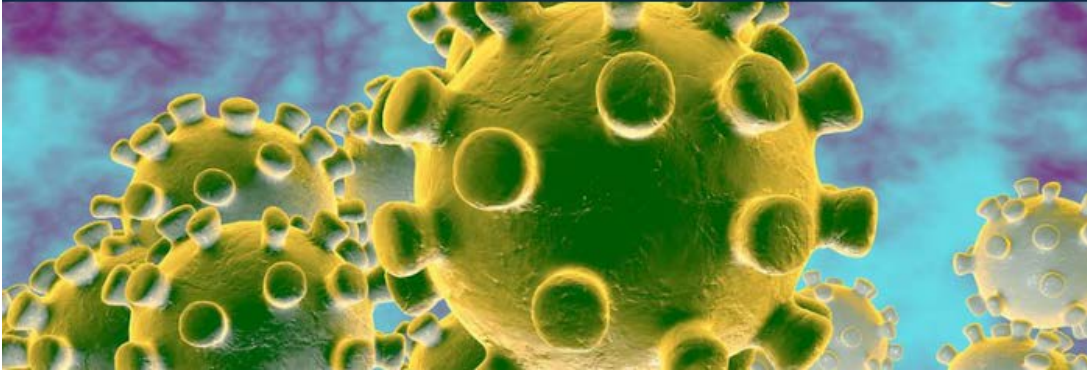
The chart above presents the maximum affordable housing expenses (rent plus utilities) broken down by household size and income levels.





CITY OF PORTLAND COVID-19 UPDATES

WWW.PORTLANDMAINE.GOV/COVID19



COVID -19: HOUSING INITIATIVES

- **\$1,024,669 available for rent assistance**
- **Temporary Halt in Evictions**
- **Non-foreclosure of Federally backed Mortgages**

\$500,000 AVAILABLE FOR RENT ASSISTANCE

In response to the receipt of supplemental Community Development Block Grant funding made available through the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the City of Portland provided up to three months of rent and up to \$250 in utility assistance to alleviate the housing burden for low-income households that lost their employment income as the result of the COVID-19 pandemic. The program was designed to alleviate financial pressure on renter households and provide economic security to rental property owners.

Through CDBG-CV Round 1 funding, the City of Portland made available \$500,000 for this program. Initially, the program provided up to \$2,250 (\$750/month for 3 months) for rent assistance and a maximum of \$250 in utility expense assistance; the rental assistance amount was increased to \$1,000/month to align with the state-wide program administered by MaineHousing. Opportunity Alliance administered the rent and utility assistance program on behalf of the City.

Opportunity Alliance has received 547 applications as of the first week in October. 459 have been processed and forwarded for payment. 433 applications have been approved, 11 applications have been denied, 15 applications are pending and, 88 applications are in the queue to be reviewed and processed. \$398,038.04

(combined rental and utility assistance) has been paid out while \$41,517 is pending for review and processing. The remaining available balance from the Round 1 funding is \$60,390.96 (\$5,000 is set-aside for administrative costs to Opportunity Alliance)

In October, as a result of CARES Act funding made available through CDBG-CV Round 3, the City Council allocated an additional \$524,669 for this program. Before new applications may be accepted, approval (which is anticipated before the end of October) is required by the Department of Housing and Urban Development (HUD).

TEMPORARY HALT IN EVICTIONS

Effective September 4, 2020 the Center for Disease Control and Prevention (CDC) issued an Agency Order prohibiting residential landlords nationwide from evicting certain tenants through December 31, 2020.

This Order protects tenants who:

- are unable to pay their full rent due to a substantial loss of income, loss of compensate hours of work, or extraordinary out-of-pocket medical expenses,
- are making their best efforts to make timely partial payments of rent, and
- would be homeless, need to move into a homeless shelter, or have to move into a shared living setting if they were to be evicted.

In addition to the above requirements, one of the following financial criteria must apply. To qualify for protection, the tenant must:

- expect to earn no more than \$99,000 (individuals) or \$198,000 (filing joint tax return) in 2020, was not required to report any income to the IRS in 2019, or
- have received an Economic Impact Payment (stimulus check) pursuant to Section 2201 of the CARES Act.

At the end of this temporary halt on evictions on December 31, 2020, housing providers may require payment in full for all payments not made prior to and during the temporary halt. Failure to pay may make tenants subject to eviction pursuant to State and local laws. Tenants may also still be evicted for reasons other than not paying rent.

Tenants must complete a declaration under penalty of perjury that they meet the criteria above. The declaration was provided on the City's website

NON-FORECLOSURE OF FEDERALLY BACKED MORTGAGES

Tenants renting units in properties with federally backed mortgages could not be evicted or charged penalties for nonpayment of rent for a period of 120 days between March 27 and July 24, 2020. At the end of that period, landlords were able to start giving tenants 30 days' notice to vacate. However, a number of agencies that regulate federally backed mortgages, including the Federal Housing Finance Authority (FHFA) and Federal Housing Administration (FHA), extended their single-family moratoria on evictions until December 31, 2020.

