Housing & Economic Development Committee Meeting

Tuesday, July 19, 2022 at 5:30 PM
This meeting will take place remotely using Zoom.

MEMBERS
Councilor Pious Ali, Chair
Councilor Tae Chong
Councilor Roberto Rodríguez
Councilor Andrew Zarro

This meeting will be held remotely pursuant to the Remote Meeting Policy adopted by the Portland City Council and as authorized under 1 M.R.S. 403-B because of the existence of an emergency or urgent issue that requires the Committee to meet by remote methods. 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 available in the Agenda Center following the meeting.

For public comment, you will need to use the "raise your hand" feature. To raise your hand via the telephone, please hit *9. You will be unmuted by the host when it is time for public comment.

Please click the link below to join the webinar:

https://portlandmaine-gov.zoom.us/j/82356283380?pwd=UmNvTEVPbFdDY0IvZGhPckptTC8ydz09
Passcode: 486622
Or One tap mobile :
US: +13017158592,,82356283380# or +13126266799,,82356283380#
Or Telephone:
Dial(for higher quality, dial a number based on your current location):
US: +1 301 715 8592 or +1 312 626 6799 or +1 646 931 3860 or +1 929 205 6099 or +1 253 215 8782 or +1 346 248 7799 or +1 669 444 9171 or +1 669 900 6833
Webinar ID: 823 5628 3380
International numbers available: https://portlandmaine-gov.zoom.us/u/kfYEo9SNE

To submit written public comment on an agenda item, email edda@portlandmaine.gov. Submissions must be received by 12:00 pm the day before the Housing & Economic Development meeting to guarantee their inclusion in the agenda packet. All submissions must include the commenter's name and legal address. To help ensure your comment is submitted for the correct item, please include the name of the agenda item (see below).

1. Review and accept Minutes of previous meeting held on June 21, 2022.

a. See attached draft Minutes.

2. (Public Hearing) Review and Vote to Approve Affordable Housing TIF CEA Application for the 45 Dougherty Project at 43 & 91 Douglass Street

a. See attached Memorandum and backup.

3. (Public Hearing) Review and Vote to Approve Additional Funding Request for the Phoenix Flats Project at 83 Middle Street.

a. See attached Memorandum and backup.

4. Communication: See attached 2022 Workplan and Schedule – No Vote or Public Hearing Required.

a. See attached workplan and schedule.

Next Meeting Date: September 6, 2022

Minutes

Remote Housing and Economic Development Committee

June 21, 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, June 21, 2022, at 5:30 p.m. via Zoom. Present from the Committee were Chair Pious Ali, and member Councilors Roberto Rodriguez, and Andrew Zarro. Present from the City staff were Acting Housing and Economic Development Department Director Mary Davis, Associate Corporation Counsel Michael Goldman, Director of Planning and Urban Development Christine Grimando, Director of Special Projects Nell Donaldson, and Housing Program Manager Victoria Volent.

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

Item #2: Review and vote on June 7, 2022, draft meeting Minutes.

On motion made by Councilor Rodriguez and seconded by Councilor Zarro, the Committee voted (3-0) to accept the Minutes.

Item #3: Panel discussion regarding minimum wage.

Eamonn Dundon, Director of advocacy at the Portland Regional Chamber of Commerce and James Myall, economic policy analysis at the Maine Center for Economic Policy presented this item. James Myall provided an overview from the memo presented to the Committee regarding minimum wage and hazard pay options in Portland. Per scholastic research of the impact of statelevel minimum wage increases, there are little to no employment effects of minimum wage increases up to 60% of the median hourly wage for full-time, year-round wage workers. Based on the estimated median hourly wage for full-time, year-round workers in Portland of $24.45 per hour, Portland could support a minimum wage of $14.67 per hour in 2021, and at least $15 per hour in 2022. If the minimum wage was as high as 80% of the median hourly wage for full-time, year-round workers, Portland could sustain a minimum wage of up to $19 per hour. The estimated livable wage in Portland is $17.11 per hour. For a family of two working parents with two children, the estimated livable wage is $23.58 per hour. While some jurisdictions have considered or adopted different minimum wage rates by size of business, it is relatively uncommon. The problem with such a policy is that it unfairly compensates workers less if they work at a smaller business, even if they are conducting the same work. It is generally better policy to have a universal minimum wage regardless of employer type or size. When the minimum wage is increased, employees who earn a little bit above the minimum wage also see an increase in wages. Raising the minimum wage positively impacts; younger workers; workers under age 25; employees around retirement age; parents of children; people without a college degree; women; and people of color. During 2016 and 2019, as the minimum wage increased, the number of people working and the hours worked increased. There was also a decline in poverty levels of children and people of color.

In response to Councilor Zarro's request for information regarding the subminimum wage, Mr. Myall noted tip workers (twice as many tend to be women than men, and a disproportion number of people of color) are not covered by the minimum wage statue, and should tip wages be phased out, it would not be detrimental as customers would continue to tip. Additional information on this topic as well as information that could determine a ceiling on the minimum wage will be forwarded to the Committee

Eamonn Dundon provided a slide show on the minimum wage in Portland which concurred that increases in the minimum wage impacts less-educated workers, but research is less clear on the impacts on job losses and the impact on one-time increases of greater than $1. Only .17% (approximately 60) of all municipalities (approximately 35,000) have a local minimum wage outside of their state's minimum wage. Under the current proposal to increase Portland's minimum wage to $18 per hour, Portland would have the third highest minimum wage in the country. Certain industries, such as retail (grocery and food), retail (general), and construction have very small profit margin and are susceptible to wage cost increases that eventually would need to be passed on to consumers. Healthcare and social service providers in Portland are currently struggling to be paid for services incurred from governmental payers. Unintended consequences include; Portland becoming an outlier; disparate impact on small and medium sized enterprises versus large, out of state, chain businesses; increased costs past onto customers; and threats to continued viability of social service providers.

The Committee asked clarifying question noting the public interest in this topic as there is a citizen referendum regarding the minimum and subminimum wage requesting to be on the ballot for November.

Item #4: Presentation of Part II of the 2021 Housing Report, including interim review of the Green New Deal impacts on housing production.

Christine Grimando, Director of Planning and Urban Development and Nell Donaldson, Director of Special Projects provided an overview of the memorandum to the Committee regarding the regulatory tools and initiatives to address the need for more housing; housing that is diverse in its size, location, and type necessary to provide options open to all residents. Ms. Grimando started with a snapshot of existing housing (with an emphasis on rental housing and cost burdened households), then transitioned into existing housing policies (broken down by policies to encourage housing supply and "naturally-occurring" affordable housing, and policies to support affordable and workforce housing), followed by housing trends, and current housing policy work (i.e. NYU Housing Solutions Lab Peer Cities Network; ReCode Phase II; furthering Fair Housing analysis), then discussed the history of Inclusionary Zoning including an analysis of changes brought about under the Green New Deal, and the background and requirements signed into law by Governor mills from LD 2003, wrapping up with a next steps discussion.

The Committee asked follow-up questions regarding Inclusionary Zoning and were told impacts and trends on housing development, including IZ, cost of labor and supplies, should present itself by year's end. The Committee requested a study comparing residential housing construction among Portland and its peer communities surveying if it takes longer to bring projects to completion in Portland, and if developers are looking to build outside of Portland and why. Hiring a consultant for this job was noted as well as the work undertaken by ReCode to draw the development community together to discuss what is getting in the way of housing construction in Portland. Mary Davis indicated it is not uncommon for low-income housing development projects to ebb and flow based on the developer's work load and staffing levels as well as the limited availability of tax credit funding allocations. More recently, developers are looking to build affordable housing state-wide rather than focusing on Portland. The Committee discussed construction goals with a focus on the missing middle. The goals of the Comprehensive Plan are being met, however the goals are just a benchmark to chart progress. Demand is growing so there remains a need for more housing at all affordability levels.

