

1. Victoria Volent

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Planning & Urban Development Department

## HOUSING COMMITTEE

**DATE:** Wednesday June 27, 2018  
**TIME:** 5:30 p.m. – 8:00 p.m.  
**LOCATION:** City Hall Room 24

### AGENDA

1. Review and accept Minutes of previous meeting held on June 5, 2018
2. Presentation of City-Owned Property Map - housing development potential. See attached memo from Victoria Volent, Housing Programs Manager
3. Review and Recommendation to the City Council - HOME Affordable Housing Development Funding Requests. See attached memo from Mary Davis, Housing and Community Development Division Director. *This is an actionable item and public comment will be taken*
4. Review and Recommendation to the Planning Board - Hotel Linkage Fee. See attached memo from Jeff Levine, Director Planning and Urban Development Department. *This is an actionable item and public comment may be taken.*
5. 2018 Amended Housing Committee Schedule
6. Communication Item: FY 19 HUD Annual Allocation Plan
7. Communication Item: Accessory Dwelling Units
8. Discussion re: 2018 Work Plan

**Councilor Jill C. Duson, Chair**

**Next Meeting Date:**  
**Tuesday, July 31, 2018 Room 209**

## **Housing Committee Minutes of June 5, 2018 Meeting**

**NOTE: The Housing Committee meetings are now live-streamed, which can be viewed at this link: [http://townhallstreams.com/stream.php?location\\_id=42&id=16398](http://townhallstreams.com/stream.php?location_id=42&id=16398) These minutes provide a record of those in attendance, general discussions taking place, and motions made.**

A joint meeting of the Portland City Council's Housing Committee (HC) and Economic Development Committee (EDC) was held on Tuesday, June 5, 2018 at 5:30 P.M. in room 209 of Portland City Hall. Councilors present at the meeting included Committee members Councilor Kimberly Cook, Councilor Pious Ali, Councilor Jill Duson, Chair of the Housing Committee, Councilor Nick Mavodones, Councilor Spencer Thibodeau, Councilor Justin Costa, Chair of the Economic Development Committee, and Mayor Ethan Strimling. City staff present included Jon Jennings, City Manager, Mona Bector, Assistant City Manager, Greg Mitchell, Economic Development Director, Mary Davis, Housing and Community Development Division Director, and Victoria Volent, Housing Program Manager.

### **Item 1: Joint Meeting with the Economic Development Committee to review and recommend to the City Council Affordable Housing TIF Requests**

Councilor Costa opened the meeting by asking Council members and staff to introduce themselves. Councilor Costa noted that after the joint meeting, the Economic Development Committee will take up contractual elements of the credit enhancement agreement based on the outcome of the joint meeting. There was a discussion on how the joint committee process works. Mary Davis began with an overview of the housing development and funding requests timing process. TIF applications must be received by Maine Housing forty-five days prior to the due date of the LIHTC application. Based on these deadlines and the desire to assist affordable housing developers with the competitive scoring process at Maine Housing, staff created a timeline on which to bring forward requests to Committees and the Council. Any positive recommendations on the TIF districts by the Committee this evening will be brought forward to the Council for a first reading at their June 18 meeting, and a second reading at their July 16 meeting.

Mary Davis presented an overview of the TIF applications of 977 Brighton Avenue and 178 Kennebec Street (PHA Front Street will be coming forward with a TIF application but they are pursuing 4% tax credits and are working on a different timeline). Mary noted the applicant's financial data is preliminary and based on estimates because applicants may not have all of their financing in place today. Discussions and negotiations will continue as other financial pieces are secured which may impact the final TIF application requests. HOME funding requests approval or disapproval will not impact TIF requests and vice versa.

Councilor Thibodeau asked if the change from 65% to 75% on the credit enhancement revenue will increase the amount of AHTIF requests by developers. Mary confirmed this and Greg Mitchell noted the increase was made specific in order for developer applications to be more competitive by meeting the maximum point allocation mark of 75% and the term of 30 years as set by Maine Housing. There was a discussion on how the TIF was calculated for 178 Kennebec Street, and which part of the structure does the credit enhancement apply towards. Greg confirmed the affordable housing credit enhancement only applies to the residential portion of the project; Mary will confirm with the tax assessor that the valuation calculations were done on the residential portion only.

There was a discussion on the calculation and impact of the loss of state aid for education calculation. There was a discussion of the application of a “but-for” test for judging applications versus the inherent acumen and judgement by members of municipal bodies. Councilor Thibodeau indicated that before staff include “but/for” legal tests in written correspondence, Corporation Counsel should provide guidance to avoid unintentional consequences. Councilor Duson cautioned staff against incorporating unnecessary “but/for” language through-out written correspondence, and requested a copy of the HOME funding application containing the selection and scoring criteria for the next meeting of the Housing Committee. Councilor Costa opened the hearing for public comment. George Rheault of West Bayside expressed a main objective to 977 Brighton Avenue due to the fact the project is not creating housing for families though, for example, it is located near Hall Elementary School. Mr Rheault also indicated that he would rather see 178 Kennebec Street not limit housing to ages 55 and older.

The motion to recommend the TIF application for 178 Kennebec Street to the City Council by the Housing Committee was made by Council Cook and seconded by Councilor Ali (approved 3-0). The motion to recommend the TIF application for 977 Brighton Avenue to the City Council by the Housing Committee was made by Councilor Cook and seconded by Councilor Ali (approved 3-0). The motion to recommend the TIF application for 178 Kennebec Street to the City Council by the Economic Development Committee was made by Councilor Mavodones and seconded by Councilor Thibodeau (approved 3-0). The motion to recommend the TIF application for 977 Brighton Avenue to the City Council by the Economic Development Committee was made by Councilor Mavodones and seconded by Councilor Thibodeau (approved 3-0).

The joint meeting was adjourned and a meeting of the Portland City Council’s Housing Committee (HC) was convened on Tuesday, June 5, 2018 at 6:30 P.M. in Room 24 at Portland’s City Hall. Councilors present at the meeting included Committee members Councilor Kimberly Cook, Councilor Pious Ali, Councilor Jill Duson, Chair of the Committee and Mayor Ethan Strimling. City staff present

included Jeff Levine, Planning and Urban Development Department Director, Mary Davis, Housing and Community Development Director and Victoria Volent, Housing Program Manager.

**Item 2: Review and accept Minutes of previous meetings held on May 23, 2018.**

Motion by Councilor Cook to accept the minutes. Motion was seconded by Councilor Ali and the amended minutes unanimously approved 3-0.

**Item 3: Review and Recommendation to the City Council- HOME Affordable Housing Development Funding Requests.**

Mary Davis presented an overview of the HOME funding requests. She noted the underwriting report became available today; a paper copy of the report has been provide to each Committee member and posted online for public review. Aside from the Deering Place application, the other applications are in the beginning of their process meaning recommendations and financial analysis are based on project number estimates. Subsequently there will be fluctuations in the final applications. There is not enough HOME funding to meet the request of each of the four applications. Reviews were based on selection criteria found in the HOME application. The underwriting report was based on the applicant's request.

Nathan Szanton and Amy Cullen of the Szanton Company provided an overview of the 178 Kennebec Street project. Jay Waterman of Portland Housing Authority provided an overview of the Front Street project. Committee members had questions and comments regarding the presentations. There was a discussion regarding the HOME funding requests. Greg Payne of Avesta Housing provided an overview of the 977 Brighton Avenue project. There was further discussion regarding the HOME funding requests, underwriting, and timing of recommendations. Patrick Hess of Avesta Housing provided an overview of the Deering Place project. There was further discussion of the HOME funding requests, the ranking/scoring of projects, the funding allocation process, a review of reading a per forma sheet, the Housing Trust fund, and the timing of recommendations. Final recommendations should be brought to the Council with the caveat "with loan terms to be further negotiated before final Council action". Councilor Cook suggested a willingness to provide a recommendation of the Deering Place project but withhold a final recommendation of the other projects until the next meeting of the Housing Committee on June 27 pending further underwriting information, and the amendment of the Purchase and Sales Agreement with 178 Kennebec Street. The motion to recommend the HOME Affordable Housing Development Funding Request for Deering Place project to the City Council was made by Councilor Cook and seconded by Councilor Ali (approved 3-0).

**Item 4: Review and Recommendation to the City Council of Amendments to Ordinance: Section 6-225 of the Tenant Housing Rights Ordinance.**

Victoria Volent provided an overview of the Amendments to Section 6-225 of the Tenant Housing Rights Ordinance since the last Housing Committee meeting. Councilor Duson opened the meeting to public comment. Carleton Winslow of 251 Auburn Street asked how will members of the Rental Housing Advisory Committee be nominated. The Southern Maine Landlord Association will submit one candidate name with experience in legal rights/interests of landlords, Pine Tree Legal Assistance will submit one candidate name with experience in legal rights/interests of tenants, and the other seven members will be self-selected. Councilor Duson requested the draft ordinance be changed to reflect the Southern Maine Landlord Association and Pine Tree Legal Assistance will only submit one name for consideration. The motion to recommend to the City Council amendments to the Ordinance, Section 6-225, Tenant Housing Rights, was made by Councilor Cook and seconded by Councilor Ali (approved 3-0).

**Item 5: Review of Hotel Linkage Fee.**

Jeff Levine introduced and provided an overview of the hotel linkage fee study commissioned by the Greater Portland Council of Governments that analyzed the need for affordable housing produced by a new hotel development. The GPCOG draft study determined a one-time fee of \$3,977 per room or \$5.93 per square foot could be charged to mitigate the impact of new commercial development on the demand and availability of affordable housing. There was a discussion on the potential revenue generation, if linkage fees can be assessed annually (answer is no), could a linkage fee be broadly assessed in other commercial developments, how to determine the final fee amount, and what were the determining factors for GPCOG to study only hotels? Per the direction of the Committee, staff will bring forward a draft ordinance for Committee review and recommendation.

**Item 6: Committee Discussion re: 2018 Work Plan**

Councilor Duson requested a review and recommendation of the Hotel Linkage fee be added to the June 27 meeting of the Committee.

On a motion made by Council Cook and seconded by Councilor Ali (approved 3-0) the meeting was adjourned at 10:00 pm.

Respectfully submitted, Victoria Volent

Portland, Maine



Yes. Life's good here.

Planning & Urban Development Department

**TO:** Councilor Duson, Chair  
Members of the Housing Committee

**FROM** Victoria Volent, Housing Program Manager

**DATED:** June 19, 2018

**SUBJECT:** Review of city-owned parcels for potential housing development

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### Introduction

The Portland City Council's on-going goals and objectives included a recommendation by the Housing Committee for the development of adequate and affordable housing. To attain this goal, the Housing Committee proposed investigating the use of City owned land for housing development.

In accordance with Section 2-313 of the City Code, the city may provide city-owned land for housing development and offer the land below market price to encourage housing development or support greater affordability. Selling city owned land provides the city with unique control over the timing, location, and affordability of housing development in Portland. It also has the added benefit of turning land with no tax liability into an income generating property for the city's tax rolls.

### Evaluation of City Owned Property

In November 2017, Portland's Assessing Department identified more than 550 city-owned parcels. During 2018, staff reviewed each parcel with assistance from staff in Economic Development, Assessor, Parks, Recreation & Facilities, and Public Works with the goal of identifying and removing parcels that are clearly not developable for residential housing. Removed from the list include parcels that house schools, fire and police stations, libraries,

parking garages, cemeteries, the Portland Fish Pier, the International Marine Terminal, City Hall, the Observatory, the Expo, the Fire Museum, and the Riverside Recycling Center. Also withdrawn are parcels placed in the city's Land Bank, as well as parks, playgrounds, playing fields, trails, and headwaters. Parcels zoned as Resource Protection, Shoreland overlay, Stream overlay, Contract Zone, Recreation Open Space, Office Park, Business Zone, Industrial Zone, and EWPZ Waterfront were also taken off the list. And any parcel located on Peaks Island Long Island, and Great Diamond Island were removed. From the original 550 city-owned parcels, 113 parcels remain.

Though the City owns hundreds of parcels, the majority (as noted above) are not developable for affordable housing. The attached spreadsheet identifies the remaining 113 lots by street location, assessed land and building value, and a descriptive note as to the current use and/or potential for housing development. The attached map depicts the location of these 113 parcels. Each parcel is defined as either "Municipal Parcel" or "Parking Lot". Topography (extensive amount of ledge or significant wetland), infrastructure costs (a number of paper streets would require construction of connected roadways, and sewer and storm water expansion), zoning (required minimum lot size), and the shape of the parcel (some lots lack depth or they are long and thin (similar to a strip of spaghetti)), hinder the development of many of the lots. The remaining handful of parcels include parking lots for municipal employees, land abutting the Jetport and intended for future growth, the parcel known as the Franklin Reserve, and a lot at 21 Randall Street.

### Further Analysis

The seven identified parking lots are in active use by the city for either city employee parking or, in the case of Angelo's Acre at 431 Commercial Street, it is the location of four "silver bullet" recycling bins as well as public parking for 65 vehicles.

The three parcels abutting the Airport are intended for future growth of Airport facilities.

21 Randall Street is a .32 acre or 13,956 square foot parcel of city-owned land in the R-5 zone that abuts the Front Street development project. The R-5 zone allows medium density residential development characterized by single-family, two-family, and low-intensity multi-family dwelling units. The minimum lot size for a single-family home is 6,000 square feet while a multiplex requires 9,000 square feet for development. Every 9,000 square feet allows for 6 units per building. At 13,956 square feet, 21 Randall would allow for one multiplex building of 6 units of housing.

### Prior Parcel Review

0 Westbrook Street: During the March 28 meeting of the Housing Committee, staff presented its review and recommendation of the 0 Westbrook Street parcel. This parcel is situated across from the future Stroudwater Preserve site, it borders a Resource Protection Zone to the north,

land held by the Portland Water District to the west, a single-family lot to the east, and two single-family lots located on Westbrook Street to the south. The parcel is the location of the Westbrook Street entrance to the Fore River Sanctuary and has been of interest to Portland Trails and the Land Bank Commission for many years. Portland Trails has established a trailhead connecting Westbrook Street to the Fore River Sanctuary at this location. The site features several streams/drainage channels, wet areas that drain to the Fore River and the remnants of a portion of the historic Cumberland Oxford Canal. A natural gas pipeline was also installed through a portion of the site, along the east boundary to serve the Portland Tech Park. There are also numerous Portland Water District, drainage, and other easements on the site.

An initial review of the parcel suggests the possibility of developing six single family lots. However, given the many challenges associated with this site, the development would be very expensive. Staff did not recommend pursuing this parcel as an option for housing development.

Franklin Reserve: The parcel between Franklin Street and Boyd Street, known as the Franklin Reserve, consists of two contiguous parcels that total 1.88 acres. One parcel, at 2 Boyd Street, is 1.4 acres and owned by the City of Portland. The other parcel at 43 Boyd Street is .48 acres and owned by the Portland Housing Authority. The Franklin Reserve is contained within the 130-acre land area of East Bayside. During the March 28, 2018 meeting of the Housing Committee, Christina Egan, the Executive Director of GPGOG, presented an overview of GPCOG's *East Bayside Brownfield Area-Wide Plan* report. The report is a guide to facilitate future development and redevelopment of East Bayside with the goal to spur "sustainable and equitable development outcomes, such as the creation of safe and affordable housing on brownfield sites and; assess optimization of green space by studying existing open space and the community based urban farm located along Franklin Arterial." Possible reuse options for the Franklin Reserve include a variety of community-based housing and/or commercial opportunities. The final report recommendation is for "the City (to) consider whether or not an exploration of possible reuse options for this site is desired".

The Franklin Reserve is assessed at \$119,880 and is located in the R – 6 zone. The purpose of the R – 6 zone is for housing characterized primarily by multi-family dwellings at high-density providing a range of housing for different types of households. A community-held priority for this site identified "affordable housing as well as preserving some open space, adding community space, and helping to ensure that Cultivating Community remains in East Bayside." During the March 28 meeting, staff recommended identifying a preferred use or reuse option that aligns with the needs of the community. There does appear to be potential for infill housing development on this site that would address Comprehensive Plan goals related to both housing development and density along key corridors in the City. However, staff would want to conduct additional detailed analysis to ensure that this infill development would not have significant negative impacts on other uses of the Reserve.

## Maps

Portland's Parks, Recreation & Facilities Department mapped the parks, playgrounds, trails, open spaces and woods, and other municipal facilities found within the city. This map may be found at the Portland Parks, Recreation & Facilities website by clicking on the tab "Places" and then further clicking on "Park Finder Map". This interactive map provides a detailed descriptions of Portland's many recreational amenities.

In February of 2018, the Department of Public Works created a map containing; Land Bank holdings; City parks and open spaces; and Resource Protection zones. This map may be found by clicking on the tab "Community" from the city's home page, then under the heading "GIS Maps" clicking on "Custom PDF Maps". This brings you to the page that contains the "Land Bank Holdings February 2018" map as well as a map of "City Facilities".

These maps provide information on the many large city-owned parcels that were earlier identified as unbuildable for affordable housing. The attached map, "City-Owned property: Affordable Housing Review" is a companion map meant to depict parcels not included in other available maps.

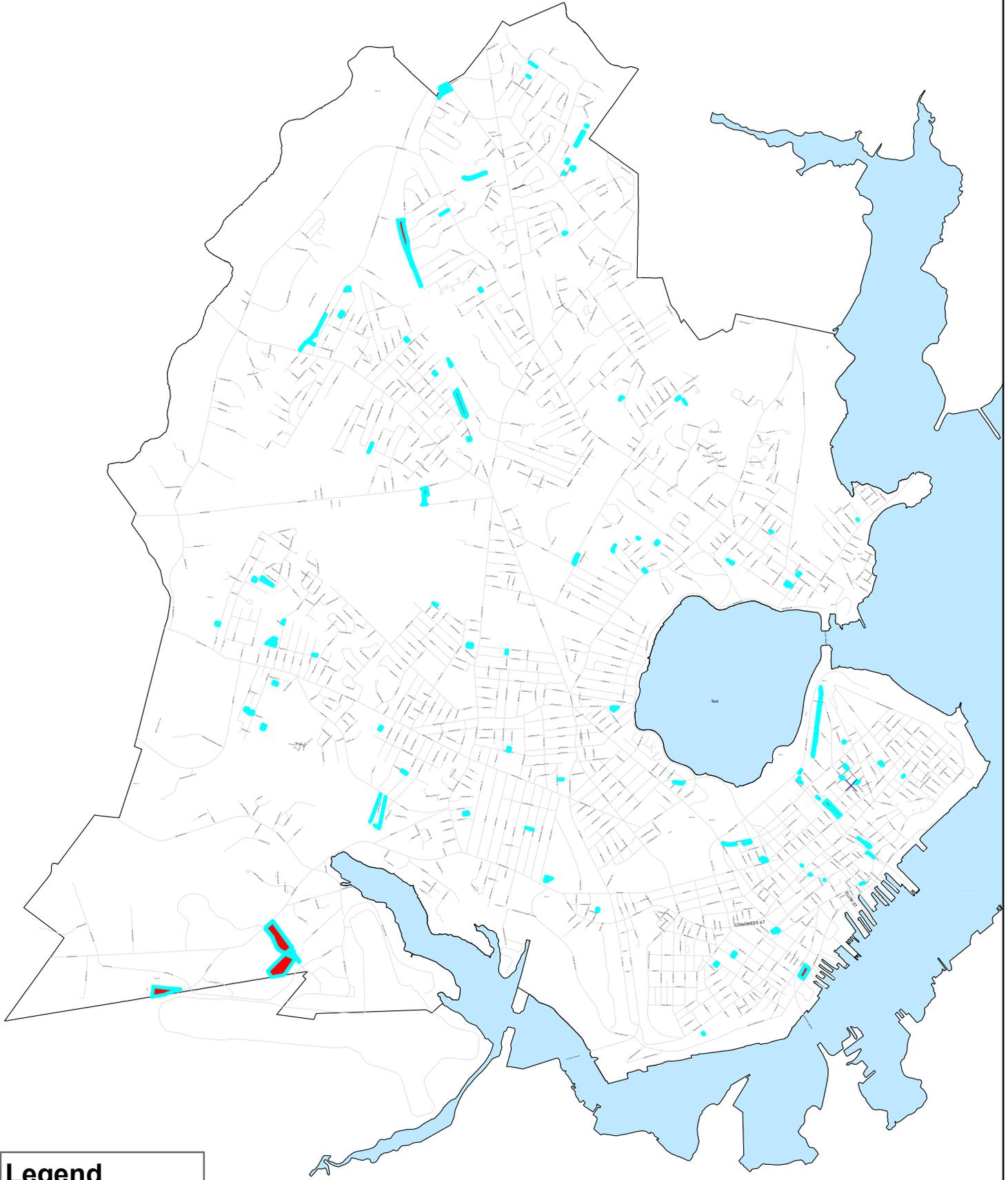
## Summary

Two main themes from Portland's new comprehensive plan were housing insecurity and lack of sufficient and suitable housing. The City recognizes that its vitality rests on the availability of diverse, secure housing options for existing residents, new arrivals, and all stages of life. A review of city-owned parcels for potential housing development reveals the majority of land is not suitable for affordable housing development. Of the over 550 parcels of city-owned property, only a handful of parcels including parking lots for municipal employees, the parcel known as the Franklin Reserve, and a lot at 21 Randall Street are buildable for affordable housing.

## Attachments

Map of city-owned property- affordable housing review  
Spreadsheet of city-owned property- affordable housing review  
GIS map of 21 Randall Street  
GIS map of Franklin Reserve  
GIS map of 0 Westbrook Street

# City-owned property Affordable Housing Review



**Legend**

 City Own Lots

PARCEL ID	LOT ACRES	STREET No.	LOCATION	ASSESSED LAND	ASSESSED BUILDING	ASSESS. TOTAL	NOTE
008 A006001	0.3864	9	PLOWMAN	117,800	-	117,800	B - 6 "spaghetti strip" (unbuildable)
009 A005001	0.5333	12	PLOWMAN	162,600	-	162,600	B - 6 "spaghetti strip" btw Plowman & Cove (unbuildable)
010 H003001	0.5921	45	DIAMOND ST	180,500	-	180,500	B - 2c "spaghetti strip" (unbuildable)
012 D015001	0.0455	0	WHITMAN ST	4,000	-	4,000	R - 6 (under-sized lot on paper street)
012 M011001	0.1837	18	EVERETT ST	16,000	-	16,000	50' ROW (unbuildable)
013 B015001	0.0904	0	OXFORD ST EXT	24,000	-	24,000	bisected by East Oxford Street (unbuildable)
013 K005001	0.1232	0	SUMNER CT	16,400	-	16,400	at the end of unacceptable city street
016 G015001	0.031	53	MONUMENT ST R	4,100	-	4,100	land locked (parking for Fire Dept.)
022 F023001	1.3996	2	BOYD ST	115,500	4,380	119,880	R - 6 Franklin Reserve
023 B034001	0.0731	0	ANDERSON ST	12,700	-	12,700	bisected by Anderson St (unbuildable)
024 A005001	0.086	0	FRANKLIN ST	65,100	-	65,100	B - 2c (unbuildable triangle strip of land)
024 A037001	0.033	243	MARGINAL WAY	500	-	500	B - 6 (unbuildable triangle strip of land)
024 B008001	0.0299	65	LANCASTER ST	500	-	500	R - 6 (undersized lot for housing)
027 B003001	0.0103	9	ELM ST	123,800	-	123,800	Courtyard from Elm Street to Portland HS (unbuildable)
028 I013001	0.0274	104	FEDERAL ST	2,400	-	2,400	"spaghetti strip" next to 169 Newbury St & 100 Federal (unbuildable)
028 O017001	0.2183	83	MIDDLE ST	277,800	-	277,800	Police Dept. parking lot
029 E019001	0.0708	0	FRANKLIN ST	6,200	-	6,200	"spaghetti strip" in front of 100 Middle St. (unbuildable)
029 S002001	0.0215	145	COMMERCIAL ST	9,400	-	9,400	"spaghetti strip" btw Boothby Squ. & 145 Commercial (unbuildable)
032 L001001	0.0155	234	FEDERAL ST W	3,400	-	3,400	triangle shaped parcel abutting 1 City Center (unbuildable)
032 P005001	0.0036	0	SPRING ST ARTERIAL	600	-	600	triangle shaped parcel abutting 2 City Ctr & 4 City Ctr (unbuildable)
033 C012001	0.3204	33	PORTLAND ST	190,600	37,380	227,980	Parking lot (for School Department)
034 A010001	0.2254	181	FOREST AVE	71,300	-	71,300	B - 2c "spaghetti strip" over former railroad tracks (unbuildable)
034 G005001	0.3465	158	KENNEBEC ST	205,900	-	205,900	B - 7 storage lot for city-owned vehicles
039 D005001	0.3522	98	HIGH ST	302,300	13,130	315,430	parking lot (deed restricted)
039 E001001	0.0228	94	SPRING ST ARTERIAL	7,000	-	7,000	buffer between sidewalk and street (unbuildable)
043 C006001	1.2912	431	COMMERCIAL ST	562,500	-	562,500	B - 5 b Angelo's Acre Lot (snow parking & recycling)
045 E031001	0.1942	157	BRACKETT ST	126,300	-	126,300	B - 1 parking lot across from Reiche School
056 B012001	0.1679	176	CLARK ST	79,500	-	79,500	R - 6 parking lot across from Reiche School
060 A003001	0.0386	183	WEST COMMERCIAL ST	4,200	-	4,200	R - 4 (under sized lot for housing)
065 A009001	0.0735	0	HEMLOCK ST	31,700	-	31,700	R - 6 ROW and parking lot (unbuildable)
078 C002001	0.3981	43	DOUGLASS ST	49,000	-	49,000	R - 5 parking lot for Dougherty Playground
082 D007001	0.0161	31	ST GEORGE ST	500	-	500	R - 5 (undersized lot for housing)
112 B010001	0.0746	7	FENWICK RD	13,000	-	13,000	R - 5 (undersized lot for housing)
123 D028001	0.0093	2	SEELEY AVE	300	-	300	R - 3 (undersized lot for housing)
123 E033001	0.0112	1	SEELEY AVE	400	-	400	R - 3 (undersized lot for housing)
126 G003001	0.2434	56	CLIFTON ST	64,400	-	64,400	R - 3 triangle lot
134 I001001	0.0952	11	HYDE ST	3,100	-	3,100	R - 5 (undersized lot for housing)
135 E018001	0.299	75	LELAND ST	47,400	-	47,400	land locked next to Lincoln MS playground
136 A004001	0.0588	112	HARTLEY ST	1,900	-	1,900	R - 5 (undersized lot for housing)
148 C001001	0.3506	143	READ ST	39,700	-	39,700	lacks minimum width for housing development
149 G039001	0.0769	0	TORREY ST	1,300	-	1,300	R - 3 (undersized lot for housing)
156 E008001	0.1148	338	OCEAN AVE	4,300	-	4,300	R - 3 (undersized lot for housing)
160 D020001	0.1377	60	ROSDALE ST	5,100	-	5,100	R - 3 (undersized lot for housing)
160 G001001	0.0313	0	DUDLEY ST	1,200	-	1,200	R - 3 (undersized lot for housing)
164 A011001	0.0781	172	FRONT ST	2,900	-	2,900	R - 3 (undersized lot for housing)
166 B014001	0.3204	21	RANDALL ST	11,900	-	11,900	R - 5 (meets square footage for multiplex (9,000 SF) at 13,956 SF)
168 H002001	0.0151	5	ST JUDE ST	600	-	600	R - 5 (undersized lot for housing)
186 C048001	0.3005	0	BOLTON ST	9,800	-	9,800	R - 5 (undersized lot for housing)
188 B015001	0.2049	0	ANSON RD	6,700	-	6,700	R - 3 land locked
192 K032001	0.1459	192	WOLCOTT ST	2,400	-	2,400	R - 3 (undersized lot for housing)
195 B021001	0.0531	174	CAPISIC ST	1,700	-	1,700	R - 3 (undersized lot for housing)
209A A014001	18.6147	1956	CONGRESS ST	1,013,600	-	1,013,600	R - 2 (next to Airport )
209A B001001	10.1899	0	JETPORT BLVD	554,800	-	554,800	R - 2 (next to Airport )
211 B003001	8.5934	1928	CONGRESS ST	590,600	-	590,600	R - 2 (next to Airport)
224A F012001	0.1148	0	RIDLEY ST	3,700	-	3,700	on paper street with recommendation to vacate
232 A002001	3.8997	131	JOHNSON RD	72,200	-	72,200	includes and abuts exit 46
260 C031001	0.1928	0	PHILBRICK AVE	3,100	-	3,100	R - 3 on paper street abutting RP Zone
261 B017001	0.0964	0	TERRACE AVE	1,600	-	1,600	R - 3 (undersized lot for housing)

