To: Scott Morelli, City Manager  
From: Justin Barker, Community Planner  
Cc: Tex Haeuser, Planning Director  
Kara AuClair, Chair  
Affordable Housing Committee Members  
Date: January 21, 2020  
Re: Annual Report – Affordable Housing Committee – 2019

INTRODUCTION
The following report is provided in accordance with Sec. 2-151(c) of the Code of Ordinances, which requires the Affordable Housing Committee (AHC) to submit an annual report of the Committee’s activities to the City Council in January of each year.

MEETING DATES
Meetings were held on the following dates in 2019:
January 15  
February 26  
March 26  
April 25  
June 3  
November 4  
December 16

SUMMARY
The AHC began the year as an ad-hoc committee originally established in 2016, and subsequently extended in 2017 and 2018. The Committee spent the first half of 2019 developing the Affordable Housing Trust Fund and the framework for a standing committee. This included regular review, discussion, and editing of the proposed ordinance language prior to City Council workshop and in response to City Council comments.

Following the establishment of a standing committee, the AHC took a break from meeting for the next four months. A break during the summer is fairly typical for a number of the City’s committees. The AHC reconvened in November and has begun looking into potential policy recommendations to bring to City Council for a future workshop. The Committee also worked to develop a template for the report on South Portland housing trends and projects that will be provided to City Council on an annual basis.

KEY ACCOMPLISHMENTS
• Became a standing committee on July 2, 2019 by passage of Ordinance No. 3-19/20.  
• Created an Affordable Housing Trust Fund that was adopted by City Council on July 2, 2019 by passage of Ordinance No. 3-19/20.

ATTACHMENTS
1. AHC 2019 Agendas and Minutes
Agenda

Affordable Housing Committee
South Portland Planning & Development
Planning & Development Office
496 Ocean Street, South Portland
Tuesday January 15, 2019
5:00 PM – 7:00 PM

1) Call to Order
2) Adopt Minutes of December 4, 2018 meeting
3) Discuss results of December 27, 2018 Council Workshop and next steps
4) Discuss Portland’s Interim Housing Report
5) Roundtable
6) Step up a date for next meeting
7) Adjournment
Minutes

Affordable Housing Advisory Committee Meeting

South Portland Planning Office, Planning Conference Room
Tuesday, January 15, 2019
5:00 PM

Attendees
Isaac Misiuk
Mike Duvernay
Kara Auclair
Sandy Warren
Justin Barker

Absent:
Joshua Reny
Mike Hulsey

1. Meeting was called order at 5:04 pm
2. Adopt minutes of December 4, 2018 – No quorum, postponed until next meeting.
3. Discuss results of December 27, 2018 Council Workshop and next steps – Isaac attended the workshop and provided a summary of the discussion. Everyone agreed that the primary concerns were related to giving handouts to developers and not having reliable ways to replenish the housing trust fund. The committee discussed ways to educate Council on the affordable housing needs and what the trust fund would accomplish. There was also discussion about other ways to provide financial assistance for affordable housing including waiving or reducing application fees and providing loans for down payments. The committee decided the best course of action would be to better define the terms of the housing trust fund in the ordinance without reducing the function. The group homework assignment is to review other example housing trust funds for examples to provide Council and look for creative ways to replenish the fund. If possible, committee members will try to talk to developers to find out what would entice them to develop affordable housing in South Portland.
4. Round Table
   1. Isaac – wanted to see if anyone else would be attending the upcoming MEREDA meeting.
   2. Justin – asked everyone to think more what the role of the committee should be as we move forward.
   3. Kara – asked if people could still apply to be on the committee. Justin confirmed and suggested that interested individuals should get in touch with the Clerk’s office to get an application.
5. Next meeting will be scheduled for February via email poll.
6. Meeting adjourned at 6:19 pm
Agenda

Affordable Housing Committee
South Portland Planning & Development
Planning & Development Office
496 Ocean Street, South Portland
Tuesday February 26, 2019
5:00 PM – 7:00 PM

1) Call to Order
2) Introduction of new members
3) Adopt Minutes of December 4, 2018 & January 15, 2019 meetings
4) Discussion of research on Housing Trust Fund examples
5) Discussion of Housing Trust Fund Ordinance next steps
6) Roundtable
7) Step up a date for next meeting
8) Adjournment
Minutes

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Tuesday, February 26, 2019

Attendees
Isaac Misiuk
Mike Duvernay
Kara Auclair
Brent Wilson
Tyler Kinney
Marie Pineo
Justin Barker
Joshua Reny

Absent:
Sandy Warren
Mike Hulsey

1. Meeting was called order at 5:03 pm

2. New members Brent Wilson, Tyler Kinney, and Marie Pineo were introduced.

3. Adopt minutes of December 4, 2018 and January 15, 2019 – Motion by Kara and seconded by Mike D. No discussion, all in favor.