Item #5 Communications: 2022 Work Plan and Schedule.

Councilor Ali led a discussion on the topic of the minimum wage asking Committee member if anyone had a strong opinion on which direction to proceed. The Committee discussed looking for additional information from tonight's presenters as well as the procedure for placing an item on the ballot for November including timing, and required Council meetings. Michael Goldman indicated he would research the Committee's questions to provide a response.

On motion made by Councilor Zarro and seconded by Councilor Rodriguez the Committee voted 3-0 to adjourn the meeting at 7:36 p.m.

Respectively submitted, Victoria Volent

CITY OF PORTLAND
Housing and Economic Development Department
Housing and Community Development Division

TO:	Councilor Ali, Chair Members of the Housing and Economic Development Committee
FROM:	Victoria Volent, Housing Program Manager Housing and Community Development Division
DATE:	July 19, 2022
SUBJECT:	45 Dougherty: Affordable Housing TIF Development Funding Request

Introduction

On March 5, 2022, the *Affordable Housing Development and Tax Increment Financing Application* was released with a due date of April 4. In response to the request, five funding proposals were received. Those five projects were introduced to the Committee during their May 3 meeting. This memo details the financial review undertaken for the project know as 45 Dougherty.

45 Dougherty

The Szanton Company is requesting an Affordable Housing TIF (75% for 30 years) to construct a five story elevator-assisted building with 63 rental units on the city-owned property known as 43 & 91 Douglass Street (i.e. the location of the former West School). The developer has signed a Purchase and Sale Agreement with the City of Portland to acquire the site along with Maine Cooperative Development Partners. The funding request from the Maine Cooperative Development Partners will be reviewed at a later date.

The building would be comprised of 35 one-bedroom, 18 two-bedroom, and 10 three-bedroom apartments. Of the 63 units, 46 would be reserved for households earning at or below 60% AMI (i.e. $67,000 for a family of four) while the remaining 17 units would be leased at market rate. The property would feature an on-site property manager, resident services coordinator, fitness room, and community room. After completion, the project would be managed by Saco Falls Management. The building would meet or exceed Portland's Green Building Ordinance. The project would be called 45 Dougherty.

The Szanton Company has requested an Affordable Housing Tax Increment Financing request. If approved, the Affordable Housing TIF financing would be provided through a Credit Enhancement Agreement at 75% of the increased assessed value tax revenue during years 1 through 10, at 50% of the increased assessed value tax revenue during years 11 through 20, and at 25% of the increased assessed value tax revenue during years 21 through 30, currently estimated at a 30-year annual average of $72,829, with an estimated total of $2,184,865 in captured increased assessed value tax revenue returned to the project/developer to off-set project operating costs. The proposed project will be taxable, with an estimated annual assessment of $8,700,000 and estimated annual tax of $113,013 at the current 22FY millage rate. The remaining increased taxable value, currently estimated at a 30-year annual average of $83,052, with an estimated total of $2,491,549, will be non-captured general fund revenue. TIF projections and proposed district map are included in the backup to this memo.

45 Dougherty		
One-bedroom (35)	at or below 60% area median income	23
	at market rate	12
two-bedroom (18)	at or below 60% area median income	14
	at market rate	4
three-bedroom (10)	at or below 60% area median income	9
	at market rate	1
Total	at or below 60% area median income	46
Total	at market rate	17
Total Units		63

According to the developer's application:

The project is consistent with the City of Portland's Comprehensive plan. A principle of future land use as outlined in Portland's Plan 2030 is One Portland, which stresses the importance of providing development spread throughout the City, and providing equitable access to homes, services, and community connection for all Portland residents by proximity, universal design, and affordability. This project supports all the goals of the One Portland vision, by creating a more equitable and diverse mix of homes than the single-family style predominantly found on the streets surrounding the Douglass Street recreational complex. Our proposal allows for a broad range of households to have great access to Douglass Street's recreation opportunities.

This project is seeking a 4% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing.

The Planning Board approved the major site plan for 57 Douglass Street (i.e. 45 Dougherty and Maine Cooperative Development Partners' Dougherty Court project) during their public hearing held on May 24, 2022.

FINANCIAL IMPACT

When completed, this project's new total assessed value is estimated at $8.7 million, which would yield $113,013 in annual assessed property value at the current FY22 millage rate. Seventy-five (75%) percent of the increased assessed value tax revenue during years 1 through 10, fifty percent (50%) of the increased assessed value tax revenue during years 11 through 20, and twenty-five percent (25%) of the increased assessed value tax revenue during years 21 through 30 (approximately $2,184,865 over the 30-year term) will be captured increased assessed value tax revenue returned to the project/developer. The remaining non-captured revenue from the increased assessed value of twenty-five percent (25%) during years 1 through 10, fifty percent (50%) during years 11 through 20, and seventy-five percent (75%) during years 21 through 30 (approximately $2,491,549 over the 30-year term) will be general fund revenue.

A Credit Enhancement Agreement would return approximately $2,184,865 in captured increased assessed value tax revenue to the project/developer (averaged at $72,829 annually over thirty years) to off-set project operating costs.

Total development costs are estimated at $20 million. Non-captured general fund revenues are estimated at $2,491,549 (average at $83,052 annually over thirty years).

With the tax sheltering benefits of TIF Districts, overall savings to the City during the term of the district averages an estimated annual amount of $34,848+, or $1,045,430+ over the life of the district.

	Captured Revenue to Developer (assumes 2% increase/year to mill rate) (Tax Dollars returned to the Developer's District Account)	Captured Revenue Returned to City (assumes 2% increase/year to mill rate) (Tax Dollars returned to the City's District Account)	City Non -Captured General Fund Revenue (Tax Dollars in General Fund)	City OAV General Fund Revenues
30 Year TIF Total	$2,184,865	$0	$2,491,549	$0
30 Year Average	$72,829	$0	$83,052	$0

	1. Sheltered Valuation (same as Captured Valuation	2. Avoided Loss of State Aid for Education	3. Avoided Loss of State Municipal Revenue Sharing	4. Avoided Increase in County Tax	5. Total Avoided Impacts (2+3+4)
30 Year TIF Total	$130,500,000	$824,760	$150,156	$70,514	$1,045,430
30 Year Average	$4,350,000	$27,492	$5,005	$2,350	$34,848

Final terms would be determined based on the results of the underwriting.

Attachments:

45 Dougherty Illustrations
45 Dougherty Project Summary
45 Dougherty TIF District
45 Dougherty Development Finances
45 Dougherty TIF Projection Table
45 Dougherty Tax Shifts- Avoided Formula Impacts

5 - STORY BUILDING (ARCHETYPE ARCHITECTS)

5 - STORY BUILDING (ARCHETYPE ARCHITECTS)

Douglass Commons Rental Housing
Project Summary

Douglass Commons Rental Housing will be located at 43 and 91 Douglass Street. The tax chart, block, and lot number for 43 Douglass Street are 078, C, and 002, respectively. The tax chart, block, and lot number for 91 Douglass Street are 078, B, and 007, respectively. These parcels together form the Douglass Commons neighborhood, selected by the Portland City Council in an RFP process for the construction of low and moderate income housing at the site of the former West School. We are in a Purchase and Sale Agreement with the City of Portland to acquire the site. We have rezoned the 3.35-acre site from R-5 to R-5a, to accommodate the density of Douglass Commons. The allowed use for R-5a is moderate-density residential development in off-peninsula locations. Douglass Commons Rental Housing will sit on the eastern half of the site, while Douglass Commons Co-op Housing will be located on the western half.

