



EXECUTIVE
DEPARTMENT

CITY OF SOUTH PORTLAND

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Don Gerrish
Interim City Manager

MINUTES

Affordable Housing Committee

Tuesday, September 20, 2016

7:00 PM

City Hall - Council Chambers

Attendees:

Tiffanie Bentley
Richard Berman

Mike Hulse
Isaac Misiuk

Tex Haeuser, Planning Director
Joshua Reny, Asst. City Manager

Absent: Mike Duvernay, Kim Coit, Mary Jo Elliot (Research Analyst)

1. Committee Chair Isaac Misiuk called the meeting to order at 7:04 p.m.
2. Pledge of Allegiance
3. Motion by Berman seconded by Hulse to approve the minutes of the June 21st meeting. All in favor.
4. Josh gave a brief recap of the City Council Workshop and explained the several items the Council has asked the Committee to review and return to them with more information. The committee discussed each item, including several of its report recommendations, various renter protection proposals, and where the City of Portland is at in the process.

First, there were questions regarding the recommendations related to the Comprehensive Plan. It was clarified that none of the committee's recommendations would require the Comprehensive Plan to be updated or amended. Staff will clarify this and include those recommendations in the memo to the City Council.

The second issue discussed was the handful of renter protection proposals that the committee chose not to recommend. It was noted that not recommending is different than opposing. There were a variety of concerns surrounding several proposals that led to the committee's decision.

- Controlling Rent Prices - It was acknowledged that rent control, although controversial, is legal. However, many committee members expressed concerns that rent control could harm housing affordability in the long run. Some of the concerns expressed include: turning off prospective housing developers, creating a bureaucratic challenge for the

city (a program that would be expensive to oversee and enforce), and the unintended consequence of causing more frequent rent increases. Some committee members also perceive that rent control policies have been ineffective in other communities where it exists, negatively affecting the rental market and quality of rental units.

- Registering Rental Units – This item was one of the Committee’s recommendations, to further explore a registration program (Item 3.2.1. in Committee Report).
- Extending Notice for Rent Increases – The committee as a whole neither supported nor opposed this proposal. Current State law requires 45 days’ notice to increase rent and committee members discussed the relative value of increasing the notice to 60 days, for example. There are some concerns regarding whether it is within the municipality’s authority to extend the notice period, and even if it is legal, whether the City has the ability to enforce such a policy (i.e. it would be enforced as a civil violation, and not under the FED statutes). This proposal would also create certain issues with public and subsidized housing that has its own set of regulations related to rent increases.
- Extending Notice for “No Cause” Evictions and/or Non-Renewal of Tenancy – The committee expressed concerns related to equity and fairness in the Tenant-Landlord contract relationship. Providing a tenant more than 30 days’ notice while in a month-to-month lease produces an inequitable contract relationship between the tenant and landlord. Additionally, it was pointed out there may be other tenants in a building who are living with a “problem” neighbor, but those issues don’t rise to a level of eviction for-cause. There are concerns about legal and constitutional issues as it relates to contract law, and these policy proposals would essentially be regulating a contract between two private parties. The Committee would like to see emphasis placed instead on public education, highlighting the value of having a written lease agreement that clearly stipulates the notice period and eviction process, protecting both tenants and landlords. A public education initiative for landlords and tenants was one of the Committee’s recommendations (Item 3.1.1. in Committee Report)
- Prohibiting Discrimination of Rental Voucher Holders – The committee discussed the issue and found that current state and federal law prohibit discrimination against prospective tenants based on their status as a recipient of housing assistance (i.e. Section 8, etc.). However, the *Dussault v. RRE Coach Lantern Holdings, LLC* (2014) case concluded that landlords cannot be required to participate in a Section 8 program, which requires certain bureaucratic hurdles, possibly investing in building improvements, annual inspections, lease provisions, etc. Requiring all landlords to participate in such a program was viewed by the majority of Committee members as an overreach and full of legal risks, and could pose a substantial cost for some landlords.
- Providing Tenant Relocation Assistance – The committee spent little time discussing this concept. It seems such a program would be expensive and difficult to administer. It was not recommended by the committee.

- Establishing a Tenant/Landlord Mediation Program – The committee has recommended the City consider exploring a voluntary program whereby landlords could adopt a model lease agreement that includes extended notice periods for rent increase and/or in advance of termination of the lease. In exchange, the participating landlords would have access to a City-managed dispute mediation mechanism as well as other possible incentives. At this point it is only a concept, which requires more exploration and development (Item 3.3.2 in Committee Report).

The third issue discussed was the Committee’s recommendation on Accessory Dwelling Units (ADUs). Committee members agreed that ADUs, whether attached or detached, should go to the Planning Board for approval. The concept of detached ADUs could pose some challenges, but many concerns could likely be addressed with appropriate regulation. Staff offered to write a summary of some of the issues that would need to be considered and addressed should the proposal gain support.

The fourth item discussed was the concept of a density bonus for affordable housing. Staff offered to draft an example of how the density bonus would work, using 75% AMI as a target population. Additional information will be compiled and provided to the City Council at the next workshop when affordable housing is discussed.

5. Public Comments: None
6. Roundtable: None
7. Following a motion and second the meeting adjourned at 8:57 p.m.