261	B054001	0.0482	109 ROWE AVE	1,600	-	1,600	R - 3 (undersized lot for housing)
261	B055001	0.0964	111 ROWE AVE	3,100	-	3,100	R - 3 (undersized lot for housing)
261	G053001	0.2479	0 MILO ST	4,000	-	4,000	R - 3 on paper street abutting RP Zone
262	C025001	0.0535	0 TERRACE AVE	1,700	-	1,700	R - 3 (undersized lot for housing)
262	C026001	0.107	0 TERRACE AVE	3,500	-	3,500	R - 3 (undersized lot for housing)
269	B004001	0.1798	56 HOLM AVE	5,800	-	5,800	ledge buffer to Office of Elder Care
273	J029001	0.186	0 RAVINA ST	3,000	-	3,000	R - 3 on paper street
273	K020001	0.5146	0 RAVINA ST	8,300	-	8,300	R - 3 on paper street
275	C029001	0.1914	0 LOMOND ST	29,600	-	29,600	R - 3 on paper street
275	C049001	0.1653	91 RIGGS ST	2,700	-	2,700	R - 3 on paper street
275	C051001	0.0918	87 RIGGS ST	1,500	-	1,500	R - 3 (undersized lot for housing)
275	C056001	0.0918	0 LOMOND ST	1,500	-	1,500	future turnaround for Lomond Street
275	C079001	0.1017	106 WARWICK ST	3,300	-	3,300	R - 3 (undersized lot for housing)
284	G027001	0.1002	57 ESSEX ST	3,200	-	3,200	R - 3 (undersized lot for housing)
295	G005001	0.9766	102 WARREN AVE	148,900	-	148,900	ROW to Bishop St (unbuildable)
297	C027001	0.2048	122 DOROTHY ST	3,600	-	3,600	R - 3 "spaghetti strip" (unbuildable)
309	A021001	0.1575	1769 RIVERSIDE IND PKWY	2,700	-	2,700	R - 3 "spaghetti strip" (unbuildable)
330	E001001	0.2479	330 NEWELL AVE	4,300	-	4,300	R - 2 on paper street (lot size allows for 1 single family residence)
332	A001001	0.2995	0 RIVERSIDE IND PKWY	5,200	-	5,200	R - 3 "spaghetti strip" (unbuildable)
332	A009001	0.0764	42 TUCKER AVE R	1,300	-	1,300	R - 3 land locked "spaghetti strip" (unbuildable)
332	F012001	0.241	85 BEAL ST	33,000	-	33,000	R - 2 on paper street
332	I009001	0.1148	22 TUCKER AVE	4,000	-	4,000	R - 3 "spaghetti strip" (unbuildable)
334	A015001	1.6336	0 PALMER AVE	28,500	-	28,500	R - 2 and R - 3 "spaghetti lot" parallel to railroad tracks (unbuildable)
339	B003001	0.1377	129 NEWTON ST	45,100	-	45,100	R - 3 (undersized lot for housing)
339	N021001	0.1148	62 EIGHTH ST	2,000	-	2,000	R - 3 (undersized lot for housing)
340	L017001	2.2058	1315 FOREST AVE	69,200	-	69,200	R - 3 strip runs parallel to railroad tracks (wet)
342	A033001	0.1377	0 CARRIAGE LN	45,100	-	45,100	R - 5 (may be enough square feet for single family residence)
346	D003001	0.0396	182 PLYMOUTH ST	1,500	-	1,500	R - 3 (undersized lot for housing)
346	D004001	0.0826	186 PLYMOUTH ST	3,100	-	3,100	R - 3 (undersized lot for housing)
348	B003001	0.0976	0 COOLIDGE AVE	1,800	-	1,800	R - 3 (undersized lot for housing)
352	B027001	0.0519	1 DOLE DR	1,900	-	1,900	R - 2 and R - 3 (undersized lot for housing)
352	D018001	3.1697	284 PALMER AVE	58,700	-	58,700	R - 2 on paper street recommended to vacate
371	A021001	0.7048	1819 WASHINGTON AVE	13,100	-	13,100	R - 3 "spaghetti strip" (unbuildable)
378	A070001	0.0729	0 BARTLEY AVE	2,700	-	2,700	R - 2 (undersized lot for housing)
385	B027001	0.6721	200 LAMBERT ST	43,900	-	43,900	R - 2 (triangle-shaped lot with poor sight lines)
385	E001001	0.094	216 LAMBERT ST	1,700	-	1,700	R - 2 (undersized lot)
385	E002001	0.1921	2092 WASHINGTON AVE	3,600	-	3,600	R - 2 (undersized lot)
387	A014001	0.0266	110 CARON ST	1,000	-	1,000	R - 2 (undersized lot)
387	C004001	0.0012	79 CARON ST	100	-	100	R - 2 (undersized lot)
387	C007001	0.0222	109 CARON ST	800	-	800	R - 2 (undersized lot)
393	A001001	0.0344	0 TALBOT ST	1,300	-	1,300	R - 2 (undersized lot)
393	A002001	0.0344	0 TALBOT ST	1,300	-	1,300	R - 2 (undersized lot)
393	A003001	0.1377	0 TALBOT ST	5,100	-	5,100	R - 2 (undersized lot)
393	A013001	0.0344	0 TALBOT ST	1,300	-	1,300	R - 2 (undersized lot)
394	A021001	0.0459	0 TALBOT ST	1,700	-	1,700	R - 2 (undersized lot)
394	A023001	0.0918	0 TALBOT ST	3,400	-	3,400	R - 2 (undersized lot)
394	C029001	0.0459	0 TALBOT ST	1,700	-	1,700	R - 2 (undersized lot)
394	E017001	0.0918	0 JUNIPER ST	3,400	-	3,400	R - 2 (undersized lot)
394	E062001	0.0459	0 BINGHAM ST	1,700	-	1,700	R - 2 (undersized lot)
395	B001001	0.3444	0 TALBOT ST	12,800	-	12,800	abuts Oatnuts Park (land locked)
407	E001001	0.1031	0 IDAHO ST	3,800	-	3,800	R - 3 (undersized lot for housing)
410	B030001	0.0919	90 NOTTINGHAM AVE	3,400	-	3,400	R - 3 (undersized lot for housing)
410	F022001	0.0374	68 DEMEREST ST	1,400	-	1,400	R - 3 (undersized lot for housing)
428	C007001	0.1333	563 WASHINGTON AVE	4,900	-	4,900	R - 5 (undersized lot for housing)
433	A015001	0.0103	10 WHITTIER ST	100	-	100	R - 5 (undersized lot for housing)

Key							
Parking Lot							
Municipal Parcel							



# City of Portland Maine Parcel Viewer

21 randall

Show search results for 21 ran...









Planning &amp; Urban Development Department

**MEMORANDUM**

**TO:** Councilor Duson, Chair  
Members of the Housing Committee

**FROM:** Mary Davis, Housing & Community Development Division Director

**DATE:** June 21, 2018

**SUBJECT:** **Affordable Housing Development HOME Funding Requests**

At the Housing Committee meeting on March 28, 2018, the Committee approved application criteria for staff to identify and recommend eligible development projects to apply for HOME Funding. The application went out to the public on March 30<sup>th</sup> and proposals were due on April 30<sup>th</sup>. Four proposals were received. Staff recommendations were reviewed by the Housing Committee on June 5<sup>th</sup>. The Committee took action on the Deering Place funding request on June 5<sup>th</sup>, but postponed action on the Front Street, 178 Kennebec Street and 977 Brighton Avenue requests until the June 27<sup>th</sup> meeting.

The proposals were reviewed by staff according to the selection criteria stated in the 2018 Affordable Housing Development HOME Fund Application (Section IV, page 11, a copy of which is attached). Initially staff scored the applications with a caveat that the scores were pending underwriting information. Staff re-evaluated the scoring after review of the underwriting reports.

Selection Criteria/Maximum Value	Deering Place	Front Street	178 Kennebec Street	977 Brighton Avenue
Proposed Use of Funds (Assigned weight: 30)	26.0	27.0	25.7	23.7
Financial Feasibility (Assigned weight: 25)	21.0	21.3	19.7	19.3
Applicant's Ability to Complete Project (Assigned weight: 25)	24.7	20.7	21.3	20.7
Impact on Surrounding Neighborhood (Assigned weight: 20)	18.7	19.7	19.3	18.7
<b>TOTALS</b>	<b>90.3</b>	<b>88.7</b>	<b>86.0</b>	<b>82.3</b>

## **STAFF RECOMMENDATIONS**

Staff was impressed with the quality of all four applications, agreeing that each application had strengths and weaknesses across the scoring categories. All four proposals are quality projects that are in line with the City's goals for housing.

It should be noted, that any recommendation for City HOME funding from the Housing Committee to the Council is not the same as approval of any new development project. After carefully weighing the potential benefits and impacts on the City and surrounding neighborhood the Planning Board will ultimately determine if a project meets the City's site plan ordinance. Any funding awarded will be contingent on the project's final approval by the Planning Board.

Total HOME funding available for affordable housing development is \$1,080,174. The four proposals requested \$1,741,540 in funding.

### **Deering Place**

At the June 5<sup>th</sup> meeting, the Committee voted 3-0 to recommend the additional \$200,000 in HOME funding. The funding recommendation will be included on the July 16 and August 13 Council Agendas.

### **Front Street**

*As stated in the developer's application "Front Street is currently a 50-unit Public Housing community in the East Deering neighborhood of Portland, Maine. The project was built in 1971 as part of Portland's Urban Renewal effort and the creation of Franklin Arterial to connect the interstate with the Downtown tourist area of the Portland peninsula. Over 200 residential structures, considered a blighted area, were taken by eminent domain and demolished in Portland's Bayside neighborhood. A portion of those families were moved to temporary housing at Front Street....."*

*"47 years later, this "temporary" housing was identified in Portland Housing Authority's Strategic Vision Plan of 2015 as the top priority for re-development due to deterioration of buildings due to poor construction quality and structural issues due to poor soils."*

*"PHA is proposing a single phase approach to not only demolish and re-develop the existing 50 units of housing, but add an additional 61 units of mixed-income family rental housing....."*

<b>Front Street</b>		
<b>1-Bedroom Units (29)</b>	at or below 50% area median income	7
	at or below 50% area median income PBV	11
	Market Rate	11
<b>2-Bedroom Units (38)</b>	at or below 50% area median income	19
	at or below 50% area median income PBV	7
	Market Rate	12
<b>3-Bedroom Units (27)</b>	at or below 50% area median income	5
	at or below 50% area median income PBV	19
	at or below 60% area median income	3
<b>4-Bedroom Units (13)</b>	at or below 50% area median income PBV	13
<b>5-Bedroom Units (4)</b>	at or below 50% area median income PBV	4
<b>Total Units</b>		<b>111</b>

This project is seeking 4% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing. It will not proceed on the same timetable as the other three proposals who will be seeking 9% Low Income Housing Tax Credits. The developer has engaged in significant public outreach in the East Deering Neighborhood. A neighborhood meeting was held on November 7, 2017 and the Planning Board held a workshop on November 14, 2017. The Planning Department has made significant commitments to the neighborhood to ensure that the design of the project is contextual to the neighborhood. To ensure these commitments are met, staff is recommending funding for this project.

As you may recall, in the June 5<sup>th</sup> Committee memo staff recommended funding for this project at \$480,174. The current funding recommendation includes an additional \$30,000 from a negotiated reduction in the funding recommended to the 178 Kennebec Street project.

Staff Recommendation - HOME funds \$510,174; 0% interest rate loan, deferred for 30 years;

Total City HOME Investment of \$510,174/unit - \$4,596.

Total City HOME Investment of \$510,174/affordable unit - \$5,798.

At a later date, developer has indicated that they will seek additional city assistance through an affordable housing tax increment financing district/credit enhancement agreement as well as funding from the Housing Trust Fund in an amount up to \$831,366 (total city HOME and HTF investment requested \$1,341,540).

Staff is recommending that the City partially fund their HOME request at \$510,174, with additional funds up to their full request to be provided if HOME funds become available due to other projects not moving forward or similar circumstances.

### **178 Kennebec Street**

The site is a portion of the former Public Works facility which was marketed for sale in the beginning of 2017. In the fall of 2017, the City Council approved a Purchase and Sale

Agreement for the 178 Kennebec Street. The proposed development is one step towards the City’s goal of redeveloping the Public Works site in the Bayside neighborhood.

As stated in the developer’s application, the project “...includes ground-level retail and/or artist studio space with 46 units of housing on the upper floors. The housing will be rental; all 1-bedroom units, set aside for households whose head of household is aged 55+.

*“We expect the income mix targeted for this development will be 22% market rate, and 78% affordable (aimed at those at or below 60% of the area median income), creating economic diversity both in the building and in the neighborhood.”*

Since the June 5<sup>th</sup> Housing Committee meeting, staff met with the developer to discuss the underwriting memo, particularly as it relates to the developer fee, loan amount and term of loan. Based on those discussions, the developer agreed to reduce their request from \$400,000 to \$370,000 in return for a more favorable term on the loan (0% interest with cashflow repayment to 0% interest, deferred for 30 years). Staff reviewed this proposal with the underwriter who indicated that the change in loan term was reasonable in the context of a smaller HOME investment.

<b>178 Kennebec Street</b>		
<b>1-Bedroom Units (46)</b>	at or below 40% area median income	0
	at or below 50% area median income	15
	at or below 60% area median income	21
	Market Rate	10
<b>Total Units</b>		<b>46</b>

Staff Recommendation – HOME funds: \$370,000, 0% interest rate loan, deferred for 30 years.

Total City HOME Investment of \$370,000/unit - \$8,044.

Total City HOME Investment of \$370,000/affordable unit = \$10,278

**977 Brighton Avenue**

Avesta Housing submitted two projects for funding. As mentioned above, additional funding was recommended for the Deering Place project. At this time staff does not recommend HOME funding the project at 977 Brighton Avenue. The underwriting report recommended funding for this project, subject to the availability of funds. Staff considered providing a small HOME investment to this project (\$50,000-\$75,000) but ultimately decided that the compliance and regulatory burdens associated with the investment would outweigh the benefit to both the City and the developer. While the project is very promising, we feel there are two reasons not to recommend funding this year:

- (1) Of the four projects, this one scored the lowest in the staff assessment, and there are not sufficient funds to provide HOME support for all four project
- (2) Avesta Housing submitted two HOME funding requests and the Deering Place project is further along in the development process and with funding commitments

That said, staff continues to support the project and will continue to talk with the developer about alternative ways to finance the project.

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As part of the Maine State Housing Authority's (MSHA) Qualified Allocation Plan (QAP) application due in September, the developers that plan to apply for LIHTC funding are requesting letters of commitment of support for their projects prior to the September QAP submission deadline. If the Committee agrees with the staff recommendation, this letter would be conditioned on the completion of all standard commitment requirements, and the following additional recommendations:

1. The commitment will be subject to compliance with all HOME Program regulations including, but not limited to, cost allocation, designation of HOME units and compliance with the new HOME Final Rule (effective August 23, 2013) and the Consolidated and Further Continuing Appropriations Acts of 2012 and 2013.
2. The commitment will include the requirement that the environmental review process be satisfactorily completed. The City's agreement to provide funds will be conditioned on the determination to proceed with, modify or cancel the project based on the results of the environmental review.
3. Commitment of funds to be stated as "an amount up to the funding request based on maximization of LIHTC equity raise", to ensure that the City's contribution is leveraged to the maximum extent possible.
4. If applicable, documentation acceptable to the City that the acquisition cost is reasonably related to market value. This is a HOME Program requirement.
5. Commitment should be subject to the projections and assumptions noted in the project budgets and pro-forma submitted and the City reserves the right to reconsider and adjust their commitment if any significant alterations occur in the budget. A final commitment will be subject to a final budget.
6. Commitment will be subject to conditions or requirements noted in the underwriting report.
7. Any substantial changes to the composition of the project, or the financial investment required, will be brought back to the committee and the council for review and approval.

## **ATTACHMENTS**

- Section 1V from the 2018 Affordable Housing Development HOME Funds Application
- Front Street Application Overview
- 178 Kennebec Street Application Overview
- 977 Brighton Avenue Application Overview

- 19) A 15-year operating pro forma for the project with inflators of 2% on income and 3% on expenses
- 20) Evidence of financial commitments, or explanation of the ability and timing to secure those commitments. A statement describing the applicant's capacity for and experience in raising the type of capital needed to finance projects of this size and type.
- 21) Projects serving special needs populations must provide evidence of commitments of support services, and a description of the service provider and funding cycle for those services.
- 22) Applicant must include a management plan for the long-term management of the project including manager's experience and capacity.
- 23) An analysis and discussion of market demand justifying the need for the proposed project.
- 24) **For Renovation of Operational Projects (or projects with operational components) the following items are also required:**
  - Relocation plan budget
  - Description of all current debt, operation subsidies, and services provided (as applicable)
  - Current rent roll
  - 2 years of audits for project property (if available) OR 2 years of management income and expense statements for project property
  - Most recent Quarter internally prepared income and expense statement.

## IV. SELECTION PROCESS

Selection criteria will be used in reviewing and scoring the applications.

### *A. Point System for Evaluating and Scoring Applications (Max 100)*

#### **Proposed use of funds to achieve the City of Portland's goals and address demonstrated need. 30 points**

Maximum points will be awarded for those applications that demonstrate sufficient market demand, create housing options which promote economic diversity in the neighborhood in which the development is located, are consistent with the Comprehensive Plan, leverage funds efficiently, and include a policy prohibiting smoking.

#### **Financial feasibility, including cost, development budget operating pro forma and the provision of secured and leverage funds. 25 points**

Maximum points will be awarded for those applications that include a complete set of financial documents to support the financing request, contain a realistic set of sources and uses development budgets and a pro forma operating budget, include sufficient reserves for operations and maintenance, including pre-funded reserves, and long-term financial sustainability of the project is highly likely.

**Applicant's ability to complete project, including development team experience, capacity, project readiness and timeframe for completion. 25 points**

Maximum points will be awarded for those applications that demonstrate the readiness of the project to proceed, a development team with a successful track record in projects of similar size, scale, type and complexity to the proposed project and the capacity to fulfill their responsibilities.

**Impact on surrounding neighborhood, including design compatibility and environmental issues. 20 points**

Maximum points will be awarded for those applications where site selection is appropriate for use, no zoning amendments are required, the design is consistent with neighborhood design characteristics, amenities and unit design are well thought out and appropriate, where no environmental issues have been identified and meet the requirements of the City of Portland's Green Building Ordinance.

***B. Evaluation and Selection Process and Timeframe***

Applications will be reviewed by an evaluation team that will include City of Portland staff. The following process will be used:

- 1) All applications will be reviewed for completeness. Only complete applications will be reviewed under the scoring factors in order to recommend the most qualified applications based on the information submitted. The application review team may confer with the applicants and/or third parties to clarify or verify information and request additional information.
- 2) Recommendations, along with all applications and scoring information, will be forwarded to the City Council's Housing Committee for review and approval. Their recommendations will be forwarded to the City Council for final review and approval.
- 3) Applicants will be kept informed throughout the review process, specifically in regard to recommendations and funding levels.
- 4) The evaluation and review process should be substantially complete within 30 days of receipt of complete application. Applicants will be notified of their application status as soon as possible.
- 5) Based on City Council approval, successful applicants will receive a letter of funds reservation. A letter of funds reservation is not a commitment letter but an agreement to set aside budgeted funds for up to six months, to allow the project sponsor to proceed with securing other commitments.

**Portland Housing Development Corporation / Front Street Housing Redevelopment, LP  
HOME Application  
Project Summary**

**Front Street Re-Development - Detailed Project Proposal**

Summary - Request for Funding

Portland Housing Development Corporation (PHDC) and Front Street Housing Redevelopment, LP are requesting \$841,540 in grant funding from the City of Portland’s HOME program to assist in the re-development of affordable family rental housing in Portland, Maine. PHDC is requesting these HOME funds as a critical early step in securing other funding to replace outdated housing and bring new housing to a mixed-income community.

Project Summary and Description of Housing

Front Street is currently a 50-unit Public Housing community in the East Deering neighborhood of Portland, Maine. The project was built in 1971 as part of Portland’s Urban Renewal effort and the creation of Franklin Arterial to connect the interstate with the Downtown tourist area of the Portland peninsula. Over 200 residential structures, considered a blighted area, were taken by eminent domain and demolished in Portland’s Bayside neighborhood. A portion of those families were moved to temporary housing at Front Street in Portland’s East Deering neighborhood.

47 years later, this “temporary” housing was identified in Portland Housing Authority's Strategic Vision Plan of 2015 as the top priority property for re-development due to deterioration of buildings due to poor construction quality and structural issues due to poor soils. A 2012 Physical Needs Assessment concluded that the buildings are at the end of their useful life, and an Obsolescence Study in 2016 determined that renovations would be costlier than demolition and new construction.

PHA is proposing a single-phase approach to not only demolish and re-develop the existing 50 units of housing, but add an additional 61 units of mixed-income family rental housing that will be durable, beautiful and extremely energy efficient. Please note there is an adjacent 10-unit homeownership project that will be developed on the existing Front Street parcel along Illsley Street, but is not part of the rental housing project and is not part of this application.

**Existing Housing Unit Distribution**

1-Bedroom	0
2-Bedroom	0
3-Bedroom	25
4-Bedroom	18
5-Bedroom	7
<b>Totals</b>	<b>50</b>

**Front Street Utilization**

	Sufficient Size	Under Utilized	Over Utilized
1-Bedroom	N/A		
2-Bedroom	N/A		
3-Bedroom	16	7	2
4-Bedroom	10	6	1
5-Bedroom	6	1	0

**Proposed Housing Unit Distribution**

Unit Type	# units	Square Footage
1-bedroom	29	550
2-bedroom	38	850
3-bedroom	27	1100
4-bedroom	13	1225
5-bedroom	4	1400
<b>Total Units</b>	<b>111</b>	

Population Served

Households currently living at Front Street are Extremely-Low Income, (ELI), or Very-Low Income, (VLI). There are currently 49 occupied units; 35 households, (about 71%), have extremely-low incomes. Current households range in size from one-person to ten-persons. Households are predominantly between three- and six-persons. A unique feature of Front Street is its 4- and 5-bedroom units for larger families. PHA has a public housing waiting list with 1,800 families and several of those on the waiting list are looking for 4- and 5-bedroom units.

PHA is applying to HUD under Section 18 Demolition and Disposition of the Housing Act of 1937 to re-develop Front Street public housing. Section 18 allows all residents the right to compensation for temporary relocation and PHA is pledging 100% Right of Return. Residents will be relocated with Tenant Protection Vouchers in private housing or will be able to move to some of the other 1,000 units of public housing owned by PHA in Portland. We are anticipating at least half of the current families will choose to return to the re-developed Front Street. PHA is pledging 50 Project Based Vouchers to the new project. These will ensure those returning after relocation will have a subsidized unit. 23 units (20%) will be market rate with a goal of protecting existing ELI families while diversifying incomes in the development and neighborhood. The balance of units will be at or below 50% and 60% of Area Median Income.

### Proposed Use of Funds, Market Demand and Measures of Success

Our first and foremost measure of success will be 111 new units of affordable housing. Portland has over 3,000 people on the Section 8 waiting list and there are over 13,000 people statewide who often have to wait 3-5 years for an affordable home. This project will clearly have an effect on over a hundred families. Please see the attached market study to understand the market demand.

The Front Street Redevelopment project has partnered with local social service providers to go beyond beautiful new apartments for its residents and provide critical services to help residents thrive in the community. The focus of these services is to enable empowerment and self-sufficiency. The following services are committed to the project and letters of commitment are available upon request:

- Boys and Girls Club of Southern Maine – After School programs
- Goodwill – Employment and job training supportive services
- LearningWorks – English language and literacy programs and YouthBuild Program
- The Opportunity Alliance – Early Head Start Family Visiting Program

### Financial Feasibility

There is no doubt that Front Street's legacy of a placing low-income housing on a former City dump with poor structural soils combined with drastic cuts to public housing over the life of the project has left this property in desperate need of redevelopment. It also means the project has costs that many other projects do not have: The size of the site is two City blocks spanning 4 acres. 50 families will be temporarily moved, re-housed and returned, all with financial support required in the Uniform Relocation Act. The project has a DEP VRAP plan for remediation of the soils. Hazardous materials will need to be removed from the buildings prior to demolition.

These initial costs are considered "Seller's costs." PHA has received \$250,000 of CDBG funds from the City of Portland as well as a \$125,000 grant from the TD Charitable Foundation Housing for Everyone competition in 2017. These funds, as well as potential EPA Brownfields funds and PHA non-federal reserves will pay for all "Seller Cost" that are NOT part of this application.

The project has already secured \$3,900,000 of AHP funds from the Federal Home Loan Bank of Boston through our construction lender, Bath Savings. We are applying to MaineHousing for 4% LIHTC and Tax-Exempt Debt and will request a City of Portland Housing Trust Fund 0% loan as well. Please see the attached pro forma development budget, sources and uses, operating budget and 15-year operating pro forma.

### Capacity to Develop the Project

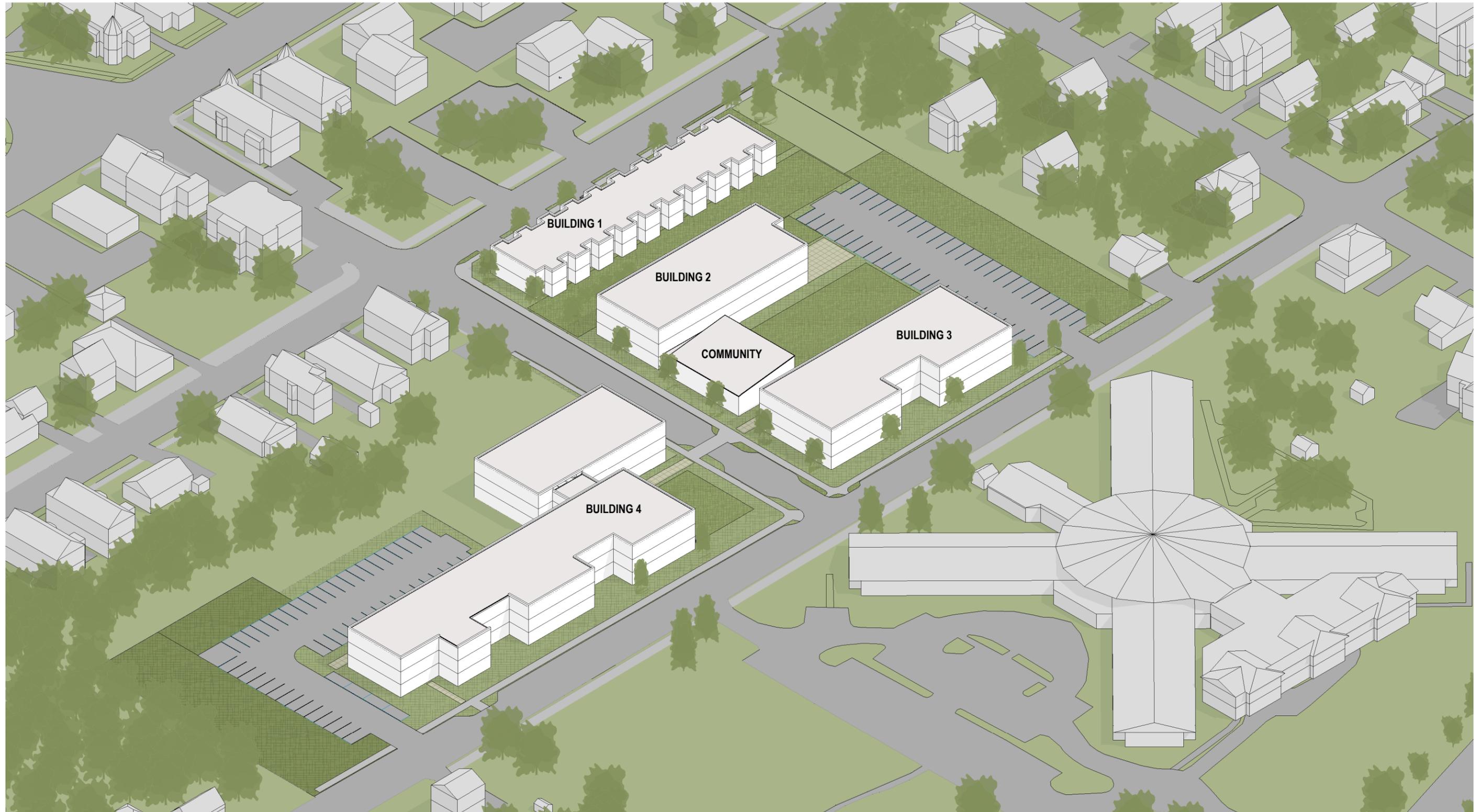
The Portland Housing Authority hired Jay Waterman as their Real Estate Development Director over three years ago. Since that time, Bayside Anchor, a 45-unit mixed-income multi-family affordable housing project has been built and occupied. Mr. Waterman is the project manager for the Front Street project. Mark Adelson, PHA's Executive Director, is also integrally involved in the project, assisting with the Relocation Plan for temporary relocation of Front Street families. Our HUD application process is being supported by Joe Schiff, a former HUD deputy undersecretary. Our relocation planning is being supported by Andrew Daniels of MAPPLAN Partners. Gary Vogel of Drummond Woodsum is our legal counsel. Our property management firm will be Avesta Housing.

PHA has assembled a top-notch design team for the project, including Utile Architecture and Planning from Boston, Carroll Associates Landscape Architects, Allied Engineering, Ransom Environmental Consulting, and Thornton Tomasetti to assist with Passive House certification.

### Neighborhood and Design Compatibility

Front Street has been affordable public housing for the last 47 years. The project has been a low-density development that has the potential for significantly more density with the Division 30 changes. We feel the proposed design will have a more connective fabric with the surrounding neighborhood than the existing building. Walkability, scale, connectivity and permeability are all part of the design. We have worked with City planning and urban design staff for the last 18 months on this project and will continue to work with them as we bring this to the planning board in the Summer of 2018.

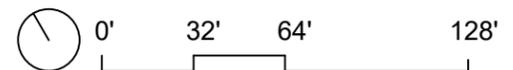
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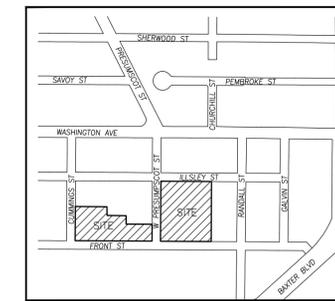
DISCLAIMER: These plans are conceptual only. They have not been subject to a comprehensive code and regulatory review, nor have they been tested against any as-built surveys. Discoveries in such an analysis may result in fundamental changes to the original concept.



DISCLAIMER: These plans are conceptual only. They have not been subject to a comprehensive code and regulatory review, nor have they been tested against any as-built surveys. Discoveries in such an analysis may result in fundamental changes to the original concept.



