

Minutes

Remote Housing and Economic Development Committee

April 5, 2022

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

<https://www.portlandmaine.gov/129/Agendas-Minutes>

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, April 5, 2022, at 5:30 p.m. via Zoom. Present from the Committee were Chair Councilor Pious Ali, and members Councilors Tae Chong, Roberto Rodriguez, and Andrew Zarro. Also present from the City Council was Councilor April Fournier, with Mayor Kate Snyder joining as noted herein. Present from the City staff were Public Buildings Manager Kathy Alves, Interim Housing and Economic Development Department Director Mary Davis, Corporation Counsel Michael Goldman, Permitting and Inspections Director Jessica Hanscombe, Principal Administrative Officer Lori Paulette, and Housing Program Manager Victoria Volent. Also present was City Consultant Greg Mitchell.

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

Item #2: Review and vote on March 22, 2022, draft meeting Minutes.

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

Item #3: Public Hearing-Review and Vote to Recommend to the City Council

Approval to Issue a Request for Proposals (RFP) for the Sale and Redevelopment of City-Owned Property – Diamond Cove Former Fort McKinley Hospital Property

Mr. Mitchell displayed pictures of the property before and after it was tax-acquired in FY2003. A Purchase and Sale Agreement (PSA) for the property expired in 2019, and the property remains vacant and derelict. The property includes just the footprint under the building, as the remaining property in the area is owned by the Diamond Cove Homeowners Association (DCHA). The City has done its best to maintain this historic property for a number of years for safety purposes.

The goal of the RFP process is to attract private sector investment. Mr. Mitchell then went over the selection criteria, scoring, and the financial section. The latter he noted that the City expects to receive fair market value for the property, including repayment of past due property taxes and maintenance expenses, currently estimated at \$180,000.

Mr. Mitchell then described the process for the HEDC to forward the RFP to the City Council for its approval to issue it. Proposals would then come in and be reviewed by a City staff selection committee, as well as representatives from the DCHA. The Committee would then make a recommendation to the HEDC, and the HEDC would approve of a proposal for staff to begin negotiating a PSA. A PSA would then be brought to the HEDC for its recommendation to the City Council for approval.

Chair Councilor Ali asked Mr. Goldman if an executive session is needed, and Mr. Goldman indicated in the negative at this time.

Chair Councilor Ali then opened the meeting for public comment.

George Rheault of Hanover Street questioned why the Committee and public could not have had this introduction at prior meetings. He questioned a wastewater system for the subject property, noting that a 10-person restaurant opened on the island recently and its issues with water/sewer capacity.

MaryEllen Fitzgerald, DCHA Board Director, noted that there are some water restrictions to be sure. DCHA, however, has an overboard discharge license which has capacity to assist in the redevelopment of the subject property. The restaurant noted was a change of use from a general store and sits approximately 35 people.

Seeing no further public comment, Chair Councilor Ali closed the public comment session.

A motion was then made by Councilor Zarro, seconded by Councilor Chong to forward this to the City Council for approval.

Councilor Chong noted that this a great idea and supports it, noting that it costs the City more to keep it.

Councilor Zarro agreed, and asked about a timeline and how it will be marketed.

Mr. Mitchell estimated that this may get to the City Council early Fall with a PSA. He also noted that ME Biz did an online article about this in today's edition. He would also work with brokers and anyone who is interested would be notified, noting that properties on the islands are in demand. Also, City has the full cooperation of DCHA to work in partnership for its future redevelopment.

Chair Councilor Ali then asked for a vote on the motion and it passed 4-0.

Item #4: Communication Item/Public Hearing and Vote to Recommend to the City

Council Issuance of a Proclamation RE: Community Development Week

Ms. Davis presented this communication item. National Community Development Week (CD week) brings national attention to the Community Development Block Grant (CDBG) Program and HOME Investment Partnerships (HOME) Program. National Community Development Week provides the opportunity for communities to promote, educate and advocate on behalf of both programs. Typically, each year a proclamation is made publicly recognizing CD

week. Prior to the pandemic, the HCD office would organize several public events during the week. Staff is hopeful that we will be able to return to a more robust, public celebration of National Community Development Week in 2023. This year the week will run from April 11- April 15.

Councilor Ali opened the meeting to public comment. Seeing no requests to speak, the public comment period was closed.