4. Discussion of research on Housing Trust Fund examples – Justin briefly described the list which includes other communities across the country with housing trust funds and some different ways that they are getting money into the funds. Many of the options are not currently available to South Portland but the communities could be used as examples for how they operate and how the funds have been used.

5. Discussion of Housing Trust Fund Ordinance next steps – The committee briefly revisited what the Council concerns were to get the new members up to speed. It was suggested that it may be helpful to create a draft program of how the process would work to supplement the ordinance. The committee also agreed that providing examples of other community trust funds would be useful for the next presentation. Perhaps a representative from Portland’s program could come present. There was other conversation about who the target of the funds would be and what other methods can be used to incentivize developers to want to include affordable housing. The committee ultimately decided that the scope of what the funds would be used for needed to be narrowed down and better specified within the ordinance. Small-scale financing to assist with rehabilitation of existing buildings was mentioned as an additional option. The committee decided to have a subcommittee work on
editing the ordinance outside of the regular meetings. Dates for the subcommittee will be established using a Doodle poll.

The committee also discussed some suggestions for what the work of this committee should be going forward, particularly if it was to operate as a standing committee. Suggestions included a yearly report on current housing status/conditions, reviewing proposals for use of the trust fund and recommendations to Council, and a public education element.

6. Round Table
   a. Mike D. – excited by the idea of offering assistance for renovation of existing properties. It is an easy process that can be done for smaller projects to obtain short-term affordability.
   b. Kara – Asked about the status of the developer survey. Isaac said he didn’t know, but would try to ask Greg from MEREDA soon. Asked if it would be good for members to reach out to their district Councilor the idea of making the Affordable Housing Committee a standing committee.
   c. Tyler – Supports Kara’s idea of reaching out to Councilors, suggests it would be a good idea to have some supporting information to provide them.
   d. Josh – Believes there is support in Council for affordable housing policies, it just needs to be bundled into a compelling package.
   e. Isaac – wanted to thank the new members for joining and their commitment. Asked if others would support the idea of a banquet or coffee meet and greet for past and current members, Councilors, and the public. Everyone seemed supportive.

7. Next meeting is scheduled for 5:00 PM on March 26, 2019.

8. Meeting adjourned at 6:48 pm
Agenda

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Tuesday, March 26, 2019
5:00 PM – 7:00 PM

1) Call to Order
2) Adopt Minutes of February 26, 2019 meeting
3) Review of zoning incentives ordinance draft
4) Discuss draft committee purpose, duties, etc.
5) Roundtable
6) Step up a date for next meeting
7) Adjournment
Minutes

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Tuesday, March 26, 2019

Attendees
Mike Hulsey
Kara Auclair
Brent Wilson
Tyler Kinney
Marie Pineo
Justin Barker
Joshua Reny

Absent:
Isaac Misiuk
Mike Duvernay
Sandy Warren

1. Meeting was called to order at 5:12 pm

2. Adopt minutes of February 26, 2019 – Motion by Kara and seconded by Brent. No discussion, all in favor.

3. Review of zoning incentives ordinance draft – Justin mentioned that this more of a comprehensive ordinance that aims to meet several goals of the City’s Comprehensive Plan. There is an affordable housing component, which is why this committee needs to be involved. The ordinance includes an overlay zoning district that can be applied to certain properties. They are divided into 3 tiers that have different levels of development incentives and requirements to get those incentives. The incentives are mostly parking reductions and density and height increases.

The requirements are transportation improvements, design standards, and affordable housing. There were questions about how the incentives can stack and how the point system for requirements works. Kara suggested she would like to see the workforce housing income level be lower. Brent noted that even at 60% AMI, is within what much of the workforce makes. The committee decided it may be better to only have two levels of income for affordability at <60% AMI and 60-80% AMI. The committee questioned whether 3 tiers of development was necessary. Justin said he would look into which areas were within each tier and see if it was possible to combine into two tiers. Kara suggested that access to the potential housing trust fund or fee rebates could be a compelling incentive. The rest of the committee agreed. The committee asked clarification on how fractional unit requirements are handled. Justin noted that any fraction of a unit rounds up to a full unit. Josh suggested the same should be done for parking if it doesn't already.
Justin asked whether it would be better to require affordability for a certain time-period or in perpetuity, and who would certify that affordability is being maintained. Mike suggested that for-sale properties would just be a deed restriction that is carried with each sale transaction, and the rentals would most likely be developers such as Avesta, but could be handled by a third-party. Justin suggested the deed restriction should include some language requiring City approval to remove from the property. Josh clarified that we may want to allow some flexibility in the deed restriction language to modify or remove it in the future.