- | EXISTING                       | PROPOSED                  |
|--------------------------------|---------------------------|
| PROPERTY LINE                  | PROPERTY LINE             |
| DECIDUOUS TREE (preserved)     | SETBACK LINE              |
| DECIDUOUS TREE (to be removed) | LIMIT OF WORK LINE        |
| CURB                           | DECIDUOUS TREE            |
| EDGE OF PAVING                 | SHRUBS                    |
| BUILDING OUTLINE               | PERENNIALS / GROUND COVER |
| POLE LIGHT                     | ASPHALT PAVEMENT          |
| FIRE HYDRANT                   | CONCRETE PAVERS           |
| MANHOLE                        | EDGE OF PAVING            |
| ELEC / GAS METER               | GRANITE CURB              |
| UTILITY POLE                   | SLIPFORM CONCRETE CURB    |
| STREET LIGHT                   | CROSSWALK STRIPING        |
| SIGN                           | LIGHT                     |
| CATCH BASIN                    | TRAFFIC SIGNAGE           |
| WATER VALVE /SHUTOFF           | CATCH BASIN               |
| CHAIN LINK FENCE               | SEWER MANHOLE             |
| OVERHEAD WIRES                 | TRANSFORMER               |
| UNDERGROUND POWER              | BOLLARD                   |
| WATER LINE                     | CONTOUR LINE              |
| GAS LINE                       | SPOT ELEVATION            |
| TELEPHONE                      | SITE FEATURE (TBD)        |
| STORM DRAIN                    | BUILDING ENTRY POINTS     |
| SANITARY SEWER                 |                           |
| CONTOUR LINE                   |                           |



LOCATION MAP  
SCALE: NTS

APPLICANT:

FRONT STREET REDEVELOPMENT, LP  
14 BAXTER BLVD  
PORTLAND, MAINE 04101

OWNER:

PORTLAND HOUSING AUTHORITY  
14 BAXTER BLVD  
PORTLAND, MAINE 04101

FRONT STREET DEVELOPMENT

Revisions	Date	Description
2	11.28.2017	FINAL SUBMISSION TO CITY
1	9.15.2017	CITY OF PORTLAND LEVEL II SITE PLAN SUBM.

Scale: AS SHOWN  
3/27/2018  
INITIAL PRICING DOCS

SITE PLAN

Phase: PERMITTING



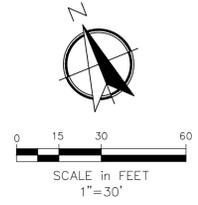
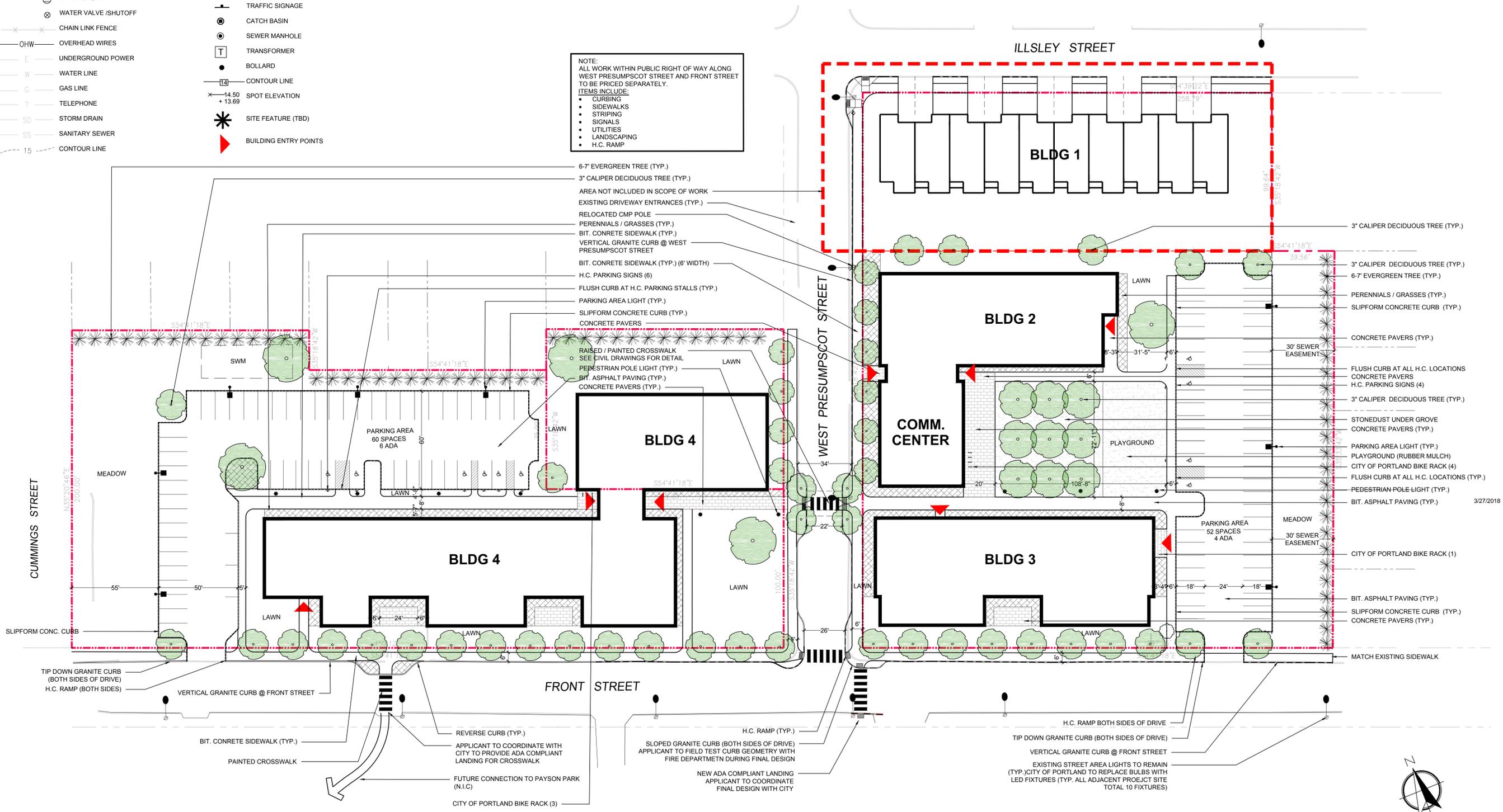
217 COMMERCIAL STREET, STE 200  
PORTLAND, MAINE 04101  
207.772.1652 V. F. 207.772.0112

Date: MARCH 14, 2018

Sheet No:

L-1.0

NOTE:  
ALL WORK WITHIN PUBLIC RIGHT OF WAY ALONG WEST PRESUMPCOT STREET AND FRONT STREET TO BE PRICED SEPARATELY.  
ITEMS INCLUDE:  
• CURBING  
• SIDEWALKS  
• STRIPING  
• SIGNALS  
• UTILITIES  
• LANDSCAPING  
• H.C. RAMP



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**Project Completion Schedule**


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Activity	Actual/Scheduled Date Month/Year
A. SITE	
Option/Contract	01/05/17
Site Acquisition	06/15/19
Zoning Approval	08/15/18
Site Analysis	10/15/17
B. FINANCING	
Construction Loan Commitment	09/01/18
Permanent Loan Commitment	09/01/18
Other Sources Committed	09/01/18
C. PLANS AND SPECIFICATIONS	
50%	10/15/18
90%	02/01/19
100%	03/15/19
D. CONSTRUCTION LOAN CLOSING	06/15/19
E. CONSTRUCTION START	06/20/19
F. COMPLETION OF CONSTRUCTION	09/01/20
G. LEASE-UP	
Initial Lease-up	09/15/20
Sustained (95%) Occupancy	05/01/21

Please account for application processing - approximately 60 days from the application due date.

DEVELOPMENT ASSUMPTIONS						
Total Units		111	Inflation Adjustments	Yr 1-5	Yr. 6-15	Yr. 16-30
# @ 40% AMI	0.0%	0	Rent	2.00%	2.00%	2.00%
# @ 50% AMI (PBV Low HOME)	45.0%	50	Operating Expense	3.00%	3.00%	3.00%
# @ 50% AMI (LIHTC)	31.5%	35	Other Income	2.00%	2.00%	2.00%
# @ 60% AMI (High HOME)	0.0%	0	Debt Coverage Ratio		1.15	
# @ 60% AMI (LIHTC)	2.7%	3	Vacancy		5%	
# @ Market	20.7%	23				
Appraised Market Value	100.0%	17,190,480	Market Value/Unit		\$154,869	

Pro Forma Development Budget				Commercial	Total
	Residential	Per Unit			
Site Improvements	1,326,000	11,946			1,326,000
Construction	18,421,902	165,963			18,421,902
Demolition	0	0			0
Builder Overhead	400,000	3,604			400,000
Builder Profit	780,000	7,027			780,000
Bond Premium	50,000	450			50,000
Construction Contingency	5% 1,048,895	9,450			1,048,895
<b>Subtotal Construction Costs</b>	<b>22,026,797</b>	<b>198,440</b>	<b>0</b>		<b>22,026,797</b>
Building Permits and Fees	322,613	2,906			322,613
Survey & Engineering	103,900	936			103,900
Architectural & Design	945,000	8,514			945,000
Legal	73,000	658			73,000
Title & Recording	15,000	135			15,000
Accounting	8,000	72			8,000
Construction Period Tax	2,000	18			2,000
Construction Period Insurance	25,000	225			25,000
Soft Cost Contingency	42,000	378			42,000
<b>Subtotal Soft Costs</b>	<b>1,536,513</b>	<b>13,842</b>	<b>0</b>		<b>1,536,513</b>
Construction Loan Origination Fees	8,500	77			8,500
Construction Loan Interest	700,000	6,306			700,000
Constr Partic. Fee/Perm Loan Fee	282,500	2,545			282,500
Lend Inspec, Const legal, Letter of Credit	28,750	259			28,750
<b>Subtotal Finance Costs</b>	<b>1,019,750</b>	<b>9,187</b>	<b>0</b>		<b>1,019,750</b>
Market Survey	5,200	47			5,200
Appraisal	6,000	54			6,000
Environmental Study	13,500	122			13,500
LIHTC Fees/ prepd monitor	142,625	1,285			142,625
Commissioning	47,080	424			47,080
FF&E	89,000	802			89,000
<b>Subtotal Miscellaneous</b>	<b>303,405</b>	<b>2,733</b>	<b>0</b>		<b>303,405</b>
Acquisition: Buildings	0	0			0
Acquisition: Land	0	0			0
Acquisition: Legal	0	0			0
<b>Subtotal Acquisition</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>
Operating Deficit Escrow	925,000	8,333			925,000
Pre-funded Replacements	196,519	1,770			196,519
Tax & Insurance Escrow	126,592	1,140			126,592
Working Capital / Relocation	0	0			0
GP Contribution	0	0			0
Developer Overhead	2,000,000	18,018			2,000,000
Developer Profit	1,900,000	17,117			1,900,000
Rent-up & Marketing	50,000	450			50,000
<b>Subtotal Fee and Reserves</b>	<b>5,198,111</b>	<b>46,830</b>	<b>0</b>		<b>5,198,111</b>
<b>Total Project Costs</b>	<b>30,084,575</b>	<b>271,032</b>	<b>0</b>		<b>30,084,575</b>
<b>Total Development Costs (MSHA)</b>	<b>28,526,950</b>	<b>257,000</b>			
<b>Total Development Cost (MSHA) Index</b>		<b>208,190</b>			

LIHTC Alloc.	933,564
Equity yield	0.89
Synd. %	99.99%
Equity Raise	8,307,892

Historic Credit FED	0
Equity yield	0.95
Synd. %	99.99%
Equity Raise	0

Historic Credit STATE	0
Equity yield	0.88
Synd. %	99.99%
Equity Raise	0

Total Equity:	8,307,892
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Gross Square Footage	132,000
Construction Cost/Sq ft.	\$158.92

Front Street Re-Development - Sources and Uses		
<b>Sources</b>		
Development Fee Loan	2,400,000	
Tax Exempt Bond Loan	14,045,415	
AHP Loan	3,400,000	
FHLB Subsidy	500,000	
City Housing Trust Funds	589,728	
City HOME Funds	841,540	
Net Syndication	8,307,892	933,564 Credit Allocation
Sponsor Loan	0	
<b>Total</b>	<b>30,084,575</b>	
<b>Uses</b>		
Construction	22,026,797	\$158.92 /sf Construction
Soft Costs	1,536,513	
Finance Costs	1,019,750	
Miscellaneous	303,405	
Acquisition	0	
Reserves	1,298,111	
Developer Fee	3,900,000	
<b>Total</b>	<b>30,084,575</b>	271,032 Gross TDC / Unit
		257,000 Adj. TDC / unit
<b>Changes to this pro forma version</b>		
111 units		
Trending at 2% income / 3% expenses		
New LIHTC and PBV rents as of April 2018		
OPEX increased to \$7,700/unit		
No MSHA subsidy		
City HOME funds		
Adjusted TDC Index calculation		
MAXIMUM DEVELOPER FEE AVAILABLE	3,927,686	
ACTUAL DEVELOPER FEE	3,900,000	
% OF MAXIMUM DEVELOPER FEE	99.3%	
<b>NET DEVELOPER FEE COLLECTED</b>	<b>1,500,000</b>	
% OF MAXIMUM DEVELOPER FEE	38.2%	

FLOW OF FUNDS										
Sources	CLC	During Construction				PLC	2018	2019	Total	
	10/15/18	1/13/19	4/13/19	7/12/19	10/10/19	12/14/19				
Beginning Cash	0	0	0	0	0	0	3,084,605	2,992,302	0	
Capital Contribution	830,789		0	2,076,973		4,984,735	207,697	207,698	8,307,892	
Construction Loan	1,563,245	5,006,699	5,506,699	3,429,726	5,556,699				21,063,069	Total loan \$XXXXXX incl. \$500k City
GP Bridge Loan									0	
MH Subsidy	0					0			0	
Tax Exempt Bond Loan						14,045,415			14,045,415	
Conventional First Mortgage									0	
AHP Loan						3,400,000			3,400,000	
Seller Note						0			0	
City Housing Trust Fund	294,864					294,864			589,728	
City FedHOME	420,770		0			420,770			841,540	
AHP Subsidy	0	500,000							500,000	
Development Fee Loan						2,400,000			2,400,000	
<b>TOTAL SOURCES</b>	<b>3,109,668</b>	<b>5,506,699</b>	<b>5,506,699</b>	<b>5,506,699</b>	<b>5,556,699</b>	<b>25,545,784</b>	<b>3,292,302</b>	<b>3,200,000</b>	<b>51,147,644</b>	
<b>Uses</b>										
Acquisition	0								0	
Construction		5,506,699	5,506,699	5,506,699	5,506,699				22,026,797	
Soft Costs	1,536,513	0	0	0	0	0			1,536,513	
Financing Costs	1,019,750								1,019,750	CLC
Miscellaneous	303,405								303,405	PLC
Dev Fee	250,000					150,000	300,000	3,200,000	3,900,000	8609
Reserves					50,000	1,248,111			1,298,111	Stabilized
<b>TOTAL DEV. COSTS</b>	<b>3,109,668</b>	<b>5,506,699</b>	<b>5,506,699</b>	<b>5,506,699</b>	<b>5,556,699</b>	<b>1,398,111</b>	<b>300,000</b>	<b>3,200,000</b>	<b>30,084,575</b>	
Repay GP Bridge Loan						0			0	
Repay Construction Loan						21,063,069			21,063,069	
Other Syndication Costs	0								0	
SUBTOTAL OTHER ITEMS	0					21,063,069			21,063,069	
<b>TOTAL USES OF FUNDS</b>	<b>3,109,668</b>	<b>5,506,699</b>	<b>5,506,699</b>	<b>5,506,699</b>	<b>5,556,699</b>	<b>22,461,179</b>	<b>300,000</b>	<b>3,200,000</b>	<b>51,147,644</b>	
Ending Cash	0	0	0	0	0	3,084,605	2,992,302	0	0	

PROJECT FINANCING							
Source	Amount	Rate	Term	Lien	Annual D/S		
					Yr. 1-5	Yr. 6-15	Yr. 16-30
Source 1: MH Subsidy	0	0.00%	30	First	0	0	0
Source 2: Tax Exempt Bond Loan	14,045,415	5.50%	30	First	772,498	772,498	772,498
Source 3: AHP Loan	3,400,000	5.00%	30	First	219,023	219,023	219,023
Source 4: Seller Note	0	0.00%	30		0	0	0
Source 5: City Housing Trust Fund	589,728						
Source 7: City FedHOME	841,540	0.00%	30	Third	0	0	0
Source 8: AHP Subsidy	500,000			Third		Grant	
Source 9: Development Fee Loan	2,400,000			cash flow	0	0	0
Source 10: Net Syndication	8,307,892	\$0.89					
Capitalization Gap	0						
<b>Total</b>	<b>30,084,575</b>						

COLLATERAL COVERAGE		
	Total	Per Unit
Projected Mortgage	14,045,415	126,535
Appraised Market Value	17,190,480	154,869
Loan to Value Ratio	82%	
Market Rent Differential	248,892	187
Subsidy per Low Income Unit		0

PROPOSED RENT SCHEDULE									
Type	AMI	# Units	Rents from Applicant	Program Max Rents	Gross Rent	Market Rent	Utility Allow.	Total Rent	
0BR	40% LIHTC	0				\$1,000	0	0	
	50% LIHTC PBV	0	788	788	788	\$1,000	0	0	
	50% LIHTC	0	788	788	788	\$1,000	0	0	
	60% HOME	0				\$1,000	0	0	
	60% LIHTC	0	946	946	946	\$1,000	0	0	
	Market	0	\$900	\$900	900	\$1,000	0	0	
1BR	40% LIHTC	0				\$1,100	0	0	
	50% LIHTC PBV	7	845	845	845	\$1,100	0	70,980	
	50% LIHTC	11	845	845	845	\$1,100	0	111,540	
	60% HOME	0				\$1,100	0	0	
	60% LIHTC	0	1014	1014	1,014	\$1,100	0	0	
	Market	11	\$990	\$990	990	\$1,100	0	130,680	
2BR	40% LIHTC	0				\$1,300	0	0	
	50% HOME	0				\$1,300	0	0	
	50% LIHTC PBV	7	1013	1013	1013	\$1,300	0	85,092	
	50% LIHTC	19	1013	1013	1,013	\$1,300	0	230,964	
	60% LIHTC	0	1216	1216	1216	\$1,300	0	0	
	Market	12	\$1,170	\$1,170	1,170	\$1,300	0	168,480	
3BR	40% LIHTC	0				\$1,600	0	0	
	50% LIHTC	5	1171	1171	1,171	\$1,600	0	70,260	
	50% LIHTC PBV	19	1171	1171	1,171	\$1,600	0	266,988	
	High HOME	0				\$1,600	0	0	
	60% LIHTC	3	1,406	1,406	1,406	\$1,600	0	50,616	
	Market	0	\$1,440	\$1,440	1,440	\$1,600	0	0	
4BR	50% LIHTC	0	1307	1307	1,307	\$1,900	0	0	
	50% LIHTC PBV	13	1307	1307	1,307	\$1,900	0	203,892	
	60% HOME	0				\$1,900	0	0	
	60% LIHTC	0	1569	1569	1,569	\$1,900	0	0	
	Market	0	\$1,615	\$1,615	1,615	\$1,900	0	0	
	5BR	50% LIHTC	0	\$1,442	\$1,442	\$1,442	\$2,200	0	0
50% LIHTC PBV		4	\$1,442	\$1,442	\$1,442	\$2,200	0	69,216	
60% HOME		0				\$2,200	0	0	
60% LIHTC		0	\$1,731	\$1,731	\$1,731	\$2,200	0	0	
Market		0				\$2,200	0	0	
Other:								0	
Subtotals		111						1,458,708	
# PBVs	50		Vacancy Rate	5%				-96,167	
			Other Income	PBV-HAP Diff.				464,628	
			Other Income	Laundry				11,100	
			Other Income	75% TIF				146,138	
			Effective Gross Income					1,984,407	

AFFORDABLE MORTGAGE CALCULATION			
Effective Gross Income			1,984,407
Annual Operating Expense			858,060
Stabilized NOI			1,126,346
DSC	1.15		146,915
\$ Avail for D/S			979,432
Other DS			772,498
Balance			206,934
Affordable Mortgage		5.50%	3,037,129

BREAKEYEN ANALYSIS:	RENT SENSITIVITY		OCCUPANCY	
	Total		Annual	
Operating Expense	858,060		Gross Revenues	1,934,436
Debt Service	991,521			
Breakeven Rent	1,389		Breakeven Occupancy	96%

OPERATING EXPENSES		
Expense	Residential Annual	Annual Per Unit
Administrative Expenses:		
Management Fees	109,630	988
Management Charges	109,630	988
Marketing Expenses	500	5
Legal Expenses	4,000	36
Auditing Expenses	7,000	63
Other Administrative Expenses	0	0
Administrative Expenses	230,760	2,079
Operating Expenses:		
Janitorial Payroll	0	0
Janitorial Supplies and Equipment	0	0
Janitorial Contractual Services	40,000	360
Natural Gas Heat & HW	45,000	405
Electricity	50,000	450
Water and Sewer	42,000	378
Garbage and Trash Removal	35,000	315
Vehicle and Equipment Expenses	0	0
Other Operating Expenses	0	0
Operating Expenses	212,000	1,910
Maintenance Expenses:		
Grounds Maintenance Payroll	0	0
Grounds Tools and Supplies	0	0
Grounds Contractual Services	18,000	162
Miscellaneous Ground Maintenance	0	0
Tenant Damage Charges - Grounds	0	0
Building Maintenance Payroll	0	0
Building Tools and Supplies	5,500	50
Building Contractual Services	45,000	405
Building Systems Maintenance	42,000	378
Miscellaneous Building Maintenance	500	5
Tenant Damage Charges - Building	0	0
Maintenance Expenses	111,000	1,000
General Expenses:		
Property Taxes	194,850	1,755
Property and Liability Insurance	25,000	225
Tenant Computer Network Expense	2,500	23
Tenant Service Expenses	32,000	288
General Expenses	254,350	2,291
Replacement Reserve Funding	49,950	450
Commercial Expenses (if applicable)	0	0
Total	858,060	7,730
Operating Cost per unit without Replacement Reserve		7,280
Social Service Multi-Use Space portion of rent	0	

0 check versus OPEX;

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT													
0 Months													
	PLC	12/14/19	12/31/19	12/30/20	12/30/21	12/30/22	12/31/23	12/30/24	12/30/25	12/30/26	12/31/27	12/30/28	12/30/29
Effective Gross Income		0	0	2,024,095	2,064,577	2,105,868	2,147,986	2,190,945	2,234,764	2,279,460	2,325,049	2,371,550	2,418,981
Less Operating Expense		0	0	883,802	910,316	937,626	965,754	994,727	1,024,569	1,055,306	1,086,965	1,119,574	1,153,161
Net Operating Income		0	0	1,140,293	1,154,261	1,168,243	1,182,231	1,196,218	1,210,195	1,224,154	1,238,084	1,251,976	1,265,819
Less RLP Repay		0	0	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498
Less Other Repay		0	0	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023
Cash Flow		0	0	148,772	162,740	176,722	190,710	204,697	218,674	232,633	246,563	260,455	274,298
Cash Flow per Unit			#DIV/0!	1,340	1,466	1,592	1,718	1,844	1,970	2,096	2,221	2,346	2,471
Debt Coverage Ratio(RLP)		0.00	0.00	1.15	1.16	1.18	1.19	1.21	1.22	1.23	1.25	1.26	1.28
MH Subsidy	0	0	0	0	0	0	0	0	0	0	0	0	0
Tax Exempt Bond Loan	14,045,415	#NUM!	#NUM!	13,856,211	13,656,334	13,445,182	13,222,120	12,986,475	12,737,539	12,474,560	12,196,747	11,903,263	11,593,225
Principal Balance(RLP)	14,045,415	#NUM!	#NUM!	13,856,211	13,656,334	13,445,182	13,222,120	12,986,475	12,737,539	12,474,560	12,196,747	11,903,263	11,593,225
Operating Reserve Balance	925,000	971,250	971,250	1,019,813	1,070,803	1,124,343	1,180,560	1,239,588	1,301,568	1,366,646	1,434,979	1,506,728	1,582,064

Total Cash Flow  
Projected over 12 Yrs  
2,706,143

Yr 15												
		12/30/30	12/31/31	12/30/32	12/30/33	12/30/34	12/31/35	12/30/36	12/30/37	12/30/38	12/31/39	12/30/40
Effective Gross Income		2,467,360	2,516,708	2,567,042	2,618,382	2,670,750	2,724,165	2,778,648	2,834,221	2,890,906	2,948,724	3,007,698
Less Operating Expense		1,187,756	1,223,389	1,260,090	1,297,893	1,336,830	1,376,935	1,418,243	1,460,790	1,504,614	1,549,752	1,596,245
Net Operating Income		1,279,604	1,293,319	1,306,951	1,320,489	1,333,920	1,347,230	1,360,406	1,373,431	1,386,292	1,398,972	1,411,454
Less RLP Repay		772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498
Less Other Repay		219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023
Cash Flow		288,083	301,798	315,430	328,968	342,399	355,709	368,884	381,910	394,771	407,451	419,932
Cash Flow per Unit		2,595	2,719	2,842	2,964	3,085	3,205	3,323	3,441	3,556	3,671	3,783
Debt Coverage Ratio(RLP)		1.29	1.30	1.32	1.33	1.35	1.36	1.37	1.39	1.40	1.41	1.42
MH Subsidy	0	0	0	0	0	0	0	0	0	0	0	0
Tax Exempt Bond Loan	11,593,225	11,265,698	10,919,695	10,554,176	10,168,038	9,760,119	9,329,191	8,873,954	8,393,039	7,884,996	7,348,296	6,781,322
Principal Balance(RLP)	11,593,225	11,265,698	10,919,695	10,554,176	10,168,038	9,760,119	9,329,191	8,873,954	8,393,039	7,884,996	7,348,296	6,781,322
Operating Reserve Balance	1,582,064	1,661,167	1,744,225	1,831,437	1,923,009	2,019,159	2,120,117	2,226,123	2,337,429	2,454,300	2,577,015	2,705,866

		12/30/41	12/30/42	12/31/43	12/30/44	12/30/45	12/30/46	12/31/47	12/30/48	12/29/49
Effective Gross Income		3,067,852	3,129,209	3,191,794	3,255,630	3,320,742	3,387,157	3,454,900	3,523,998	3,594,478
Less Operating Expense		1,644,132	1,693,456	1,744,260	1,796,588	1,850,485	1,906,000	1,963,180	2,022,075	2,082,738
Net Operating Income		1,423,720	1,435,753	1,447,534	1,459,042	1,470,257	1,481,157	1,491,720	1,501,923	1,511,740
Less RLP Repay		772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498
Less Other Repay		219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023
Cash Flow		432,199	444,232	456,013	467,521	478,736	489,636	500,199	510,402	520,219
Cash Flow per Unit		3,894	4,002	4,108	4,212	4,313	4,411	4,506	4,598	4,687
Debt Coverage Ratio(RLP)		1.44	1.45	1.46	1.47	1.48	1.49	1.50	1.51	1.52
MH Subsidy	0	0	0	0	0	0	0	0	0	0
Tax Exempt Bond Loan	6,781,322	6,182,365	5,549,623	4,881,189	4,175,051	3,429,080	2,641,031	1,808,530	929,069	-0
Principal Balance(RLP)	6,781,322	6,182,365	5,549,623	4,881,189	4,175,051	3,429,080	2,641,031	1,808,530	929,069	-0
Operating Reserve Balance	2,705,866	2,841,159	2,983,217	3,132,378	3,288,997	3,453,447	3,626,119	3,807,425	3,997,797	4,197,687



**To:** Mary Davis, City of Portland  
**From:** Anne Boynton, Urban Ventures, Inc.  
**Re:** Front Street Housing Redevelopment LP  
 Developed by Portland Housing Development Corporation (PHDC)  
**Date:** June 3, 2018

## Executive Summary

The Front Street Redevelopment will replace 50 units of deteriorated “temporary housing” built in 1971 which is suffering from structural problems with 111 units of new rental housing and a 10 unit homeownership development (which is not part of this request). Due a range of complications including underlying soil contamination and soil structure issues throughout the 4 acre site, size of units (includes 17 units with 4 or 5 bedrooms), zoning constraints limiting project height to 3 stories, and commitments to the neighborhood on design issues, this is quite an expensive development, with a total development cost of \$30 million (which **excludes** all demolition and much of the site work.) The per unit development cost is \$271,032. PHDC is requesting a HOME loan of \$841,540 and is anticipating a Housing Trust Fund request of \$589,728, for a total capital investment from the City of Portland of \$1,431,268.

In order to make use of the 4% LIHTCs and tax exempt bond financing, PHDC is giving up their current property tax exempt ownership structure and is requesting a 75% TIF with an estimated value of \$146,148 in year 1. The TIF will return an estimated \$48,712 to the City in year 1, raising over time, from this property which would not otherwise be on the tax rolls.

## Sources and Uses

Sources:		Uses:	
1 <sup>st</sup> Mortgage	\$14,045,415	Site Improvements	\$1,326,000
AHP 2 <sup>nd</sup> lien	\$3,400,000	Hard Construction	\$19,651,902
AHP subsidy	\$500,000	Hard Cost Contingency	\$1,048,895
LIHTC Equity	\$8,307,892	Soft & Misc. Costs	\$1,839,918
Deferred Dev Fee	\$2,400,000	Interest & Financing Costs	\$1,019,750
HOME – Portland	\$841,540	Acquisition	0
Housing Trust Fund – Portland	<u>\$589,728</u>	Reserves	\$1,298,111
		Developer Fee	<u>\$3,900,000</u>
Sources of Funds	\$30,084,575	Uses of Funds	\$30,084,576

For analysis of “Uses,” see Development Budget.

## Development Budget

The Total Development Cost for this project is very high, particularly considering there is no acquisition cost and the units will ultimately be modest in scale and amenities (for instance, the 5 bedroom units have only 1.5 baths and a total of 1,400 square feet). Of the six projects receiving HOME commitments in the past 2 years, this project costs 32% more per unit than the next most expensive project (Boyd

Street). Unfortunately, most of this additional cost is an outgrowth of the unique site conditions and neighborhood considerations – either directly in construction costs, architectural & engineering expense, and in construction period interest. Short of abandoning the site or reconfiguring for a narrower, taller structure, there is not a lot of room to reduce costs.