Portland has an acute need for affordable homes. This project will provide housing that is stable, high-quality, and affordable to 63 households. Of this project's 63 units, 46 will serve households with incomes at or below 60% of the area median. The remaining apartments will be rented at market rate, primarily to households with incomes from 75%-120% of the area median. Comprised of 1-, 2-, and 3-bedroom units, this project will serve households at a variety of sizes. The property will feature an on-site property manager, resident services coordinator, fitness room, and community room. It will be adjacent to the Dougherty Field complex, providing residents unparalleled access to soccer fields, softball fields, baseball fields, a basketball court, playground, skate park, and the Kiwanis Pool. The project will be named 45 Dougherty, a nod to its eventual address of 45 Dougherty Court.

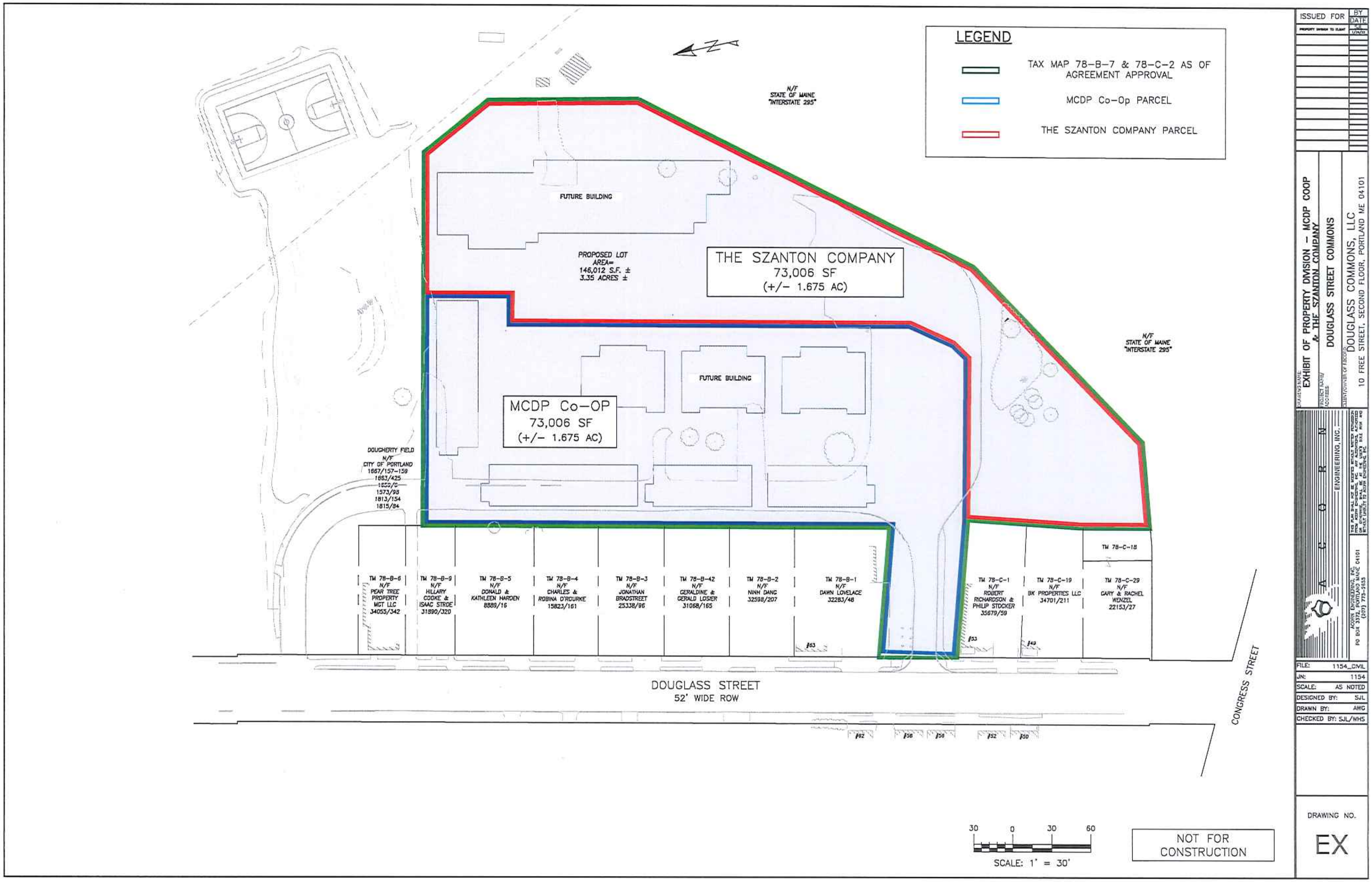
To make this project feasible, we are requesting a 75% credit enhancement agreement over 30 years, as first proposed in our RFP Submission to the Portland City Council in 2020. Without this CEA, Douglas Commons Rental Housing has a development budget shortfall of $1.27 million. The CEA allows the project to take on an additional $1.27 million in MaineHousing Rental Loan Program debt, to close the project’s gap between sources and uses of funds.

Located in the Libbytown neighborhood, the project will border a residential neighborhood to the west, the Dougherty playing fields to the north, an MDOT parcel to the east that includes the I-295 on- and off-ramps, and Congress Street to the south. The nearby section of Congress Street includes a variety of retail, office, and residential uses.

No relocation plan is applicable; the project will not displace any residents.

The project is consistent with the City of Portland's Comprehensive plan. A principle of future land use as outlined in Portland's Plan 2030 is One Portland, which stresses the importance of providing development spread throughout the City, and providing equitable access to homes, services, and community connection for all Portland residents by proximity, universal design, and affordability. This project supports all the goals of the One Portland vision, by creating a more equitable and diverse mix of homes than the single-family style predominantly found on the streets surrounding the Douglass Street recreational complex. Our proposal allows for a broad range of households to have great access to Douglass Street's recreation opportunities.

After completion, the project will be managed by Saco Falls Management, as is each project developed by The Szanton Company. Saco Falls Management is a full-service management company formed by The Szanton Company in 2013. We are committed to long-term ownership of each of our housing developments. We have never sold a property, and we don't intend to.


LEGEND
TAX MAP 78-B-7 & 78-C-2 AS OF AGREEMENT APPROVAL
MCDP Co-Op PARCEL
THE SZANTON COMPANY PARCEL
N/F STATE OF MAINE "INTERSTATE 295"
FUTURE BUILDING
PROPOSED LOT AREA= 146,012 S.F. ± 3.35 ACRES ±
THE SZANTON COMPANY 73,006 SF (+/- 1.675 AC)
MCDP Co-OP 73,006 SF (+/- 1.675 AC)
FUTURE BUILDING
N/F STATE OF MAINE "INTERSTATE 295"
DOUGHERTY FIELD N/F CITY OF PORTLAND 1667/157-159 1653/425 1632/6 1573/93 1813/154 1815/84
TM 78-B-6 N/F PEAR TREE PROPERTY MGT LLC 34053/342
TM 78-B-9 N/F HILLARY COOKE & ISAAC STRDE 31890/320
TM 78-B-5 N/F DONALD & KATHLEEN HARDEN 8889/16
TM 78-B-4 N/F CHARLES & ROBINA O'ROURKE 15823/161
TM 78-B-3 N/F JONATHAN BRADSTREET 25338/96
TM 78-B-42 N/F GERALDINE & GERALD LOSIER 31068/165
TM 78-B-2 N/F NINH DANG 32598/207
TM 78-B-1 N/F DAWN LOVELACE 32283/48
TM 78-C-1 N/F ROBERT RICHARDSON & PHILIP STOCKER 35679/59
TM 78-C-19 N/F BK PROPERTIES LLC 34701/211
TM 78-C-18
TM 78-C-29 N/F GARY & RACHEL WENZEL 22153/27
DOUGLASS STREET 52' WIDE ROW
CONGRESS STREET
SCALE: 1" = 30'
NOT FOR CONSTRUCTION
ISSUED FOR
EXHIBIT OF PROPERTY DIVISION - MCDP COOP & THE SZANTON COMPANY
DOUGLASS STREET COMMONS
DOUGLASS COMMONS, LLC
10 FREE STREET, SECOND FLOOR, PORTLAND ME 04101
ACORN ENGINEERING, INC.
FILE: 1154_CIVIL
JN: 1154
SCALE: AS NOTED
DESIGNED BY: SJL
DRAWN BY: AWC
CHECKED BY: SJL/WHS
DRAWING NO.
EX