Homeowners are also protected to a certain extent if they have a federally backed mortgage, which covers over two-thirds of residential mortgage loans across the US. Pursuant to the CARES Act, there

was a 60-day hold on foreclosures beginning March 18, 2020 for people who sustained losses as a result of COVID-19. These borrowers were also able to qualify for 180 days of forbearance, and request another 180 days of relief if needed. People who own multi-family properties have also been able to access forbearance for up to 90 days if they do not evict their tenants or charge them late fees for failure to pay rent. Similar to the single-family moratorium on evictions, agencies that regulate federally-backed mortgages, including the FHFA, FHA, and the Department of Veterans Affairs extended single-family moratoria on foreclosures until December 31.



HOUSING INITIATIVES AND IMPLEMENTATION TOOLS

CITY-OWNED PROPERTY

The City of Portland is committed to providing housing opportunities and has set a goal to evaluate the use of City-owned property on which to construct housing.

- Three city-owned parcels
- 122-142 new units of low and market rate units
- Rental, single-family, condominium, co-operative housing, accessory dwelling units
- 75% of units affordable to low and middle income households
- 100% Green Building Code compliant
- New tax revenue

The City of Portland is committed to providing housing opportunities and has set a goal to evaluate the use of City-owned property on which to construct housing. Developing city owned land provides the city with unique control over the timing, location, and affordability of housing development in Portland. It also has the added benefit of turning land with little or no tax liability into an income generating property for the City's tax rolls.

This year, the City issued three Requests for Proposals for the creation of affordable housing on surplus City-owned property. Five submission responses propose creating from 122 to 142 units of low and market rate housing within a range of housing types from rental to homeownership units within condominiums, co-operative housing, single-family homes, accessory dwelling units, and apartment buildings on three City-owned parcels.

More than 75% of the units would be affordable from 50% AMI to 120% AMI. 100% of the units would meet the City's Green Building Code. The city is reviewing an additional two lots (0 Gray Road, Falmouth and 622 Auburn Street) for future disposition for affordable housing development, and the developer who purchase the city-owned lot at 44/52 Hanover Street has requested to amend the development approval from commercial to 171 apartments with 17 moderately priced units.

21 Randall Street: Greater Portland Land Trust

- 13 units of homeownership housing
- Land owned by the Greater Portland Community Land Trust
- Deed restricted land lease to ensure long-term affordability
- 100% priced at or below 110% AMI; and
- 5 one-bedroom units, and 8 three-bedroom units.

165 Lambert Street: Maine Cooperative Development Partners

- Minimum of 20 units of cooperative housing
- 100% priced between 60% AMI to 100% AMI; and
- Minimum 20 three-bedroom/2 bath units.

44/52 Hanover Street:

- 171 units of rental housing
- 17 units deed restricted for affordability at 100% AMI and;
- 37 studio units, 97 one-bedroom units, 36 two-bedroom units,

43 & 91 Douglass Street

Development Team	Douglass Yards (Soley, Hebert & Avesta)			Douglass Commons (Szanton, Maine Cooperative Development Partners)		
	Type of Housing	Rental (Family)	Homeownership		Rental (Family)	Co-operative Housing
			Condominium	Single-Family Homes and Accessory Dwelling Units		
NUMBER OF UNITS						
Total	40	30	10/10	56	52	
Affordable Units (at or below 80% AMI)	40	0	0	40	31	
Workforce Housing Units (80% AMI to 120% AMI)	0	24	0	0	21	
Market Rate Units	0	6	10/10	16	0	
UNIT AFFORDABILITY/AMI %						
no. of units affordable to < 50% AMI	24	0	0	24	0	
no. of units affordable to < 60% AMI	16	0	0	16	14	
no. of units affordable to < 80% AMI	0	0	0	0	17	
no. of units affordable to < 100% AMI	0	0	0	0	21	
no. of units affordable to < 120% AMI	0	24	0	0	0	
Market Rate Units	0	6	10/10	16	0	
BEDROOM TYPE						
efficiency	7	0	10 ADU	0	0	
one-bedroom	13	24	0	29	18	
two-bedroom	12	6	0	17	12	
three-bedroom	8	0	10 SF	10	22	

The City Council is reviewing the Request for Proposal from two different developers for the City-owned parcel located at 43 & 91 Douglass Street. The above chart is a side-by-side comparison of the number and type of units, affordability mix and bedroom count. The City Council will conduct a workshop on November 5 to review and make a recommendation on which proposal to move forward.





