

Minutes

Remote Housing and Economic Development Committee

September 21, 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, September 21, 2021, at 5:30 p.m. via Zoom. Present from the Committee were members Mayor Kate Snyder, Councilors Pious Ali, Tae Chong, and Andrew Zarro. Also present from the City Council was Councilor April Fournier. Present from the City staff were Acting Housing and Economic Development Department Director Mary Davis, and Housing and Program Manager Victoria Volent.

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

Item #2: Review and vote on September 7, 2021, draft meeting Minutes.

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

Item #3: Public Hearing and Vote to Recommend to City Council the CDBG Priority Task Force Report – Mary Davis and Kelley Walsh.

Mary Davis introduced the item noting Portland is required to submit a 5-Year Consolidated Plan to HUD. The new plan will be submitted in May of 2022. In February of 2020, the CDBG Priority Setting Task Force reviewed priorities, structural changes, and administrative changes to the allocation process with a robust outreach campaign to generate community feedback. Jim Hall, co-chair of the 2020 CDBG task force, spoke next to introduce

the recommendation of the committee. The four main goals and objective categories are not changing but the Committee did recommend the following structural changes; (1) reducing the maximum grant request for Development Activities from \$250,000 to \$200,000; (2) reducing the City funding cap from 5% in each category; (3) eliminating the 60% public infrastructure set-aside within the City funding cap in the construction/development category; (4) establishing a set-aside for new programs that have not previously received CDBG funding; (5) funding for the Community Police program be transitioned in the City's budget and set-aside to be used in the community policing program or another alternative response program managed by the Police Department. The task force also proposed revisions to scoring, and the "needs-goals-priorities" table.

Mary Davis indicated the City Manager does not support recommendations (1), (2) and (3), but does support recommendation (5) as amended and explained above. The City Manager is recommending the City Council does not support items (1), (2), and (3). Staff is requesting the Housing and Economic Development Committee vote to recommend that the City Council adopt the 2020 CDBG Priority Task Force Report and 2021 Addendum as amended by the City Manager's letter.

Mayor Kate Snyder opened the meeting to public comment. Seeing no one, the public comment period was closed.

The Committee discussed the recommendations and confirmed that after submission of the Plan to HUD, the Council may adjust the plan. The Committee thanked the Task Force for their work.

A motion was made by Councilor Chong, seconded by Councilor Ali to recommend that the City Council adopt the 2020 CDBG Priority Task Force Report and 2021 Addendum as amended by the City Manager's letter. Mayor Snyder asked for a vote on the motion and it

passed unanimously (4-0).

Item #4: Committee Workshop- Housing Policy Ideas for Missing Middle Housing

Mary Davis introduced this item by restating the work previously conducted by the Housing and Economic Development Committee regarding creating housing opportunities for the missing middle. This evening's meeting is an opportunity for Committee members to provide policy ideas for missing middle housing. The next meeting of the Committee will include policy recommendations from staff and provide relevant information from the ReCode process.

Councilor Chong requested an analysis regarding a comment from the public that the Green New Deal has made it difficult for developers to create housing for the missing middle. He would like to know how many relevant projects are now being proposed outside of Portland due to changes to the zoning ordinance.

Mary Davis indicated staff can provide some information but it has not been a long enough period of time to provide an in-depth analysis regarding the impact of the referendum. Subsidized projects have not been impacted by the referendum; it is the projects typically aimed at providing housing for the missing middle that are impacted.

Councilor Zarro suggested policy proposals should distinguish between rental and homeownership housing. He asked if the permitting process is discouraging development in Portland. He would appreciate an update regarding Phase 2 of ReCode.

Councilor Ali inquired into opportunities for the legislative committee to bring housing solutions to the city from the state.

Council Chong noted funding for missing middle projects is not as readily available as funding for low-income projects. He proposed advocating a pilot program through

MaineHousing to provide a source of funding for cooperative and land-trust housing.

Mayor Snyder asked why Portland uses the Portland HUD Metro Fair Market Area Median Income noting that at even 80% of the area median income, the rent levels are still unaffordable for many households that make up the missing middle.

Councilor Ali would like to know how many housing units are removed from the long-term housing market due to short term rentals.

Mary Davis noted this information will be provided in the annual Housing Report from data collected by the Permitting and Inspections Department.

For the next Committee meeting, staff will work in conjunction with the Planning Department to response to Committee comments and questions.

A motion was made by Councilor Chong to adjourn the meeting, seconded by Councilor Zarro. Mayor Snyder asked for a vote on the motion and it passed unanimously (4-0) to adjourn the meeting at approximately 7:04 p.m.

Respectively submitted, Victoria Volent