PROJECT NAME: **45 Dougherty** Date:
LOCATION: **Portland**

DEVELOPMENT ASSUMPTIONS						
Total Units		63	Inflation Adjustments	Yr 1-5	Yr. 6-15	Yr. 16-30
# @ 50% AMI (low HOME)	0.0%	0	Rent	2.00%	2.50%	3.00%
# @ 50% AMI (High HOME)	0.0%	0	Operating Expense	3.00%	3.00%	3.00%
# @ 50% AMI (LIHTC)	0.0%	0	Other Income	2.00%	2.50%	3.00%
# @ 60% AMI (LIHTC)	73.0%	46	Debt Coverage Ratio	1.15		
# @ Market	27.0%	17	Vacancy	5%		
Appraised Market Value		10,214,010	Market Value/Unit	$162,127		

PRO FORMA DEVELOPMENT BUDGET		Residential	Per Unit	Commercial	TDC
Site Improvements		1,197,716	19,011		1,197,716
Construction		11,668,382	185,212	0	11,668,382
General Requirements		1,099,500	17,452		1,099,500
Builder Profit		532,599	8,454		532,599
Bond Premium		0	0		0
Construction Contingency	5.00%	724,910	11,507	0	724,910
Subtotal Construction Costs		**15,223,107**	**241,637**	**0**	**15,223,107**
Building Permits and Fees		180,000	2,857	0	180,000
Survey & Engineering		81,800	1,298	0	81,800
Architectural & Design		439,000	6,968	0	439,000
Legal		135,000	2,143	0	135,000
Title & Recording		135,000	2,143	0	135,000
Accounting		14,000	222	0	14,000
Construction Period Tax		10,000	159	0	10,000
Construction Period Insurance		55,000	873	0	55,000
Other		0	0	0	0
Subtotal Soft Costs		**1,049,800**	**16,663**	**0**	**1,049,800**
Construction Loan Origination Fees		0	0	0	0
Construction Loan Interest		328,272	5,211	0	328,272
MaineHousing Loan Fees		211,400	3,356	0	211,400
Other Permanent Loan Fees		0	0	0	0
Other		0	0	0	0
Subtotal Finance Costs		**539,672**	**8,566**	**0**	**539,672**
Market Survey		6,500	103	0	6,500
Appraisal		7,500	119	0	7,500
Environmental Study		150,000	2,381	0	150,000
LIHTC Fees & Prepaid Monitoring		91,149	1,447	0	91,149
Relocation Costs		0	0	0	0
FF&E		150,000	2,381	0	150,000
Other		0	0	0	0
Subtotal Miscellaneous		**405,149**	**6,431**	**0**	**405,149**
Acquisition: Buildings		0	0	0	0
Acquisition: Land		375,000	5,952	0	375,000
Acquisition: Existing Reserves		0	0	0	0
Acquisition: Legal		0	0	0	0
Acquisition: other		0	0	0	0
Subtotal Acquisition		**375,000**	**5,952**	**0**	**375,000**
Operating Deficit Escrow		489,819	7,775	0	489,819
Pre-funded Replacements		133,005	2,111	0	133,005
Tax & Insurance Escrow		79,800	1,267	0	79,800
Working Capital		50,000	794	0	50,000
Total Syndication Expenses		55,000	873	0	55,000
Consultant Fee		0	0	0	0
Developer Overhead		566,993	9,000	0	566,993
Developer Profit		1,075,203	17,067	0	1,075,203
Other		0	0	0	0
Subtotal Fee and Reserves		**2,449,819**	**38,886**	**0**	**2,449,819**
Total Project Costs		**20,042,548**	**318,136**	**0**	**20,042,548**

Max LIHTC Available	541,993
LIHTC Alloc.	541,993
Equity yield	0.87
Synd. %	98.99%
Equity Raise	4,667,716

Historic Credit FED	0
Equity yield	0.00
Synd. %	98.99%
Equity Raise	0

Historic Credit STATE	0
Equity yield Equivilent	0.00
Synd. %	100.00%
Equity Raise	0

GP Contribution	100
Total Equity:	4,667,816

Gross Square Footage	67,256
Construction Cost/Sq ft.	**216**
Total Project Cost/Sq ft.	**298**

Notes:

Maximum Gross Developer Fee (10%/15%)	2,741,303
Maximum Net Developer Fee (per unit max)	750,000
Actual Proposed Gross Fee	1,642,196
% of maximum Gross Fee	59.9%
Proposed Net Fee Collected	**692,196**
% of Maximum Net Fee	92.3%

FLOW OF FUNDS

Sources	CLC	During Construction 25%	50%	75%	100%	PLC	1st Equity Occupancy Milestone	Final Capital Payment	Total
Beginning Cash	0	0	0	0	0	0	0	0	0
Capital Contribution	1,357,100		1,357,000			1,661,977	233,391	58,348	4,667,816
Construction Loan	683,249	3,828,908	2,488,170	3,877,997	3,967,389				14,900,000
GP Bridge Loan									0
MH: 0% Deferred Loan-FedHOME	0					5,428,000			5,428,000
0% Deferred Loan-Other						0			0
Interest Bearing Loan						8,996,733			8,996,733
Interest Only for 30 Years									
Conventional First Mortgage									
						0			0
	0					0			0
		0				0			0
	0					0			0
0	0					0			0
0	0					0			0
	0					0			0
General Partner (or Affiliate) Loan	0					0			0
Deferred Developer Fee						950,000			950,000
TOTAL SOURCES	2,040,349	3,828,908	3,845,170	3,877,997	3,967,389	17,036,710	233,391	58,348	34,942,549
Uses									
Acquisition	375,000								375,000
Construction		3,805,777	3,805,777	3,805,777	3,805,777				15,223,107
Soft Costs	1,039,800	10,000	0	0	0	0			1,049,800
Financing Costs	211,400	13,131	39,393	72,220	111,612	91,916			539,672
Miscellaneous	359,149					46,000			405,149
Dev Fee	0					1,350,458	233,391	58,348	1,642,196
Reserves					50,000	702,623			752,623
TOTAL DEV. COSTS	1,985,349	3,828,908	3,845,170	3,877,997	3,967,389	2,190,997	233,391	58,348	19,987,548
Repay GP Bridge Loan						0			0
Repay Construction Loan						14,845,713			14,900,000
Other Syndication Costs	55,000								55,000
Total Commercial Costs		0	0	0	0				0
SUBTOTAL OTHER ITEMS	55,000	0	0	0	0	14,845,713	0	0	14,955,000
TOTAL USES OF FUNDS	2,040,349	3,828,908	3,845,170	3,877,997	3,967,389	17,036,710	233,391	58,348	34,942,548
Ending Cash	0	0	0	0	0	0	0	0	0