#### **Construction Costs:**

Over \$1.9 million of the site preparation costs will be borne by the PHA prior to transferring the site to the Front Street LP, including hazardous material removal, demolition of existing structures, removal of contaminated soils, and relocation of existing residents. None of these expenses are included in the project budget. Even so, there is still \$1,326,000 in ADDITIONAL site improvements to be borne by the project to address inadequate soil structures and the extensive soil remediation. Construction techniques to secure the foundation on the old landfill will be more expensive than typical.

The existing development is all larger units and the new development will include 44 units of 3 bedrooms or larger. These larger units also push construction costs up – to the largest units are only 1400 sq ft with 1.5 baths, so they are not over investing in amenities. Construction costs are based on an overall conceptual design estimate by Wright-Ryan, so there is not currently much detail to evaluate in terms of value engineering opportunities.

#### **Soft Costs:**

Soft costs are generally in line with other Portland area developments except as related to the extraordinary site conditions which drives up architectural, engineering, and the high total development cost which drives up construction loan interest. Overall high costs also push up soft costs which are calculated on a percentage basis: operating reserve, replacement reserve, and developer fee. Developer fee budgeted at \$3.9 million and is calculated at the maximum allowable by Maine Housing. This works out to 15.64% of total development cost excluding reserves and developers fee. The developer commits to lend 62% of developer fee (\$2.4 million) back to the project for a cash out developer fee of \$1.5 million.

#### **Contingency:**

Hard cost contingency is at 5% which is QUITE thin considering the very preliminary stage of development. The costs are estimated based on an October 2018 start date which is not realistic, so there will be construction inflation which needs to be factored in. Also soil conditions can be very difficult to estimate. We should expect these costs to rise over time.

#### **Acquisition:**

Acquisition price is ZERO.

### **Operating Budget & 20 Year Cashflow Projection**

#### **Project Income:**

The PHA is providing 50 project based vouchers to insure that every returning resident has an affordable unit. There will be 23 market rate 1 and 2 bedroom units, with rents of \$990 & \$1,170 respectively. PHDC states these are discounted 10% vs. true market rate. There will be 38 units affordable at 50% or

60% of AMI with rents ranging from \$880 for a 1 bedroom to \$1,406 for a 3 bedroom. Vacancy is budgeted at 5%.

### *Operating Expense*

Total operating cost per unit is \$7,730, towards the upper end of affordable housing operating costs. However this does not account for the TIF. A property with an equivalent real estate tax subsidy in the form of a PILOT would show operating expenses of \$6,413, exactly in range for affordable housing. Administration is slightly high at \$2,101 per unit. Utilities are currently thin at \$1,234 per unit – given large units and large families, this is inadequate. PHDC has conducted a utility review of comparable units and agrees to increase the utility line item to \$1,527 per unit. Given energy efficient construction and a range of unit sizes, this should be sufficient. Annual contribution to Reserves for Replacement is \$450/unit, which should be sufficient even given the larger units and anticipation of some wear and tear from larger families.

### *20 Year Cashflow & Debt Service Coverage Ratio (DSCR)*

The projected year 1 Debt Service Coverage Ratio (DSCR) is an adequate 1.16. With industry standard inflators of 2% for income and 3% for expense, the projections show the DSCR gradually increasing to 1.43 in year 20.

Since there is a hefty developer fee loan -- \$2.4 mill – which the investors will insist is repaid from cashflow prior to the end of the 15 year tax credit compliance period, there is not a lot of leeway in projected cashflow to retire the City investment in the early years. If the cashflow is divided 75% to the developer fee loan, projections show the developer fee loan fully retired in year 14. Ten percent of cashflow is the minimum which should be retained by the project. If 15% of cashflow goes the City, that would be a repayment of about \$24,000 in the first year, rising to \$50,000 by year 14 when the developer fee loan is fully repaid. The percentage of cashflow paid to the City should be structured to increase at the point the developer fee loan is repaid. If the cashflow share paid to the City rises to 50% when the developer fee is repaid, the full City investment is retired in year 19.

### *Developer Financials*

Portland Housing Authority has submitted audits for FY2014, 2015, 2016 and 2017. Their fiscal year ends 6/30. Their audit as of 6/30/17 showed strong and improving financial health, with current assets of \$13.7 million and current liabilities of \$1.7 million, resulting in a current ratio of 8. The Quick Ratio (cash and cash equivalents divided by current liabilities) is a remarkably healthy 4.9. In 2017, they increased their Net Position by \$1,104,212, as growth in revenues exceeded growth in expenses. This brought their total Net Worth to over \$20 million. Overall, this organization has very strong financial health. This developer has the financial capacity to intervene in a development facing unexpected setbacks and or cost over-runs to keep the development process moving forward. Their financial strength as an organization mitigates the risk of the thin hard and soft cost contingency.

### *Recommendations*

At this time, I recommend a HOME loan in the amount of \$480,174, zero percent interest, payment from cashflow with cashflow waterfall acceptable to City, with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Commitment of all sources on terms and conditions acceptable to City of Portland, including acceptable cashflow waterfall, and cashflow projection which shows retirement of developer fee loan and City of Portland loans;
3. Revised operating budget reflective of higher utility costs and cashflow projection satisfactory to City.

# Development Budget with Permanent Sources

Date 5/15/2018  
 Project Name Front Street  
 Project Address \_\_\_\_\_  
 Developer/Sponsor \_\_\_\_\_

Total Units 111  
 Total Square Feet 60,000 incorrect \$1,431,268

	<b>Total</b>	<b>Per Unit</b>	<b>Per Sq Ft</b>
<b>Sources of Funds</b>			
Permanent Financing - 1st Lien	\$14,045,415	\$126,535	\$234
Permanent Financing - AHP Loan \$3.4 mill Subsidy \$500k	\$3,900,000	\$35,135	\$65
Equity (LIHTC/tenant contributions)	\$8,307,892	\$74,846	\$138
Deferred development fee	\$2,400,000	\$21,622	\$40
HOME -- City of Portland	\$841,540	\$7,581	\$14
Housing Trust Fund -- City of Portland	\$589,728	\$5,313	\$10
<b>Total Sources of Funds</b>	<b>\$30,084,575</b>	<b>\$271,032</b>	<b>\$501</b>

## Uses of Funds

<b>Hard Costs</b>			
Site Improvements	\$1,326,000	\$11,946	\$22
Rehabilitation		\$0	\$0
New Construction	\$18,421,902	\$165,963	\$307
Contractor's Profit, Overhead, & Gen. Requirements	6.0%	\$1,180,000	\$10,631
Hazardous Materials abatement (if contracted separately)		\$0	\$0
Demolition Cost (if contracted separately)		\$0	\$0
Bond Premium	\$50,000	\$450	\$1
Other		\$0	\$0
Hard Cost Contingency (% of hard costs)	5.0%	\$1,048,895	\$9,450
<b>Total Hard Costs</b>		<b>\$22,026,797</b>	<b>\$198,440</b>

<b>Soft Costs</b>			
Building Permit & Fees	\$322,613	\$2,906	\$5
Survey & Engineering	\$103,900	\$936	\$2
Design & Permitting (% of const exp)	5.0%	\$945,000	\$8,514
Borrower Legal (all closings, excluding syndication legal)	\$73,000	\$658	\$1
Title & Recording	\$15,000	\$135	\$0
Accounting	\$8,000	\$72	\$0
Construction Period Taxes	\$2,000	\$18	\$0
Construction Period Insurance	\$25,000	\$225	\$0
Other: FF&E, Security		\$0	\$0
Other		\$0	\$0
<b>Total Soft Costs</b>		<b>\$1,494,513</b>	<b>\$13,464</b>

<b>Financing Costs</b>			
Construction Loan Origination Fees	\$8,500	\$77	\$0
Construction Period Interest	\$700,000	\$6,306	\$12
Lender Inspection Fees	\$28,750	\$259	\$0
Letter of Credit Fee		\$0	\$0

Permanent Loan Fee	\$282,500	\$2,545	\$5
Construction Lender Legal		\$0	\$0
Other	\$0	\$0	\$0
<b>Total Financing Costs</b>	<b>\$1,019,750</b>	<b>\$9,187</b>	<b>\$17</b>

<b>Miscellaneous</b>			
Market Survey	\$5,200	\$47	\$0
Appraisal	\$6,000	\$54	\$0
Environmental Study	\$13,500	\$122	\$0
LIHTC Fees -- prepaid monitoring	\$142,625	\$1,285	\$2
Other: Commissioning	\$47,080	\$424	\$1
Relocation Costs		\$0	\$0
Other -- FF&E	\$89,000	\$802	\$1
Soft Cost Contingency (% of soft costs excl Dev Fee)	0.99%	\$42,000	\$378
<b>Total Miscellaneous:</b>	<b>\$345,405</b>	<b>\$3,112</b>	<b>\$6</b>

<b>Acquisition</b>			
Acquisition: Buildings	\$0	\$0	\$0
Acquisition: Land	\$0	\$0	\$0
Acquisition: Legal	\$0	\$0	\$0
Other	\$0	\$0	\$0
<b>Total Acquisition</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>Reserves and Developer Fee</b>			
Operating Deficit Escrow	\$925,000	\$8,333	\$15
Prefunded Replacement Reserve	\$196,519	\$1,770	\$3
Taxes & Insurance Escrow	\$126,592	\$1,140	\$2
Developer Overhead	\$2,000,000	\$18,018	\$33
Developer Profit	\$1,900,000	\$17,117	\$32
Rent Up Reserve & Marketing	\$50,000	\$450	\$1
Other	\$0	\$0	\$0
<b>Total Reserves and Developer Fee</b>	<b>\$5,198,111</b>	<b>\$46,830</b>	<b>\$87</b>

<b>Total Uses of Funds</b>	<b>\$30,084,576</b>	<b>\$271,032</b>	<b>\$501</b>
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Developer Fee Analysis:            Total Fees:    \$3,900,000  
Percent of TDC:                15.64% (excluding reserves & developer fee)

# Project Operating Pro Forma

Date May 15, 2018  
 Project Name Front Street  
 Project Address \_\_\_\_\_  
 Developer/Sponsor \_\_\_\_\_

## Rental Income

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
1 BR	7		PBV	50%	\$845			\$845	#DIV/0!	\$5,915	\$70,980
1 BR	11		0	50%	\$845			\$845	#DIV/0!	\$9,295	\$111,540
1 BR	11		0	market	\$990			\$990	#DIV/0!	\$10,890	\$130,680
2 BR	7		PBV	50%	\$1,013			\$1,013	#DIV/0!	\$7,091	\$85,092
2 BR	19		0	50%	\$1,013			\$1,013	#DIV/0!	\$19,247	\$230,964
2 BR	12		0	market	\$1,170			\$1,170	#DIV/0!	\$14,040	\$168,480
3 BR	5		0	50%	\$1,171			\$1,171	#DIV/0!	\$5,855	\$70,260
3 BR	19		PBV	50%	\$1,171			\$1,171	#DIV/0!	\$22,249	\$266,988
3 BR	3		0	60%	\$1,406			\$1,406	#DIV/0!	\$4,218	\$50,616
4 BR	13		PBV	50%	\$1,307			\$1,307	#DIV/0!	\$16,991	\$203,892
Other	4		PBV	50%	\$1,442			\$1,442	#DIV/0!	\$5,768	\$69,216
Other			0	60%				\$0	#DIV/0!	\$0	\$0
<b>Total:</b>	<b>111</b>		<b>0</b>							<b>\$121,559</b>	<b>\$1,458,708</b>

6.59% budgeted vacancy per pro forma

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

\$48,712 Note: Year 1 is the first full year of stabilized operations

	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Income</b>											
Sch. Gross Income - Residential	\$1,458,708	\$13,142	\$1,487,882	\$1,517,640	\$1,547,993	\$1,578,952	\$1,610,532	\$1,642,742	\$1,675,597	\$1,709,109	\$1,743,291
<u>Vacancy Loss</u> 5.0%	(\$72,935)	(\$657)	(\$74,394)	(\$75,882)	(\$77,400)	(\$78,948)	(\$80,527)	(\$82,137)	(\$83,780)	(\$85,455)	(\$87,165)
Other income: PBV/HAP Diff.	\$464,628	\$4,186	\$473,921	\$483,399	\$493,067	\$502,928	\$512,987	\$523,247	\$533,712	\$544,386	\$555,273
Other income (laundry)	\$11,100	\$100	\$11,322	\$11,548	\$11,779	\$12,015	\$12,255	\$12,500	\$12,750	\$13,005	\$13,266
TIF -- 75%	\$146,138	\$1,317	\$149,061	\$152,042	\$155,083	\$158,184	\$161,348	\$164,575	\$167,867	\$171,224	\$174,648
<b>Effective Gross Income</b>	<b>\$2,007,639</b>	<b>\$18,087</b>	<b>\$2,047,791</b>	<b>\$2,088,747</b>	<b>\$2,130,522</b>	<b>\$2,173,133</b>	<b>\$2,216,595</b>	<b>\$2,260,927</b>	<b>\$2,306,146</b>	<b>\$2,352,269</b>	<b>\$2,399,314</b>

**Administrative**

Management Fee	\$109,630	\$988	\$112,919	\$116,306	\$119,796	\$123,390	\$127,091	\$130,904	\$134,831	\$138,876	\$143,042
Management Charges	\$109,630	\$988	\$112,919	\$116,306	\$119,796	\$123,390	\$127,091	\$130,904	\$134,831	\$138,876	\$143,042
Marketing Expense	\$500	\$5	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652
Legal	\$4,000	\$36	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219
Audit & Accounting	\$7,000	\$63	\$7,210	\$7,426	\$7,649	\$7,879	\$8,115	\$8,358	\$8,609	\$8,867	\$9,133
Tenant Computer network	\$2,500	\$23	\$2,575	\$2,652	\$2,732	\$2,814	\$2,898	\$2,985	\$3,075	\$3,167	\$3,262
<b>Total Administrative</b>	<b>\$233,260</b>	<b>\$2,101</b>	<b>\$240,258</b>	<b>\$247,466</b>	<b>\$254,890</b>	<b>\$262,536</b>	<b>\$270,412</b>	<b>\$278,525</b>	<b>\$286,880</b>	<b>\$295,487</b>	<b>\$304,351</b>

**Supportive Services**

	\$32,000	\$288	\$32,960	\$33,949	\$34,967	\$36,016	\$37,097	\$38,210	\$39,356	\$40,537	\$41,753
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**Utilities**

Fuel Oil		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Natural Gas	\$45,000	\$405	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715
Electric	\$50,000	\$450	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964	\$59,703	\$61,494	\$63,339	\$65,239
Water / Sewer	\$42,000	\$378	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Utilities</b>	<b>\$137,000</b>	<b>\$1,234</b>	<b>\$141,110</b>	<b>\$145,343</b>	<b>\$149,704</b>	<b>\$154,195</b>	<b>\$158,821</b>	<b>\$163,585</b>	<b>\$168,493</b>	<b>\$173,548</b>	<b>\$178,754</b>

<b>Maintenance</b>	<b>Year 1</b>	<b>Year 1/Unit</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
Grounds	\$18,000	\$162	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802	\$23,486
Tools and Supplies	\$5,500	\$50	\$5,665	\$5,835	\$6,010	\$6,190	\$6,376	\$6,567	\$6,764	\$6,967	\$7,176
Janitor Contract	\$40,000	\$360	\$41,200	\$42,436	\$43,709	\$45,020	\$46,371	\$47,762	\$49,195	\$50,671	\$52,191
Security		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trash Removal	\$35,000	\$315	\$36,050	\$37,132	\$38,245	\$39,393	\$40,575	\$41,792	\$43,046	\$44,337	\$45,667
Maintenance	\$42,000	\$378	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800
Elevator, HVAC, pool contracts	\$45,000	\$405	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715
Other --Misc	\$500	\$5	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652
<b>Total Maintenance</b>	<b>\$186,000</b>	<b>\$1,676</b>	<b>\$191,580</b>	<b>\$197,327</b>	<b>\$203,247</b>	<b>\$209,345</b>	<b>\$215,625</b>	<b>\$222,094</b>	<b>\$228,757</b>	<b>\$235,619</b>	<b>\$242,688</b>

<b>Taxes &amp; Insurance</b>											
Real Estate Taxes or PILOT	\$194,850	\$1,755	\$200,696	\$206,716	\$212,918	\$219,305	\$225,885	\$232,661	\$239,641	\$246,830	\$254,235
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$25,000	\$225	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$30,747	\$31,669	\$32,619
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$219,850</b>	<b>\$1,981</b>	<b>\$226,446</b>	<b>\$233,239</b>	<b>\$240,236</b>	<b>\$247,443</b>	<b>\$254,866</b>	<b>\$262,512</b>	<b>\$270,388</b>	<b>\$278,499</b>	<b>\$286,854</b>

<b>Replacement Reserves</b>	\$49,950	\$450	\$51,449	\$52,992	\$54,582	\$56,219	\$57,906	\$59,643	\$61,432	\$63,275	\$65,173
<b>Operating Reserves</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<b>Total Expenses</b>	<b>\$858,060</b>	<b>\$7,730</b>	<b>\$883,802</b>	<b>\$910,316</b>	<b>\$937,625</b>	<b>\$965,754</b>	<b>\$994,727</b>	<b>\$1,024,569</b>	<b>\$1,055,306</b>	<b>\$1,086,965</b>	<b>\$1,119,574</b>
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<b>Net Operating Income</b>	<b>\$1,149,579</b>	<b>\$10,357</b>	<b>\$1,163,990</b>	<b>\$1,178,431</b>	<b>\$1,192,897</b>	<b>\$1,207,378</b>	<b>\$1,221,869</b>	<b>\$1,236,359</b>	<b>\$1,250,840</b>	<b>\$1,265,304</b>	<b>\$1,279,740</b>
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<b>Debt Service</b>											
First Lien -- Tax Exempt Bond	\$772,498	\$6,959	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498
Second Lien -- AHP Loan	\$219,023	\$1,973	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service (Must Pay)</b>	<b>\$991,521</b>	<b>\$8,933</b>	<b>\$991,521</b>								

Cash Flow (after Must Pay Debt)	\$158,058	\$1,424	\$172,469	\$186,910	\$201,376	\$215,857	\$230,348	\$244,838	\$259,319	\$273,783	\$288,219
<b>Debt Service Coverage Ratio</b>	<b>1.16</b>		<b>1.17</b>	<b>1.19</b>	<b>1.20</b>	<b>1.22</b>	<b>1.23</b>	<b>1.25</b>	<b>1.26</b>	<b>1.28</b>	<b>1.29</b>

<b>Cash Flow Debt Payments</b>	\$1,407,559		\$1,381,689	\$1,353,653	\$1,323,446	\$1,291,068	\$1,256,515	\$1,219,790	\$1,180,892	\$1,139,824	\$1,096,592
City of Portland	15.0%	\$23,709	\$214	\$25,870	\$28,037	\$30,206	\$32,379	\$34,552	\$36,726	\$38,898	\$41,067
Developer Fee Loan	75.0%	\$118,543	\$1,068	\$129,351	\$140,183	\$151,032	\$161,893	\$172,761	\$183,628	\$194,489	\$205,337
<b>Cash Flow Retained by Project</b>	<b>\$15,806</b>	<b>\$142</b>	<b>\$17,247</b>	<b>\$18,691</b>	<b>\$20,138</b>	<b>\$21,586</b>	<b>\$23,035</b>	<b>\$24,484</b>	<b>\$25,932</b>	<b>\$27,378</b>	<b>\$28,822</b>

Retained Cash Flow % 2%

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
<b>Income</b>										
Sch. Gross Income - Residential	\$1,778,157	\$1,813,720	\$1,849,994	\$1,886,994	\$1,924,734	\$1,963,229	\$2,002,493	\$2,042,543	\$2,083,394	\$2,125,062
<u>Vacancy Loss</u> 5.0%	(\$88,908)	(\$90,686)	(\$92,500)	(\$94,350)	(\$96,237)	(\$98,161)	(\$100,125)	(\$102,127)	(\$104,170)	(\$106,253)
Other income (laundry)	\$566,379	\$577,707	\$589,261	\$601,046	\$613,067	\$625,328	\$637,835	\$650,591	\$663,603	\$676,875
Other income (laundry)	\$13,531	\$13,801	\$14,077	\$14,359	\$14,646	\$14,939	\$15,238	\$15,543	\$15,854	\$16,171
TIF -- 75%	\$178,141	\$181,704	\$185,338	\$189,045	\$192,826	\$196,683	\$200,616	\$204,628	\$208,721	\$212,895
<b>Effective Gross Income</b>	<b>\$2,447,300</b>	<b>\$2,496,246</b>	<b>\$2,546,171</b>	<b>\$2,597,095</b>	<b>\$2,649,036</b>	<b>\$2,702,017</b>	<b>\$2,756,058</b>	<b>\$2,811,179</b>	<b>\$2,867,402</b>	<b>\$2,924,750</b>

<b>Administrative</b>										
Advertising	\$147,334	\$151,754	\$156,306	\$160,995	\$165,825	\$170,800	\$175,924	\$181,202	\$186,638	\$192,237
Office Payroll & Benefits	\$147,334	\$151,754	\$156,306	\$160,995	\$165,825	\$170,800	\$175,924	\$181,202	\$186,638	\$192,237
Office Supplies, Phone, Misc.	\$672	\$692	\$713	\$734	\$756	\$779	\$802	\$826	\$851	\$877
Mngr or Super Rent Free Unit	\$5,376	\$5,537	\$5,703	\$5,874	\$6,050	\$6,232	\$6,419	\$6,611	\$6,810	\$7,014
Audit & Accounting	\$9,407	\$9,690	\$9,980	\$10,280	\$10,588	\$10,906	\$11,233	\$11,570	\$11,917	\$12,275
Admin Other	\$3,360	\$3,461	\$3,564	\$3,671	\$3,781	\$3,895	\$4,012	\$4,132	\$4,256	\$4,384
<b>Total Administrative</b>	<b>\$313,482</b>	<b>\$322,886</b>	<b>\$332,573</b>	<b>\$342,550</b>	<b>\$352,827</b>	<b>\$363,411</b>	<b>\$374,314</b>	<b>\$385,543</b>	<b>\$397,110</b>	<b>\$409,023</b>

<b>Supportive Services</b>	\$43,005	\$44,295	\$45,624	\$46,993	\$48,403	\$49,855	\$51,351	\$52,891	\$54,478	\$56,112
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<b>Utilities</b>										
Fuel Oil	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067	\$70,109	\$72,212	\$74,378	\$76,609	\$78,908
Gas	\$67,196	\$69,212	\$71,288	\$73,427	\$75,629	\$77,898	\$80,235	\$82,642	\$85,122	\$87,675
Water / Sewer	\$56,444	\$58,138	\$59,882	\$61,678	\$63,529	\$65,435	\$67,398	\$69,420	\$71,502	\$73,647
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Utilities</b>	<b>\$184,117</b>	<b>\$189,640</b>	<b>\$195,329</b>	<b>\$201,189</b>	<b>\$207,225</b>	<b>\$213,442</b>	<b>\$219,845</b>	<b>\$226,440</b>	<b>\$233,233</b>	<b>\$240,230</b>



**Maine Workforce Housing, LLC**  
**482 Congress Street, Suite 203**  
**Portland, ME 04101**

Project Summary

Maine Workforce Housing is applying for \$400,000 in City of Portland HOME funding in this application, to fill a gap for a project at 178 Kennebec Street.

Project Team

The principals and staff of Maine Workforce Housing have successfully developed nine (9) mixed-income housing projects in Maine and New Hampshire over the last fourteen (14) years. These properties, the oldest of which has been open since 2004, have never had a single year of operating deficits. All of them are 100% leased with long waiting lists.

We are working with Ross Furman's team to incorporate housing into their multi-phase development of the block. The first phase includes the area closest to Kennebec Street. It includes ground-level retail and/or artist studio space with 46-51 units of housing on the upper floors. The housing will be rental; all 1-bedroom units, set aside for households whose head of household is aged 55+. We've included a concept floor-plan of Phase 1.

The site has some unique advantages for residential development:

- The City has identified the Bayside neighborhood as a priority for redevelopment. Kennebec Street is a prominent street in Bayside, and street-level retail will dovetail well with surrounding buildings.
- A mixed-use residential/retail building will bring new residents to live, work, and shop in Bayside, reinforcing the urban fabric and adding new vitality to the core of the City.
- The site is within walking distance of a variety of services and destinations for daily living (e.g., banks, library, schools, etc.) as well as employers and public transportation.
- The site is within steps of a major park (Deering Oaks Park). Yet, it is also just a minute from an entrance to and exit from I-295, a highway that takes residents throughout Maine.

We expect the income mix targeted for this development will be 22% market rate, and 78% affordable (aimed at those at or below 60% of the area median income), creating economic diversity both in the building and in the neighborhood. Our attached proforma shows a mix of 22% market rate and 78% affordable. If construction costs come down from the conceptual estimate included in our application, this mix may shift slightly. As a business model, we find a more even mix of low-income and market-rate renters is more acceptable to renters and neighbors.

The residents will be a mix of people, incomes, and occupations in Portland. We expect the tenants in income-restricted units will include retired people on social security and also those with jobs at the lower end of the wage scale. The market-rate units are likely to also include retired people, and also professionals who are downsizing from larger homes.

This project, like all of our projects to date, will be completely non-smoking. Smoking will be prohibited both inside units and in the interior and exterior common areas of the project. This will be outlined both

as an addendum to each lease, and also stated in the House Rules. Our Resident Services Coordinator will have materials on tobacco cessation programs available to residents.

The project incorporates smart growth, affordable housing, green building design, brownfield redevelopment, downtown revitalization, urban outdoor recreation, and alternative transportation.

### Amenities

We propose to provide our residents with the following amenities:

- Heat and hot water included in rent
- Community room with kitchen
- Coin-operated laundry facility
- Wireless internet throughout the building at no extra charge;
- Resident Services Coordinator on staff;
- Telemedicine room

### Resident Services Coordination

Our RSC's mission is to foster an environment in which elderly persons and people with disabilities can live independently and remain in their communities. As this project is proposed to be elderly, and with the Portland Shelter set-aside requirement, we are proposing to increase the number of hours an RSC is on the property. The Low Income Housing Tax Credit Program, as administered by MaineHousing, requires one (1) hour per week for every five (5) low-income units, or six (6) hours in this case. We would schedule an RSC for twelve (12) hours – double what is required. Our experience in other properties with a Homeless Preference has given us an appreciation for the staff levels needed onsite. This is reflected in our operating budget which is part of this application.

### Transportation

The site is wonderfully located for service by public transportation. The METRO bus system, with scheduled service all over downtown Portland and connections to the neighboring cities, stops 2/10 of a mile from our site.

### Photos and Renderings

We urge you to look at the set of photos of the site and “before” and “after” renderings, found immediately after this Executive Summary. They convey information about the project which simply cannot be expressed in narrative form. Thank you.

