

Housing Committee Meeting  
Tuesday February 3, 2009  
5:00 p.m. – 6:00 p.m. City Hall – Room 209

Attendance: Councilor David Marshall, Chair, and Housing Committee Member Councilors Kevin Donoghue and John Coyne, T. J. Martzial, HNS Division Director, Alexander Jaegerman, Planning Division Director, Richard Knowland, Senior Planner, Amy Grommes-Pulaski, HCD Program Manager, Peter Hodgkin HNS Office Assistant (note taker).

- 1.) Housing Committee Meeting minutes of January 6, 2009, as amended.  
Councilor Chair Marshall moved to accept the amended January 6, 2009 Housing Committee Meeting minutes and Councilor Donoghue seconded the motion. Approved.
- 2.) Housing Committee Meeting minutes of February 3, 2009.  
Councilor Donoghue motioned to accept the February 3, 2009 Housing Committee Meeting minutes and Councilor Chair Marshall seconded the motion. Approved.

3.) Energy Disclosure Forms

Councilor Chair Marshall explained that a new state law had been passed requiring landlords to disclose certain things such as the building insulation, windows being double paned etc, however, there hasn't been a lot of adherence to this new law and would like to increase its usage. For example he had heard of an Inspector in Westbrook who is requiring that the completed form be shown before doing an inspection and wondered if perhaps that would be a good plan for Portland and would like to promote a conversation around it. T.J. said he'd talked it over with Penny and Tammy and Penny suggested talking it over with Gary Wood in Corporate Council as it relates to civil law and whether the City is required to enforce it and he should research the surrounding issues. T.J. said his thoughts leaned more toward encouraging the use of the forms rather than being an enforcer.

Councilor Donoghue asked what we might be able to do now and T.J. said about a year or so ago he'd discussed this with Justin Alford and T.J. agreed that when a multi family rehab projects appears, more often via the lead program, we could ask for the landlords Energy Disclosure Form to see if they were disclosing this information to their tenants when they are receiving funding from us.

Also, T.J. said we have financing in hundreds of units across the city and it would not be too difficult to send a letter to all the owners of those properties to remind them of the requirement to furnish these forms to their tenants.

Councilor Chair Marshall agreed this could be a sort of reminder but there was still the issue of no incentive or any enforcement mechanism in place. Councilor Donoghue would like to further explore what the enforcement opportunities are and follow up with something proactive and achievable to remain in compliance with state law before issuing any certificates of occupancy.

Councilor Chair Marshall would like to find some means of ensuring that landlords are following this provision and would like to see a memo from our Corporation Council office that addresses the sort of mechanisms we could use and the legal sort of pluses and minuses surrounding this issue. Councilor Chair Marshall thinks sending out a reminder letter to landlords is good, but first we need something in writing from Corporate Council. Getting notice out that the next Housing Committee meeting will be talking about enforcement options would be helpful so that landlords will know we're looking into this and encourage their attendance and/or input.

Councilor Donoghue concurred and added that there be a non intensive labor way of providing information to tenants, by way of our Division webpage, noting existence of the law, and T.J. and Amy assured him this had already been done.

Amy asked Councilor Chair Marshall if he knew in detail about the Westbrook program and Councilor Chair Marshall said he wasn't sure if the information he'd received was about a fully legitimate program as what he'd heard was that there was a particular housing inspector doing it but it wasn't something that the city of Westbrook had adopted nor if the law allowed it so we need a copy of the law so we could move forward and address this in our next meeting.

Councilor Coyne arrived at the Housing Committee meeting at 5:20 p.m.

#### 4.) Encouraging Housing in Peninsula Business Zone

Alex Jaegerman summarized the process and actions taken to date. The Committee had talked about doing a sweep thru the B2's and B2B's. We will be looking on and off peninsula at a number of issues with regards to the business zones and one of the things identified was the residential density. The business zones currently reference the residential zones to determine allowable density. . On the peninsula they have been discussing making a reference to the R7 zone instead of the nearest residential zone. About a week ago Alex and Councilor Chair Marshall discussed implementing this change more quickly, in the context of the Avesta proposed housing project on Congress Street. . Alex presented some preliminary draft text amendments that would accomplish this by making the residential density in the B-2 and B-2b zones on the peninsula reference the R-7 density.

Councilor Donoghue asked, for the benefit of discussion, what projects are exemplary of the residential development of the R7 density.

Alex said Pearl Place is a straight R7 and that Unity Village was the first R7. R-7 allows a density of 425 sq ft per dwelling unit and the R6 zone is a thousand or up to 1200 sq ft per dwelling unit.

Councilor Donoghue asked if the highest density residential zone in the off peninsula is an R5 and the B2 zone off peninsula at the most would revert to an R5 and just for context asked of the density of an R5 zone versus R6 or R7 zone.