50% Test

Agg. Basis	18,932,375
Perm. TE	8,996,733
	47.52%
Min TE Amt	10,420,000
% of CL	70%
Bal. of CL	4,480,000

PROJECT FINANCING

Source		Amount	Rate	Term	Lien	Annual D/S Yr. 1-5	Yr. 6-15	Yr. 16-30
Source 1:	0% Deferred Loan-FedHOME	5,428,000	0.00%	30	First	0	0	0
Source 2:	0% Deferred Loan-Other	0	0.00%	30	First	0	0	0
Source 3	Interest Bearing Loan	8,996,733	5.50%	30	First	494,820	494,820	494,820
Source 4	Conventional First Mortgage	0	0.00%	0	First	0	0	0
Source 5		0	0.00%	0	Second	0	0	0
Source 6		0	0.00%	30	Second	0	0	0
Source 7		0	0.00%	30	Second	0	0	0
Source 8	$0	0	0.00%	30	Third	0	0	0
Source 9	$0	0	0.00%	30	Third	0	0	0
Source 10		0			Third		Grant	
Source 11	General Partner (or Affiliate) Loan	0			Unsecured		Cash Flow	
Source 12	Deferred Developer Fee	950,000			Unsecured		Cash Flow	
Source 13	Net Syndication	4,667,816	$0.86					
	Capitalization Gap	(0)						
	Total	20,042,548						

COLLATERAL COVERAGE

	Total	Per Unit
Projected Mortgage	8,996,733	142,805
Appraised Market Value	10,214,010	162,127
Loan to Value Ratio	88%	
Market Rent Differential	169,116	224
Supportable Mort.: Unrestricted	11,478,817	182,203
Subsidy per Unit		86,159
Subsidy per Low Income Unit		118,000

45 Dougherty

PROPOSED RENT SCHEDULE Type	AMI	# Units	Maximum Gross LIHTC/HOME Rents	Less Utility Allow.	Maximum Net Tenant Rent	Rents from Applicant	Market Rent	Total Rent
Efficiency	50% LHOME							
	50% HHOME							
	50% LIHTC	0	$0	$0	$0	$0	$0	0
	60% LIHTC	0	$0	$0	$0	$0	$0	0
0	Market	0				$0	$0	0
1BR	50% LHOME							
	50% HHOME							
	50% LIHTC	0	$0	$36	$0	$901	$1,500	0
	60% LIHTC	23	$1,257	$36	$1,221	$1,221	$1,500	336,996
####	Market	12				$1,500	$1,500	216,000
2BR	50% LHOME							
	50% HHOME							
	50% LIHTC	0	$0	$47	$0	$1,078	$1,775	0
	60% LIHTC	14	$1,509	$47	$1,462	$1,462	$1,775	245,616
####	Market	4				$1,775	$1,775	85,200
3BR	50% LHOME							
	50% HHOME							
	50% LIHTC	0	$0	$59	$0	$1,239	$2,050	0
	60% LIHTC	9	$1,743	$59	$1,684	$1,684	$2,050	181,872
####	Market	1				$2,050	$2,050	24,600
4BR	50% LHOME							
	50% HHOME							
	50% LIHTC	0	$0	$0	$0	$0	$0	0
	60% LIHTC	0	$0	$0	$0	$0	$0	0
0	Market	0				$0	$0	0
Other:								0
								0
Subtotals		63						1,090,284
			Income from Laundry:				1,260	15,120
			Other Income:				0	0
			Vacancy Rate			5%		(55,270)
			Other Income:	TIF Income			6,891	82,688
			Effective Gross Income					1,132,822

AFFORDABLE AMORTIZING MORTGAGE CALCULATION			
Effective Gross Income			1,132,822
Annual Operating Expense			484,817
Stabilized NOI			648,005
DSC	**1.15**		84,522
$ Avail for D/S			563,482
Other DS			0
Balance			563,482
Affordable Fully Amortizing Mortgage		5.50%	8,270,127
Affordable Interest Only Mortgage		5.50%	10,245,135

BREAKEVEN ANALYSIS:	RENT SENSITIVITY Total	OCCUPANCY	Annual
Operating Expense	484,817	Gross Revenues	1,105,404
Debt Service	494,820		
Breakeven Rent	1,296	Breakeven Occupancy	89%

OPERATING EXPENSES Expense	Annual	Annual Per Unit	Monthly Per Unit
Administrative Expenses:			
Management Fees	98,702	1,567	131
Management Charges	0	0	0
Marketing Expenses	0	0	0
Legal Expenses	6,300	100	8
Auditing Expenses	7,000	111	9
Other Administrative Expenses	1,890	30	3
Administrative Expenses	113,892	1,808	151
Operating Expenses:			
Janitorial Payroll	0	0	0
Janitorial Supplies and Equipment	0	0	0
Janitorial Contractual Services	0	0	0
Fuel and Gas	31,500	500	42
Electricity	18,900	300	25
Water and Sewer	18,900	300	25
Garbage and Trash Removal	0	0	0
Vehicle and Equipment Expenses	0	0	0
Other Operating Expenses	7,300	116	10
Operating Expenses	76,600	1,216	101
Maintenance Expenses:			
Grounds Maintenance Payroll	0	0	0
Grounds Tools and Supplies	0	0	0
Grounds Contractual Services	27,600	438	37
Miscellaneous Ground Maintenance	0	0	0
		0	0
Building Maintenance Payroll	36,225	575	48
Building Tools and Supplies	12,600	200	17
Building Contractual Services	22,050	350	29
Building Systems Maintenance	5,000	79	7
Miscellaneous Building Maintenance	0	0	0
		0	0
Maintenance Expenses	103,475	1,642	137
General Expenses:			
Property Taxes	100,800	1,600	133
Property and Liability Insurance	25,200	400	33
Tenant Service Expenses	29,000	460	38
Other General Expenses	7,500	119	10
General Expenses	162,500	2,579	215
Replacement Reserve Funding	28,350	450	38
Commercial Expenses (if applicable)	0	0	0
Total	484,817	7,696	641

Management Costs Analysis

Management Fees	98,702		
Management Charges	0		
Other Administrative Expenses	1,890	100,592	
Effective Gross Rental Income		1,035,014	
Cost Percentage for use in Management Agreement			**10%**

45 Dougherty

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT		9 Months										
	4/1/22	12/31/2022	12/31/2023	12/31/2024	12/31/2025	12/31/2026	12/31/2027	12/31/2028	12/31/2029	12/31/2030	12/31/2031	12/31/2032
Effective Gross Income		849,616	1,155,478	1,178,588	1,202,160	1,226,203	1,256,858	1,288,279	1,320,486	1,353,498	1,387,336	1,422,019
Less Operating Expense		363,613	499,362	514,342	529,773	545,666	562,036	578,897	596,264	614,152	632,576	651,554
Net Operating Income		486,004	656,117	664,245	672,387	680,537	694,822	709,382	724,222	739,347	754,760	770,466
Less RLP Repay		371,115	494,820	494,820	494,820	494,820	494,820	494,820	494,820	494,820	494,820	494,820
Less Other Repay		0	0	0	0	0	0	0	0	0	0	0
Cash Flow		114,888	161,296	169,425	177,567	185,717	200,002	214,562	229,402	244,526	259,939	275,645
Cash Flow per Unit		2,431	2,560	2,689	2,819	2,948	3,175	3,406	3,641	3,881	4,126	4,375
Debt Coverage Ratio(RLP)		1.31	1.33	1.34	1.36	1.38	1.40	1.43	1.46	1.49	1.53	1.56
Principal Balance(RLP)	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733
Principal Balance(Other)	0	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Balance	489,819	497,166	504,623	512,193	519,876	527,674	535,589	543,623	551,777	560,054	568,455	576,981