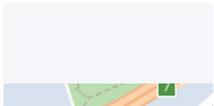


Image capture: Aug 2017 © 2018 Google

Portland, Maine



Street View - Aug 2017









## **178 Kennebec Timeline**

April 2018 – July 2018

- Full Site Plan and Subdivision Approval
- City HOME Application
- City Tax Increment Financing Application
- Market study

September 2018

- Submit Affordable Housing Tax Credit Application to MaineHousing

November 2018 – May 2019 (if successful on MaineHousing Application):

- Full design
- Finalize investor agreement
- Finalize construction loan

June 2019:

- Close and begin construction

Summer 2020:

- Open for occupancy

178 Kennebec Street

Portland, Maine

Developer: Maine Workforce Housing, LLC (Nathan S. Szanton  
and Robert C.S. Monks, Principals)

04/27/18

46 Resident Units  
36 Low-Income Units  
10 Market-Rate Units  
5 Residential Stories

**DEVELOPMENT BUDGET - SOURCES OF FUNDS**

**Sources of Funds**

Equity Raise from Sale of LIHTC	6,192,000					
MaineHousing Mortgage - Interest Only	2,646,603	6.00%	Interest Only	30 years		
MaineHousing Deferred Debt	1,080,000	0%	int., principal and interest deferred until sale or transfer.		30,000 per unit.	1,200,000 per project cap.
Deferred Developer Fee	758,262	Net Fee =	774,939	\$34,939		
City HOME	400,000	30-year deferred loan, in 2nd position				
Furman LLL Buyout of Commercial Space at PLC	829,943					
GAP (EXCESS)	<u>0</u>					
TOTAL	11,906,808					

178 Kennebec Street  
Portland, Maine

Developer: Maine Workforce Housing, LLC (Nathan S. Szanton  
and Robert C.S. Monks, Principals)

46 Resident Units

36 Affordable

10 Market-Rate

Constr. cost/sq. ft. - finished space (not counting demolition, sitework, and contingency)

46,669 Number of square feet of space in building

41,215 Number of square feet of space - finished residential

5,454 Number of square feet of space - vanilla box commercial

Residential square footage, buildout at \$ 175.00 psf Commercial at \$ 132.00 psf

7,932,553 Total Construction Cost (not including construction contingency)

\$156,796 per residential unit of construction cost

DEVELOPMENT BUDGET - USES OF FUNDS

	Total Funds	Retail Unit Costs	Notes
Land Acquisition	215,000		4,674 per unit 33% 2 points Need to be less than 3,500 to get 3 points
Parking requirement buy-out	80,600		Assuming a need for 0.5 space per unit (23), less the 10 we have onsite (Housing only)
Demolition	0		Existing building, landscaping, etc.
Site Preparation	0		Included in Construction Cost
Off-Site Improvements (paid by Owner)	0		
Construction of finished space	7,932,553	709,020	Includes utility hook-ups and all construction except demolition & site work. See note above re assumed cost per sq. ft.
Construction Contingency	396,628	35,451	5.0% of finished construction cost.
Utility Back-Charges	40,000	3,575	
Furnishings, Fixtures & Equipment	85,000		Common area furnishings, laundry equipment, signage, wi-fi equipment, surveillance cameras, wall hangings, etc.
Architectural and Engineering	299,000	26,725	6,500 per unit 3.77%
Civil Engineering	45,000	4,022	Not included in architect's contract
Landscape Architecture	0	0	Included in Civil Eng. Contract
Geoen지니어ing	10,000	894	Not included in architect's contract. Includes test borings, test pits, soil test processing and report preparations.
Testing and Special Inspections	15,000	1,341	
Legal and Title, Non-TC Related	82,000	7,329	Negotiated fee: land use and title opinions; services in connection with land acquisition; etc. Additional \$15K for condo documentation
Legal, TC Syndication-Related	33,000		Negotiated fee: creation of all documents, provision of due diligence, and conducting closings of LIHTC-related matters
Title Insurance	20,000		Based on our negotiated rate with TICOR title insurance agency for simultaneous owner's and lender's coverage.
Cost Certification/Audit	6,500		Budgeting \$1,000 for Carryover Allocation certification and \$5,500 for final cost certification
Appraisal	7,500		
Surveyor	5,600	501	To establish boundaries
Market Study	6,500		To substantiate demand and determine proper rent levels.
Environmental Testing & Remediation	8,000	715	
City and State Permits and Fees	50,000	4,469	
MSHA Financing Application Fee	2,500		
MSHA Financing Commitment Fee	2,000		Non-refundable, due at execution of commitment
MSHA Financing Fee	52,932		2% of tax-exempt debt amount, due at construction loan close.
MSHA Review Fee	2,500		
Tax Credit Monitoring Fee	36,000		\$1,000 per tax credit unit paid before issuance of an 8609.
Tax Credit Allocation Fee	54,000		7.5% annual allocation of 720,000 798,887
Soft Cost Contingency	50,000	4,469	For unforeseen and/or underbudgeted soft costs
Developer Overhead and Fee (Gross)	1,533,201		MSHA Net Fee formula: \$17,500 for first 20 units, & \$15,000 each unit thereafter Net: 740000
Tax and Insurance Reserve Pre-Funding	64,393		Six months of property taxes and insurance premium expense.
Rent-up Deficit Reserve	46,000		MSHA Max = \$1,000 per unit NTE \$50,000
Operating Reserve	286,500		MSHA requirement, 6 months of operating and residential debt service
Pre-Funding of Replacement Reserve	72,235		1% of cost of construction
City of Portland Legal Fees	15,000		TIF / CEA documents
Construction Loan Orig. Fee	16,298	1,457	0.2% of construction loan but not less than 16,000
Construction Loan Interest	235,168	21,020	Based on loan of \$8.149 million at 4.5% for 14 months (12 month construction)
Letter of Credit Fee for Performance Guaranty	5,000	447	Based on LOC value of \$500,000 at 1%
Constr. Lender, Equity Provider Legal Fees	27,000	2,413	
Constr. Lender Plan Review, Inspection	9,200	822	\$600/inspection for 12 inspections plus \$2000 for plans review
Construction Period Insurance	55,000	4,916	Builder's Risk and General Liability Insurance
Construction Period Taxes	4,000	358	15 months of pre-construction assessment
<b>TOTALS</b>	<b>11,906,808</b>	<b>829,943</b>	

**178 Kennebec Street**

Portland, Maine

Developer: Maine Workforce Housing, LLC (Nathan S. Szanton  
and Robert C.S. Monks, Principals)

	50%	32.6%
	60%	45.7%
market	<u>21.7%</u>	
		100%

**OPERATING INCOME SCHEDULE****Income From Units**

Unit Type	# of Units	Square Footage	Gross Rent	Less Utility Allowance	Net Rent	Gross Potential Monthly Revenue From These Units
0-BR LIHTC unit at/below 50% of AMI	0	500	788	-30	758	-
1-BR LIHTC unit at/below 50% of AMI	15	650	845	-40	805	12,075
0-BR LIHTC unit at/below 60% of AMI	0	500	946	-30	916	-
1-BR LIHTC unit at/below 60% of AMI	21	650	1,014	-40	974	20,454
0-BR Market Rate unit (avg. market rate rent for all 1-BR units within the bldg)	0	500			925	-
1-BR Market Rate unit (avg. market rate rent for all 1-BR units within the bldg)	10	650			1195	11,950
<b>Total Units</b>	<b>46</b>	<b>29,900</b>				<b>44,479</b>

(note that total number of units may not appear to equal the sum of the unit types due to formula rounding)

x 12 months =  
**Gross Annual Revenue from Unit Rents**                      **533,748**

**Laundry Income**

Based on experience at 53 Danforth at \$15 per unit per month

**8,280****SUMMARY OF INCOME**

Gross Potential Annual Unit Rental Income	533,748		
Gross Potential Annual Laundry Income	8,280		
<b>Total Gross Potential Annual Income</b>	<b>542,028</b>		
Less Vacancy & Collection Loss at 5%	-26,687		
Property Taxes Returned from The City (TIF)	52,110	75%	CEA
<b>Net Annual Revenue</b>	<b>567,450</b>		

**178 Kennebec Street**

Portland, Maine

Developer: Maine Workforce Housing, LLC (Nathan S. Szanton  
and Robert C.S. Monks, Principals)**46 Resident Units**

41,215 sq. ft. of finished space

**OPERATING EXPENSE SCHEDULE****Administrative Expenses**

Management Fee	42,086	8.30%	of gross receipts
Marketing	1,012	\$22	per unit per year.
Legal	2,300	\$50	per unit per year One eviction costs \$650-\$800. Appeals are more.
Management Software Fees	1,557	\$2.8	per unit per month
Audit	6,600		For annual audit of the project in MSHA format and tax return in format required by tax credit investor.
Telemedicine Room	1,800		For dedicated phone service and upgraded internet for the Telemedicine Room
Resident Services Coordination	32,120	Based on	16 hours per week \$35 /hr to the project, 52 weeks per year. Plus \$250/mo for supplies.
Portland Fire Inspection Fee	1,610	\$35	per unit per year <b>**additional RSC hours due to homeless set-aside management</b>

**Utilities**

Fuel	34,500	\$750	per unit per year
Common Area Electricity	16,100	\$350	pupy. Elevator, laundries, corridor & garage lights.
Water and Sewer	16,100	\$350	per unit per year
On-site phone and internet	8,000		Phone service for elevator/office/alarm and internet access for office

**Maintenance Expenses**

Elevator Maintenance	6,000		
Contract Maintenance	23,000	\$500	per unit per year. Includes pest control, electrical, plumbing & HVAC repair.
Common Area Cleaning	16,100	\$350	per unit per year 1342 per month
Trash Removal	11,500	\$250	per unit per year 958 per month
Snow Removal	5,000		
Work Orders/Turnovers	29,900	\$650	per unit per year
Parking Lease	18,000	\$150	per unit per month for 10 spaces
Maintenance Supplies	3,450	\$75	per unit per year

**Taxes, Insurance, Other**

Taxes	73,600		
Insurance - Property and Liability & Umbrella	13,800	\$300	pupy.
LIHTC Monitoring Fee			Prepaid as a development expense.
Replacement Reserve	20,700	\$450	pupy.
<b>Real Estate Expenses w/o Debt Service</b>	<b>384,835</b>		

Annual Debt Service - Amortizing Loan		0	Amortizing	6.0%	20 years	\$0	per month.
Annual Debt Service - Interest Only Loan	158,796	2,646,603	Interest Only	6.00%	30 years	\$13,233	per month.

**TOTAL REAL ESTATE EXPENSES 543,631****TOTAL ANNUAL REAL ESTATE INCOME 567,450**

Annual Cash Flow from Real Estate	23,819	Cash flow of	500 PUPY minimum is required by MSHA
MH Debt Service Coverage Ratio	1.150	Debt Service Coverage Ratio of 1.15 is required by MSHA.	
Annual Real Estate Operating Cost Per Unit	7,916	Not including debt service and replacement reserve, but includes resident services coordination.	
Monthly Real Estate Operating Cost Per Unit	660	Not including debt service and replacement reserve, but includes resident services coordination.	



**To:** Mary Davis, City of Portland  
**From:** Anne Boynton, Urban Ventures, Inc.  
**Re:** 178 Kennebec St  
Maine Workforce Housing, LLC (Szanton & Monk)  
**Date:** 6/4/18

## Executive Summary

178 Kennebec is a proposed new construction project which will provide 46 one bedroom senior apartments above a ground floor of artist studio space or retail. The project is being developed by Maine Workforce Housing as part of the comprehensive redevelopment of the Bayside neighborhood. This is envisioned as one of several projects moving forward at the start of the transformation of a marginal area into a thriving pedestrian friendly neighborhood of mixed residential and neighborhood retail. The developer requests \$400,000 in HOME funding and a 75% TIF. The unit mix will be 78% affordable units – 15 units below 50% AMI, 21 units below 60% AMI, including 4 units reserved for homeless households -- and 22% market rate units (10 units).

## Sources and Uses

Maine Housing 1 <sup>st</sup>	\$2,646,603	Acquisition:	\$295,600
Maine Housing Deferred Debt	\$1,080,000	Hard Construction:	\$8,329,181
LIHTC Equity	\$6,192,000	Soft & Misc Costs:	\$859,100
Sale of Commercial Unit	\$829,943	Financing Costs:	\$400,598
City of Portland HOME	\$400,000	Prefunded Reserves:	\$469,128
Deferred Developer Fee:	<u>\$758,262</u>	Developer Fee:	<u>\$1,533,201</u>
Total Sources:	\$11,906,808	Total Uses:	\$11,886,808

The difference between sources and uses seems to be a summation error in the developer's statement of uses, which reflects \$20,000 more in costs than is listed.

Letters of interest, intent, or commitment are not available for the sources. This is very early in project development, and the Maine Housing LIHTC application is the critical path for this financing structure. The developer has a track record of success applying for LIHTCs – of the 8 projects for which they have requested LIHTCs, they have received funding for all projects, with 7 out of 8 projects funded in the first application.

The developer is committing to defer 50% of their developer fee. The total fee is calculated at the maximum allowed by Maine Housing, and is 15.4% of Total Development Costs excluding reserves and developer fee. Fifteen percent is the upper end of industry standard. However, the cashflow does not look strong enough to retire the developer fee loan over 15 years. This is unlikely to be acceptable to the equity investor.

For analysis of "Uses," see Development Budget.

## Development Budget

### *Construction Costs:*

Construction costs are based on an estimate provided by Wright-Ryan. Given the conceptual designs, this is based on a per square foot cost only, with residential construction estimated at \$172/sq foot and commercial (shell) at \$132/sq foot. Information on site conditions is limited – this estimate assumes the need for pilings for the foundation and that there is no contaminated soil which needs removal, but both of these assumptions must be investigated and will impact costs. Modest finishes are budgeted consistent with typical affordable housing construction. No mention is made of differentiating finishes for market rate units.

### *Soft Costs:*

Most soft costs on a per unit basis are in the typical range for Portland area affordable housing projects. The developer fee, calculated at the maximum allowable, is the most significant outlier. At \$33,000 per unit, this is roughly twice other recent developer fees per unit. This concern is mitigated somewhat by the deferred developer fee loan, though since cashflow does not support the full repayment of that loan in 15 years, a developer fee loan of that size is unlikely to be allowed by the syndicator.

### *Contingency:*

Hard cost contingency is budgeted at 5%. This is typical for new construction and generally appropriate when close to closing. However, site conditions are unknown here and pose a significant potential to drive up costs. The estimate is based on current prices without an inflator. Since this project is in the very early stages of development, construction cost inflation will also drive up construction prices.

Soft cost contingency is \$50,000, or 2.62% of total soft costs. This is very thin for this stage of the development.

### *Acquisition:*

This site is being acquired as part of a larger package being transferred from the City of Portland to Rob Furman. Furman's purchase price for this site is \$250,000. Furman is selling to the developer for \$233,700. Furman is also expected to buy back the ground floor retail unit which he will manage as rental space for artist studio spaces or retail.

The site plan as currently configured includes no parking on the lot itself. Instead, as part of the Purchase Agreement with Furman, the developer will rent 19 spaces on the adjacent lot which is owned by Furman for at least 30 years. The price for the parking rent is not specified in the Purchase Agreement. The budget includes an \$80,600 line item called "Parking Requirement Buy -Out."

## Operating Budget & 20 Year Cashflow Projection

### *Project Income:*

There is no market study yet to confirm the appropriateness of the projected rents. The developer states there will be more than sufficient demand for these units based on the lengthy waiting lists for their three other rental properties in Portland. Without more information about the existing developments (for instance: location, unit size and amenities, age and/or income restrictions, rent rates

for market rate units if any) the existence of waiting lists does not demonstrate effective demand for this project.

The projected 50% AMI rents are consistent with the Front Street PHA project, so presumably are set at the maximum allowable for tax credit units restricted to households at 50% AMI. The 10 market rate units are budgeted at \$1,195 per month, much higher than Front Street market rate units (\$990), but substantially less than the Avesta Deering Place market rate of \$1,350. An industry standard 5% vacancy is budgeted for all unit types.

Since the ground floor unit is expected to be sold to an unrelated entity, this project does not bear the financial risk of retail vacancy.

### *Operating Expense*

Total operating expense per unit is in the high range of typical for affordable housing, \$7,166 once the TIF is accounted for, and is 12% higher than the next highest applicant in this round. Comparing the operating costs by line item, the cost differential is in maintenance which at \$2,455/unit is very high for newly constructed, one bedroom units occupied by seniors. All those characteristics should push maintenance down.

### *20 Year Cashflow & Debt Service Coverage Ratio (DSCR)*

Other than elevated maintenance expense, this project is not particularly fat. The developer has provided a 17 year cashflow projection which shows an acceptable 1.15 DSCR in year one, rising slightly to 1.17 in year 9, then slowly falling to 1.14 in year 17. A continuation of the developer's cashflow to year 20 would show a lower final year DSCR, which might explain why the developer provided only a 17 year projection. Due to slight differences in calculations, my estimate is slightly more optimistic, reflecting a 1.15 DSCR in year 20.

If the market does not support rents at \$1,195 for the market rate units, but those units rent instead for rates more consistent with the Front Street market rate units at around \$1,000, the projected cashflow is almost eliminated. However, there IS still a small cashflow, and the operating cost projections are high enough to provide some cushion in case of unexpected expenses.

### *Developer Financials*

Maine Workforce Housing LLC has submitted unaudited balance sheet and operating expenses statements plus their annual tax return for 2015, 2016 and 2017. What we see in these statements is that Maine Workforce Housing is not an entity with significant assets, owning and operating real estate. Instead it is a vehicle for managing some development funds and particularly for receiving and distributing developer fees to the principals. The principals may have significant resources they can bring to bear in the event a project experiences difficulties, but the organization itself does not.

For the year ending 12/31/17 the organization reported \$38,963 in cash and cash equivalents and accounts payable of \$11,248, for a net cash position of \$27,715. That is not much working capital for a development of almost \$12 million. And the organization is currently in the development process with two additional projects in Maine.

For the three reported years, the organization has seen growth in fee income – 2015 \$609,573, 2016 \$604,199 and 2017 \$1,246,472. Developer fee income is typically quite volatile for developers operating at this scale, and very sensitive to timing of deal closings. Unlike organizations whose revenue is primarily rental income, high 2017 developer fee income is not necessarily a predictor of high 2018 income.

## Recommendations

I recommend a loan in the amount of \$400,000, zero percent interest, with repayment from cashflow, and with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Commitment of all sources on terms and conditions acceptable to City of Portland, including cashflow waterfall, raise rate, evidence of purchaser for commercial space, and a cashflow projection which shows retirement of developer fee loan;
3. Clean Phase I or Phase II if appropriate, and incorporation of all needed environmental remediation into the project budget;
4. explanation of the sales price of the site as it changes hands through the development process;
5. explanation of parking requirements and written agreements documenting how parking requirements will be met;
6. satisfactory market study which supports the projected unit mix and rent rates;
7. explanation of “Other Current Assets;” and evidence of satisfactory working capital and margin in case of cost over runs. This might come in the form of personal guarantees or prefunding a project specific development account.

# Development Budget with Permanent Sources

Date 5/29/2018  
 Project Name Kennebec St  
 Project Address 178 Kennebec St  
 Developer/Sponsor Maine Workforce Housing LLC (Szanton & Monk, Principals)

Total Units 46  
 Total Square Feet 47,325

	<b>Total</b>	<b>Per Unit</b>	<b>Per Sq Ft</b>
<b>Sources of Funds</b>			
Permanent Financing - 1st Lien Maine Housing	\$2,646,603	\$57,535	\$56
Permanent Financing - Maine Housing Deferred Debt	\$1,080,000	\$23,478	\$23
Equity (LIHTC/tenant contributions)	\$6,192,000	\$134,609	\$131
Deferred development fee	\$758,262	\$16,484	\$16
Other -- City of Portland HOME	\$400,000	\$8,696	\$8
Other -- Sale of Commercial Space	\$829,943	\$18,042	\$18
<b>Total Sources of Funds</b>	<b>\$11,906,808</b>	<b>\$258,844</b>	<b>\$252</b>

## Uses of Funds

<b>Hard Costs</b>			
Site Improvements		\$0	\$0
Rehabilitation		\$0	\$0
New Construction		\$7,932,553	\$172,447
Contractor's Profit, Overhead, & Gen. Requirements	#DIV/0!	\$0	\$0
Hazardous Materials abatement (if contracted separately)		\$0	\$0
Demolition Cost (if contracted separately)		\$0	\$0
Bond Premium		\$0	\$0
Other		\$0	\$0
Hard Cost Contingency (% of hard costs)	5.0%	\$396,628	\$8,622
<b>Total Hard Costs</b>		<b>\$8,329,181</b>	<b>\$181,069</b>

<b>Soft Costs</b>			
Building Permit & Fees + "Utility Back-Charges"		\$90,000	\$1,957
Survey & Engineering		\$60,600	\$1,317
Design & Permitting (% of const exp)	4.5%	\$299,000	\$6,500
Borrower Legal (all closings, excluding syndication legal)		\$0	\$0
Title & Recording		\$102,000	\$2,217
Accounting & Cost Certification		\$6,500	\$141
Construction Period Taxes		\$4,000	\$87
Construction Period Insurance		\$55,000	\$1,196
Other: FF&E, Security		\$65,000	\$1,413
Other Testing = 15k		\$15,000	\$326
<b>Total Soft Costs</b>		<b>\$697,100</b>	<b>\$15,154</b>

<b>Financing Costs</b>			
Construction Loan Origination Fees	\$16,298	\$354	\$0
Construction Period Interest	\$235,168	\$5,112	\$5
Lender Inspection Fees	\$9,200	\$200	\$0
Letter of Credit Fee	\$5,000	\$109	\$0
Permanent Loan Fees/MSHA Fees	\$59,932	\$1,303	\$1
Construction Lender Legal	\$27,000	\$587	\$1
Other Legal, syndication = \$33k; City legal \$15k	\$48,000	\$1,043	\$1
<b>Total Financing Costs</b>	<b>\$400,598</b>	<b>\$8,709</b>	<b>\$8</b>

<b>Miscellaneous</b>			
Market Survey	\$6,500	\$141	\$0
Appraisal	\$7,500	\$163	\$0
Environmental Study	\$8,000	\$174	\$0
LIHTC Fees -- prepaid monitoring & allocation fee	\$90,000	\$1,957	\$2
Other: Commissioning		\$0	\$0
Relocation Costs		\$0	\$0
Other	\$0	\$0	\$0
Soft Cost Contingency (% of soft costs excl Dev Fee)	2.62%	\$50,000	\$1,087
<b>Total Miscellaneous:</b>		<b>\$162,000</b>	<b>\$3,522</b>

<b>Acquisition</b>			
Acquisition: Buildings	\$0	\$0	\$0
Acquisition: Land	\$215,000	\$4,674	\$5
Acquisition: Legal	\$0	\$0	\$0
Other Parking Requirement "buy-out"	\$80,600	\$1,752	\$2
<b>Total Acquisition</b>	<b>\$295,600</b>	<b>\$6,426</b>	<b>\$6</b>

<b>Reserves and Developer Fee</b>			
Operating Deficit Escrow	\$286,500	\$6,228	\$6
Prefunded Replacement Reserve	\$72,235	\$1,570	\$2
Taxes & Insurance Escrow	\$64,393	\$1,400	\$1
Developer Overhead	\$1,533,201	\$33,330	\$32
Developer Profit		\$0	\$0
Rent Up Reserve & Marketing	\$46,000	\$1,000	\$1
Other	\$0	\$0	\$0
<b>Total Reserves and Developer Fee</b>	<b>\$ 469,128</b>	<b>\$2,002,329</b>	<b>\$43,529</b>

<b>Total Uses of Funds</b>	<b>\$11,886,808</b>	<b>\$258,409</b>	<b>\$260</b>
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\$20,000

Developer Fee Analysis: Total Fees: \$1,533,201  
Percent of TDC: 15.44% (excluding reserves & developer fee)

# Project Operating Pro Forma

Date May 29, 2018  
 Project Name 178 Kennebec St  
 Project Address 178 Kennebec St  
 Developer/Sponsor Maine Workforce Housing LLC (Szanton & Monk, Principals)

## Rental Income

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
0 BR			0	50%				\$0	#DIV/0!	\$0	\$0
0 BR			0	60%				\$0	#DIV/0!	\$0	\$0
1 BR	15	650	9750	50%	\$845	\$40		\$805	1.24	\$12,075	\$144,900
1 BR	21	650	13650	60%	\$1,014	\$40		\$974	1.50	\$20,454	\$245,448
1 BR	10	650	6500	market	\$1,195	\$0		\$1,195	1.84	\$11,950	\$143,400
2 BR			0	60%				\$0	#DIV/0!	\$0	\$0
3 BR			0	50%				\$0	#DIV/0!	\$0	\$0
3 BR			0	60%				\$0	#DIV/0!	\$0	\$0
4 BR			0	50%				\$0	#DIV/0!	\$0	\$0
4 BR			0	60%				\$0	#DIV/0!	\$0	\$0
Other			0	50%				\$0	#DIV/0!	\$0	\$0
Other			0	60%				\$0	#DIV/0!	\$0	\$0
<b>Total:</b>	<b>46</b>		<b>29900</b>							<b>\$44,479</b>	<b>\$533,748</b>

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

Note: Year 1 is the first full year of stabilized operations

		Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
				2021	\$2,022	2023	2024	2025	2026	2027	2028	2029
<b>Income</b>												
Sch. Gross Income - Residential		\$533,748	\$11,603	\$544,423	\$555,311	\$566,418	\$577,746	\$589,301	\$601,087	\$613,109	\$625,371	\$637,878
Vacancy Loss	5.0%	(\$26,687)	(\$580)	(\$27,221)	(\$27,766)	(\$28,321)	(\$28,887)	(\$29,465)	(\$30,054)	(\$30,655)	(\$31,269)	(\$31,894)
Other income (laundry)		\$8,280	\$180	\$8,446	\$8,615	\$8,787	\$8,963	\$9,142	\$9,325	\$9,511	\$9,701	\$9,895
TIF (75% TIF requested)	3%	\$52,110	\$1,133	\$53,673	\$55,283	\$56,942	\$58,650	\$60,410	\$62,222	\$64,089	\$66,011	\$67,992
<b>Effective Gross Income</b>		<b>\$567,451</b>	<b>\$12,336</b>	<b>\$579,321</b>	<b>\$591,444</b>	<b>\$603,826</b>	<b>\$616,472</b>	<b>\$629,387</b>	<b>\$642,579</b>	<b>\$656,053</b>	<b>\$669,815</b>	<b>\$683,871</b>

		8.30%	8.30%									
<b>Administrative</b>												
Management Fee	8.30%	\$42,086	\$915	\$42,928	\$43,786	\$44,662	\$45,555	\$46,466	\$47,396	\$48,344	\$49,310	\$50,297
Management Charges			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing Expense		\$1,012	\$22	\$1,042	\$1,074	\$1,106	\$1,139	\$1,173	\$1,208	\$1,245	\$1,282	\$1,320
Legal		\$2,300	\$50	\$2,369	\$2,440	\$2,513	\$2,589	\$2,666	\$2,746	\$2,829	\$2,914	\$3,001
Audit & Accounting		\$6,600	\$143	\$6,798	\$7,002	\$7,212	\$7,428	\$7,651	\$7,881	\$8,117	\$8,361	\$8,612
Admin Other		\$4,967	\$108	\$5,116	\$5,269	\$5,428	\$5,590	\$5,758	\$5,931	\$6,109	\$6,292	\$6,481
<b>Total Administrative</b>		<b>\$56,965</b>	<b>\$1,238</b>	<b>\$58,253</b>	<b>\$59,571</b>	<b>\$60,921</b>	<b>\$62,302</b>	<b>\$63,715</b>	<b>\$65,162</b>	<b>\$66,643</b>	<b>\$68,159</b>	<b>\$69,710</b>

<b>Supportive Services</b>		\$32,120	\$698	\$33,084	\$34,076	\$35,098	\$36,151	\$37,236	\$38,353	\$39,504	\$40,689	\$41,909
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<b>Utilities</b>												
Fuel Oil		\$34,500	\$750	\$35,535	\$36,601	\$37,699	\$38,830	\$39,995	\$41,195	\$42,431	\$43,704	\$45,015
Natural Gas			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric		\$16,100	\$350	\$16,583	\$17,080	\$17,593	\$18,121	\$18,664	\$19,224	\$19,801	\$20,395	\$21,007
Water / Sewer		\$16,100	\$350	\$16,583	\$17,080	\$17,593	\$18,121	\$18,664	\$19,224	\$19,801	\$20,395	\$21,007
Other		\$8,000	\$174	\$8,240	\$8,487	\$8,742	\$9,004	\$9,274	\$9,552	\$9,839	\$10,134	\$10,438
<b>Total Utilities</b>		<b>\$74,700</b>	<b>\$1,624</b>	<b>\$76,941</b>	<b>\$79,249</b>	<b>\$81,627</b>	<b>\$84,076</b>	<b>\$86,598</b>	<b>\$89,196</b>	<b>\$91,872</b>	<b>\$94,628</b>	<b>\$97,467</b>

<b>Maintenance</b>	<b>Year 1</b>	<b>Year 1/Unit</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
Grounds	\$5,000	\$109	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Janitorial	\$16,100	\$350	\$16,583	\$17,080	\$17,593	\$18,121	\$18,664	\$19,224	\$19,801	\$20,395	\$21,007
Trash Removal	\$11,500	\$250	\$11,845	\$12,200	\$12,566	\$12,943	\$13,332	\$13,732	\$14,144	\$14,568	\$15,005
Security		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment & Supplies	\$3,450	\$75	\$3,554	\$3,660	\$3,770	\$3,883	\$3,999	\$4,119	\$4,243	\$4,370	\$4,501
Maintenance	\$29,900	\$650	\$30,797	\$31,721	\$32,673	\$33,653	\$34,662	\$35,702	\$36,773	\$37,876	\$39,013
Maintenance contracts (HVAC, e	\$29,000	\$630	\$29,870	\$30,766	\$31,689	\$32,640	\$33,619	\$34,628	\$35,666	\$36,736	\$37,838
Other Parking Lease	\$18,000	\$391	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802	\$23,486
<b>Total Maintenance</b>	<b>\$112,950</b>	<b>\$2,455</b>	<b>\$116,339</b>	<b>\$119,829</b>	<b>\$123,424</b>	<b>\$127,126</b>	<b>\$130,940</b>	<b>\$134,868</b>	<b>\$138,914</b>	<b>\$143,082</b>	<b>\$147,374</b>

<b>Taxes &amp; Insurance</b>											
Real Estate Taxes or PILOT	\$73,600	\$1,600	\$75,808	\$78,082	\$80,425	\$82,837	\$85,323	\$87,882	\$90,519	\$93,234	\$96,031
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$13,800	\$300	\$14,214	\$14,640	\$15,080	\$15,532	\$15,998	\$16,478	\$16,972	\$17,481	\$18,006
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$87,400</b>	<b>\$1,900</b>	<b>\$90,022</b>	<b>\$92,723</b>	<b>\$95,504</b>	<b>\$98,369</b>	<b>\$101,321</b>	<b>\$104,360</b>	<b>\$107,491</b>	<b>\$110,716</b>	<b>\$114,037</b>

<b>Replacement Reserves</b>	\$20,700	\$450	\$21,321	\$21,961	\$22,619	\$23,298	\$23,997	\$24,717	\$25,458	\$26,222	\$27,009
<b>Operating Reserves</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<b>Total Expenses</b>	<b>\$384,835</b>	<b>\$8,366</b>	<b>\$395,959</b>	<b>\$407,409</b>	<b>\$419,193</b>	<b>\$431,322</b>	<b>\$443,806</b>	<b>\$456,656</b>	<b>\$469,882</b>	<b>\$483,495</b>	<b>\$497,506</b>
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<b>Net Operating Income</b>	<b>\$182,616</b>	<b>\$3,970</b>	<b>\$183,361</b>	<b>\$184,035</b>	<b>\$184,632</b>	<b>\$185,149</b>	<b>\$185,581</b>	<b>\$185,923</b>	<b>\$186,171</b>	<b>\$186,320</b>	<b>\$186,365</b>
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<b>Debt Service</b>											
First Lien	\$158,796	\$3,452	\$158,796	\$158,796	\$158,796	\$158,796	\$158,796	\$158,796	\$158,796	\$158,796	\$158,796
Second Lien		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service (Must Pay)</b>	<b>\$158,796</b>	<b>\$3,452</b>	<b>\$158,796</b>								

Cash Flow (after Must Pay Debt)	\$23,820	\$518	\$24,565	\$25,239	\$25,836	\$26,353	\$26,785	\$27,127	\$27,375	\$27,524	\$27,569
<b>Debt Service Coverage Ratio</b>	<b>1.15</b>		<b>1.15</b>	<b>1.16</b>	<b>1.16</b>	<b>1.17</b>	<b>1.17</b>	<b>1.17</b>	<b>1.17</b>	<b>1.17</b>	<b>1.17</b>

