

Minutes

Remote Housing and Economic Development Committee

August 31, 2021

NOTE: This meeting was held via Zoom and can be viewed at this link:

<http://www.portlandmaine.gov/1695/Economic-Development-Committee> These

Minutes provide a record of those in attendance, general discussion taking place, and motions made.

A remote meeting of the Housing and Economic Development Committee (HEDC) of the Portland City Council was held on Tuesday, August 31, 2021, at 5:30 p.m. via Zoom. Present from the Committee was its Chair Councilor Spencer Thibodeau and members Councilors Pious Ali, Tae Chong, and Andrew Zarro. Also present from the City Council was Mayor Kate Snyder. Present from the City staff were Acting Housing and Economic Development Division Director Mary Davis, Dena Libner, Chief of Staff Executive Department, Jessica Hanscombe, Director of Permitting and Inspections Department, Ethan Hipple, Director of Parks, Recreation and Facilities Department, Principal Administrative Officer Lori Paulette, and Housing Program Manager Victoria Volent. Also present was consultant Greg Mitchell.

Item #1: Zoom Meeting Information – no Committee action required.

Item #2: Review and vote on July 20, 2021, draft meeting Minutes.

On motion made by Councilor Chong, seconded by Councilor Zarro, the Committee voted unanimously (4-0) to accept the Minutes as published.

Item #3: Public hearing and vote on recommendation to the City Council to issue a Request for Proposal on the possible sale of a portion of City-owned Thames Street property – Greg Mitchell

NOTE: Executive Session: Pursuant to 1 M.R.S.A 405(6)(C) and 5 M.R.S.A. 13119-A
the Committee may go into executive session to provide staff direction on possible
negotiations.

Mr. Mitchell displayed a map for the Committee showing the property in question being recommended to be sold through the RFP process, which would create private sector investment. Mr. Mitchell described the road grid, and, particularly the Thames Street extension to Fore Street, which has a barrier to get through to Fore Street as a portion of it is privately owned. The RFP takes this into consideration for proposals to address the commitment to provide the City with the necessary right-of-way for the privately owned portion to be accepted as a City street. The RFP also provides for proposals to provide a public restroom, as well as replacement parking for the City at no cost.

Chair Thibodeau thanked Mr. Mitchell for the overview, noting that the City Council would not be bound to accept any proposal if it deems it in the best interest of the City. The connector road through to Fore Street is an important element of the RFP.

Councilor Ali asked if the parking there now is for the City or residents, and if the replacement parking was free for the City.

Mr. Mitchell said that parking has transitioned over the years, and it is primarily used now for construction laydown and City employee parking. The RFP calls for the proposals to secure replacement parking for the City at no cost for five years.

Chair Thibodeau opened the meeting for public comment. Seeing none, the public comment session was closed.

On motion made by Councilor Chong and seconded by Council Zarro to forward this to the City Council with a recommendation of approval.

Councilor Chong noted that the area is primarily an office park zone and the price of land is very high, but asked about affordable housing development opportunities.

Mr. Mitchell noted that for one, zoning would need to be amended as it is now B6. At the price point of affordable housing developments, it is likely the numbers would not work.

Councilor Chong agreed, noting that he would support this RFP.

Councilor Zarro asked if it would be unusual for a proposal to request a zone change, and Mr. Mitchell said that the City is open to proposals. If the proposal would require a zone change, it would need to be noted in the proposal. Staff, however, is not suggesting any changes to zoning.

Chair Thibodeau noted that the City has recently offered City-owned vacant land for sale through the RFP process for affordable housing proposals and has been successful. This property may preclude that kind of development due to high costs. Chair Thibodeau also thanked staff for the quick turnaround and asked for a vote on the motion. The motion passed 4-0.

Item #4: Public hearing and vote to recommend to the City Council additional funding for the 155 Danforth Street Affordable Housing Development Project – Mary Davis

NOTE: Executive Session: Pursuant to 1 M.R.S.A 405(6)(C) and 5 M.R.S.A. 13119-A the Committee may go into executive session to provide staff direction on negotiations.