Total Cash Flow Projected over 12 Years
2,832,575

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued						Yr 15						
		12/31/2033	12/31/2034	12/31/2035	12/31/2036	12/31/2037	12/31/2038	12/31/2039	12/31/2040	12/31/2041	12/31/2042	12/31/2043
Effective Gross Income		1,457,570	1,494,009	1,531,359	1,569,643	1,608,884	1,657,151	1,706,865	1,758,071	1,810,813	1,865,138	1,921,092
Less Operating Expense		671,100	691,233	711,970	733,329	755,329	777,989	801,329	825,368	850,130	875,633	901,902
Net Operating Income		786,470	802,776	819,389	836,314	853,555	879,162	905,537	932,703	960,684	989,504	1,019,190
Less RLP Repay		494,820	494,820	494,820	494,820	494,820	494,820	494,820	494,820	494,820	494,820	494,820
Less Other Repay		0	0	0	0	0	0	0	0	0	0	0
Cash Flow		291,649	307,956	324,569	341,494	358,735	384,342	410,716	437,882	465,864	494,684	524,369
Cash Flow per Unit		4,629	4,888	5,152	5,421	5,694	6,101	6,519	6,951	7,395	7,852	8,323
Debt Coverage Ratio(RLP)		1.59	1.62	1.66	1.69	1.72	1.78	1.83	1.88	1.94	2.00	2.06
Principal Balance(RLP)	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	14,424,733	5,428,000	5,428,000	5,428,000	5,428,000	5,428,000
Principal Balance(Other)	0	0	0	0	0	0	0	0	0	0	0	0
Operating Reserve Balance	576,981	585,636	594,421	603,337	612,387	621,573	630,896	640,360	649,965	659,715	669,610	679,655

259 260 270 278

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued										
		12/31/2044	12/31/2045	12/31/2046	12/31/2047	12/31/2048	12/31/2049	12/31/2050	12/31/2051	3/31/2052
Effective Gross Income		1,978,725	2,038,086	2,099,229	2,162,206	2,227,072	2,293,884	2,362,701	2,433,582	626,647
Less Operating Expense		928,960	956,828	985,533	1,015,099	1,045,552	1,076,919	1,109,226	1,142,503	294,195
Net Operating Income		1,049,765	1,081,258	1,113,696	1,147,107	1,181,520	1,216,966	1,253,475	1,291,079	332,453
Less RLP Repay		494,820	494,820	494,820	494,820	494,820	494,820	494,820	494,820	123,705
Less Other Repay		0	0	0	0	0	0	0	0	0
Cash Flow		554,945	586,438	618,876	652,286	686,700	722,145	758,654	796,258	208,748
Cash Flow per Unit		8,809	9,309	9,823	10,354	10,900	11,463	12,042	12,639	13,254
Debt Coverage Ratio(RLP)		2.12	2.19	2.25	2.32	2.39	2.46	2.53	2.61	2.69
Principal Balance(RLP)	5,428,000	5,428,000	5,428,000	5,428,000	5,428,000	5,428,000	5,428,000	5,428,000	5,428,000	5,428,000
Principal Balance(Other)	0	0	0	0	0	0	0	0	0	0
Operating Reserve Balance	679,655	689,849	700,197	710,700	721,361	732,181	743,164	754,311	765,626	777,110

City of Portland - TIF Model
45 Dougherty
7/14/2022
078 B007
OAV as of 3/31/2022: $0
Annual Mil Rate Increase: 2%

45 Dougherty: City of Portland- TIF Projection Table									
TIF Year	Tax Year-April 1	Increased Assessed Value Real Prop.	% of Value Captured	Captured Valuation	Projected Mill Rate	Total Projected New Taxes Captured	Captured Revenue to Business Project Account	Captured Revenue to Municipal Project Account	City Non-Captured General Fund Revenues
1	2022	$8,700,000	75.00%	$6,525,000	13.25	$86,455	$86,455	$0	$28,818
2	2023	$8,700,000	75.00%	$6,525,000	13.51	$88,184	$88,184	$0	$29,395
3	2024	$8,700,000	75.00%	$6,525,000	13.79	$89,948	$89,948	$0	$29,983
4	2025	$8,700,000	75.00%	$6,525,000	14.06	$91,747	$91,747	$0	$30,582
5	2026	$8,700,000	75.00%	$6,525,000	14.34	$93,582	$93,582	$0	$31,194
6	2027	$8,700,000	75.00%	$6,525,000	14.63	$95,453	$95,453	$0	$31,818
7	2028	$8,700,000	75.00%	$6,525,000	14.92	$97,362	$97,362	$0	$32,454
8	2029	$8,700,000	75.00%	$6,525,000	15.22	$99,310	$99,310	$0	$33,103
9	2030	$8,700,000	75.00%	$6,525,000	15.52	$101,296	$101,296	$0	$33,765
10	2031	$8,700,000	75.00%	$6,525,000	15.83	$103,322	$103,322	$0	$34,441
11	2032	$8,700,000	50.00%	$4,350,000	16.15	$70,259	$70,259	$0	$70,259
12	2033	$8,700,000	50.00%	$4,350,000	16.47	$71,664	$71,664	$0	$71,664
13	2034	$8,700,000	50.00%	$4,350,000	16.80	$73,097	$73,097	$0	$73,097
14	2035	$8,700,000	50.00%	$4,350,000	17.14	$74,559	$74,559	$0	$74,559
15	2036	$8,700,000	50.00%	$4,350,000	17.48	$76,050	$76,050	$0	$76,050
16	2037	$8,700,000	50.00%	$4,350,000	17.83	$77,571	$77,571	$0	$77,571
17	2038	$8,700,000	50.00%	$4,350,000	18.19	$79,123	$79,123	$0	$79,123
18	2039	$8,700,000	50.00%	$4,350,000	18.55	$80,705	$80,705	$0	$80,705
19	2040	$8,700,000	50.00%	$4,350,000	18.92	$82,319	$82,319	$0	$82,319
20	2041	$8,700,000	50.00%	$4,350,000	19.30	$83,966	$83,966	$0	$83,966
21	2042	$8,700,000	25.00%	$2,175,000	19.69	$42,823	$42,823	$0	$128,468
22	2043	$8,700,000	25.00%	$2,175,000	20.08	$43,679	$43,679	$0	$131,037
23	2044	$8,700,000	25.00%	$2,175,000	20.48	$44,553	$44,553	$0	$133,658
24	2045	$8,700,000	25.00%	$2,175,000	20.89	$45,444	$45,444	$0	$136,331
25	2046	$8,700,000	25.00%	$2,175,000	21.31	$46,352	$46,352	$0	$139,057
26	2047	$8,700,000	25.00%	$2,175,000	21.74	$47,280	$47,280	$0	$141,839
27	2048	$8,700,000	25.00%	$2,175,000	22.17	$48,225	$48,225	$0	$144,675
28	2049	$8,700,000	25.00%	$2,175,000	22.62	$49,190	$49,190	$0	$147,569
29	2050	$8,700,000	25.00%	$2,175,000	23.07	$50,173	$50,173	$0	$150,520
30	2051	$8,700,000	25.00%	$2,175,000	23.53	$51,177	$51,177	$0	$153,531
30 Year TIF Total		**$261,000,000**		**$130,500,000**		**$2,184,865**	**$2,184,865**	**$0**	**$2,491,549**
30 Year TIF Average:				**$4,350,000**		**$72,829**	**$72,829**	**$0**	**$83,052**