<b>Cash Flow Debt Payments</b>											
City of Portland	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	95.0%	\$22,629	\$492	\$23,337	\$23,977	\$24,545	\$25,036	\$25,446	\$25,771	\$26,007	\$26,148
<b>Cash Flow Retained by Project</b>		<b>\$1,191</b>	<b>\$26</b>	<b>\$1,228</b>	<b>\$1,262</b>	<b>\$1,292</b>	<b>\$1,318</b>	<b>\$1,339</b>	<b>\$1,356</b>	<b>\$1,369</b>	<b>\$1,378</b>
Retained Cash Flow %	0%	\$757,071		\$733,734	\$709,757	\$685,212	\$660,176	\$634,731	\$608,960	\$582,953	\$556,805

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18
	\$2,030	\$2,031	2032	2033	2034	2035	2036	2037
<b>Income</b>								
Sch. Gross Income - Residential	\$650,636	\$663,649	\$676,922	\$690,460	\$704,269	\$718,355	\$732,722	\$747,376
<u>Vacancy Loss</u>	5.0%	(\$32,532)	(\$33,182)	(\$33,846)	(\$34,523)	(\$35,213)	(\$35,918)	(\$36,636)
Other income (laundry)	\$10,093	\$10,295	\$10,501	\$10,711	\$10,925	\$11,144	\$11,367	\$11,594
TIF	\$70,031	\$72,132	\$74,296	\$76,525	\$78,821	\$81,186	\$83,621	\$86,130
<b>Effective Gross Income</b>	<b>\$698,229</b>	<b>\$712,894</b>	<b>\$727,873</b>	<b>\$743,173</b>	<b>\$758,802</b>	<b>\$774,766</b>	<b>\$791,073</b>	<b>\$807,731</b>

<b>Administrative</b>								
Management Fee	\$51,303	\$52,329	\$53,375	\$54,443	\$55,532	\$56,642	\$57,775	\$58,931
Management Charges	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Marketing Expense	\$1,360	\$1,401	\$1,443	\$1,486	\$1,531	\$1,577	\$1,624	\$1,673
Legal	\$3,091	\$3,184	\$3,279	\$3,378	\$3,479	\$3,583	\$3,691	\$3,802
Audit & Accounting	\$8,870	\$9,136	\$9,410	\$9,692	\$9,983	\$10,283	\$10,591	\$10,909
Admin Other	\$6,675	\$6,875	\$7,082	\$7,294	\$7,513	\$7,738	\$7,971	\$8,210
<b>Total Administrative</b>	<b>\$71,299</b>	<b>\$72,925</b>	<b>\$74,589</b>	<b>\$76,293</b>	<b>\$78,037</b>	<b>\$79,823</b>	<b>\$81,652</b>	<b>\$83,523</b>

<b>Supportive Services</b>	<b>\$43,167</b>	<b>\$44,462</b>	<b>\$45,795</b>	<b>\$47,169</b>	<b>\$48,584</b>	<b>\$50,042</b>	<b>\$51,543</b>	<b>\$53,089</b>
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<b>Utilities</b>								
Fuel Oil	\$46,365	\$47,756	\$49,189	\$50,664	\$52,184	\$53,750	\$55,362	\$57,023
Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas	\$21,637	\$22,286	\$22,955	\$23,643	\$24,353	\$25,083	\$25,836	\$26,611
Water / Sewer	\$21,637	\$22,286	\$22,955	\$23,643	\$24,353	\$25,083	\$25,836	\$26,611
Other	\$10,751	\$11,074	\$11,406	\$11,748	\$12,101	\$12,464	\$12,838	\$13,223
<b>Total Utilities</b>	<b>\$100,391</b>	<b>\$103,402</b>	<b>\$106,504</b>	<b>\$109,699</b>	<b>\$112,990</b>	<b>\$116,380</b>	<b>\$119,872</b>	<b>\$123,468</b>

<b>Maintenance</b>	<b>Year 11</b>	<b>Year 12</b>	<b>Year 13</b>	<b>Year 14</b>	<b>Year 15</b>	<b>Year 16</b>	<b>Year 17</b>	<b>Year 18</b>
Janitorial	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264
Exterminating	\$21,637	\$22,286	\$22,955	\$23,643	\$24,353	\$25,083	\$25,836	\$26,611
Trash Removal	\$15,455	\$15,919	\$16,396	\$16,888	\$17,395	\$17,917	\$18,454	\$19,008
Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grounds	\$4,637	\$4,776	\$4,919	\$5,066	\$5,218	\$5,375	\$5,536	\$5,702
Maintenance	\$40,183	\$41,389	\$42,630	\$43,909	\$45,226	\$46,583	\$47,981	\$49,420
Elevator, HVAC, pool contracts	\$38,974	\$40,143	\$41,347	\$42,587	\$43,865	\$45,181	\$46,536	\$47,933
Other	\$24,190	\$24,916	\$25,664	\$26,434	\$27,227	\$28,043	\$28,885	\$29,751
<b>Total Maintenance</b>	<b>\$151,795</b>	<b>\$156,349</b>	<b>\$161,040</b>	<b>\$165,871</b>	<b>\$170,847</b>	<b>\$175,972</b>	<b>\$181,252</b>	<b>\$186,689</b>

<b>Taxes &amp; Insurance</b>								
Real Estate Taxes or PILOT	\$98,912	\$101,880	\$104,936	\$108,084	\$111,327	\$114,666	\$118,106	\$121,650
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$18,546	\$19,102	\$19,676	\$20,266	\$20,874	\$21,500	\$22,145	\$22,809
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$117,458</b>	<b>\$120,982</b>	<b>\$124,612</b>	<b>\$128,350</b>	<b>\$132,200</b>	<b>\$136,166</b>	<b>\$140,251</b>	<b>\$144,459</b>

<b>Replacement Reserves</b>	\$27,819	\$28,654	\$29,513	\$30,399	\$31,311	\$32,250	\$33,217	\$34,214
<b>Operating Reserves</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<b>Total Expenses</b>	<b>\$511,929</b>	<b>\$526,773</b>	<b>\$542,053</b>	<b>\$557,781</b>	<b>\$573,970</b>	<b>\$590,634</b>	<b>\$607,787</b>	<b>\$625,442</b>
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<b>Net Operating Income</b>	<b>\$186,300</b>	<b>\$186,120</b>	<b>\$185,820</b>	<b>\$185,392</b>	<b>\$184,832</b>	<b>\$184,132</b>	<b>\$183,287</b>	<b>\$182,289</b>
-----------------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------	------------------

<b>Debt Service</b>								
First Lien	\$158,796	\$158,796	\$158,796	\$158,796	\$158,796	\$158,796	\$158,796	\$158,796
Second Lien	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service (Must Pay)</b>	<b>\$158,796</b>							

Cash Flow (after Must Pay Debt)	\$27,504	\$27,324	\$27,024	\$26,596	\$26,036	\$25,336	\$24,491	\$23,493
<b>Debt Service Coverage Ratio</b>	<b>1.17</b>	<b>1.17</b>	<b>1.17</b>	<b>1.17</b>	<b>1.16</b>	<b>1.16</b>	<b>1.15</b>	<b>1.15</b>

<b>Cash Flow Debt Payments</b>								
DHCD	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	95.0%	\$26,129	\$25,958	\$25,672	\$25,266	\$24,734	\$24,069	\$23,318
<b>Cash Flow Retained by Project</b>	<b>\$1,375</b>	<b>\$1,366</b>	<b>\$1,351</b>	<b>\$1,330</b>	<b>\$1,302</b>	<b>\$1,267</b>	<b>\$1,225</b>	<b>\$1,175</b>
Retained Cash Flow %	0%	\$504,485	\$478,527	\$452,855	\$427,589	\$402,855	\$378,785	\$353,201



## City of Portland HOME Funds Application

### Project: 977 Brighton Avenue Apartments

Avesta Housing is requesting \$300,000 of HOME funds from the City of Portland for our 977 Brighton Avenue Apartments project ("977 Brighton") at 977 Brighton Avenue in Portland, Maine.

The development involves the new construction of 40 1-bedroom rental apartments for seniors (55+ years of age), in one 4-story building. 34 of the apartments will be affordable and 6 will be market rate. 24 units will be affordable to households at or below 50% of area median income and 10 will be affordable to households at or below 60% of area median income. Portland Housing Authority has awarded project-based rental assistance to eight of the units at the project. All units with affordability restrictions will have a utility allowance factored into the tenant rent payment.

977 Brighton represents an opportunity to create much-needed affordable senior housing in an accessible location within Portland. The development site contains eight contiguous lots located in a highly walkable area in the Nasons Corner section of Portland. The project is located near many amenities and services, making it a prime location for housing; retail stores, a pharmacy, trails and restaurants are all located within a half mile. The site is also located within a tenth of a mile to a bus stop on the extensive Portland public transportation bus system, connecting residents with Portland's downtown as well as adjoining communities.

See the attached maps for more information about the project's siting within the City and relative to numerous nearby amenities.

As shown in the attached pictures, the 0.73-acre site currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction. The project will consist of one 4-story building, placed at the front of the property so as to create maximum active street frontage. There will also be a parking lot for 32 cars and an external gathering area or patio for residents. Vegetative screening will be used to create a level of privacy for residents. Storm water management systems will be used to ensure that the project does not adversely impact the vicinity of the subject parcel. Avesta will work with City staff and the Planning Board to ensure that the design of the project is consistent with neighborhood design characteristics.

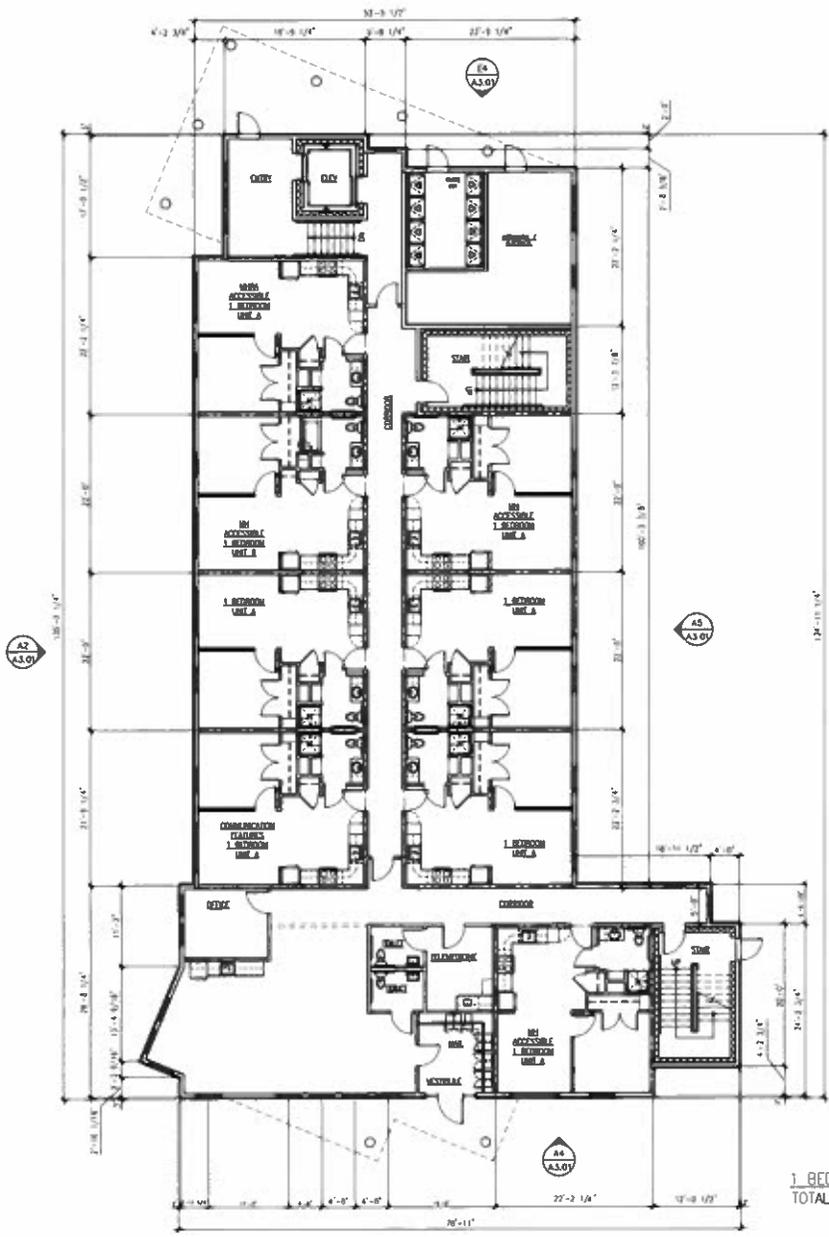
Each apartment will be approximately 600 square feet and all accessibility requirements will be met. Additional amenities will include on-site laundry, a health room, a community room and resident service coordination.

977 Brighton Avenue Apartments will continue Avesta Housing's commitment to construct and manage buildings designed to maximize energy performance, minimize adverse environmental impacts, provide healthy living spaces, conserve natural resources, and promote smart growth and sustainable development. All requirements of the City of Portland's Green Building Ordinance will be met. Additionally, as alluded to in the attached information provided by the property manager, Avesta Housing Development Corporation, smoking at the project will be prohibited and educational materials on tobacco treatment programs will be provided to tenants.

These affordable units at 977 Brighton Avenue come at a critical time for the City. Vacancies in Portland are at historic lows while rents remain too high for thousands of local renter households. In 2017, Avesta alone received requests for affordable housing from nearly 3,800 households (over 1,300 of which were senior-led households) but was only able to provide housing to 393.

977 Brighton Avenue Apartments will create much-needed senior affordable rental housing in an area of the city that is rich with transit, services, and neighborhood amenities.





1 BED UNITS = 40  
 TOTAL 1ST FL = 8

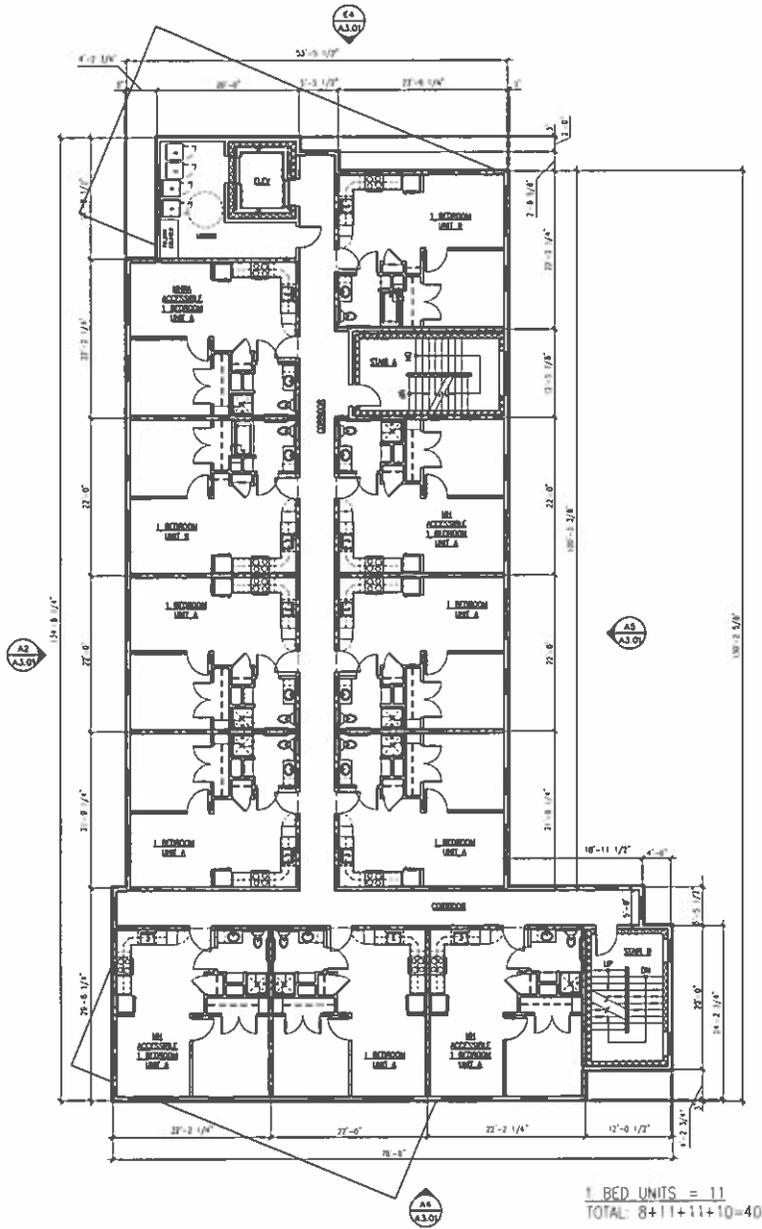
FIRST FLOOR PLAN 7684 SQ. FT.



ALL UNITS DESIGNED WITH THE SAME LAYOUT FOR ADAPTABLE OR ACCESSIBLE UNIT. REVISIONS OF ACCESSIBLE UNIT QUANTITY AND LOCATION TO BE PROVIDED WITH APPLICATION. ALL UNITS MEET MINIMUM REQUIREMENTS.

<b>CWS ARCHITECTS</b> ARCHITECTS 414 Commercial Avenue, Portland, ME 04107 (207) 772-6441 CWSARCH.COM													
<b>DESIGNER</b> CWS ARCHITECTS ARCHITECTS OF INTERIOR DESIGN 414 COMMERCIAL AVENUE PORTLAND, ME 04107 WWW.CWSARCH.COM	<b>OWNER</b> AVESTA 977 BRIGHTON LP C/O AVESTA HOUSING 187 BRIMLEY AVENUE PORTLAND, ME 04107												
<b>PROJECT</b> 977 BRIGHTON AVE SENIOR APARTMENTS	<b>DRAWING NUMBER</b> A1.10												
<b>DRAWING</b> FIRST FLOOR PLAN	<b>SCALE</b> AS NOTED												
<b>REVISIONS</b> <table border="1"> <thead> <tr> <th>NO.</th> <th>DESCRIPTION</th> </tr> </thead> <tbody> <tr><td> </td><td> </td></tr> </tbody> </table>	NO.	DESCRIPTION											<b>DATE</b> 12/21/2017
NO.	DESCRIPTION												

**A5** FIRST FLOOR PLAN  
 REFERENCED FROM: SCALE: 1/8" = 1'-0"



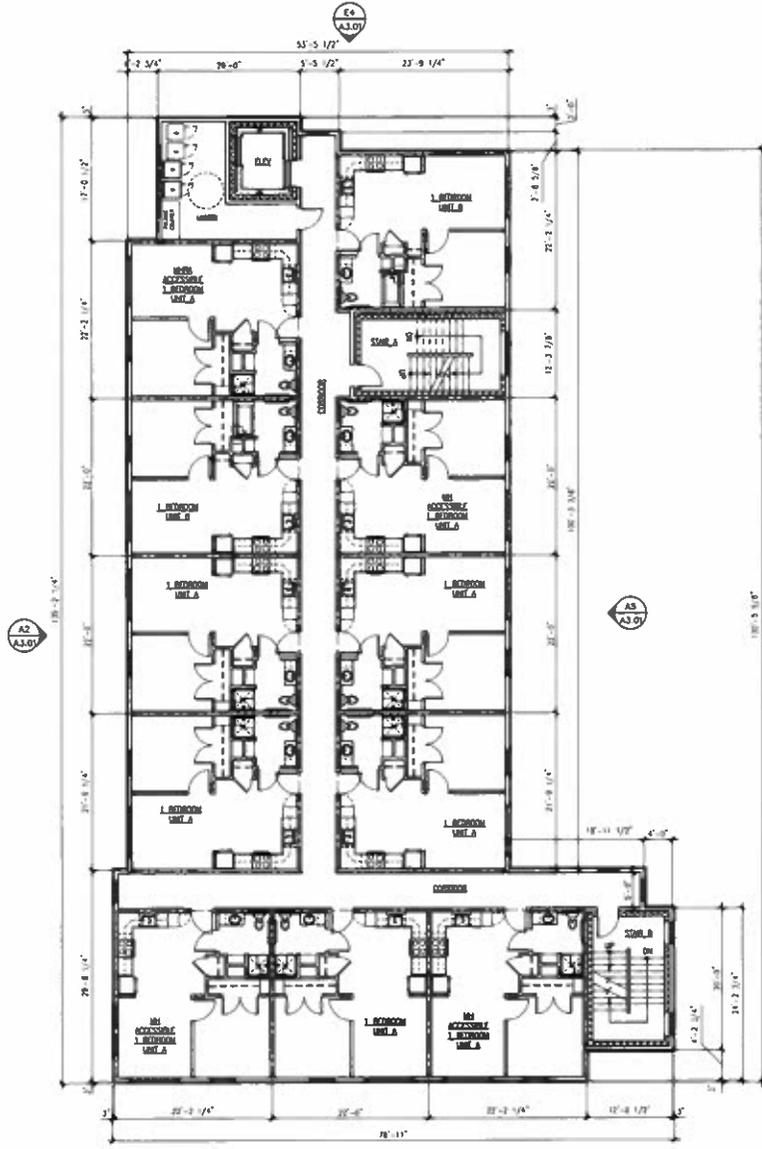
SECOND FLOOR PLAN  
7684 SQ. FT.

1 BED UNITS = 11  
TOTAL: 8+11+11+10=40

ALL UNITS DESIGNED WITH THE SAME AMOUNT FOR ADAPTABLE OR ACCESSIBLE UNIT. DESIGNATION OF ACCESSIBLE UNIT QUANTITY AND LOCATION TO BE PROVIDED WITH APPROVAL. ALL UNITS MEET DIMENSIONAL REQUIREMENTS.

**A5** SECOND FLOOR PLAN  
REFERENCED FROM SCALE: 1/8" = 0'

<b>CWS ARCHITECTS</b> ARCHITECTS AT INTERIOR DESIGN 238 Commercial Avenue, Suite 201, Dyer, TN 37031 OFFICE: 207.771.4441   CWSARCH.COM																					
DESIGNER	<b>CWS ARCHITECTS</b> ARCHITECTS AT INTERIOR DESIGN 238 COMMERCIAL AVENUE, SUITE 201, DYER, TN 37031 WWW.CWSARCH.COM																				
OWNER	<b>AVESTA 977 BRIGHTON LP</b> c/o AVESTIA HOUSING 2575 LAMAR AVENUE, SUITE 100, BIRMINGHAM, AL 35203																				
PROJECT	<b>977 BRIGHTON AVE SENIOR APARTMENTS</b> 977 BRIGHTON AVE, BIRMINGHAM, AL 35203																				
DRAWING	<b>SECOND FLOOR PLAN</b>																				
REVISIONS	<table border="1"> <tr><td> </td><td> </td></tr> </table>																				
DRAWING NUMBER	<b>A1.20</b>																				
SCALE	AS SHOWN																				
DATE	12/21/2017																				



**A1**  
A3.01  
THIRD FLOOR PLAN  
7684 SQ. FT.

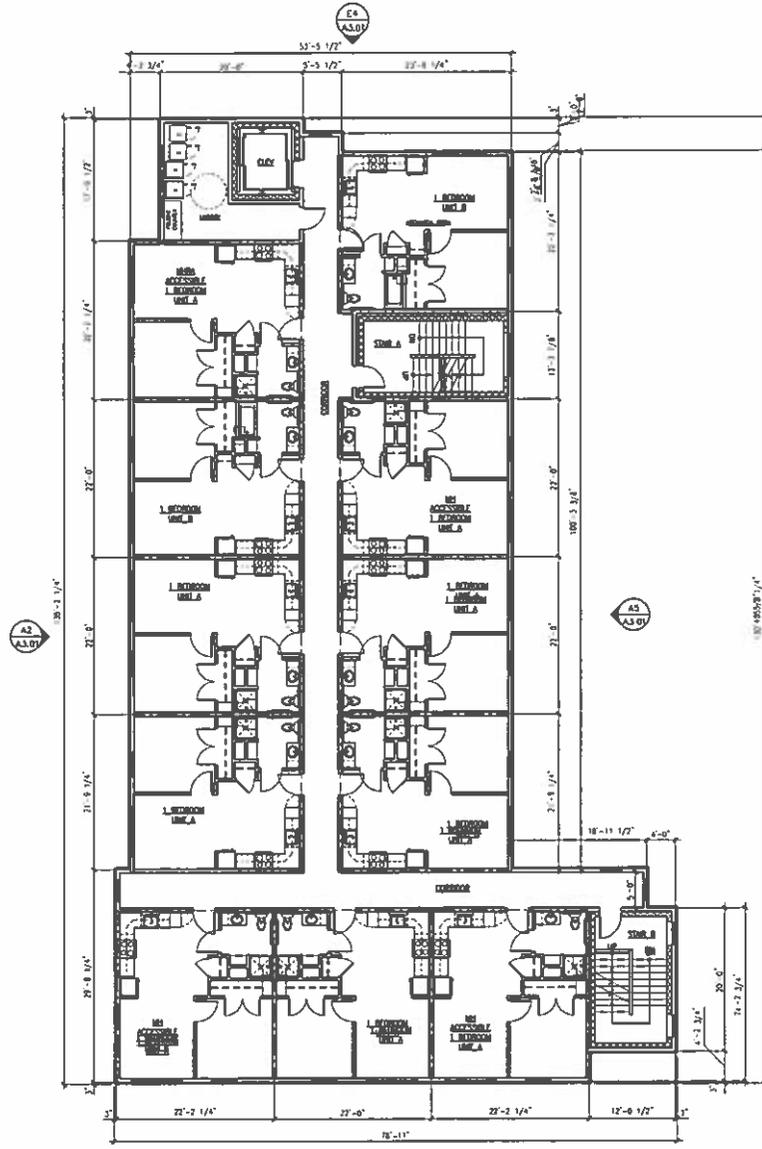
ALL UNITS DESIGNED WITH THE SAME LAYOUT FOR ADAPTABLE OR ACCESSIBLE UNIT. DESIGNATION OF ACCESSIBLE UNIT QUANTITY AND LOCATION TO BE PROVIDED WITH APPLICATION. ALL UNITS MEET DIMENSIONAL REQUIREMENTS.



**A5** THIRD FLOOR PLAN

SCALE: 1/8" = 1'-0"

REVISIONS	DRAWING	PROJECT	OWNER	DESIGNER	<p>CWS ARCHITECTS ARCHITECTURE   INTERIOR DESIGN</p> <p>434 Cambridge Avenue, Portland, ME 04101 OFFICE: 207.775.4441   CWSARCH.COM</p>
					<p>977 BRIGHTON AVE SENIOR APARTMENTS</p> <p>137 BRIGHTON AVE, PORTLAND, ME 04101</p>
DRAWING NUMBER		A1.30		SCALE	
AS NOTED		DATE		12/21/2014	




  
 FOURTH FLOOR PLAN  
 7684 SQ. FT.

ALL UNITS DESIGNED WITH THE SAME LAYOUT FOR ADAPTABLE OR ACCESSIBLE UNIT. DETERMINATION OF ACCESSIBLE UNIT QUANTITY AND LOCATION TO BE PROVIDED WITH APPLICATION. ALL UNITS MEET DIVERSITY REQUIREMENTS.