Alex said an R5 zone is 3,000 sq ft per dwelling unit but it ranges to 6,000 sq ft. Depending on lot circumstances you can put a two family home on a 6,000 sq ft lot. They reviewed the R5 density and

came up with some modest changes in the R5 zone. Getting back to the R7 zone the one on Danforth Street is a little higher density and closer to an R7 zone (it's a few feet over in height) as there are some setback issues there. We just recently changed the parking, the density and the setback regulations.

Alex noted that we are also proposing an amendment to the front yard provisions, to correct a drafting error that resulted in an intended maximum setback being interpreted as a minimum setback. This was the subject of a Zoning Board decision relating to the Walgreen's project at Allen and Washington Ave. This will be part of the text amendments that will be reviewed by the Planning Board.

Councilor Donoghue said he is generally sympathetic to the policy concept of allowing much greater residential densities in B2 and B2B zones as it's a little more politically viable in the peninsula geography and R7 seems to be a convenient way to do it because we already have the dimensional standards in writing. He asked what the unintended consequences might be with regards to set backs, the 50' height that goes with R7 residential development and would it in any way preclude mixed use.

Alex responded that with regards to the residential use regarding requirements in an R7 zone he was trying to decide which dimensional articles will pertain and will it be the B2 or R-7 zone provisions.

Councilor Chair Marshall asked if either the ordinance of B2 or B2B or the R7 could be chosen.

Alex said yes, we need to put these next to each other and compare them and pick one.

Councilor Donoghue said it sounds like B2 and B2B are at a 45' height limit if used in all residential requirements to 50' but when we passed the inclusionary zoning ordinance two years ago we allowed height bonus in B2 and B2B of up to 10 extra feet and up to 55 feet.

Alex said he would need to look it up as he didn't remember if it was 10 feet or 5 feet.

Councilor Donoghue said he was comfortable with the inclusionary zoning that allows up to 55 feet as a fair trade for affordable housing and a fair consideration but needs help understanding how many stories in a mixed use building you can get under 45 and 55 feet respectively and if 55 feet might allow a five story mixed use building and is comfortable recommending that we ask the planning board to evaluate our second dimensional and density standards for the B2 and the B2B zones on the peninsula.

Councilor Chair Marshall said it seemed like a reasonable strategy but before we take action it feels as though we need to have more time with this so we can make some modifications before referring to the planning Board.

Councilor Chair Marshall asked if there was an advantage with directly inserting the R7 language into this instead of referring to different sections within the zone.

Alex said there is an advantage in that you don't have to go look elsewhere. We can try it both ways to see which works better.

Councilor Chair Marshall said on the front yard setback, what I'm looking at, we have front yard B under maximum front yard in B2B zones on peninsula. So it says the maximum setback would be 10 feet or average depth scenario. And then when you look at see maximum front yard B2B zone off peninsula there's no maximum.

Councilor Chair Marshall said he was supportive of referring this to the Planning Board. Councilor Donoghue concurred.

Councilor Chair Marshall asked if somebody wanted to have a parapet style roof instead of a flattop roof would be counted as maximum effect.

Alex said height calculation is to the top of the roof and various roof types have different calculations.

Councilor Donoghue moved for referral to the Planning Board. Councilor Chair Marshall asked all in favor and thanked Alex for his effort.

Councilor Donahue asked about improving density in the B2 and B2B zones and perhaps making map amendments to create more B2 and B2B zones and asked what Councilor Chair Marshall's disposition was towards taking that up.

Councilor Chair Marshall said maybe in our next meeting we could have a zoning map of the peninsula to can get an understanding of the different zones, where they're located and get a presentation of what do they do now and maybe discuss where we might like to make changes.

Councilor Donoghue has been looking at Gorham's Corner in particular. It's a zone that's typically something you can amend a map to reflect and is very interested in this area. The B2B will be the sort of zone that might help those things especially these residential densities. The development at 53 Danforth has residential density there more aggressive than R7 but flush up against a B3 zone but that's the only place I can think of.

Alex said in general it's more challenging to zone from R6 to B2B than from R6 to R7 but we can look at it.

Councilor Donoghue asked if R7 versatile enough to be a mapped zone and application.

Alex said we did that on the first application and then we put out an RFP so we knew there would be a development but we rezoned not just the parcel but the whole block.