W:\Shared drives\Economic Development\TIF\Affordable Housing TIFs\45 Dougherty 78-B-7\April 2021 Model - 45 Dougherty at $8.7M TAV Varied for 30 Years 7-14-2022.xls

Tax Shifts-Avoided Formula Impacts from Sheltering of Valuation: City of Portland- TIF Model for 45 Dougherty

75% Shelter Yrs 1-10; 50% Shelter Yrs 11-20; 25% Shelter Yrs 21-30

TIF Year	Tax Year-April 1	Total Added Valuation	Sheltered Valuation	Avoided Formula Impacts from Sheltering of Valuation: Avoided Loss of State Aid to for Education	Avoided Loss of State Municipal Revenue Sharing	Avoided Increase in County Tax	Total Avoided Impacts
1	2022	$8,700,000	$6,525,000	$0	$7,508	$3,526	$11,033
2	2023	$8,700,000	$6,525,000	$0	$7,508	$3,526	$11,033
3	2024	$8,700,000	$6,525,000	$0	$7,508	$3,526	$11,033
4	2025	$8,700,000	$6,525,000	$17,183	$7,508	$3,526	$28,216
5	2026	$8,700,000	$6,525,000	$34,365	$7,508	$3,526	$45,398
6	2027	$8,700,000	$6,525,000	$51,548	$7,508	$3,526	$62,581
7	2028	$8,700,000	$6,525,000	$51,548	$7,508	$3,526	$62,581
8	2029	$8,700,000	$6,525,000	$51,548	$7,508	$3,526	$62,581
9	2030	$8,700,000	$6,525,000	$51,548	$7,508	$3,526	$62,581
10	2031	$8,700,000	$6,525,000	$51,548	$7,508	$3,526	$62,581
11	2032	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
12	2033	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
13	2034	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
14	2035	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
15	2036	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
16	2037	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
17	2038	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
18	2039	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
19	2040	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
20	2041	$8,700,000	$4,350,000	$34,365	$5,005	$2,350	$41,721
21	2042	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
22	2043	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
23	2044	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
24	2045	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
25	2046	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
26	2047	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
27	2048	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
28	2049	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
29	2050	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
30	2051	$8,700,000	$2,175,000	$17,183	$2,503	$1,175	$20,860
30 Year TIF Total		**$261,000,000**	**$130,500,000**	**$824,760**	**$150,156**	**$70,514**	**$1,045,430**
30 Year TIF Average		**$8,700,000**	**$4,350,000**	**$27,492**	**$5,005**	**$2,350**	**$34,848**

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City of Portland | Housing and Economic Development Department
Mary P. Davis, Interim Director

TO:	**Councilor Ali, Chair** **Members of the Housing and Economic Development Committee**
FROM:	**Mary P. Davis, Interim Director** **Housing and Economic Development Department**
DATE:	**July 15, 2022**
SUBJECT:	**Additional Funding Request for 83 Middle Street Project**

Community Housing of Maine (CHOM) is requesting additional subsidy from the City of Portland for their project currently under construction at 83 Middle Street. In September of 2019, the City Council approved $330,000 in affordable housing development funding for this project (Order 34-19/20) ($193,266 HOME and $136,734 Jill C. Duson HTF) and an Affordable Housing TIF Credit Enhancement Agreement (Orders 15 & 16-20/21). Due to the rising costs of construction and unexpected environmental remediation costs the developer is seeking an additional subsidy of $255,800 to fill the gap created by these unforeseen costs.

Background:

The 83 Middle Street project, formerly known as Middle Street Apartments, now known as Phoenix Flats, has been under construction since October 2021. A portion of the project site is leased from the City of Portland (Order 43 – 19/20). The project, when complete, will create forty-five (45) new units of rental housing, consisting of 27 efficiency units and 18 one-bedroom units. Twenty-seven units are affordable to households at or below 50% of the area median income (2022 limit for a single person household is $39,100) and 18 units will be affordable to households at or below 60% of the area median income (2022 limit for a single person household $46,920).

Staff Recommendation:

HCD staff is requesting the Housing and Economic Development Committee approve and recommend to the City Council support of $255,800 in additional HOME funding for the Phoenix Flats project.

Attachments:

Developer Request

CHOM
Community Housing of Maine

Dear Mary, May 9th, 2022

Thank you for taking the time to review our request for additional support for Phoenix Flats, formerly known as Middle Street Apartments. Phoenix Flats has been under construction since October of 2021. Since that time, we have seen a consistent rise in the cost of construction. Significant increases in both labor and materials costs have begun to jeopardize our ability to deliver the final product as it was originally designed. Because of this challenging construction climate, we are asking for $255,800 in additional support to ensure the project's successful completion.

Throughout construction, cost increases have steadily chipped away at our contingency. For example, the CMP connection fee, which had been budgeted to be $30,000 based on prior experience, was actually $128,000. Since the outset of construction, the price of solar panels has increased by $21,000, roofing materials by $35,554.02, siding materials by $21,032.96, and the list goes on. Perhaps the best example of price escalation can be seen in the first change order of the project. In December, we needed to change the finish condition of some interior lighting. We removed two lights from the interior hallways but added one light in the trash room, resulting in a net reduction in the number of light fixtures needed. However, the change meant that we lost our contracted price with the supplier. When the final price came back, the cost had gone up by $13,964.42. These are just some examples of the price escalations we are seeing. When taken separately, each of these increases can be managed. However, when combined, these costs are overwhelming, and there are still at least six months of construction remaining.

In addition to the rising construction costs, we have had to handle unexpected environmental costs. While digging the foundations, we discovered environmental contaminants that were not found in our pre-development testing. The 500 tons of "dirty dirt" have had to be tested, hauled off site, stored, and then finally brought to an appropriate landfill. With testing, transportation, and disposal fees the increased environmental costs currently amount to $66,250.

I would be happy to discuss these challenges and answer any questions you may have. Thank you for your previous support for this project and your consideration of this funding request.

Thank you,

Brian Kilgallen

DRAFT
Housing & Economic Development Committee
2022 Work Plan Schedule
as of July 15, 2022

<u>July 19, 2022</u>
1. (Public Hearing) Review and Vote to Approve Affordable Housing TIF CEA Application for the 45 Dougherty Project at 43 & 91 Douglass Street
2. (Public Hearing) Review and Vote to Approve Additional Funding Request for the Phoenix Flats Project at 83 Middle Street.

<u>August 2, 2022 (canceled)</u>
<u>August 16, 2022 (canceled)</u>

<u>September 6, 2022</u>
1. (Public Hearing) Review and Recommend Approval to the City Council of a Tourism Improvement District

<u>September 20, 2022</u>
1.

<u>October 4,2022</u>
1.

<u>October 18, 2022</u>
1.

<u>November 1, 2022</u>
1. Review of 2022 Committee Accomplishments Annual Report – Issue to the City Council as a communication
2. City Annual TIF District Activity Report – Issue to the City Council as a communication

<u>November 15, 2022</u>

<u>December</u> – No Committee meeting

COMPLETED WORK

January 4, 2022

1. Discussion of Committee priorities for 2022, including housing policy/investment strategies.

January 18, 2022

1. Finalizing Committee priorities for 2022, including housing policy/investment strategies.
2. (Public Hearing) Review, Vote to Recommend Approval to the City Council of the HUD Citizen Participation Plan
3. Executive Session: Discussion of Possible Disposition of City-owned property on Great Diamond Island.