Mike asked when this would go before Council. Justin said it isn’t really at that stage and needs to be vetted through other committees before we can a good sense of what we are truly proposing. It may be eluded to at the May workshop as partial justification to extend this committee, but would not be presented as a draft. If this committee is extended, it will likely come back here again before it goes up to Council.

4. Discuss draft committee purpose, duties, etc. – A draft code section for a standing affordable housing committee was discussed. Josh suggested a few edits to the composition and appointments. Mike suggested appointment could just be rotating among Councilors, and not district specific. Kara asked why market-rate housing was included in the duties section. Justin said it tied into a larger goal of increasing housing stock, but makes sense to not include that for this committee specifically. Justin also mentioned an education piece should be added to the duties section in response to previous suggestions from this committee. Kara asked if this document could be used at the workshop. Josh and Justin thought that shouldn’t be an issue.

5. Round Table
   a. Josh – The City recently met with a potential affordable housing developer. He is still very early in the process and has due diligence, but it is exciting nevertheless. Avesta is already planning for Phase II of the Westbrook Street project.
   b. Brent – Westbrook Housing is hiring for an experience property manager if anyone knows of someone who might be qualified.
   c. Mike H. – Rep. Kessler of South Portland has introduced a bill to increase notification time periods for rent increases and terminations of tenancies at will. The South Portland Housing Authority may comment on this.
   d. Kara – Had a conversation with a community member at Redbank about how difficult it can be to afford living costs after initial financial assistance runs out. There should be more education about what resources are available.
   e. Marie – Has had similar conversations with people. Wants to bring them to a Council workshop to show them how they can be heard in local government. Josh suggested that Council sometimes holds meetings in different locations around town.
   f. Justin – There are a couple bills in the legislature related to affordable housing. Will send the committee the bill text and notice if there are any scheduled public hearings on them.

6. Next meeting is scheduled for 5:00 PM on April 25, 2019. Josh suggested spending time at the next meeting to discuss strategy for the May 14 Council workshop.

7. Meeting adjourned at 6:35 pm
Agenda

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Thursday, April 25, 2019
5:00 PM – 7:00 PM

1) Call to Order
2) Adopt Minutes of March 26, 2019 meeting
3) Review/discuss housing trust fund ordinance changes
4) Discuss draft committee purpose, duties, etc.
5) Establish workshop presentation outline
6) Roundtable
7) Step up a date for next meeting
8) Adjournment
Minutes

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Thursday, April 25, 2019

Attendees
Isaac Misiuk
Mike Hulsey
Kara Auclair
Brent Wilson
Tyler Kinney
Justin Barker

Absent:
Mike Duvernay
Sandy Warren
Marie Pineo
Joshua Reny

1. Meeting was called to order at 5:09 pm

2. Adopt minutes of March 26, 2019 – Motion by Mike H. and seconded by Kara. No discussion, all in favor.

3. Discuss draft committee purpose, duties, etc. – The committee discussed the proposed amendments to Chapter 2 to create a standing affordable housing committee and made a few adjustments including reducing the committee size to 7 members, adjusting the representation groups, and expanding the duties to include recommendations on multi-family housing projects.

4. Review/discuss housing trust fund ordinance changes – The committee discussed some potential changes to the affordable housing trust fund language. It was determined to have a subcommittee meeting the following week to finalize proposed changes for the workshop.

5. Establish workshop presentation outline – The committee decided to present the updates to the housing trust fund, followed by the request to continue as a standing committee. At least one member of the committee would do part of the presentation, and staff would support the rest.

6. Round Table
   a. Isaac – Informed the committee that SPHA submitted an application for the Sunset Avenue project and will be going to Planning Board in June.
   b. Kara – Has continued to speak with residents who are concerned about housing affordability. Has done some outreach to Maine People’s Alliance with a women’s/immigrant support group led by Sidney (last name?). Will try to get their support at the workshop.
7. Next meeting was not scheduled.