DOUGLASS COMMONS CO-OP+

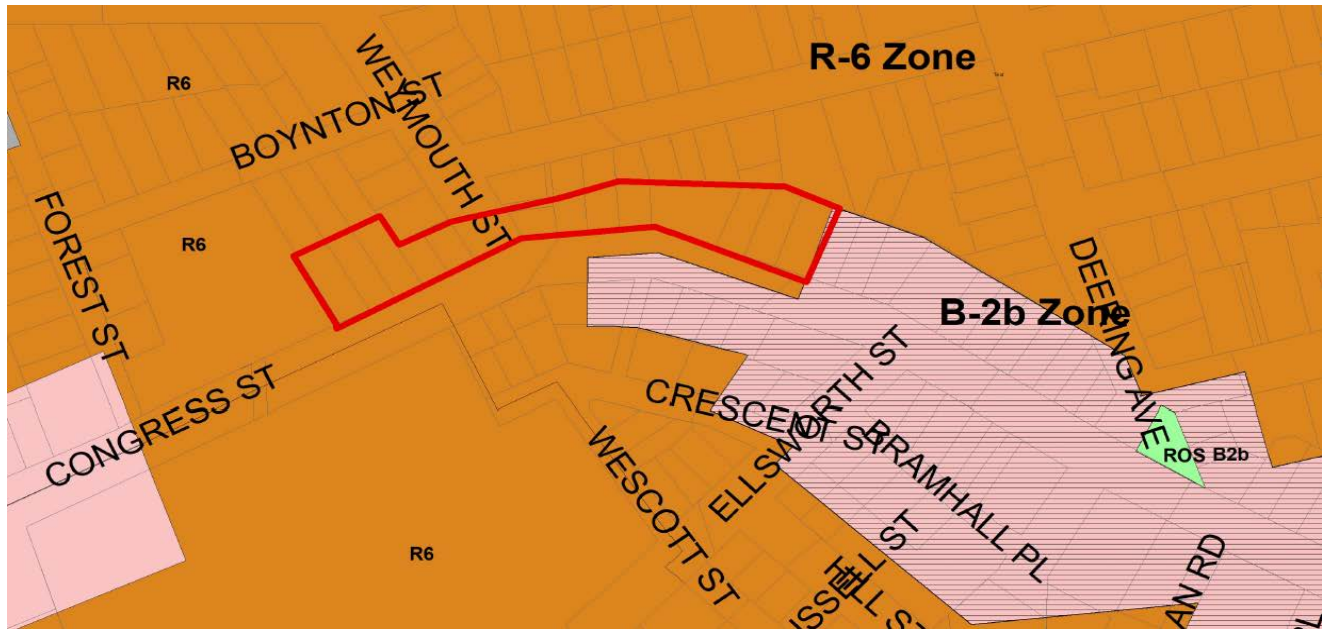


Douglass Yards

AMENDMENT TO ZONING MAP

- Encourage and promote affordable decent housing opportunities
- Remove housing barriers
- 879 Congress Street: proposed 27 rental units with ground floor commercial

The Planning Board recommend and the City Council approved amending the zoning map to establish consistency with the Comprehensive Plan to allow for greater residential density along a major transit corridor. Nine parcels within the R-6 zone on or near 879 Congress Street were rezoned to B-2b Community Business Zone. The B-2b zone has no lot coverage limits or required open space ratio, and the setbacks are considerable smaller than the R-6 zone. Additionally, the B-2b allows one dwelling unit for each 435 sf of lot area allowing a greater number of units than would be permitted in the R-6 zone. The B-2b also allows a slightly taller building then the R-6 as long as the first floor is occupied by a commercial use.



Location of map amendment



Proposed conceptual building

LICENSING AND HOUSING SAFETY DIVISION

In response to COVID-19 the Housing Safety Divisions did not perform any in person inspections during March, April and the end of May. These inspections were postponed and rescheduled. During that time, Inspectors conducted follow-ups that could be dealt with via email or through a phone call (such as issuing building permits, property registration, certifying alarm and sprinkler systems). Inspectors were able to assist landlords with Building Code and Fire Code issues, and assist landlords and tenants in regards to complaints or violations. See Click Fix Issues were responded to on a daily basis, as were disorderly houses, code violations, and land use violations.

Licensing and Housing Safety works closely with Community Policing on issues that are reported through dispatch or by Police Officers. Other close relationships are with Corporation Counsel concerning pending Court-Cases or Consent Agreements, and General Assistance in regards to inspections associated with housing placement.

SHORT-TERM RENTAL REGISTRATION

- No more than 400 non-owner occupied mainland short term rental units shall be registered in any one calendar year
- The city has 56 units on the wait list for non-owner occupied units.
- No individual or entity may register a short-term rental in any single family home unless it is owner-occupied; tenant occupied with permission of the owner; or located on an Island

The intent of short-term residential rental registration is to require the disclosure of the ownership of such property, to regulate the renting of property within the City to ensure housing units remain available for rent to those who reside or seek to reside within the City, and to ensure that residential areas are not unduly impacted by the operation of short term rentals.

Short Term Rentals by Applicant and Unit Totals

	TOTAL	ISLAND	NON OWNER OCCUPIED	OWNER OCCUPIED	TENANT OCCUPIED
Applicants	660	103	283	245	29
Units	793	104	400	260	29

Source: Permitting and Inspections as of 8-24-20

LONG TERM RENTAL REGISTRATION

- Portland has 4,243 registered long-term rental properties as of 8-24-20
- Portland has 17,533 registered long-term rental units as of 8-24-20

The intent of long-term residential rental registration is to require the disclosure of the ownership of real estate proprietorships, partnerships, and trust, and to regulate the renting of property within the City to ensure owners and persons responsible for the maintenance of property are more accessible and accountable with respect to the premises.