February 1, 2022

1. (Public Hearing) Review and Vote to Recommend to the City Council – FY23 Housing Program Budget
2. (Public Hearing) Review and Vote to Recommend to the City Council – 2022 Jill C. Duson Housing Trust Fund Annual Plan
3. (Public Hearing) Review and Vote to Approve to Issue - Affordable Housing TIF CEA and Affordable Housing Development Fund Application for City Housing Trust and HOME Funds

February 15, 2022

1. Presentation of Part I of the 2021 Housing Report
2. Update from the Portland Harbor Common Working Group
3. Harbor Dredge Project Status and Funding - Applications due 4/14/2022 for RAISE
4. Executive Session re: Fort Mckinley Property Sale Opportunity

March 1, 2022

1. Presentation of Age-Friendly Portland and the Portland Age-Friendly Business Program
2. Update and Discussion on use of TIF funds to invest in workforce training (including a possible collaboration between Portland Adult Ed and PATHS).
3. Communication Item re: Minimum Wage Ordinance; are amendments permitted after 2020 referendum

March 22, 2022

1. (Public Hearing) Review and Vote to Recommend Approval to the City Council of the Draft 5-Year HUD Consolidated Plan and FY23 HUD Annual Allocation Plan
2. Presentation and Committee Direction to Staff re: Food Truck Plan for the Eastern Prom
3. Update, Review, Committee Direction to Staff re: Tourism Improvement District
4. (Public Hearing) Review and approval of a Purchase and Sale Agreement for City-owned property at 622 Auburn Street and 0 Gray Road, Falmouth and amendments to the 165 Lambert Street Purchase and Sale Agreement

April 5, 2022

1. Review and Approval to Issue RFP for the Sale and Redevelopment of City-Owned Property - Diamond Cove Former Fort McKinley Hospital Property
2. Communication Item: Community Development Week – April 11-15/Fair Housing Month
3. Communication Item re: Additional Guidance from Corporation Counsel regarding the City's Minimum Wage Ordinance
4. Communication Item: Housing Safety Office and Rent Board - Overview of Roles and Responsibilities

April 19, 2022

1. Presentation and Committee Discussion regarding preliminary findings of the Analysis of Impediments to Fair Housing.
2. Overview of the Outdoor Dining Permitting and Licensing Program

May 3, 2022

1. Portland Downtown Annual Budget, Work Plan and City Agreement
2. Presentation by Waterstone Properties re: Future Development Plans for Rock Row
3. Review of Affordable Housing TIF CEA and Housing Development Fund Requests

May 17, 2022

1. Execute Session regarding negotiations of Seadogs Lease and Purchase and Sale Agreement for the sale of a portion of City-owned Thames Street Property
2. Outdoor Dining Follow-Up
3. Review of Public Restroom Plan for Downtown Portland

4. (Public Hearing) Review and Vote to recommend to the City Council a Purchase and Sale Agreement for Land Bank Commission's purchase of Redlon Woods property.

June 7, 2022

1. Presentation, Annual Overview and Report from Permitting and Inspections Department re: Short-term and Long-term Rental Housing Safety & Inspection Program
2. Communication Item: Update on Final HUD Allocations for FY 2023

June 21, 2022

1. Panel Discussion re: Minimum Wage
2. Presentation of Part II of the 2021 Housing Report, including an interim review of the Green New Deal impacts on housing production.

July 5, 2022 (canceled)

2022 Housing and Economic Development Committee Work Plan July 14, 2022

	Annual Committee Work	Staff Recommendations	Committee Members' Priorities	Status
ECONOMIC DEVELOPMENT POLICY				
a. City/School-wide approach to procurement focusing on locally owned businesses (Phoenix AZ as example) (carried over from the 2021 work plan) b. Explore and expand relationship with Portland Buy Local			AZ	
Explore Neighborhood Identity/Branding (carried over from the 2021 work plan)			TC	
Review Tax Increment Financing (TIF) investment in workforce training for FY2023 funding.		X		✔
Explore TIF investment options to increase annual TIF support to Creative Portland (CP) (raise the funding floor from $155k to $200k) and to support performing art centers and the arts eco-system, which makes Portland unique as a destination for visitors and local residents.		X	TC	✔
Explore designation of a Tourism Improvement District		X	TC	
Research and present options for public-private partnerships to support parking garage and possible new affordable housing - City-owned Bayside Lot 6, (corner of Somerset & Chestnut St) acquired by the City Council through eminent domain		X		
Update on Harbor Dredge Status and Funding		X		✔
Review Outdoor Dining Permitting & Licensing Program			PA/AZ	✔
Explore the possibility of creating a workforce training program between Portland Adult Ed and Portland Technology High School .			PA	✔
Increase to minimum wage (discuss if permitted under 2020 citizen referendum?)			AZ	

	Annual Committee Work	Staff Recommendations	Committee Members' Priorities	Status
AFFORDABLE HOUSING POLICY AND BUDGETS				
Policy Discussion re: (1) Impacts of 2020 Referendum (Green New Deal) on housing development, (2) Guidelines and Priorities for the allocation of city resources for housing development		X	TC	(2)✔
Encourage developers seeking assistance through the City's Affordable Housing Development and/or TIF Programs to participate in the Section 8 Family Self Sufficiency Program.			TC	✔
Encourage housing development that supports the Comprehensive Plan goal for development along major thoroughfares off peninsula.		X	TC	✔
Review of FY 2023 Housing Program Budget (February)	X			✔
Review of 2022 Jill C. Duson Housing Trust Fund Annual Plan and the 2022 Affordable Housing Development Application (February)	X			✔
Host a Housing Summit (similar to one held in 2016)			PA	
Review of Short Term Rental Registration Program			PA	✔

AFFORDABLE HOUSING PUBLIC-PRIVATE PARTNERSHIPS				
Review and Vote to Approve Funding Requests Received from (1) the Affordable Housing Development Applications for City Housing Trust and HOME funds and (2) Affordable Housing TIF CEA Requests. (May)	X			
Review City surplus property to sell/lease to support affordable housing		X	PA	

	Annual Committee Work	Staff Recommendations	Committee Members' Priorities	Status
REAL ESTATE TRANSACTIONS				
622 Auburn Street and 0 Gray Road P&S Agreement		X		✔
Purchase and Sale Agreement for the sale of a portion of City-owned Thames Street Property		X		
Kennebec Street Realignment (from Brattle to Forest)		X		

	Annual Committee Work	Staff Recommendations	Committee Members' Priorities	Status
ANNUAL REPORTS AND ACTIONS				
Presentation of 2021 Housing Report (February) Part I and Part II	X			Part I ✔
5-Year HUD Consolidated Plan and FY223 Annual Allocation Plan (Jan-April) (1) Analysis of Impediments to Fair Housing & (2) Amendments to the HUD Citizens Participation Plan		X		Con Plan✔ (2)✔
Presentation, Annual Overview and Integrated Report from Permitting & Inspections and Fire Department re: Short-term and Long-term Rental Housing Safety & Inspection Program - Implementation and Financial Report (April)	X		Process established under prior Housing Committee	✔
Fair Housing Month (April) Community Development Week Activities (April 11-15, 2022)	X	X		✔
Portland Downtown Annual Budget, Work Plan and City Agreement (May)	X			✔
City TIF District Annual Activity Report (November)	X			
Committee Annual Accomplishment Report (November)	X			