

Minutes

Remote Housing and Economic Development Committee

February 1, 2022

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, February 1, 2022, at 5:30 p.m. via Zoom. Present from the Committee were Chair Pious Ali, and members Councilors Tae Chong, and Councilor Roberto Rodriguez. Present from the City staff were Acting Housing and Economic Development Department Director Mary Davis, Corporation Counsel Michael Goldman, Principal Administrative Officer Lori Paulette, and Housing Program Manager Victoria Volent.

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

Item #2: Review and vote on January 18, 2021, draft meeting Minutes.

On motion made by Councilor Rodriguez, seconded by Councilor Chong, the Committee voted unanimously (3-0) to accept the Minutes as amended.

Item #3: Review and vote to recommend to the City Council the FY 2023 Housing Program Budget

Mary Davis introduced this item by noting the 2023 Fiscal Year Housing Program Budget, as part of Housing and Community Development grant packet, will be reviewed by the Council in two public meetings (one meeting in March and the other in April). The Council would approve the allocation for the CDBG, the Emergency Solutions Grant (ESG), and this Housing Project Budget. The CDBG allocation budget is reviewed by the CDBG Allocation Committee then forwarded to the City Manager who makes recommendations for the Council to take action on. The ESC Program works through the ESC Committee and Continuum of Care Manager and then brought forward to the Council for approval. The Housing Program Budget is reviewed by the Housing and

Economic Development Committee for action. Mary provided the historical background on the Federal HOME program for the Committee. HUD has not announced the allocation for fiscal year 2022-2023, therefore, the City will estimate the same allocation level as the previous year (\$991,679) with adjustments allowed. Mary explained how the HOME Program is divided into three categories (administration, tenant based rental assistance, and affordable housing development) and the proposed budget for each category as well as the proposed budget for the Lead Safe Housing and the Jill C. Duson Housing Trust Fund. Staff is requesting Committee approval and recommendation to the City Council of the FY 22/23 Housing Program Budget with allowable adjustments.

Council Ali asked staff if they knew when they would hear from HUD regarding the final allocation. Staff indicated it does not know when that would be but the best-case scenario would be before this item appears before the Council for final action. Should that not occur the Council order would include a clause that allows for a proportional adjustment.

The Committee held a discussion regarding the Housing Program Budget application process, the HOME funding formula, and the recommended minimum balance of the Housing Trust Fund. Staff will provide the HOME funding formula to the Committee.

Councilor Ali opened the meeting to public comment.

Liz Trice (Brackett Street) - thanked the City for thinking about housing and the work they do around it.

Councilor Ali closed the public comment period.

On motion made by Councilor Rodriguez, seconded by Councilor Chong, the Committee voted unanimously (3-0) to forward the recommendations to the City Council with a recommendation for approval.

Item #4 and Item #5: Review and vote to recommend to the City Council the 2022 Jill C. Duson Housing Trust Fund Annual Plan, and review and vote to approve the issuance of the Affordable Housing TIF CEA and Affordable Housing Development Fund Application for City Housing Trust and HOME funds.

Victoria Volent introduced this item by noting staff is seeking direction from the Committee regarding the guidelines and priorities for the allocation of city resources (i.e. HOME, Jill C. Duson Housing Trust Funds, and Affordable Housing Tax Increment Financing) through the *Affordable Housing Development and Tax Increment Financing Application*, and the *Jill C. Duson Housing Trust Fund Annual Plan*. Each document is amended on an annual basis to reflect the City Council's housing policy goals and to establish funding priorities. The priority for the Housing Trust Fund is for workforce housing units that are affordable to households earning

60% to 100% of the area median income. The priority for the use of HOME funds is for rental housing to households earning up to 60% of the area median income, and the priority for the use of an AHTIF is for households earning 60% to 100% of the area median income. The project guidelines for funding is to promote economic diversity within the development and within the neighborhood in which the development is located, but HOME funding would create rental housing only.

Councilor Ali opened the meeting to public comment.

Tim Wells (33 Montreal Street) - would like the Committee to review the scoring criteria as well as language affecting the creation of homeownership units, and design standards. He will forward his comments to staff.

Eammon Dundun (Sawyer Street) – concerned Portland will not be creating as many residential housing units in the future and should be judicious with funding from the Jill C. Dusen Housing Trust Fund. Does the City know how many projects are still in the development pipeline that have pledged to pay the fee-in-lieu, how many projects do not move forward, or how many units have been created through the leveraging of funds from the Housing Trust Fund?

The Committee discussed their support of homeownership and equity building in its many forms. Staff noted the 2021 Housing Report, expected to be presented during the February 15 meeting of the Housing and Economic Development Committee, would contain the information Mr. Dundun is requesting.

Councilor Ali closed the meeting to public comment.

The Committee discussed the timing of distributing the *Affordable Housing TIF CEA and Affordable Housing Development Fund Application*, and recommendation for adoption of the Jill C. Dusen Housing Trust Fund while taking into account Tim Wells request for review of the scoring criteria . The Committee agreed to recommend adoption during this evening’s meeting but leaving open the possibility of amending the scoring criteria found in Jill C. Dusen Housing Trust Fund Annual Plan during a future meeting of the City Council when the document will be brought forward for a vote. Staff indicated it would communicate to the Committee and to the Council if Tim Well’s comments or questions warranted changes to the scoring criteria.

On motion made by Councilor Rodriguez, seconded by Councilor Chong, the Committee voted unanimously (3-0) to forward the Jill C. Dusen Housing Trust Plan to the City Council with a recommendation for approval.

On motion made by Councilor Chong, seconded by Councilor Rodriguez, the Committee voted unanimously (3-0) to approve staff to issue the application with the recommendation that staff bring forward any proposed changes to the Committee after review of public comment.

Councilor Ali opened the meeting to comments by Committee members.

Councilor Chong indicated he is looking forward to receiving the 2021 Housing Report to review data concerning the impact brought about by changes to Inclusionary Zoning as a result of the Citizens Referendum. He would also like to invite our state delegates to a meeting of the Committee to encourage them to advocate on behalf of the City to change Maine Housing policies in such a way as to encourage the funding of more cooperative housing development and land trust developments as workforce housing for the missing middle.

Councilor Ali would like a communication from staff on the HomePort program.

A motion was made by Councilor Rodriguez to adjourn the meeting, seconded by Councilor Chong. Councilor Ali asked for a vote on the motion and it passed unanimously (3-0) to adjourn the meeting at approximately 6:32 p.m.

Respectively submitted, Victoria Volent