LONG TERM AND SHORT TERM RENTAL INSPECTIONS

- 1,808 Housing Safety rental inspections were conducted as of 8-24-20

In response to COVID-19, the Licensing and Housing Safety Division of the Permitting and Inspections Department began conducting virtual inspections for the months of March, April, and beginning of May. Inspectors Below is a breakdown of inspections for the last eight months.

TYPE	AMOUNT
Housing Safety (Long & Short Term Inspections)	292
Housing Safety (Long & Short Term Re-Inspections)	445
Illegal Unit Inspections	12
Illegal Unit Re-inspections	5
Complaints/Single Units/Infestations Inspections	724
Complaints/Single Units/Infestations Re-Inspections	330
Total	1,808

Source: Permitting and Inspections as of 8/24/2020

HOUSING SAFETY OUTREACH

- Monthly Housing Safety and Fire Code Compliance and Enforcement meetings (prior to COVID-19)
- Monthly Housing Safety meetings with Community Policing, the Neighborhood Prosecutor, Fire Prevention, and Public Works to address property issues (prior to COVID-19)
- One Housing Safety Inspector attends each Southern Maine Landlord Association meeting (prior to COVID-19)
- Reminder notices sent through SMLA email (re: rental registration/heat reminders/late fees/etc.)
- Licensing and Housing Safety Manager spoke at December meeting of SMLA

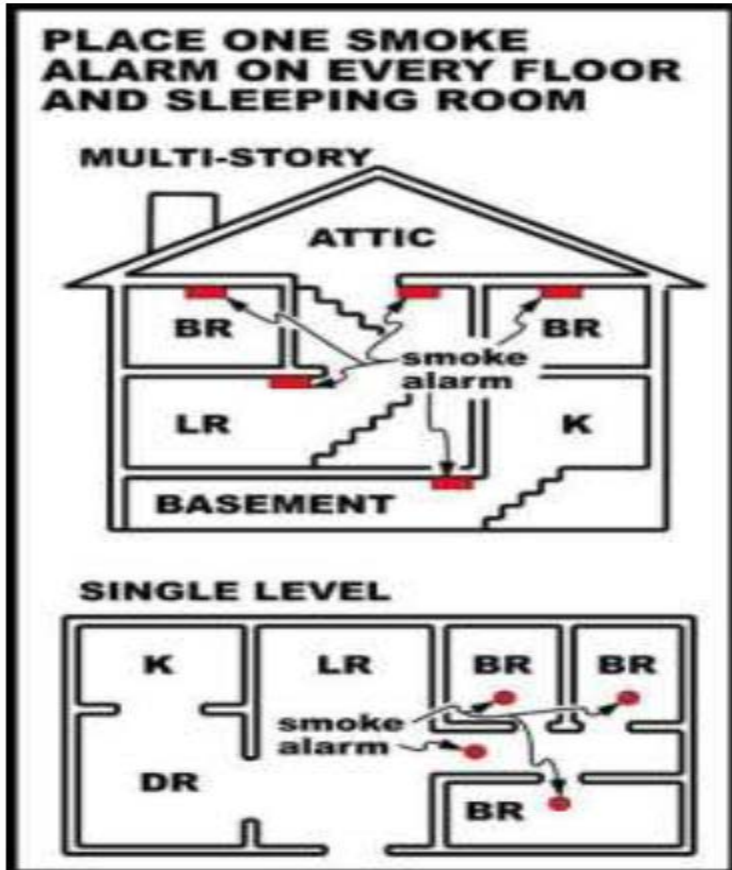
FIRE DEPARTMENT

FIRE PREVENTION ACTIVITIES AND INSPECTION PROGRAM

COVID-19 also affected the activity of the Fire Department resulting in the suspension of proactive life safety inspections. Efforts were focused on responding to the pandemic, maintaining staffing levels and reducing overtime and salary costs. The Fire Department was asked to reduce its FY21 budget significantly (-5.0%) from the previous fiscal year. As a result, some of the Department's programs were eliminated, one of them being the Fire Prevention Bureau / Community Outreach division.

Fire Prevention Bureau / Community Outreach Reduction Changes:

- In 2019, the Bureau (FPB) consisted of; 1 Division Chief, 2 Fire Captains, 1 Fire Alarm Technician and 1 Admin Support.
- Now, the current configuration is; 1 Captain and 1 Fire Alarm Technician. Please see attached organizational chart, the highlighted personnel are all that remain in that division. (Attachment A)
- The Fire Department will continue to conduct the following inspections
 - Certificate of Occupancy Inspections
 - Tier II Hazmat Inspections
 - Fire Prevention Permit Inspections
- The residential short term and long-term life safety inspections will continue to be conducted by the Housing Safety Office.
- Fire Department will also continue to collaborate and meet regularly with the Housing Safety Office on life safety concerns, inspections and complaints as the Authority Having Jurisdiction.