**A5** FOURTH FLOOR PLAN  
 SCALE: 1/8" = 1'-0"

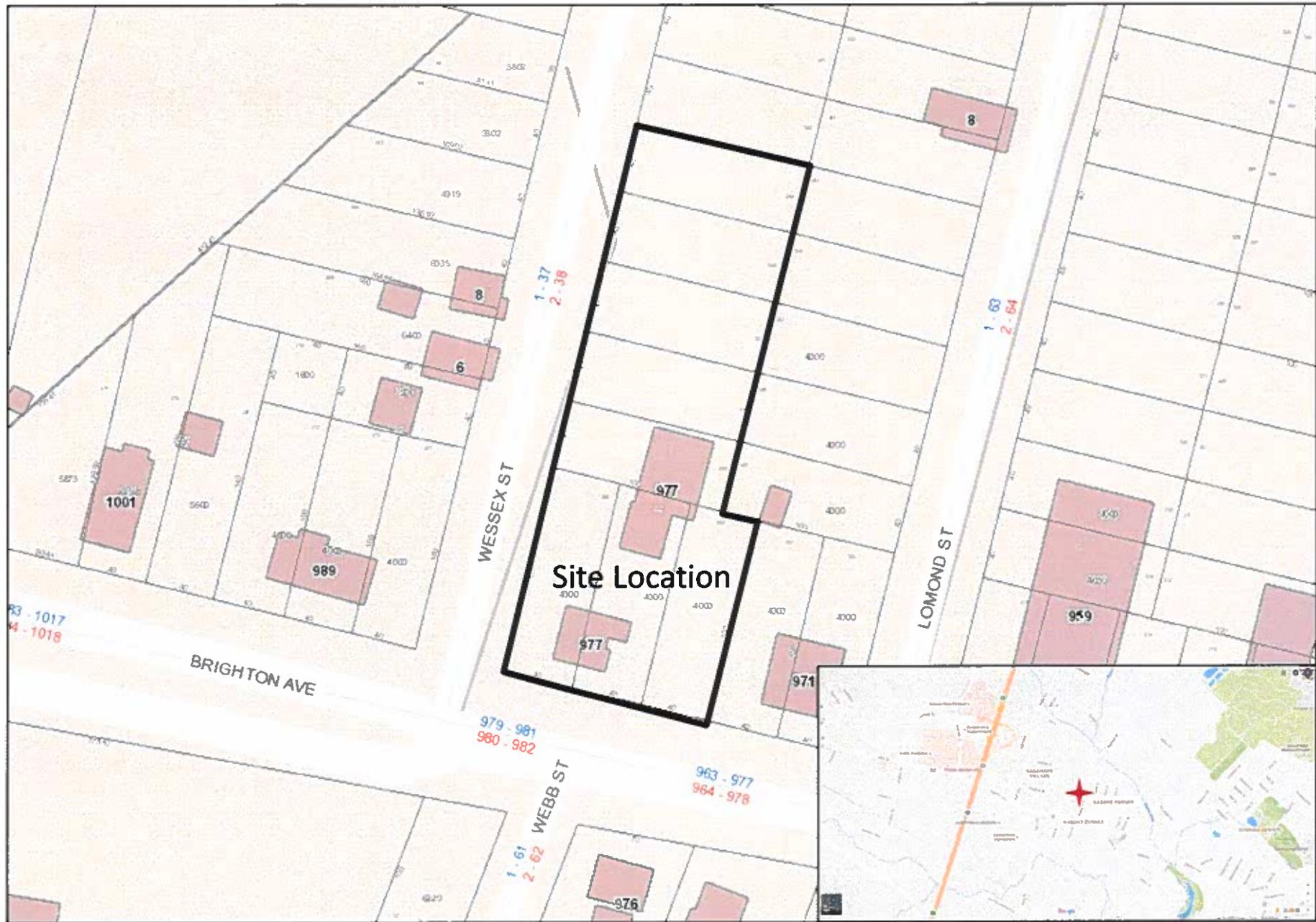
<b>CWS ARCHITECTS</b> ARCHITECTURE INTERIOR DESIGN 1711 Cambridge Avenue, Berkeley, CA 94709 OFFICE: 925.721.4444 FAX: 925.721.4444																					
<b>DESIGNER</b> CWS ARCHITECTS 1445 COLLETT AND AVENUE BERKELEY, CA 94709 P: 925.721.4444 WWW.CWSARCHITECTS.COM	<b>OWNER</b> AVESTA 977 BRIGHTON LP c/o AVESTA HOUSING 1475 UNIVERSITY AVENUE BERKELEY, CA 94709 P: 925.841.2200																				
<b>PROJECT</b> 977 BRIGHTON AVE SENIOR APARTMENTS 1475 UNIVERSITY AVENUE BERKELEY, CA 94709	<b>DRAWING</b> FOURTH FLOOR PLAN																				
<b>REVISIONS</b> <table border="1"> <tr><td> </td><td> </td></tr> </table>																					<b>DRAWING NUMBER</b> <b>A1.40</b> <b>SCALE:</b> AS NOTED <b>DATE:</b> 12/21/2017

**977 BRIGHTON AVENUE APARTMENTS**

**Project Completion Schedule**

Activity	Actual/Scheduled Date Month/Year
<b>A. SITE</b>	
Option/Contract	07/13/15
Site Acquisition	10/06/15
Municipal Approval	06/01/18
<b>B. FINANCING</b>	
Construction Loan Commitment	09/01/18
Permanent Loan Commitment	09/01/18
Other Sources Committed	12/01/18
<b>C. PLANS AND SPECIFICATIONS</b>	
50%	02/01/19
90%	03/01/19
100%	04/01/19
<b>D. CONSTRUCTION LOAN CLOSING</b>	<b>05/01/19</b>
<b>E. CONSTRUCTION START</b>	05/01/19
<b>F. SUBSTANTIAL COMPLETION</b>	05/01/20
<b>G. COMPLETION OF CONSTRUCTION</b>	<b>06/01/20</b>
<b>H. LEASE-UP</b>	
Lease-up Begins	<b>05/01/20</b>
Sustained (95%) Occupancy	<b>11/01/20</b>

# 977 Brighton Avenue, Portland, Me.



DEVELOPMENT ASSUMPTIONS						
Total Units		40	Inflation Adjustments	Yr 1-5	Yr. 6-15	Yr. 16-30
# @ 50% AMI (PBVs)	20.0%	8	Rent	2.00%	2.50%	2.00%
# @ 50% AMI (LIHTC/High HOME)	40.0%	16	Operating Expense	3.00%	3.00%	3.00%
# @ 60% AMI (LIHTC/High HOME)	0.0%	0	Other Income	2.00%	2.50%	2.00%
# @ 60% AMI (LIHTC)	25.0%	10	Debt Coverage Ratio	0.00		
# @ Market	15.0%	6	Vacancy	5%		
Appraised Market Value			Market Value/Unit	4,590,846		

LIHTC Alloc.	638,000
Equity yield	0.830
Synd. %	99.99%
Equity Raise	5,294,870

Historic Credit FED	0
Equity yield	0.99
Synd. %	99.99%
Equity Raise	0

Number of Tax-payers	1
Historic Credit STATE	0
Equity yield	0
Synd. %	99.99%
Equity Raise	0

Total Equity:	5,294,870
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Gross Square Footage	0
Construction Cost/Sq ft.	\$0

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PRO FORMA DEVELOPMENT BUDGET				
	Residential	Per Unit	Commercial	Total
Site Improvements	572,194	14,305		572,194
Construction	5,227,444	130,686		5,227,444
Solar	0	0		0
General Requirements	0	0		0
Builder Overhead	0	0		0
Builder Profit	0	0		0
Bond Premium	0	0		0
Construction Contingency	5% 289,982	7,250		289,982
<b>Subtotal Construction Costs</b>	<b>6,089,620</b>	<b>152,240</b>	<b>0</b>	<b>6,089,620</b>
Building Permits and Fees	81,936	2,048		81,936
Survey & Engineering	38,000	950		38,000
Architectural & Design	461,000	11,525		461,000
Legal	65,000	1,625		65,000
Title & Recording	5,885	147		5,885
Accounting	10,000	250		10,000
Construction Period Tax	12,000	300		12,000
Construction Period Insurance	12,000	300		12,000
<b>Subtotal Soft Costs</b>	<b>685,821</b>	<b>17,146</b>	<b>0</b>	<b>685,821</b>
Construction Loan Origination Fees	10,000	250		10,000
Construction Loan Interest	157,266	3,932		157,266
Letter of Credit Fee	3,630	91		3,630
Escrow Agent Fee	0	0		0
Perm Loan Commitment Fee	10,000	250		10,000
Construction Lender Legal	12,000	300		12,000
<b>Subtotal Finance Costs</b>	<b>192,896</b>	<b>4,822</b>	<b>0</b>	<b>192,896</b>
Market Survey	3,500	88		3,500
Appraisal	6,200	155		6,200
Environmental	12,700	318		12,700
LIHTC Fees	40,000	1,000		40,000
Soft Cost Contingency	25,000	625		25,000
3rd Party Consultants	18,000	450		18,000
FF&E	61,000	1,525		61,000
<b>Subtotal Miscellaneous</b>	<b>166,400</b>	<b>4,160</b>	<b>0</b>	<b>166,400</b>
Acquisition: Buildings	0	0		0
Acquisition: Land	280,000	7,000		280,000
Carrying Costs	0	0		0
<b>Subtotal Acquisition</b>	<b>280,000</b>	<b>7,000</b>	<b>0</b>	<b>280,000</b>
Operating Deficit Escrow	141,859	3,546		141,859
Pre-funded Replacements	52,274	1,307		52,274
Tax & Insurance Escrow	28,500	713		28,500
Developer Overhead	487,500	12,188		487,500
Developer Profit	0	0		0
Marketing & Rent-Up Reserve	40,000	1,000		40,000
<b>Subtotal Fee and Reserves</b>	<b>750,133</b>	<b>18,753</b>	<b>0</b>	<b>750,133</b>
<b>Total Development</b>	<b>8,164,870</b>	<b>204,122</b>	<b>0</b>	<b>8,164,870</b>

Notes:

MAXIMUM DEVELOPER FEE AVAILABLE	650,000
ACTUAL DEVELOPER FEE	1,208,430
% OF MAXIMUM DEVELOPER FEE	185.9%
NET DEVELOPER FEE COLLECTED	1,208,430
% OF MAXIMUM DEVELOPER FEE	185.9%

7,983,011

199,575

< 175000 = 4PTS

FLOW OF FUNDS									
Sources	CLC	During Construction				PLC	Mar-21	Aug-21	Total
	May-19	Jul-19	Oct-19	Jan-20	Apr-20	Jul-20			
Beginning Cash	0	0	0	0	0	0	0	0	0
Capital Contribution	1,058,974		1,058,974			2,956,922	170,000	50,000	5,294,870
Construction Loan	406,143	1,272,405	213,431	1,522,405	1,522,405				4,936,788
GP Bridge Loan									0
MSHA Subsidy									0
MSHA Amortizing Mortgage						0			0
AHP Grant	0	250,000	250,000						500,000
AHP Loan						2,070,000			2,070,000
City HOME	0	0				300,000			300,000
Solar Equity	0	0				0			0
Other: Sponsor Loan	0								0
Other									0
Development Fee Loan	0								0
<b>TOTAL SOURCES</b>	<b>1,465,117</b>	<b>1,522,405</b>	<b>1,522,405</b>	<b>1,522,405</b>	<b>1,522,405</b>	<b>5,326,922</b>	<b>170,000</b>	<b>50,000</b>	<b>13,101,659</b>
<b>Uses</b>									
Acquisition	280,000								280,000
Construction		1,522,405	1,522,405	1,522,405	1,522,405				6,089,620
Soft Costs	685,821								685,821
Financing Costs	192,896								192,896
Miscellaneous	166,400					40,000			206,400
Dev Fee	140,000					127,500	170,000	50,000	487,500
Reserves						222,633			222,633
<b>TOTAL DEV. COSTS</b>	<b>1,465,117</b>	<b>1,522,405</b>	<b>1,522,405</b>	<b>1,522,405</b>	<b>1,522,405</b>	<b>390,133</b>	<b>170,000</b>	<b>50,000</b>	<b>8,164,870</b>
Repay GP Bridge Loan						0			0
Repay Construction Loan						4,936,788			4,936,788
SUBTOTAL OTHER ITEMS	0	0	0	0	0	4,936,788	0	0	4,936,788
<b>TOTAL USES OF FUNDS</b>	<b>1,465,117</b>	<b>1,522,405</b>	<b>1,522,405</b>	<b>1,522,405</b>	<b>1,522,405</b>	<b>5,326,922</b>	<b>170,000</b>	<b>50,000</b>	<b>13,101,658</b>
Ending Cash	0	0	0	0	0	0	0	0	0

PROJECT FINANCING								
Source	Amount	Rate	Term	Lien	Annual D/S			
					Yr. 1-5	Yr. 6-15	Yr. 16-30	
Source 1:	MSHA Subsidy	0	0.00%	30		0	0	0
Source 2	MSHA Interest Only Mortgage	0	6.00%	30		0	0	0
Source 3	AHP Grant	500,000	0.00%	30	Co-First	0	0	0
Source 4	AHP Loan	2,070,000	3.50%	30	First	112,934	112,934	112,934
Source 5	City HOME	300,000	0.00%	30	Co-First		Grant	
Source 6	Solar Equity	0						
Source 7	Other: Sponsor Loan							
Source 8	Development Fee Loan	0					Cash Flow	
Source 9	Net Syndication	5,294,870	\$0.83					
	Capitalization Gap (Surplus)	(0)						
	<b>Total</b>	<b>8,164,870</b>						


\$0.0706

PROPOSED RENT SCHEDULE								
Type	AMI	# Units	Rents from Applicant	Program Max Rents	Gross Rent	Market Rent	Utility Allow	Total Rent
Efficiency	50% PBVs	0		911	911	\$955	0	0
	50% LIHTC	0		718	718	\$955	0	0
	60% HOME						0	0
	60% LIHTC	0		862	862	\$955	0	0
0	Market						0	
1BR	50% PBVs	8		1028	1,028	\$1,050		98,688
	50% LIHTC	16		770	770	\$1,050	0	147,840
	60% HOME					\$1,050		0
	60% LIHTC	10		924	924	\$1,050	0	110,880
40	Market	6			1,050		75,600	
2BR	50% HOME						0	0
	50% LIHTC			923	923	\$1,250	0	0
	60% HOME						0	0
	60% LIHTC			1108	1,108	\$1,250	0	0
0	Market						0	
3BR	50% HOME						0	0
	50% LIHTC						0	0
	60% HOME						0	0
	60% LIHTC						0	0
0	Market						0	
4BR	50% HOME						0	0
	50% LIHTC						0	0
	60% HOME						0	0
	60% LIHTC						0	0
0	Market						0	
Other:							0	
								0
Subtotals		40						433,008
			Other Income		Laundry			3,156
			Vacancy Rate		5%			(21,808)
			Other Income		TIF	65%		30,765
			Effective Gross Income					445,120

#DIV/0!  
current taxes 4,670

OPERATING EXPENSES			
Expense	Annual	Annual Per Unit	Monthly Per Unit
<b>Administrative Expenses:</b>			
Management Fees	24,672	617	51
Management Charges	24,672	617	51
Marketing Expenses	0	0	0
Legal Expenses	1,500	38	3
Auditing Expenses	5,000	125	10
Bad Debts	0	0	0
Other Administrative Expenses	6,000	150	13
<b>Administrative Expenses</b>	<b>61,844</b>	<b>1,546</b>	<b>129</b>
<b>Operating Expenses:</b>			
Janitorial Payroll	0	0	0
Janitorial Supplies and Equipment	0	0	0
Janitorial Contractual Services	6,600	165	14
Fuel and Gas	18,000	450	38
Electricity	34,000	850	71
Water and Sewer	16,000	400	33
Garbage and Trash Removal	4,000	100	8
Vehicle and Equipment Expenses	0	0	0
Other Operating Expenses	0	0	0
<b>Operating Expenses</b>	<b>78,600</b>	<b>1,965</b>	<b>164</b>
<b>Maintenance Expenses:</b>			
Grounds Maintenance Payroll	0	0	0
Grounds Tools and Supplies	0	0	0
Grounds Contractual Services	25,000	625	52
Miscellaneous Ground Maintenance	0	0	0
Tenant Damage Charges - Grounds	0	0	0
Building Maintenance Payroll	0	0	0
Building Tools and Supplies	5,000	125	10
Building Contractual Services	20,000	500	42
Building Systems Maintenance	25,000	625	52
Miscellaneous Building Maintenance	0	0	0
Tenant Damage Charges - Building	0	0	0
<b>Maintenance Expenses</b>	<b>75,000</b>	<b>1,875</b>	<b>156</b>
<b>General Expenses:</b>			
Property Taxes	52,000	1,300	108
Property and Liability Insurance	15,000	375	31
Tenant Computer Network Expense		0	0
Tenant Service Expenses	12,199	305	25
<b>General Expenses</b>	<b>79,199</b>	<b>1,980</b>	<b>165</b>
Replacement Reserve Funding	18,000	450	38
Commercial Expenses (if applicable)		0	0
<b>Total</b>	<b>312,643</b>	<b>7,816</b>	<b>651</b>

AFFORDABLE MORTGAGE CALCULATION	
Effective Gross Income	445,120
Annual Operating Expense	312,643
Stabilized NOI	132,477
DSC	
\$ Avail for D/S	
Other DS	112,934
Balance	1.17
Affordable Mortgage	

BREAKEVEN ANALYSIS	RENT SENSITIVITY		OCCUPANCY	
	Total		Annual	
Operating Expense	312,643		Gross Revenues	466,929
Debt Service	112,934			
Breakeven Rent	887		Breakeven Occupancy	91%

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT												
5 Months												
	7/24/20	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25	12/31/26	12/31/27	12/31/28	12/31/29	12/31/30
Effective Gross Income		185,467	445,120	454,023	463,103	472,365	481,813	493,858	506,204	518,859	531,831	545,127
Less Operating Expense		130,268	312,643	322,022	331,683	341,634	351,883	362,439	373,312	384,512	396,047	407,928
Net Operating Income		55,199	132,477	132,000	131,420	130,732	129,930	131,419	132,892	134,348	135,784	137,198
Less RLP Repay			0	0	0	0	0	0	0	0	0	0
Less Other Repay		47,056	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934
Cash Flow		8,143	19,543	19,066	18,486	17,798	16,996	18,485	19,958	21,414	22,850	24,264
Cash Flow per Unit		489	489	477	462	445	425	462	499	535	571	607
Debt Coverage Ratio(RLP)		1.17	1.17	1.17	1.16	1.16	1.15	1.16	1.18	1.19	1.20	1.21
Operating Reserve Balance	141,859	148,952	156,400	164,220	172,431	181,052	190,105	199,610	209,590	220,070	231,073	242,627

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued												
Yr 15												
	1/1/32	12/31/32	12/31/33	12/31/34	1/1/36	12/31/36	12/31/37	12/31/38	1/1/40	12/31/40	12/31/41	
Effective Gross Income	558,755	572,724	587,042	601,718	616,761	629,096	641,678	654,511	667,602	680,954	694,573	
Less Operating Expense	420,166	432,771	445,754	459,127	472,901	487,088	501,701	516,752	532,254	548,222	564,668	
Net Operating Income	138,589	139,952	141,287	142,591	143,860	142,008	139,977	137,760	135,348	132,732	129,904	
Less RLP Repay	0	0	0	0	0	0	0	0	0	0	0	
Less Other Repay	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	
Cash Flow	25,655	27,019	28,353	29,657	30,926	29,074	27,043	24,826	22,414	19,798	16,971	
Cash Flow per Unit	641	675	709	741	773	727	676	621	560	495	424	
Debt Coverage Ratio(RLP)	1.23	1.24	1.25	1.26	1.27	1.26	1.24	1.22	1.20	1.18	1.15	
Operating Reserve Balance	242,627	254,758	267,496	280,871	294,915	309,660	325,143	341,401	358,471	376,394	395,214	414,975

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued										
	12/31/42	1/1/44	12/31/44	12/31/45	12/31/46	1/1/48	12/31/48	12/31/49	7/30/50	
Effective Gross Income	708,464	722,634	737,086	751,828	766,864	782,202	797,846	813,803	484,213	
Less Operating Expense	581,608	599,057	617,028	635,539	654,605	674,244	694,471	715,305	429,779	
Net Operating Income	126,856	123,577	120,058	116,289	112,259	107,958	103,375	98,498	54,434	
Less RLP Repay	0	0	0	0	0	0	0	0	0	
Less Other Repay	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	
Cash Flow	13,922	10,643	7,124	3,355	(675)	(4,976)	(9,559)	(14,436)	(58,500)	
Cash Flow per Unit	348	266	178	84	(17)	(124)	(239)	(361)	(2,507)	
Debt Coverage Ratio(RLP)	1.12	1.09	1.06	1.03	0.99	0.96	0.92	0.87	0.48	
Operating Reserve Balance	414,975	435,723	457,510	480,385	504,404	528,950	550,422	568,384	582,367	552,985



**To:** Mary Davis, City of Portland  
**From:** Anne Boynton, Urban Ventures, Inc.  
**Re:** 977 Brighton Ave, proposed by Avesta  
**Date:** June 12, 2018

## Executive Summary

Avesta requests \$300,000 in HOME funding and a 75% TIF to support their development of a 40 unit new construction senior apartment complex at 977 Brighton Ave. Avesta purchased the site proposed for this development in 2015. The lots currently contain a house and a garage, which will both be demolished. Though the area is suburban, the site is a short walk from the Pine Tree Shopping Center, providing access to a pharmacy and other shopping and dining options, and is less than 1/10<sup>th</sup> of a mile from a bus stop.

## Sources and Uses

AHP loan	\$2,070,000	Construction (incl. site & contingency)	\$6,089,620
AHP grant	\$500,000	Soft costs (incl financing & contingency)	\$1,045,117
LIHTC Equity	\$5,294,870	Acquisition	\$280,000
City of Portland HOME	\$300,000	Pre funded Reserves	\$262,633
		Developer Fee	<u>\$487,500</u>
Total Sources:	\$8,164,870	Total Uses:	\$8,164,870

Avesta has received a commitment of funds for the AHP loan and \$500,000 grant. Bangor Savings has issued a term sheet for both construction and permanent first mortgages. Avesta plans to submit an application for 9% LIHTCs in the upcoming round opening in September. Avesta seeks the \$300,000 HOME and 75% TIF to support the application for LIHTCs.

For analysis of "Uses," see Development Budget.

## Development Budget

### Construction Costs:

Construction costs are based on a letter of estimate from CWS Architects. This is a very broad brush estimate, without even a break out of demolition, site improvements, and anticipated cost per square foot for improvements provided in the architect's letter. However, based on Avesta's break out of site work, the estimated \$170/sq foot for improvements should be more than sufficient for a pretty straightforward design and should accommodate some price inflation prior to construction start.

### Soft Costs:

Soft costs are in the range of normal, with a few exceptions. Architectural seems high for a straightforward design, and the relatively small number of units drives the per unit architectural expense up to over \$11,000 per unit. This does include \$45,000 for owner's representative construction management, which is typically a good investment in quality construction and smooth construction

process, with minimal change orders. FF&E is also high at \$61,000, which is \$1,525 per unit. This is \$25,000 for security cameras, \$6,000 for custodial equipment, and \$30,000 for common area and exterior furnishings. Since the “common area” is a single office and one interior lobby, plus exterior space, that seems quite high.

#### *Contingency:*

Contingency is budgeted at standard 5% for construction and a minimalist \$25,000 for soft costs. These are insufficient given the stage of development. However, the construction figure seems high enough to cover a range of unanticipated price increases, and from a practical perspective, I consider much of the FF&E item to be contingency.

#### *Acquisition:*

Avesta proposes to sell the sites to the LLC for \$280,000. Their acquisition price was \$283,000. The assessed value is \$291,100. While this seems a fair price, an appraisal supporting that price is a condition of any recommendation.

### Operating Budget & 20 Year Cashflow Projection

#### *Project Income:*

Avesta plans a mixed income building, with 24 units for households below 50% AMI (\$770 LIHTC, \$1,028 w Project Based Vouchers), 10 units for households below 60% AMI (\$924/mo), and 6 market rate units (\$1,050/mo). Avesta has a commitment for 8 project based vouchers from the Housing Authority to provide a deeper subsidy for 8 of the 24 households at 50% AMI. Consistent with Portland policy, 4 units must house homeless seniors.

#### *Operating Expense*

The budgeted per unit operating cost appears high at \$8,122, however, factoring out the TIF shows operating expenses of \$6,918 per unit, which is in the middle range for affordable housing. Supportive services are budgeted consistent with Maine Housings requirements at \$12,199. Utilities are generously budgeted at \$1,700 per unit per year for 600 sq foot units of new construction meeting green standards. Maintenance also seems high at \$2,140 for newly constructed, small, senior units, including \$25,000 for grounds. They will be able to operate a bit leaner than these costs suggest.

#### *20 Year Cashflow & Debt Service Coverage Ratio (DSCR)*

Cashflow starts out at a comfortable 1.22 DSCR in year one with a 5% vacancy. However, with industry standard inflators of 2% for income and 3% for expenses, the cashflow gradually erodes. By year 20, DSCR is down to 1.05. Avestas projections show positive cashflow for 20 years by using a 2.5% income inflator for years 6-15. Creating positive cashflow by using more aggressive income inflators puts project success in the hands of one variable the developer does NOT control – increases in market price of rent. If, on the other hand, Avesta can find a way to trim maintenance from \$2,140 to \$2,015 per unit per year (for instance, trim grounds expense from \$25,000 to \$20,000), the year 1 DSCR is 1.26 and is 1.13 in year 20. There are ways the developer can control both the operating expenses and the rent revenue (out performing the budgeted 5% vacancy rate) which will support positive cashflow which don't require aggressive assumptions regarding income inflation.

## Developer Financials

Avesta is in good, and improving, financial condition. Avesta has provided audits for 2014, 2015, 2016, and internal financial statements for 2017. Prior year audits have been received by Avesta in late May or early June, so while not ideal to review unaudited financials for 2017, it is not out of line with the timing of audit finalization in prior years.

Current assets in 2016 of \$9.6 million (audited) rise to \$11.8 million in 2017 (unaudited), while current liabilities in 2016 of \$4.9 million (audited) rise to \$6.1 million 2017 (unaudited). The resulting Current Ratios (current assets divided by current liabilities) are healthy for their scale of operations -- 1.97 (2016 audited) and 1.93 (2017 unaudited). Net assets were \$123 million in 2016 (audited) and \$132 million in 2017 (unaudited). There has been significant sustained growth in net assets – which have more than doubled in the 5 years since 2012, when net assets were \$66 million. In 2017, revenue continued to grow and exceed budget while operating expenses were held under budget. Depreciation resulted in a paper loss of \$2,973,841, which is typical for a company with this financial structure, but this paper loss was more than outweighed by the growth in real estate equity.

This developer has the financial capacity to intervene in a development facing unexpected set backs and or cost over-runs to keep the development process moving forward. Their financial strength as an organization mitigates the risk of the thin soft cost contingency and the possibility of leaner than projected operating surpluses.

## Recommendations

Subject to availability of funding, I recommend a loan in the amount of \$300,000, zero percent interest, payment deferred for 30 years, and a 75% TIF, with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Satisfactory review of relocation budget.
3. Satisfactory appraisal

# Development Budget with Permanent Sources

Date 6/7/2018  
 Project Name 977 Brighton  
 Project Address 977 Brighton  
 Developer/Sponsor Avesta

Total Units 40  
 Total Square Feet 30,736

	<u>Total</u>	<u>Per Unit</u>	<u>Per Sq Ft</u>
<b>Sources of Funds</b>			
Permanent Financing - AHP Loan	\$2,070,000	\$51,750	\$67
AHP Grant	\$500,000	\$12,500	\$16
Equity (net LIHTC proceeds)	\$5,294,870	\$132,372	\$172
Deferred development fee	\$0	\$0	\$0
City of Portland HOME	\$300,000	\$7,500	\$10
Other		\$0	\$0
<b>Total Sources of Funds</b>	<b>\$8,164,870</b>	<b>\$204,122</b>	<b>\$266</b>

## Uses of Funds

<b>Hard Costs</b>			
Site Improvements	\$572,194	\$14,305	\$19
Rehabilitation		\$0	\$0
New Construction	\$5,227,444	\$130,686	\$170
Contractor's Profit, Overhead, & Gen. Requirements	0.0%	\$0	\$0
Hazardous Materials abatement (if contracted separately)		\$0	\$0
Demolition Cost (if contracted separately)		\$0	\$0
Bond Premium		\$0	\$0
Other		\$0	\$0
Hard Cost Contingency (% of hard costs)	5.0%	\$289,982	\$7,250
<b>Total Hard Costs</b>	<b>\$6,089,620</b>	<b>\$152,241</b>	<b>\$198</b>

<b>Soft Costs</b>			
Building Permit & Fees	\$81,936	\$2,048	\$3
Survey & Engineering	\$38,000	\$950	\$1
Design & Permitting (% of const exp)	8.6%	\$461,000	\$11,525
Borrower Legal (all closings, excluding syndication legal)	\$65,000	\$1,625	\$2
Title & Recording	\$5,885	\$147	\$0
Accounting	\$10,000	\$250	\$0
Construction Period Taxes	\$12,000	\$300	\$0
Construction Period Insurance	\$12,000	\$300	\$0
Other: FF&E, Security	\$61,000	\$1,525	\$2
Other		\$0	\$0
<b>Total Soft Costs</b>	<b>\$746,821</b>	<b>\$18,671</b>	<b>\$24</b>

<b>Financing Costs</b>			
Construction Loan Origination Fees	\$10,000	\$250	\$0
Construction Period Interest	\$157,266	\$3,932	\$5
Lender Inspection Fees	\$3,630	\$91	\$0

Letter of Credit Fee		\$0	\$0
Permanent Loan Fee	\$10,000	\$250	\$0
Construction Lender Legal	\$12,000	\$300	\$0
Other	\$0	\$0	\$0
<b>Total Financing Costs</b>	<b>\$192,896</b>	<b>\$4,822</b>	<b>\$6</b>

<b>Miscellaneous</b>			
Market Survey	\$3,500	\$88	\$0
Appraisal	\$6,200	\$155	\$0
Environmental Study	\$12,700	\$318	\$0
LIHTC Fees -- prepaid monitoring	\$40,000	\$1,000	\$1
Other: Commissioning		\$0	\$0
Relocation Costs	\$0	\$0	\$0
Other -- 3rd Party Consultants	\$18,000	\$450	\$1
Soft Cost Contingency (% of soft costs excl Dev Fee)	1.43%	\$25,000	\$625
<b>Total Miscellaneous:</b>	<b>\$105,400</b>	<b>\$2,635</b>	<b>\$10</b>

<b>Acquisition</b>			
Acquisition: Buildings	\$0	\$0	\$0
Acquisition: Land	\$280,000	\$7,000	\$9
Acquisition: Legal	\$0	\$0	\$0
Other	\$0	\$0	\$0
<b>Total Acquisition</b>	<b>\$280,000</b>	<b>\$7,000</b>	<b>\$9</b>

<b>Reserves and Developer Fee</b>			
Operating Deficit Escrow	\$141,859	\$3,546	\$5
Prefunded Replacement Reserve	\$52,274	\$1,307	\$2
Taxes & Insurance Escrow	\$28,500	\$713	\$1
Developer Overhead	\$487,500	\$12,188	\$16
Developer Profit		\$0	\$0
Rent Up Reserve & Marketing	\$40,000	\$1,000	\$1
Other	\$0	\$0	\$0
<b>Total Reserves and Developer Fee</b>	<b>\$750,133</b>	<b>\$18,753</b>	<b>\$24</b>

<b>Total Uses of Funds</b>	<b>\$8,164,870</b>	<b>\$204,122</b>	<b>\$272</b>
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Developer Fee Analysis:            Total Fees: \$487,500  
Percent of TDC:            6.54% (excluding reserves & developer fee)

# Project Operating Pro Forma

Date	June 12, 2018
Project Name	977 Brighton
Project Address	977 Brighton
Developer/Sponsor	Avesta

## Rental Income

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
1 BR	8		0	50%	\$1,028	\$0		\$1,028	#DIV/0!	\$8,224	\$98,688
1 BR	16		0	50%	\$770	\$0		\$770	#DIV/0!	\$12,320	\$147,840
1 BR	10		0	60%	\$924	\$0		\$924	#DIV/0!	\$9,240	\$110,880
1 BR	6		0	market	\$1,050	\$0		\$1,050	#DIV/0!	\$6,300	\$75,600
2 BR			0	50%				\$0	#DIV/0!	\$0	\$0
2 BR			0	60%				\$0	#DIV/0!	\$0	\$0
3 BR			0	50%				\$0	#DIV/0!	\$0	\$0
3 BR			0	60%				\$0	#DIV/0!	\$0	\$0
4 BR			0	50%				\$0	#DIV/0!	\$0	\$0
4 BR			0	60%				\$0	#DIV/0!	\$0	\$0
Other			0	50%				\$0	#DIV/0!	\$0	\$0
Other			0	60%				\$0	#DIV/0!	\$0	\$0
<b>Total:</b>	<b>40</b>		<b>0</b>							<b>\$36,084</b>	<b>\$433,008</b>