Victoria Volent provided an overview of the request by Developers Collaborative for additional City subsidies to close a funding gap for the 30-unit affordable housing project located at 155 Danforth Street. Developers Collaborative initially requested \$300,000 in additional funding. Based on a staff review and analysis of the revised pro forma along with the initial underwriting for the project and updated assessment information provided by the Tax Assessor's Office, staff requested the Committee approved and recommend to the City Council support of \$150,000 in gap funding from the Housing Trust Fund.

The Committee discussed how the City is preparing to address possible additional requests for funding from similar projects in the pipeline that are also facing dramatic increases in construction costs. Staff noted they are in touch with the developers as well as MaineHousing and will continue to address requests as they arise on a case by case basis. The Committee discussed the use of the American Rescue Plan as a source of funding.

Chair Thibodeau opened the meeting to public comment. Seeing no one, the public comment period was closed.

On motion made by Councilor Chong, seconded by Councilor Zarro, the Committee voted 4-0 to direct City staff to forward a recommendation to the City Council for additional funding for 155 Danforth Street affordable housing development project.

Item #5: Public hearing and vote to recommend to the City Council RE: Open Air Portland, Permanent Outdoor Dining Plan – Dean Libner

Ms. Libner noted proposed changes to existing parklets that can be done through the administrative level, as well as closures of streets and parklet permit fees – the two latter needing Council approval. Ms. Libner added that the current programming for outdoor dining and retail has worked well and staff is recommending, although not included in the backup, that the current Festival Order, continue through to April 15, 2022. This will be on an upcoming Council Agenda.

Chair Thibodeau thanked staff for their hard work through this Pandemic, noting that it has not gone unnoticed in these extremely challenging times. He then opened the meeting for public comment.

Jessica Hunter of Fore Street and a salon owner in that area for 25 years commented that the parklets have deterred customers and employees from the businesses in that onstreet parking is now at a premium. She requested that this be further looked into and its impacts on area businesses.

Eamonn Dundon of the Portland Regional Chamber thanked the City for their flexibility in support of businesses. The Chamber worked with the City in getting word out to businesses and the response has been engaging and positive, as they can plan now. He questioned outdoor dining on private property if that will be allowed November to April, and also suggested giving staff flexibility in working with parklets.

Tyson Carey of Portland Downtown thanked the City for doing this in a thoughtful and inclusive approach. It brings a lot of activity and revenue for small business owners and the response from the community has been positive.

Chris Korzen of 28 Hampshire Street noted that there are 5 parklets in his residential area and was concerned with noise, noting that they should be in line with the noise and close by 9:00 or 10:00 p.m.

Seeing no further public comment, Chair Thibodeau closed the public comment session.

On motion was made by Councilor Ali and seconded by Councilor Chong to forward Open Air Portland to the City Council with a recommendation for approval.

Ms. Hanscombe noted that the City does not regulate private property, and they could continue to operate as they have.

The Committee discussed parking issues and the impacts that parklets could have on those living, working, and visiting the area, with Mr. Peverada noting that the downtown area has approximately 1,500 to 2,000 on street parking spots. He also noted that the parking garages are still not full. The Committee noted that an annual report back to the Committee on the program would be helpful, including successes and issues. Staff noted there were no major issues with traffic flows or complaints, and at the height of the Pandemic there were approximately 60 parklets and now approximately 35. Metro lines were also discussed to look to ways it could assist with moving people around better.

Mayor Snyder suggested a pilot program for a shuttle from perhaps Marginal Way to the downtown for anyone who want to use it, perhaps using ARPA funding, with Committee consensus in support of this.

Councilor Zarro also requested that mobility limitations for sidewalk maneuvering be considered, and Ms. Hanscombe said that there is 4-feet of flow required for sidewalks.

There was a brief discussion of closing lower Exchange Street, with Ms. Libner noting that the City Council can direct staff to look at any street closures. She also added that the businesses in those areas would need to have consensus and agreement.

The Committee consensus was positive on the extension of the Festival Order through 4/15/2022.

Chair Thibodeau thanked all for this discussion, and thanked staff again for the work on this issue over the past year or so. He then asked for a vote on the motion and it passed 4-0.

A motion was then made Councilor Ali, seconded by Councilor Zarro, and passed 4-0 to adjourn the meeting at 7:10 p.m.

Respectively submitted, Lori Paulette and Victoria Volent