RENTAL HOUSING ADVISORY COMMITTEE

- Duties include proposals for improvements, modifications, or changes to the City’s housing ordinance or policies.
- Duties involve identify educational opportunities, seminars, and materials that would be useful to landlords and tenants.
- Recommended to the Housing Committee that landlords be prohibited from charging application fees

The duties of the nine member Rental Housing Advisory Committee include providing the Housing Committee with recommendations or proposals for improvements, modifications, or changes to the City’s housing ordinance or policies. The Rental Housing Advisory Committee also identifies educational opportunities, seminars, and materials that would be useful to landlords and tenants.

On December 16, 2019 the Rental Housing Advisory Committee (RHAC) voted 5-3 to recommend to the Housing Committee that the City prohibit landlords from charging application fees based on the concern that rental housing application fees are a significant barrier preventing low and moderate income residents from securing housing in Portland. In August 2020, the City Council adopted a revised version of the Rental Application Fee proposal that included a disclosure of application criteria and fee amount

The new ordinance prohibits landlords from advertising, accepting applications, and collecting application fees for a rental unit unless that unit is available or will become available in a reasonable timeframe, although the landlord and applicant can mutually agree to put the applicant on a waiting list. When advertising rental units and accepting applications, landlords must disclose up front 1) the criteria that will be used to screen applications, and 2) the cost of the background screening.

Application fees, including screening costs, may not exceed \$30 or the actual costs of screening, whichever is less, and landlords may only include “hard” costs in that calculation. Landlords that do require application fees must provide a receipt to the applicant detailing how the application fee was used, and any unused application fee must be returned to the applicant. Applicants must also be given a copy of any screening or correspondence that results from the background screening.

Order 206-19/20

Motion to amend by approving Councilor Duson’s amendment 4: 5-3 (Costa, Ray, Chong
Opposed. Cook absent

Motion to amend by approving Amendment 2. Adding new section to 6-228: 8-0 (Cook absent)

Motion to amend to add emergency passage: 8-0 (Cook absent)

Passage as amended as an emergency: 8-0 (Cook absent)

Effective 8-3-2020

KATE SNYDER (MAYOR)

BELINDA RAY (1)

SPENCER THIBODEAU (2)

TAEY CHONG (3)

JUSTIN COSTA (4)

CITY OF PORTLAND

IN THE CITY COUNCIL

KIMBERLY COOK (5)

JILL C. DUSON (A/L)

PIOUS ALI (A/L)

NICHOLAS M. MAVODONES, JR (A/L)

AMENDMENT TO PORTLAND CITY CODE Chapter 6 BUILDING AND BUILDING REGULATIONS RE: RENTAL APPLICATION FEE

RESIDENTIAL HOUSING MARKET DEMAND

The demand for housing – market rate, affordable, rental and homeownership- continues to grow as new businesses and people relocate to Portland, high home sale prices and a growing retiree population intensifies the demand for rental housing, and the limited amount of housing created over the past decade has created a housing shortage.

MARKET RATE UNITS

- 56 Hampshire Street (Verdante)- luxury condos under construction – 55% under contract
- 10 Hammond Street (Hammond House) – condos under construction – almost 60% under contract
- 383 Commercial Street (Hobson’s Landing) – luxury condos under construction – 70% sold

During the September forum of the Maine Real Estate and Development Association (MEREDA), Ara Aftandilian (developer of 24 apartment units at of 7 India Street) noted, “Portland's potential and growth potential will really be driven by residential" while David Bateman (developer of 10 apartment units at 86 Newbury Street) said residential development is needed to support the commercial development; "on the recruiting end, the good news is it's a great place to live, and the bad news is there's no place to live”.

MIXED RATE UNITS

- 178 Kennebec Street (Furman Block)- 51 mixed income, 55+ apartments

Demand for apartments for residents age 55 and older is strong, or as reported by *MaineBiz* in their September 23 issue, “there has been a deluge of interest” in the Furman Block. According to the property manager of 178 Kennebec “just one week after unveiling our model unit and opening the building for showings, we had approximately 15 units rented”.

AFFORDABLE UNITS

- 5 year waitlist for Section 8 housing
- 1,379 households on the waitlist for public housing in Portland
- 99% occupancy rate

There is a high demand for affordable rental units in Portland demonstrated by the high occupancy (99%) and significant waitlists reported. A 2019 Market Study undertaken by Avesta Housing concluded “income qualified demand in Portland currently exceeds 500 households and is projected above 500 through 2023. In addition, across Cumberland County, there are currently 5,000 income qualified (50% and 60% AMI) households.” Of the target population of 55+, there are 541 income-qualified households in Portland. Community Housing of Maine (CHOM) reported a 5 year waitlist for Section 8 properties; “the average occupancy rate for the market-rate properties surveyed is strong at 99%.” Portland Housing Authority (PHA) administers 1,970 Section 8 housing vouchers with 700 applicants on the waitlist. There are 1,005 public housing units in Portland with 1,379 households on the waitlist, of which 439 are restricted to the elderly or disabled. PHA houses over 6,500 residents, which is close to 10% of the City’s population.