On motion made by Councilor Zarro, seconded by Councilor Rodriguez, the Committee voted unanimously (4-0) to accept recommend to the City Council issuance of a Proclamation regarding National Community Development Week.

Item #5: Communication Item: Additional guidance from Corporation Counsel regarding the City's Minimum Wage Ordinance

Ms. Davis noted that Interim Corporation Counsel responded to Councilor Zarro's updated questions, and this response is in the packet. Staff is looking for guidance from the Committee on moving this forward for further discussion, clarification, and possible amendments that would need to go out to the voters during its initial 5-year period from its effective date.

Councilor Zarro thanked Ms. Davis, and noted that he has been hearing a lot from his constituency regarding various issues on this topic. He would like to have a discussion with fellow Councilors to determine their thoughts about amendments to make it better, which, again, would need to be voted on by the public as the Ordinance is still in its five-year period from its effective date. Thereafter, the City Council may amend/repeal by vote of five of its members.

Chair Councilor Ali asked about the process, and Mr. Goldman noted that to move forward, staff would need clarification on any proposed amendments the Council would like to propose to the public.

There was discussion that Portland has the highest minimum wage in the State and a dollar less than Boston. The Committee would like to see a proposed timeline to get this to the voters, and also questioned if this had been done before. Mr. Goldman noted that he would need to do a bit of research to see if this has been done before and could put a timeline together.

Councilor Fournier noted that she too has heard from her constituency and would welcome a minimum wage and hazard pay discussion, as well as a discussion about a living wage.

Councilor Chong said that these are complicated issues (hazard pay, minimum wage, living wage) and questioned whether it would be ready for a November vote, noting that this may also involve one or two Council workshops.

Chair Councilor Ali said that he would work with Ms. Davis to move this forward for a discussion, possibly at the next meeting, based on what Mr. Goldman's research uncovers for a timeline and if this has been done before. He also noted that he will share information he received from ME Dept. of Economic Policy on the issues.

Item #6 Communication Item: Housing Safety and Rent Board- Overview of Roles and Responsibilities

Ms. Davis introduced this item by noting there are two memos for this item. The memo titled *Roles and Responsibilities of the Rental Housing Advisory Committee* notes both the Rental Housing Advisory Committee (RHAC) and the Rent Board are tasked with addressing policy changes, including recommending changes to Chapter 6 provisions that govern landlord and tenant policies in the City of Portland which may lead to duplication of efforts or recommendations that conflict. Not included in the memo is the City Manager's authorization to staff to form an internal staff working group to review the tenant's housing rights ordinance. The working group would be tasked with identifying any redundancies or loopholes in the ordinance as well as providing an audit

of the program and formulating recommendations to be presented to the Housing and Economic Development Committee for review. The Committee would then have the option of referring the recommendations to the Council who can then decide whether amendments to the ordinance should be presented to the voters. In addition, the Rent Board would be asked to participate. The second memo is from Jessica Hanscombe who is available to answer any questions.

The Committee asked how many years does it take to inspect all rental units in Portland to which Jessica Hanscombe responded that the plan is for an inspection to occur once every four years. This includes both long-term and now short-term rental units. The Committee asked how many units fall under Section 8 housing, and does the City inspect those units. Staff will provide the number of Section 8 housing units to the Committee during its annual overview and integrated report scheduled for June 21. Staff does inspect all units applying for general assistance. Ms. Hanscombe provided an overview of her staff and highlighted the certifications (Fire Inspections and Code Enforcement) and many other responsibilities inspectors are expected to address (i.e. responding to all fire calls, sewer back-ups, heat calls, hoarding dangers, social service issues, working with the Red Cross to find temporary housing, etc.). Also discussed was the work by staff to work with landlord and tenants regarding lease agreement violations; communication links between the Rent Board and Health and Safety Department; and follow-up inspections. No other communities in Maine conduct the breadth or depth of work provided by Permitting and Inspections; Portland is both proactive and innovative.

Item #7 Communication/Discussion of 2022 Work Plan and Schedule

Councilor Ali requested Committee members to send email communications to him and Ms. Davis in regards to adding items to the Work Plan. Councilor Chong would like to explore

the Green New Deal and also rent control as part of the Work Plan.

On motion then made by Councilor Chong, seconded by Councilor Zarro, the Committee voted 4-0 to adjourn the meeting at approximately 7:04 p.m.

Respectfully, Lori Paulette and Victoria Volent