8. Meeting adjourned at 6:40 pm – Motion by Kara, second by Brent.
Agenda

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Monday, June 3, 2019
5:00 PM – 7:00 PM

1) Call to Order
2) Adopt Minutes of April 25, 2019 meeting
3) Discuss results of Council workshop from May 14, 2019
4) Review and comment for edits to ordinances
5) Discuss committee priorities, potential work plan, and tasks
6) Roundtable
7) Step up a date for next meeting
8) Adjournment
Minutes

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Monday, June 3, 2019

Attendees
Isaac Misiuk
Mike Duvernay
Kara Auclair
Brent Wilson
Tyler Kinney
Justin Barker

Absent:
Mike Hulsey
Marie Pineo
Sandy Warren
Joshua Reny

1. Meeting was called to order at 5:03 pm

2. Adopt minutes of April 25, 2019 – Motion by Kara and seconded by Brent. No discussion, all in favor.

3. Discuss results of Council workshop from May 14, 2019 – Kara and Justin summarized the Council workshop and what was discussed. The Council expressed some similar hesitations from the last workshop on the housing trust fund, but ultimately were in favor of moving forward with the housing trust fund. There were some suggestions that the fund should be used for individual housing assistance, but then backed off that idea for the time being. Justin mentioned that the reference to an Operations Manual helped with some of the Council concerns.

4. Review and comment for edits to ordinances – The committee suggested that it would be a good idea to have a couple examples of other successful housing trust funds for the first reading of the ordinance. A couple minor changes were suggested including removal of the focus on “rental” housing in the Committee Purpose statement, updating the definition for affordable housing to be 30% of income instead of AMI and to be consistent throughout the Code of Ordinances, and combining the loan and grant details into one Operations Manual.

5. Discuss committee priorities, potential work plan, and tasks – Several suggestions were made for what the upcoming priorities should be. The Operations Manual for the housing trust fund was suggested. Justin said that this is important, but only when it is anticipated that funds would be used, which may not be any time soon. Everyone agreed that education and marketing of housing resources and what the committee does should be a primary focus. Isaac suggested the idea of subcommittees, with one focused on the education piece. Everyone liked this idea. It was also mentioned that the committee should start looking for ways to work with other city committees. Justin suggested the Comprehensive Plan.
Implementation Committee would be a great starting point. Isaac suggested an Affordable Housing Overlay Zone and zoning incentives as potential work plan items. The committee agreed that they should review the 2016 report created by the committee and see what items are still relevant to pursue.

6. Round Table
   a. Isaac – Informed the committee that SPHA application for the Sunset Avenue project will be going to Planning Board on June 12.

7. The committee thought it might be a good idea to have another meeting in June and none in July. Justin will send out a Doodle Poll.

8. Meeting adjourned at 6:45 pm – Motion by Tyler, second by Kara.
Agenda

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Monday, November 4, 2019
5:00 PM – 7:00 PM

1) Call to Order
2) Election of a Chair & Secretary
3) Council resolution on Affordable Housing creation (i.e. increase by 10% by 2025)
4) Update on O’Neil Street
5) Update on Tiny Home/Detached ADU policy discussion
6) Discuss committee duties, potential work plan, and tasks
7) Selecting a volunteer for the Comprehensive Plan Implementation Committee
8) Roundtable
9) Adjournment
Minutes

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Monday, November 4, 2019

Attendees
Mike Duvernay
Kara Auclair
Brent Wilson
Mike Hulsey
Marie Pineo
Shahida Keen
Justin Barker, staff

Absent:
Sandy Warren, staff
Joshua Reny, staff

1. Meeting was called to order at 5:05 pm

2. Election of a Chair & Secretary – Mike H. nominated Kara A. for chair, second by Mike H. Vote (5-0, Pineo absent)

3. Council resolution on Affordable Housing creation (i.e. increase by 10% by 2025) – On October 29, City Council adopted Resolution #3-19/20, resolving to work with GPCOG and the Metro Regional Coalition to work toward achieving a regional goal to expand the number of housing units for lower and middle income households by 10% no later than 2025. The committee discussed what its role could be and whether affordable housing currently in the pipeline should be counted toward this total.

4. Update on O’Neil Street – City staff is working with the applicant on a draft contract zone agreement. The agreement includes provisions for 4 affordable housing units, 2 of which would be owned by the developer and 2 which might be purchased by the Housing Authority.

5. Update on Tiny Home/Detached ADU policy discussion – Council held a workshop on this topic on September 10. Council was not interested in pursuing regulations to allow movable tiny homes, but was interested in the idea of detached ADUs. Staff will be working on proposing amendments to the Code of Ordinances to accommodate this and will present to Council in a future workshop (likely next spring/summer).