SINGLE FAMILY HOME AND CONDO SALES

In the *MEREDA Index Spring Edition 2020*, Mark Small wrote “buyer demand continued to outpace inventory throughout the state; residential brokers continued to struggle with this factor over the past few years. New construction remained strong. However, construction costs continued to rise, pushing some buyers to re-focus on existing inventory. Buyers who initially chose downtown residences for proximity to their jobs are being pushed to more affordable areas outside of the metro market. This buyer trend trades walkability for affordability. Many of the new construction condos we are seeing have a substantial number of units under contract before construction is complete. This shows that while some buyers are being pushed out of the downtown markets, demand remains very strong for downtown condo sales.”

2020 Sales: YTD Results Through August

Prop Type	Median Prices YTD		Unit Sales YTD		% of List Price	DOM
	2020	2019	2020	2019		
Homes	\$350,000	\$330,000	307	397	100.03%	6
Condos	\$340,000	\$322,500	203	288	98.55%	10

All housing data has been compiled from research by Maine Home Connection using information from the Maine Real Estate Information System (MREIS).

CONSTRUCTION COSTS

“From 2019 to 2020, construction costs have increased by approximately 15% (in Portland) due to:

- On-going steep price inflation in construction due to tight labor markets
- Prevailing wage requirements associated with TIF funding
- General contractor uncertainty about pricing due to the COVID pandemic”

Urban Ventures, Inc. an affordable housing and real estate development consulting service noted “construction cost (estimates) per unit are up significantly compared to 2019 (which is) the primary driver of the upswing in total development costs. Construction costs are rising due to rising supply costs, the rising cost of construction, exacerbated by tight job market, increase labor prices, and the added uncertainty ... about the impact of COVID-19 on the economy.”

“Increased labor demand exerted further stress on the labor supply, driving subcontractor pricing to new highs, and in turn making overall construction costs more expensive,” wrote Patrick Ducas for the *MEREDA Index Spring Edition 2020*. “These increased cost demands made smaller projects harder to pencil, and forced developers to use size, scale, and quantity of units to offset the increased construction pricing.”

CITIZEN INITIATIVE REFERENDUM QUESTIONS C-E

Six citizen initiative amendments will appear on the November 3, 2020 ballot, three of which are related to housing. Five of the citizen initiatives are being put forward by People First Portland, a campaign being run by the Southern Maine Democratic Socialists of America, and the sixth is being put forward by the No Cannabis Cap campaign. Early in-person absentee voting began on October 5.

Question C An Act To Implement a Green New Deal for Portland

An Act to Implement a Green New Deal for Portland requires that all building projects receiving \$50,000 or more in public funds through grants by the City, Community Development Block Grants loans, HOME loans, Neighborhood Stabilization loans, tax increment financing, or other gifts, resources, property or things of value from the City, are built using up-to date environmental standards, with solar-ready or living roofs, and that workers on these projects receive additional worker pay and training.

It requires that 25% of the units in new building developments of 10 units or more be affordable to people making 80 % of the area median income, and increases the fee developers must pay to opt out of this requirement from \$100,000 to \$150,000 per unit.

It also requires the City to annually publish and present a report detailing the city's use of and reliance on fossil fuels including the following information: 1) a survey of all new buildings built in Portland without fossil fuel based infrastructure; 2) a survey of green building technologies that have been implemented as alternatives to fossil fuels; 3) an assessment of the benefits of adopting this policy; 4) a survey of relevant legislation enacted at the state and local level; and 5) proposal for further changes to the City code to reduce the use of fossil fuels.

Question D An Act To Protect Tenants

An Act to Protect Tenants will cap most annual rent increases to the rate of inflation, incentivize landlords to provide 90-day notice to tenants they are asking to vacate, and create a tenant/landlord board to permit additional rent increases when individual building circumstances warrant, such as major capital improvements.

Several types of rental units in the City are exempted from this Act, including: units operated by municipal housing authorities, accessory dwelling units as defined in the City Code, rental units in multi-unit buildings in which there are four (4) or fewer units and the owner of the building occupies one of the units, and accommodations provided in a hospital or religious facility.

