

Housing Committee Meeting
Tuesday October 7, 2008
5:30 – 6:45 p.m. City Hall – Room 209

Attendance: Councilor Jill Duson, Chair, and Housing Committee Members Councilor Kevin Donoghue and Councilor Nicholas Mavodones, TJ Martzial, HNS Division Director, Amy Grommes Pulaski, HCD Program Manager, Peter Hodgkin, HNS Office Assistant (note taker)

1.) Meeting Minutes of September 2, 2008 (beginning at 5:30 p.m.) were unanimously approved by The Councilors.

2.) Peaks Island Affordable Housing Continued

Councilor Chair Duson called the meeting to order. Councilor Donoghue announced that TJ and he attended a meeting with Planning Decisions, HomeStart and the Peaks Island Council which was very well attended and largely constructive as the question was posed; is the greater question whether there's a problem (with affordable housing) or what we're going to do to address the problem and the consensus was certainly the latter which, Councilor Donoghue said, was an enormously good thing. However, Councilor Donoghue further stated, not everyone at that meeting was in agreement about affordable housing on the island and another jargon called affordable living was mentioned which Councilor Donghue interpreted to mean was more about the subsidization of the current residents than to welcoming the poor.

3.) CDBG Neighborhood Stabilization Program

TJ had an FYI item. In September, HUD approved a Housing Economic Recovery Act of 2008 which includes 3.9 billion dollars in neighborhood stabilization programs funds. The State of Maine received 19.6 million, the minimum that any state will receive, and a meeting has been called for this Fri the 10th for everyone to convene and brainstorm the distribution of these funds which are spearheaded for the acquisition, renovation and stabilization of foreclosed properties with some monies earmarked for the reconstruction of rental properties. Further updates on this issue will revisit the Housing Committee so please be aware it's coming down the line. This is an altogether new concept that will be a starting from the ground up so we'll need to access foreclosure information for submission. With currently 451 foreclosures state wide some agencies are trying to get HUD to change their definition of foreclosure but for now their definition of foreclosure is vacant homes with families actually out of the dwelling, Some organizations would like to intervene in the process a little earlier, in order to keep families in their

homes, but HUD's response is that is not their intent. We will review this process to see how we can target this problem versus the funding we receive. Councilor Chair Duson said it was rare for her to be able to view first hand how the monies are dispersed and distributed and directly impact the work on maximizing the resources available to our own community or at least the region. TJ said HUD is providing is data resources to the recipients while Councilor Chair Duson wondered if there was a data source available that would contain, for example, homes going up for sale as her concern is about those people who might be on the sidelines preying on imminent foreclosure sales, however, TJ said with the Portland area being so hot that isn't a likelihood but perhaps some lending institutions will resent the city stepping in to purchase these properties and converting them to low/middle income housing for Portland residents.. Councilor Chair Duson would like some input as to how the housing market across the nation will affect the greater Portland market as families facing foreclosure face a long legal process before they are actually put out of their homes and she would like to see these residents get every chance available to stop the process and remain in their homes. Councilor Donaghue decided to delay his comment until the HUD policy is in place. TJ heard on a morning newscast that a lot of the data that was used to designate these funds to the states was done by Realty Track, a nationwide organization that compiles this sort of information, but and it's been discovered that they were minimizing and sometimes ignoring the rural regions and instead concentrating on large urban areas. For example Worcester, MA has 400+ abandoned or foreclosed homes which can lend a sense of the magnitude of the problem in other parts of New England but to keep in mind Portland is nowhere near as critical as that and TJ expects updates on this foreclosure situation going forward for the next three to four months. Councilor Donaghue brought up a relevant issue close to home; a foreclosed home at the corner of 35 Mayo and East Oxford Streets where the structure had burned over a year ago but as of yet nothing has been done with it and the surrounding neighborhood includes the new PROP senior housing project directly across the street from this abandoned property.

4.) Housing Committee 2008 Report

TJ began with responding to a request from Committee Chair Duson to put together a report to the City Council of everything that the Housing Committee had accomplished this past fiscal year and also asked the committee to review the report and add anything that may have been left out as this may well be the first time one has been done. Councilor Chair Duson said the information gathered was very valuable as her background education was not focused in this area and she had been nervous at first about getting brand new staff but TJ has been phenomenal and was very supportive with her role on the committee and she appreciated his help. Councilor Donaghue addressed potential issues of the method of awarding home funds and with no pending applications now might be a good time to go over various project

funding. Also, he thought the committee should look at the city owned parking lots downtown that could be excellent candidates for affordable housing and he would also like an inventory of all city owned land to see what there is to bring to bear for affordable housing projects. Councilor Mavodones thought there should be more conversation about the data but liked the first full draft and agreed with Councilor Donoghue there might be some sites available for affordable housing however, they would need to be reevaluated for their use by the next Housing Committee during their ongoing discussions. TJ said it was really a pre work list for next years Committee and he expects an update on neighborhood stabilization. Councilor Chair Duson would like the Committee to meet one more time, after the upcoming elections but before the Councilors new assignments, to do a check on current housing conditions versus current needs and than RFP's could be targeted around current situations. Councilor Donaghue agrees that the monies should be built into the development plans to show how it helps accomplish the goals and objectives. He sees the proposed Adams Model as being potentially very powerful and would like to target moving people from rental units to home ownership because we're already targeting the bottom of the housing market; however, one thing not resolved by the Council is how to get more money into the housing replacement program. Councilor Chair Duson Would likes to see a committee target the bottom of the market because there are many options available along this issue. Councilor Mavodones questions who the new committee members might be and how they will decide to move forward with the RFP's and would like to know what surrounding communities are doing and would like to see more data because it's a significant policy decision that needs to be compared with other practices nearby the learning curve suggests we might learn something about what works, as well as, possible pitfalls. Councilor Donaghue posed the question of what TJ could put forward to help with this topic. TJ was thinking it was a good point to examine the current system versus an RFP System. The current system isn't really broken but most developers do follow the Maine Housing tax cycle and look for land in the spring/summer, submit a proposal in the fall and the committee ends up shaping development because people have already decided on a project before they approach the Committee. Where he would like to see the developers encouraged to align their priorities with the committees priorities. Councilor Chair Duson's strongest area of interest is deciding how to prioritize the needs based on reliable transparent data source of using the same process to find the needs making it possible to, based on the process, to funnel funds to RFP or as needed and allowing people to see where point A was and to logically follow it to reach point B as none of this is mutually exclusive. She also understands Councilor Donaghues concern that "only people who know the bus is coming are the ones standing at the bus stop when instead the committee should be driving the bus." TJ said we have enough combined home funds along with the monies we'll be receiving next year for the housing replacement ordinance and that it's relatively easy to do one yearly RFP and Councilor Chair Duson replied there might not be an

RFP done this coming year but TJ answered in terms of magnitude it's doable.

Councilor Duson agreed to return to this subject at next months meeting (date tbd) and see how far they can get with the additional data TJ and his staff can accumulate in order to compose a "homework" package to strategize the next steps to take.

5.) Public Comment (no public present)

6.) Committee Discussion

Councilor Chair Duson asked if there was anything related to neighborhood stabilization that needed to be discussed. Councilor Donaghue said it was always a good precedent to establish annual reports and Councilor Chair Duson thought it would be a good idea to hand it over whatever information had been gathered to the next Committee Chair.

7.) Next Meeting date tbd.

Councilor Chair Duson moved to adjourn, seconded by Councilor Donoghue. Unanimously approved.