## 5.) Housing Programs Proposed 09-10 Budget

TJ spoke about the memo and couple of things he wanted to point out. To keep in line with the City budget process and the HCD budget process, the Housing Committee typically reviews the Housing programs budget in March. The time line regarding the Housing Budget needs to coincide with the whole HCD process because it all fits in to our citizen participation process for our Annual Action Plan.. There will be a public hearing on March 23<sup>rd</sup> and 30<sup>th</sup> and then a final vote on the Action Plan

and HCD funds. When we say HCD funds that includes CDBG and HOME and ESG. However, it's kind of unusual this year because this housing budget is a moving target. We haven't received our allocation from HUD for the Cumberland County HOME Consortium which is the HOME program we're combining with the county. We've projected just about double our allocation but a big chunk of that will be going to the County, although the city is still going to get a portion of the new funds for our Housing Programs. We are putting together a budget which we don't know what the revenues are going to be so what we've done is budget the same amount that we got last year as we know we're going to get at least that amount, but we don't know the additional amount yet. And then to confuse it further the CDBG allocation committee hasn't formally given their recommendations to the City Manager for the CDBG programs. The bottom line is the budget presented here is as accurate as possible without knowing our final allocations. When we receive those final allocations, hopefully by May, the Committee will revisit the Housing Programs budget

TJ said that for the HomePort program \$369,219 will do probably twelve first time home owners. They typically do around six or eight but we've got a pretty strong interest in the program now and to some degree it is a buyers market out there so we're budgeting twelve first time home buyers this year. In the new construction line, \$322,507 is what will be available for new construction, whether its rental housing or home ownership, again, based on our typical HOME allocation without the additional HOME Consortium funding, and that's the line we'll be talking about eventually for a possible RFP. When we get the HOME consortium allocations we are expecting maybe roughly a \$100,000 to a \$130,000 additional amount T.J.'s recommendation will probably be to place it in the new construction line

Councilor Donoghue had a question. You just said that you think that these figures for housing rehab and home ownership are okay. Can you help me understand that in the context of demand is for the program.

T.J. said what we have a maximum 30,000 per first time buyer, for 12 applicants that would be \$360,000 if every applicant used all \$30,000, but some people take a little bit less.

Councilor Donoghue asked if TJ expects about twelve applicants?

TJ replied we easily do six, probably more common around eight, but he just wanted to budget for a few more because this year we're going to have a pretty strong interest.

TJ said we typically do around 25-30 rehab projects a year but this year we've done about that many in the first six months, so projecting doubling that program is the target for the number I this budget. Also, we've got the Inspections Division and pretty much the Planning and Urban Development Department in general doing a new emphasis on housing rehab in Bayside that will definitely generate interest in the rehab program.

TJ said any home owner can come in, if they're income eligible, and request an energy audit but they don't have to take out a rehab loan. TJ said we have a little hand out the Inspectors carry with them and it talks about all the available programs.

Councilor Chair Marshall asked if anyone had any questions and Councilor Donoghue said if we are done with the questions he has a comment. As the City gets involved as a partner in creating low income home ownership, is HomePort helping us make the projects successful by earmarking HomePort resources to specific development?

TJ said there are a couple developments that have utilized the HomePort Program, the Sacred Heart development, and we expect the proposed redevelopment of St. Patrick's will also use HomePort for their buyers. We have also discussed using HomePort with the developers of Beckett Green.

Councilor Chair Marshall said he liked the fact we've put more into housing rehab as he thinks that we should certainly be making investments since we have old housing stock. Energy efficiency is very important and he is interested in exploring door to door energy auditing if that's something we could talk about maybe finding some sort of funding through the CDBG program targeted towards neighborhoods with the oldest housing first.

The proposed 2009-2010 Housing Programs budget is approved unanimously.

Councilor Chair Marshall then asked if there were any major changes in the Neighborhood Stabilization Program (NSP).

T.J. responds that with the second round of stimulus money the NSP has morphed into NSP-1 which we're working on right now, and NSP-2. Congress has doubled the amount of NSP funds available, however, in NSP-2 it's going to be competitive, not by formula as in NSP-1. T.J. states that Portland may not be real competitive nationwide for funds because our foreclosure rate in Portland is not anywhere near as dire as some cities across the country. However, HUD does have to move those funds fast so expect that applications will probably be relatively short and easy and once they issue the application forms and the requirements we will take a close look to see if it's worth a shot of trying to get some more money through NSP-2. Other than that we've put our environmental review in and we've met with the State. We found out what they want from us exactly what the timing process is and should go to the Council on April 6<sup>th</sup> to accept the funds from NSP-1. We expect the funds will be released to us later in April.

Councilor Marshall thanked TJ for the update and due to staff availability, our next regularly scheduled Housing Committee meeting on April 7<sup>th</sup> will be at **6:00 p.m. in City Council Chambers** and then we'll talk about HOME RFP's and about inventory of City owned properties.

*Councilor Coyne motioned to adjourn and Councilor Donoghue seconded it.*