Question E An Act To Restrict Short Term Rentals in Portland

An Act to Restrict Short Term Rentals (STRs) in Portland will restrict all mainland STRs to only those that are owner-occupied. It increases the annual fee for all STR's to \$1,000 for each mainland STR and \$400 for each island STR. The initiative also increases penalties for violations, requires the Department of Permitting and Inspections to maintain a log of complaints against STRs, and allows the city to revoke STR licenses for any violations



CITY OF PORTLAND
Housing and Economic Development Department
Gregory A. Mitchell, Director

TO: Councilor Duson, Chair, Housing Committee

FROM: Greg Mitchell, Director
Mary Davis, HCD Division Director
Housing and Economic Development Department

DATE: October 8, 2020

SUBJECT: Policy Discussion Regarding Potential Revisions to Terms for Affordable Housing TIF (AHTIF) Projects Requesting Credit Enhancement Agreements

In 2017, the City Council amended the City's Tax Increment Financing (TIF) Policy to allow the maximum average percentage of 75% of captured revenue to be returned to a developer of an affordable housing project. The change was implemented to support projects competing for Low Income Housing Tax Credits (LIHTC). The tax credit application process, administered by MaineHousing, includes a scoring matrix that awards up to 4 points for projects receiving property tax relief. Points are awarded on a tiered approach based on the percentage and length of property tax relief. The LIHTC application process is very competitive. The City's willingness to provide tax increment financing is one way the City can support projects competing for this resource. It was assumed that only projects competing for LIHTC would request this level of TIF financing. The city is now seeing projects not eligible for LIHTC, requesting City assistance through an Affordable Housing TIF. As a result, staff is proposing several changes to the maximum percentages and terms for credit enhancement agreements.

Proposed changes are highlighted here and are included in the attached red-lined version of the TIF policy.

- (1) Add a definition of affordable, that matches the definition used in other city programs, such as Inclusionary Zoning, as noted below;

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

- (2) Implement a tiered approach to determine the maximum percentage of captured revenue returned to the developer based on the number of restricted affordable units and the level of affordability in the project, as noted below;

Percentage of Restricted Affordable Units in the Project	Level of Affordability	Maximum Percentage of Affordable Housing TIF
33% to \leq 49% of total units ¹	\leq 100% AMI	Up to 65% as determined by financial underwriting analysis
\geq 50% of total units ²	\leq 100% AMI	Up to 75% as determined by financial underwriting analysis
\geq 33% ³	101% to \leq 120% AMI	Up to 65% as determined by financial underwriting analysis

- (3) Require the term of the TIF to match the length of affordability of the project.

¹ If a project has between 33% (minimum required under the state statute) and 49% of its total number of units restricted by covenant as affordable to households at or below 100% of the area median income, that project would be eligible for up to a 65% capture rate (as determined by financial underwriting).

² If a project has 50% or more of its total number of units restricted by covenant as affordable to households at or below 100% of the area median income, that project would be eligible for up to a 75% capture rate (as determined by financial underwriting).

³ Projects where all of the units, regardless of the number of units restricted by covenant, are affordable to households between 101% and 120% of the area median income would be eligible for up to a 65% capture rate (as determined by financial underwriting).

PORTLAND TIF POLICY

~~November 20, 2017, 2020~~

I. INTRODUCTION

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

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

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

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

II. STATE TIF LIMITATION

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

III. PURPOSE

The primary purposes of the TIF Policy include:

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

IV. GENERAL PRINCIPLES

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

A. Investment

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

B. Jobs Associated with Commercial and Industrial Development

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

C. Maximize Tax Sheltering Benefits

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

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

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

V. APPROACH, POLICY, and TERM REQUIREMENTS

Must meet or exceed the below requirements.

A. Approach

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

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

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

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

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

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

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

B. Policy for the Three Approaches

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

Requires annual review and City Council financial appropriations.

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

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

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

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

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

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

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

Allowable uses of AHTIF revenues are defined by State law.

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

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

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

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

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

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

- i) City Green Building Code

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

- ii) Affordable Housing

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

The City Council Committee will complete an annual assessment of housing needs and priorities. This assessment will include a determination regarding designation of an area wide AHTIF. Site specific AHTIF requests submitted by developers will be considered on a case-by-

case basis. Area wide or site specific AHTIF designations must address an identified community need.

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

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

Allowable uses of AHTIF revenues are defined by State law.

(iii) State Prevailing Wage Requirement

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

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

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

(iv) Equal Employment Opportunities and Nondiscrimination

The developer and its contractors employed in the construction phase of a TIF-assisted project shall adhere to a policy of non-discrimination in all employment actions, practices, policies, procedures, phases, and conditions of employment. All employment-related decisions (including but not limited to hiring, discharge, transfers, promotions, discipline, training, job

opportunities, and wage and salary levels) will be made without discrimination based on an individual's race or color, religion, age, sex (including pregnancy), sexual orientation, gender identity or expression, ancestry or national origin, physical or mental disability, veteran status, genetic information, previous assertion of a claim or right under Maine's Workers' Compensation Act, previous actions taken protected under Maine's Whistleblowers' Protection Act, or any other protected group status as defined by applicable law. Provisions in applicable laws providing for bona fide occupational qualifications, business necessity, or age limitations will be adhered to by the developer and its contractors where appropriate. This policy shall not be construed to prohibit any employment action or policy which is required by federal law, rule or executive order.

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

i) Financial Necessity.

The applicant must demonstrate the City's participation is financially necessary in order for the project to proceed.

ii) Financial Capacity.