6. Discuss committee duties, potential work plan, and tasks – The committee discussed which duties to prioritize: develop annual housing report, develop recommendation and policies to encourage affordable housing, and work to gain insight on what other communities are doing. Mike D. offered to create template for housing report. Other members offered to research/meet with other communities and organizations to learn what is being done elsewhere. Justin B. will prepare a list of policies that were outlined in previous housing
report and used by other communities for committee to discuss. An additional duty for the committee is to provide recommendations to the Planning Board on any multi-family developments. Motion by Mike H., second by Brent W, that the committee provide “no recommendation” on any non-affordable housing multi-family residential projects. Vote (6-0) Justin B. to look into how the committee can coordinate review on affordable housing projects outside of regular meetings if needed.

7. Selecting a volunteer for the Comprehensive Plan Implementation Committee – Brent W. volunteered to join. Motion by Mike H., second by Marie P. Vote (6-0)

8. Roundtable
   a. Shahida K. discussed the link between climate and affordability needs to be addressed, and that housing needs to become more sustainable and desirable for lower wages
   b. Mike D. is hoping to continue to attract younger residents in South Portland.

9. Meeting adjourned at 6:58 pm – Motion by Mike H., second by Shahida K.
Agenda

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Monday, December 16, 2019
5:00 PM – 7:00 PM

1) Call to Order
2) Approval of minutes from November 4, 2019 meeting
3) Update on Westbrook Street CDBG reallocation
4) Housing Needs Assessment and Action Plan
5) Review draft annual housing report outline
6) Review initial housing report policies
7) Assign tasks (if needed)
8) Roundtable
9) Adjournment
Minutes

Affordable Housing Committee Meeting

South Portland Planning & Development
496 Ocean Street
Monday, December 16, 2019

Attendees
Mike Duvernay
Kara Auclair
Mike Hulsey
Shahida Keen
Justin Barker, staff

Absent:
Brent Wilson
Marie Pineo
Sandy Warren, staff
Joshua Reny, staff

1. Meeting was called to order at 5:10 pm

2. Approval of minutes from November 4, 2019 – Motion by M. Hulsey, second by M. Duvernay Vote (4-0, B. Wilson, M. Pineo absent)

3. Update on Westbrook Street CDBG reallocation – J. Barker provided a brief update that City Council approved reallocation of $200,000 worth of CDBG funds from the Westbrook Street improvement project to the Housing Authority Thornton Commons project. This was done to ensure that the funds could be used prior to the deadline.

4. Housing Needs Assessment and Action Plan – J. Barker introduced the new grant application that was released by Maine State Housing Authority (MSHA) in October. The grant allows municipalities to apply for up to $500,000 for the retention and/or development of affordable housing. The grant application requires a completed needs assessment, which City staff is requesting funds in the next Capital Improvement Program to complete. If approved, these funds would become available on July 1, 2020. The Committee expressed concern that July 1 is a long way away, and wondered if there were available funds that could be obtained sooner. The Committee supported the City partnering with the Housing Authority on an application once the needs assessment is complete. J. Barker will check with Sandy Warren about possible CDBG funds, and verify if the MSHA grant is a one-time program or if we can apply multiple times.

5. Review draft annual housing report outline – The Committee reviewed the draft outline that M. Duvernay prepared. Suggested edits are below:
   - Additional acronyms/definitions to include are CDBG (Community Development Block Grant), HUD (Housing and Urban Development), and QAP (Qualified Allocation Plan).
   - SPHC should be SPHDC (South Portland Housing Development Corporation).
   - Subsections 2.D and 2.F should be eliminated as they would be hard to quantify.
   - Subsection 2.G should be “Housing Choice voucher payment standard”.
   - An additional subsection should be included for total number of subsidized affordable units in Scarborough.
• Section 4 should be eliminated as it is repetitive of Section 3.
The Committee discussed who would obtain what data. Mike H. offered to get the data for Section 2. J. Barker can provide info for Section 3. M. Duvernay offered to provide data for Section 5. K. AuClair and J. Barker will work on the write up for Section 6.

6. Review initial housing report policies – J. Barker briefly described the status of several policies that were in the Committee’s initial report from 2016. Committee members are tasked with picking their “Top 6” that they would like to see Council pursue. These will be discussed at the next meeting.

7. Assign tasks (if needed) – Tasks were determined during previous agenda items.

8. Roundtable
   a. K. Auclair mentioned seeing a presentation on co-op housing that was very interesting.
   b. M. Duvernay knows someone who is interested in purchasing land for affordable housing and was curious what his process should be.
   c. S. Keen mentioned how shopping malls are being looked at for housing.

9. Meeting adjourned at 6:40 pm – Motion by M. Hulsey, second by K. AuClair.