The applicant must demonstrate financial capacity to support their project.

iii) Fees

A financial underwriting analysis will be conducted by a third party on all projects requesting CEA participation. Applicants for CEA assistance will be responsible for reimbursing the City for all project third party legal and financial underwriting costs.

C. Terms for CEA Projects

1) Maximum Percentages.

A maximum average percentage of 65% for the entire term associated with individual project CEAs. Notwithstanding the previous sentence, the maximum average percentage for the entire term associated with individual project CEAs for affordable housing shall be no more than 75% as determined by the number of restricted units and level of affordability (see table below). For the purposes of this policy, the term affordable housing shall be defined as in "V. Approach, Policy, and Term Requirements" Section B(32)(a)(ii) (Affordable Housing) of the Portland TIF Policy.

<u>Percentage of Restricted Affordable Units in the Project</u>	<u>Level of Affordability</u>	<u>Maximum Percentage of Affordable Housing TIF</u>
<u>33% to < 49% of total units¹</u>	<u>< 100% AMI</u>	<u>Up to 65% as determined by financial underwriting analysis</u>
<u>> 50% of total units²</u>	<u>< 100% AMI</u>	<u>Up to 75% as determined by financial underwriting analysis</u>
<u>>33%³</u>	<u>101% to < 120% AMI</u>	<u>Up to 65% as determined by financial underwriting analysis</u>

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2) Maximum Number of Years.

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

3) Use of Maine Services for CEA Projects Encouraged.

VI. TIF APPLICATION AND ADMINISTRATION PROCESS

A. Application Information and Contact.

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

B. Approval Process.

There is a two step approval process which includes obtaining a recommendation from the City Council Committee and City Council approval. Two meetings (or readings) by the City Council are needed. The City Council vote on the TIF occurs at the second meeting.

C. Post-Construction Report to City Council.

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

D. Annual Report to City Council.

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

¹ If a project has between 33% (minimum required under the state statute) and 49% of its total number of units restricted by covenant as affordable to households at or below 100% of the area median income, that project would be eligible for up to a 65% capture rate (as determined by financial underwriting).

² If a project has 50% or more of its total number of units restricted by covenant as affordable to households at or below 100% of the area median income, that project would be eligible for up to a 75% capture rate (as determined by financial underwriting).

³ Projects where all of the units, regardless of the number of units restricted by covenant, are affordable to households between 101% and 120% of the area median income would be eligible for up to a 65% capture rate (as determined by financial underwriting).

**Draft 2020 Housing Committee Work Plan
as of October 9, 2020**

October 14, 2020

1. Presentation, Overview and Report from the Rental Housing Advisory Committee (this will be a verbal report) (Public Comment)
2. Presentation, Review and Recommendation to the City Council Report of CDBG Task Force Report (Public Comment)
3. Presentation of 2020 Interim Housing Report (Public Comment)
4. Affordable Housing TIF Policy Discussion regarding potential revisions to the terms of Credit Enhancement Agreements
5. Update on the CDBG-CV (CARES Act) Rental Assistance Program
6. 2020 and 2021 Work Plan Discussion (new and/or updated recommendations to forward to the 2021 Housing Committee)

November 12, 2020 (Thursday)

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 (Tentative)

WORK PLAN TOPICS

Lodging House Discussion

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)

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. (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)
3. Communication Item: FY20 HUD Consolidated Annual Performance Report
4. Communication Item: 2020 Interim Housing Report
5. 2020 Work Plan Discussion

**Draft 2021 Housing Committee Work Plan
as of October 9, 2021**

January XX, 2021

1. 2021 Work Plan Discussion

February XX, 2021

1. (Action Item) Review and Recommendation to the City Council – Housing Program Budget
2. (Action Item) Review and Recommendation to the City Council – 2021 Housing Trust Fund Annual Plan
3. (Action Item) Review and approval to issue - Affordable Housing TIF and Affordable Housing Development applications
4. 2021 Work Plan Discussion – Housing Committee Goals for 2021

March XX, 2021

1. 2021 Work Plan Discussion

April XX, 2021

1. Communication Item: Community Development Week – April XX-XX/Fair Housing Month
2. 2021 Work Plan Discussion

May XX, 2021(possible joint meeting with EDC)

1. Communication Item FY21 HUD Annual Allocation Plan
2. (Action Item) Review and Approval of Affordable Housing TIF Applications
3. (Action Item) Review and Approval of Funding Requests Received from the Affordable Housing Development Applications
4. 2021 Work Plan Discussion

June XX, 2021

1. 2021 Work Plan Discussion

July XX, 2021

1. 2021 Work Plan Discussion

August XX, 2021

1. 2021 Work Plan Discussion

September XX, 2021

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. 2021 Work Plan Discussion

October XX,2021

1. Presentation of 2021 Housing Report
2. 2021 Work Plan Discussion

November XX, 2021

1. Review of 2021 Annual Housing Committee Report
2. 2021 and 2022 Work Plan Discussion (new and/or updated recommendations to forward to the 2022 Housing Committee)

December XX, 2021 (Tentative)

COMPLETED WORK