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

Note: Year 1 is the first full year of stabilized operations

	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
<b>Income</b>												
Sch. Gross Income - Residential	\$433,008	\$10,825	\$441,668	\$450,502	\$459,512	\$468,702	\$478,076	\$487,637	\$497,390	\$507,338	\$517,485	
Vacancy Loss	5.0%	(\$21,650)	(\$541)	(\$22,083)	(\$22,525)	(\$22,976)	(\$23,435)	(\$23,904)	(\$24,382)	(\$24,870)	(\$25,367)	(\$25,874)
Other income (laundry)	\$2,998	\$75	\$3,058	\$3,119	\$3,182	\$3,245	\$3,310	\$3,376	\$3,444	\$3,513	\$3,583	
TIF -- 75% requested	\$48,171	\$1,204	\$49,616	\$51,105	\$52,638	\$54,217	\$55,843	\$57,519	\$59,244	\$61,022	\$62,852	
<b>Effective Gross Income</b>	<b>\$462,527</b>	<b>\$11,563</b>	<b>\$472,259</b>	<b>\$482,200</b>	<b>\$492,355</b>	<b>\$502,729</b>	<b>\$513,326</b>	<b>\$524,151</b>	<b>\$535,209</b>	<b>\$546,505</b>	<b>\$558,046</b>	

<b>Administrative</b>											
Management Fee	\$24,672	\$617	\$25,412	\$26,175	\$26,960	\$27,769	\$28,602	\$29,460	\$30,343	\$31,254	\$32,191
Management Charges	\$24,672	\$617	\$25,412	\$26,175	\$26,960	\$27,769	\$28,602	\$29,460	\$30,343	\$31,254	\$32,191
Marketing Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal	\$1,500	\$38	\$1,545	\$1,591	\$1,639	\$1,688	\$1,739	\$1,791	\$1,845	\$1,900	\$1,957
Audit & Accounting	\$5,000	\$125	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Admin Other	\$6,000	\$150	\$6,180	\$6,365	\$6,556	\$6,753	\$6,956	\$7,164	\$7,379	\$7,601	\$7,829
<b>Total Administrative</b>	<b>\$61,844</b>	<b>\$1,546</b>	<b>\$63,699</b>	<b>\$65,610</b>	<b>\$67,579</b>	<b>\$69,606</b>	<b>\$71,694</b>	<b>\$73,845</b>	<b>\$76,060</b>	<b>\$78,342</b>	<b>\$80,692</b>

<b>Supportive Services</b>	\$12,199	\$305	\$12,565	\$12,942	\$13,330	\$13,730	\$14,142	\$14,566	\$15,003	\$15,453	\$15,917
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<b>Utilities</b>											
Fuel Oil	\$18,000	\$450	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802	\$23,486
Natural Gas		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric	\$34,000	\$850	\$35,020	\$36,071	\$37,153	\$38,267	\$39,415	\$40,598	\$41,816	\$43,070	\$44,362
Water / Sewer	\$16,000	\$400	\$16,480	\$16,974	\$17,484	\$18,008	\$18,548	\$19,105	\$19,678	\$20,268	\$20,876
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Utilities</b>	<b>\$68,000</b>	<b>\$1,700</b>	<b>\$70,040</b>	<b>\$72,141</b>	<b>\$74,305</b>	<b>\$76,535</b>	<b>\$78,831</b>	<b>\$81,196</b>	<b>\$83,631</b>	<b>\$86,140</b>	<b>\$88,725</b>

<b>Maintenance</b>	<b>Year 1</b>	<b>Year 1/Unit</b>	<b>Year 2</b>	<b>Year 3</b>	<b>Year 4</b>	<b>Year 5</b>	<b>Year 6</b>	<b>Year 7</b>	<b>Year 8</b>	<b>Year 9</b>	<b>Year 10</b>
Grounds	\$25,000	\$625	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$30,747	\$31,669	\$32,619
Janitorial	\$6,600	\$165	\$6,798	\$7,002	\$7,212	\$7,428	\$7,651	\$7,881	\$8,117	\$8,361	\$8,612
Trash Removal	\$4,000	\$100	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219
Security		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment & Supplies	\$5,000	\$125	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Maintenance	\$25,000	\$625	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$30,747	\$31,669	\$32,619
Maintenance contracts (HVAC, e	\$20,000	\$500	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335	\$26,095
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Maintenance</b>	<b>\$85,600</b>	<b>\$2,140</b>	<b>\$88,168</b>	<b>\$90,813</b>	<b>\$93,537</b>	<b>\$96,344</b>	<b>\$99,234</b>	<b>\$102,211</b>	<b>\$105,277</b>	<b>\$108,436</b>	<b>\$111,689</b>

<b>Taxes &amp; Insurance</b>											
Real Estate Taxes or PILOT	\$64,229	\$1,606	\$66,156	\$68,141	\$70,185	\$72,290	\$74,459	\$76,693	\$78,994	\$81,363	\$83,804
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$15,000	\$375	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Taxes &amp; Insurance</b>	<b>\$79,229</b>	<b>\$1,981</b>	<b>\$81,606</b>	<b>\$84,054</b>	<b>\$86,576</b>	<b>\$89,173</b>	<b>\$91,848</b>	<b>\$94,604</b>	<b>\$97,442</b>	<b>\$100,365</b>	<b>\$103,376</b>

<b>Replacement Reserves</b>	\$18,000	\$450	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802	\$23,486
<b>Operating Reserves</b>		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

<b>Total Expenses</b>	<b>\$324,872</b>	<b>\$8,122</b>	<b>\$334,618</b>	<b>\$344,657</b>	<b>\$354,996</b>	<b>\$365,646</b>	<b>\$376,616</b>	<b>\$387,914</b>	<b>\$399,552</b>	<b>\$411,538</b>	<b>\$423,884</b>
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<b>Net Operating Income</b>	<b>\$137,655</b>	<b>\$3,441</b>	<b>\$137,641</b>	<b>\$137,544</b>	<b>\$137,359</b>	<b>\$137,083</b>	<b>\$136,710</b>	<b>\$136,236</b>	<b>\$135,657</b>	<b>\$134,967</b>	<b>\$134,161</b>
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<b>Debt Service</b>											
First Lien	\$112,934	\$2,823	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934
Second Lien		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Debt Service (Must Pay)</b>	<b>\$112,934</b>	<b>\$2,823</b>	<b>\$112,934</b>								

Cash Flow (after Must Pay Debt)	\$24,721	\$618	\$24,707	\$24,610	\$24,425	\$24,149	\$23,776	\$23,302	\$22,723	\$22,033	\$21,227
<b>Debt Service Coverage Ratio</b>	<b>1.22</b>		<b>1.22</b>	<b>1.22</b>	<b>1.22</b>	<b>1.21</b>	<b>1.21</b>	<b>1.21</b>	<b>1.20</b>	<b>1.20</b>	<b>1.19</b>

<b>Cash Flow Debt Payments</b>											
City of Portland	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Cash Flow Retained by Project</b>		<b>\$24,721</b>	<b>\$618</b>	<b>\$24,707</b>	<b>\$24,610</b>	<b>\$24,425</b>	<b>\$24,149</b>	<b>\$23,776</b>	<b>\$23,302</b>	<b>\$22,723</b>	<b>\$21,227</b>

Retained Cash Flow % 8%

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
<b>Income</b>										
Sch. Gross Income - Residential	\$527,834	\$538,391	\$549,159	\$560,142	\$571,345	\$582,772	\$594,427	\$606,316	\$618,442	\$630,811
<u>Vacancy Loss</u> 5.0%	(\$26,392)	(\$26,920)	(\$27,458)	(\$28,007)	(\$28,567)	(\$29,139)	(\$29,721)	(\$30,316)	(\$30,922)	(\$31,541)
Other income (laundry)	\$3,655	\$3,728	\$3,802	\$3,878	\$3,956	\$4,035	\$4,116	\$4,198	\$4,282	\$4,368
TIF -- 75% requested	\$64,738	\$66,680	\$68,680	\$70,741	\$72,863	\$75,049	\$77,300	\$79,619	\$82,008	\$84,468
<b>Effective Gross Income</b>	<b>\$569,835</b>	<b>\$581,879</b>	<b>\$594,184</b>	<b>\$606,754</b>	<b>\$619,597</b>	<b>\$632,717</b>	<b>\$646,122</b>	<b>\$659,817</b>	<b>\$673,810</b>	<b>\$688,106</b>

<b>Administrative</b>										
Advertising	\$33,157	\$34,152	\$35,176	\$36,232	\$37,319	\$38,438	\$39,591	\$40,779	\$42,002	\$43,263
Office Payroll & Benefits	\$33,157	\$34,152	\$35,176	\$36,232	\$37,319	\$38,438	\$39,591	\$40,779	\$42,002	\$43,263
Office Supplies, Phone, Misc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mngr or Super Rent Free Unit	\$2,016	\$2,076	\$2,139	\$2,203	\$2,269	\$2,337	\$2,407	\$2,479	\$2,554	\$2,630
Audit & Accounting	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264	\$8,512	\$8,768
Admin Other	\$8,063	\$8,305	\$8,555	\$8,811	\$9,076	\$9,348	\$9,628	\$9,917	\$10,215	\$10,521
<b>Total Administrative</b>	<b>\$83,113</b>	<b>\$85,607</b>	<b>\$88,175</b>	<b>\$90,820</b>	<b>\$93,545</b>	<b>\$96,351</b>	<b>\$99,241</b>	<b>\$102,219</b>	<b>\$105,285</b>	<b>\$108,444</b>

<b>Supportive Services</b>	\$16,394	\$16,886	\$17,393	\$17,915	\$18,452	\$19,006	\$19,576	\$20,163	\$20,768	\$21,391
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<b>Utilities</b>										
Fuel Oil	\$24,190	\$24,916	\$25,664	\$26,434	\$27,227	\$28,043	\$28,885	\$29,751	\$30,644	\$31,563
Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas	\$45,693	\$47,064	\$48,476	\$49,930	\$51,428	\$52,971	\$54,560	\$56,197	\$57,883	\$59,619
Water / Sewer	\$21,503	\$22,148	\$22,812	\$23,497	\$24,201	\$24,927	\$25,675	\$26,446	\$27,239	\$28,056
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total Utilities</b>	<b>\$91,386</b>	<b>\$94,128</b>	<b>\$96,952</b>	<b>\$99,860</b>	<b>\$102,856</b>	<b>\$105,942</b>	<b>\$109,120</b>	<b>\$112,394</b>	<b>\$115,765</b>	<b>\$119,238</b>





Jeff Levine, AICP  
Director, Planning & Urban Development Department

## Memorandum

**To:** Housing Committee  
**From:** Jeff Levine, Director  
**Date:** June 21, 2018  
**Re:** Hotel Linkage – Revised Nexus Study and Draft Ordinance

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As per your direction at your June 5, 2018, meeting, we have worked with the Greater Portland Council of Governments to revise their nexus study and also drafted a proposed ordinance based on that study. Both are attached.

The nexus study revisions were based on three major comments, which are repeated with their responses and staff comments below:

- *Income needed to afford rent seems low.* GPCOG used Maine Housing data in the initial memo. To address the concern of the subcommittee they added language about the limitations of the Maine Housing data.
- *Static Affordability Gap.* The methodology used to address the affordability gap only covers a single year because it is using annual salary as the basis for the calculation. To research the answer to this question, GPCOG staff reached out to Karl Seidman, a consultant who has completed several of these studies throughout the country, to ask how he would approach this issue. He said the methodology is rational and perhaps we could use a financing guideline to determine a duration of time. They also contacted both Maine Housing and Avesta but were unable to find any relevant guideline to assign a duration of time. Karl suggested it's likely the City would simply need to make a decision about how many years it wanted to use in the calculation. Given that using even one year's impact results in a range of per-room fees up to \$5,165, staff does not recommend going above that level at this time.
- *Revise to Linkage Fee Terminology-* They edited the memo accordingly. Staff recommends using the term "Hotel Linkage Fee" rather than "Housing Impact Fee" in order to avoid confusion about this proposed ordinance and the Impact Fee study and proposed ordinance under development for transportation, stormwater/sewer and parks/open space.
- *Jobs per Household Data-* GPCOG's methodology used Cumberland County data for jobs created per household. They changed this data to reflect Portland's geography.

**Sec.14-484. Purpose.**

It is in the public interest to promote an adequate supply of affordable housing for the city's residents. The purpose of this division therefore is to offer incentives to developers to include units of affordable housing within development projects or based on demonstrated need caused by creation of new lower-income jobs, thereby mitigating the impact of market rate housing construction on the limited supply of available land for suitable housing, and helping to meet the housing needs of all economic groups within the city. The city believes that this division will assist in meeting the city's comprehensive goals for affordable housing, in the prevention of overcrowding and deterioration of the limited supply of affordable housing, and by doing so promote the health, safety and welfare of its citizens.

**Sec. 14-485. Definitions.**

...

Hotel Project is any hotel, inn or motel, as defined in this ordinance, consisting of 10 or more rooms for rent. Any such development that expands by 10 or more rooms within any 5 year period will also be considered a Hotel Project.

**14-489 Hotel Linkage Fee**

- (a) Purpose: This section is based on City analysis, most specifically documented in the Greater Portland Council of Government study "Proposed Methodology for Hotel Linkage Fees" dated 6/15/18, that finds that new hospitality developments create a need for new affordable housing. This need is the result of the fact that these uses create a number of jobs that do not pay sufficiently to afford housing provided in the market.
- (b) Applicability: This section applies to all Hotel Projects as defined in 14-485 that are not complete as of the effective date of this section.
- (c) Hotel Linkage Fee: All Hotel Projects shall pay a linkage fee as shown in the table below, which would address one year's impact from development of that hotel room on the housing market. This amount shall be paid into the City's Housing Trust and used for the purposes set forth in the ordinance and regulations applicable to that trust:

<u>Hotel Projects with Building Permits but without Certificates of Occupancy as of the Applicable Date of this Ordinance</u>	<u>\$2,500 per room</u>
<u>Hotel Projects without Building Permits as of the Applicable Date of this Ordinance</u>	<u>\$5,000 per room</u>

- (d) **Annual Adjustments:** These amounts shall be adjusted annually in the same way as the fee under Division 29 for Housing Replacement.
- (e) **Regulations:** The Planning Board may promulgate implementing regulations based on this ordinance.

**Sec. 14-489490. Housing trust fund.**

**To:** Jeff Levine, Planning & Urban Development Director  
**From:** Stephanie Carver, GPCOG Planning Director  
**Date:** 6/15/18  
**RE:** Proposed Methodology for Hotel Linkage fees

## Introduction

The City of Portland's Department of Planning & Urban Development is examining the feasibility of a proposal for assessing hotel linkage fees. The purpose of this memo is to provide information to the City regarding the use of linkage fees for this purpose and outline a potential methodology for the calculation of a fee.

## Background

Linkage fees are fees that cities may choose to implement to help mitigate the effects of new commercial development on the demand and availability of affordable housing. Prior to implementing a fee policy, communities often conduct a study to identify the connection, or “nexus” between new commercial development and the need for additional affordable housing. It is assumed that new commercial development contributes additional workers to a city's workforce and adds new worker households. In many industries, a percentage of these households do not make enough to live and work in the same city. Looking outside the city to find affordable housing often results in longer commute times and higher transportation costs. If implemented, a linkage fee is typically charged to a developer as a condition of approval and it is assessed based on total square footage or number of units in the development.

The City's Comprehensive Plan identifies the increasing demand for affordable housing as an emerging issue and sets a goal of pursuing “policies to enable people who work in Portland to have the option to live in Portland.” To be considered affordable, housing should consume no more than 30% of a household's income including rent, mortgage, utilities and other household related costs. Of the 1,130 housing units that were permitted and/or built in Portland between 2010 to 2014, including apartments, condominiums and single-family homes, just 29% were offered at a rent or sales price affordable to a household earning the median income<sup>1</sup>.

**CUMBERLAND COUNTY EMPLOYMENT 2016**



Source: US Census County Business Patterns, 2016

The Maine office of Tourism estimates over 36 million tourists visited Portland in 2017. Hotel development is steadily increasing, with 1,811,050 square feet of hotel development representing 2,647 units currently in operation throughout the City<sup>ii</sup>. According to the US Census, the accommodation and food service sector is the third largest share of employment in Cumberland County, representing 10% of the County’s workforce but only 5% of the County’s payroll. In fact, the median employee in this sector earns \$312 a week or \$16,227 per year, nearly half of the median wage in Cumberland County of \$696 per week or \$36,187 per year<sup>iii</sup>. A worker employed at the County median wage earns 85% of the household income needed to afford the median rent in Portland, while the average accommodation and food service worker earns a median wage that is 37% of the household income needed to afford the median rent in Portland.<sup>iv</sup> This affordability gap may force accommodation workers employed in Portland to seek housing outside of Portland.

**COMPARISON OF MEDIAN WEEKLY WAGE BY INDUSTRY 2016**

	Portland	Cumberland County	Maine
Accommodation and Food Service	\$353	\$312	\$290
Retail Trade	\$418	\$466	\$410
Health Care and Social Assistance	\$685	\$699	\$611
Total - All Industries	\$616	\$696	\$611

Source: US Census American Community Survey 2016 5-year sample

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According to the Maine State Housing Authority the average rent (including utilities) for a two-bedroom apartment in Portland is \$1,053 per month and the household income needed to afford the average rent in Portland is \$42,111 per year. However, this is the average rent paid by existing renters in Portland and new households moving to Portland will pay the current market rate, which is generally higher than the average rent. As of June 15, 2018, there are roughly 60 two-bedroom apartments listed for rent in Portland on Zillow, with monthly rents ranging between \$1,300-\$3,500. One third of those apartments are listed with rents between \$1,500 and \$2,000, and another third of those apartments are listed for more than \$2,000 per month. Therefore, a new household moving to Portland will expect to pay between 120%-330% of the average rent to live in the City.

## Methodology

Methodologies used to calculate linkage fees vary, but in most cases the analysis begins with an estimation of the number of new employees associated with a typical development, in this case a hotel. In this methodology, a formula is used to calculate the affordability gap between what workers can afford to pay for housing and the average cost of market rate housing.

In Portland's case, a link is established between the creation of new jobs in the hotel sector and the increased demand for affordable housing through the following steps:

- **New Jobs.** Industry data was used to estimate the number of direct jobs that will be created by the new hotel with 180 units. According to the Urban Land Institute the typical hotel employs between 0.5-0.8 employees per hotel room. Using an average value of 0.65 employees per hotel room it is estimated that a hotel with 180 rooms will employ 117 people. The current ratio of jobs per household was used to estimate how many households will be created by this new employment.
- **Households.** Currently there are 37,737 employed civilians aged 16 and over living in the 30,211 total households in Portland. This means that on average there are 1.2 jobs per every household in Portland. Based on this ratio it was estimated that the 117 additional jobs created by a new hotel will create 94 new households in Portland. However, it is assumed employment in these households will be split up between different occupations, such as management, sales, service, and maintenance. Depending on the occupation the wages for each occupation may be higher or lower than the median wage for the hotel industry. Therefore, industry occupation employment and wage data examined from the ACS was used to estimate how many new households will be low income.

## EMPLOYED POPULATION PER HOUSEHOLD 2016

	Portland	Cumberland County	Maine
Employed Civilian Population 16+	37,737	155,014	652,638
Total Households	30,211	117,871	551,109
Jobs/Household	1.2	1.3	1.2

Source: American Community Survey 2016 5-year estimate

- Jobs by Occupation.** Based on industry and occupation employment data from the ACS 64% of jobs in the hotel industry are service occupations, 19% of hotel jobs are management occupations, 13% of hotel jobs are sales and office occupations, and the remainder are maintenance and transportation occupations. The total number of jobs and households that will be created in each occupation was calculated by multiplying the share of hotel employment by occupation by the total number of new hotel jobs created.

### NEW JOBS AND HOUSEHOLDS BY OCCUPATION CREATED BY NEW HOTEL EMPLOYMENT

	Share of Hotel Employment	Number of New Jobs	Number of New Households
Service	64%	74	60
Sales and Office	13%	15	12
Transportation	4%	4	3
Maintenance	1%	1	1
Management	19%	22	18
Total - All Occupations	100%	117	94

Source: American Community Survey 2016 5-year estimate;  
GPCOG Analysis

- Household Income.** To calculate the household income for each household in each occupation category the median wage by occupation data for Cumberland County from the ACS was used. This calculation assumes 1 person in each new household works full time in the hotel industry and any additional workers in the household earn the area median income.

**NEW HOUSEHOLDS AND HOUSEHOLD INCOME BY OCCUPATION**

	Number of New Households	Median Wage for Hotel Income Earner	Median Wage for Second Income Earner	Total Household Income
Service	60	\$18,109	\$9,015	\$27,124
Sales and Office	12	\$30,444	\$9,015	\$39,459
Transportation	3	\$31,695	\$9,015	\$40,710
Maintenance	1	\$33,421	\$9,015	\$42,436
Management	18	\$52,910	\$9,015	\$61,925

Source: GPCOG Analysis and American Community Survey 2016 5-year estimates

- Affordability Gap.** These estimates for household income by occupation were compared to affordability data from the Maine State Housing Authority to show the difference between what the new households created by hotel employment earn and the minimum income needed to afford a two-bedroom apartment in Portland. These results show that households with Service or Sales and Office occupations have a household income that is lower than the minimum income needed to afford rental housing in Portland. This household affordability gap is largest (\$14,987) for households with Service occupations, which also represent nearly 2/3 of households created by the new hotel employment.

**AFFORDABILITY GAP**

	Number of New Households	Total Household Income	Income Needed to Afford Rent in Portland	Household Affordability Gap	Total Affordability Gap
Service	60	\$27,124	\$42,111	\$14,987	\$892,820
Sales and Office	12	\$39,459	\$42,111	\$2,652	\$32,048
Transportation	3	\$40,710	\$42,111	\$1,401	\$4,856
Maintenance	1	\$42,436	\$42,111	NA	\$0
Management	18	\$61,925	\$42,111	NA	\$0
Total					\$929,724

Rental Affordability Source: Maine State Housing Authority, 2017

- Aggregate Affordability Gap.** Next, the household affordability gap for each occupation was multiplied by the number of households with employment in each occupation to arrive at a total affordability gap of \$929,724 per year. This number represents the difference between these households' ability to pay for their housing and the market cost of their housing based on the median monthly rent. In reality these households will face much higher rental housing costs since the current shortage of rental housing in Portland means that rents for new units are significantly higher than the median rent.
- Final Calculation.** When we divide the affordability gap of \$929,724 by the number of new hotel rooms, we get an average affordability gap per room of \$5,165, or \$7.70 per square foot. Therefore, a fee of just under \$8 per square foot would cover a minimum justified

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housing affordability gap for the 94 new households created by a new 180 unit hotel employment for one year.

This example estimate represents the full cost of the affordability gap for employment in one hotel for one year based on available data. Multiple industries could potentially affect the demand for affordable housing and the city may determine a higher or lower percentage of this fee based on these variables. Furthermore, this fee could be re-evaluated periodically as circumstances such as inflation, rents, and rental housing supply change.

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<sup>i</sup> Portland 2030 Housing Demand, GPCOG 2015

<sup>ii</sup> Data from City of Portland, Department of Planning & Urban Development.

<sup>iii</sup> 2016 median wage data from the US Census American Community Survey (ACS)

<sup>iv</sup> (Source: US Census County Business Patterns, 2016).

## 2018 HOUSING COMMITTEE SCHEDULE

All meetings begin at 5:30 p.m.

<b>Date</b>	<b>Meeting Location</b>
January 24	Room 209
February 28	Room 24
March 28	Room 209
April 25	Room 209
May 23	Room 209
June 27	Room 24
July 31	Room 209
August 22	cancelled
September 6	Council Chambers
September 26	Room 209
October 11	Council Chambers
October 24	Room 209
November 28	Room 209
December 26	cancelled



Mary Davis

Division Director, Housing &amp; Community Development Division

**TO:** Councilor Duson, Chair  
Members of the Housing and Community Development Committee

**FROM:** Mary Davis, Division Director  
Housing and Community Development Division

**DATE:** June 19, 2018

**SUBJECT:** COMMUNICATION ITEM - FY 18/19 HUD Annual Action Plan

The U.S. Department of Housing and Urban Development (HUD) requires that communities receiving HUD funding (CDBG, HOME, ESG) undertake a planning process every three to five years to review local affordable housing and community development needs. This process is designed to help communities develop priorities and multi-year goals in coordination with other community plans and resources to make a greater impact within the community. The City of Portland undertakes this planning process every five years. The City is currently in year three of the 2016-2020 Consolidated Plan.

Each year, the City of Portland submits an Annual Action Plan which details the activities and resources that will be used to address the priority needs and goals identified in the Consolidated Plan.

A copy of the FY 18/19 HUD Annual Action Plan can be found on the city's website (<https://www.portlandmaine.gov/Annual-Action-Plan>) and a copy is included in the agenda packet on the Committee's webpage. The document is 141 pages long; paper copies are available upon request.

This plan was submitted to the U.S. Department of Housing and Urban Development on June 18, 2018. The plan includes the projects, activities and resources recommended for funding through the Housing and Community Development annual allocation process including CDBG funding recommendations, Housing Program Budget and ESG Program Budget approved by the City Council on April 18, 2018.

**Attachments:**

FY 18/19 HUD Annual Action Plan

(electronic copy available as part of the online agenda packet; paper copy available upon request).

# **PORTLAND MAINE CUMBERLAND COUNTY HOME CONSORTIUM**



## **ANNUAL ACTION PLAN 2018 - 2019**

City of Portland, Maine  
Planning and Urban Development Department  
Housing and Community Development Division  
Community Development Program  
389 Congress Street, Room 312 and 313  
Portland, ME 04101  
[www.portlandmaine.gov](http://www.portlandmaine.gov)

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### APPENDIX

- A. Citizen Participation Comments:
  - a. Public Hearing City Council March 19, 2019
  - b. Public Hearing City Council April 18, 2018
- B. Program and Project Data for the Annual Action Plan
- C. Home Program Application Process
- D. Eligible Areas Map
- E. Legal Ad for comment periods
  - a. Paper Legal Ad for Notice of Public Hearings and 30 day comment period for Year 3 Annual Action Plan
- F. Council Resolve & Order
  - a. Council Order 149-16/17 Holding Public Hearings for 2017-2018 Annual Action Plan
  - b. Resolution 5-16/17 Adopting the HUD FY 2017 Annual Action Plan
  - c. Council Order 216-16/17 Appropriating \$125,000 in grant revenue
- G. Grantee SF-424 and Certifications
  - a. Non-State grantee certification
  - b. SF-424, HOME, CDBG, and ESG

# Executive Summary

## AP-05 Executive Summary - 91.200(c), 91.220(b)

### 1. Introduction

The City of Portland, Maine receives an annual allocation from the U.S. Department of Housing and Urban Development (HUD) for the following programs: Community Development Block Grant, HOME Investment Partnership, and Emergency Solutions Grants. The City of Portland is the lead entity in a HOME Investment Partnership Consortium with Cumberland County. As a condition of the funds, the City of Portland, Maine must submit a Consolidated Annual Action Plan that describes how these funds will be used to address the needs goals and priorities outlined in the 2016-2020 Consolidated Plan which was approved by HUD for the City of Portland. This Consolidated Annual Action Plan is for program year 2018 (PY18) of the 2016-2020 Consolidated Plan.

The allocation of these funds were vetted through a public process which began in October of 2017. The process is consistent with the City's Citizen Participation Plan and utilizes public outreach, community meetings, citizen review committees, social media and the City's website, and public hearings.

For the 2018 Program Year, the City of Portland and the Cumberland County HOME Consortium expects to receive \$3,204,763 from the three HUD formula grant programs; \$1,895,922 for CDBG, \$1,151,710 for HOME, and \$157,131 for ESG.

A note about the Program Year 2018 budget, while the grant amounts for the CDBG and HOME programs are final, the program income amount is an estimate. The available prior year funds are also an estimate of the amount of grant funds that remain uncommitted (as of 5/30/18) from prior budget year/s. These estimates will be adjusted from time to time as final amounts are known.

### 2. Summarize the objectives and outcomes identified in the Plan

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

This could be a restatement of items or a table listed elsewhere in the plan or a reference to another location. It may also contain any essential items from the housing and homeless needs assessment, the housing market analysis or the strategic plan.

The objectives and outcomes identified in this Action Plan are consistent with the 2016-2020 Consolidated Plan and based on a combination of HUD-provided data, independent research,

community outreach, consultation with various agencies and service providers, and the established goals and priorities of the City of Portland and the Cumberland County HOME Consortium. All programs and activities funded through the CDBG, HOME and ESG programs will help to fulfill one of these four goals:

1. Neighborhood Investment & Infrastructure- Create strong, safe accessible and vibrant neighborhoods
2. Housing Availability- Increase housing availability and affordability
3. Economic Opportunity – Create Economic opportunities to transition people out of poverty
4. Address the Needs of the Growing Homeless Population - Prevent and Reduce Homelessness

### **3. Evaluation of past performance**

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

This is an evaluation of past performance that helped lead the grantee to choose its goals or projects.

Limited financial resources are the City's biggest constraint to meeting the needs and goals of our community. Year after year, the request for funding far exceeds the amount of funds available through the City's CDBG, HOME, and ESG programs. That being said, the use of the HUD funds allows for an increase in leveraged funds through many of the program's sub-recipients. In order to maximize the effectiveness of the HUD funds distributed within our Community, each sub-recipient's application for HOME and CDBG goes through an extensive evaluation process.

The needs, goals, and priorities identified in this Action Plan represent a continuing evaluation and evolution the City's CDBG, HOME and ESG programs. As new information becomes available about the needs of our community, the HCD staff work with City officials to make sure that the goals of the HUD programs are aligning with the direction and goals of the City. Through the continued evaluation process, the HCD staff is able to make sure that the needs of the City are being address in every funding cycle.

As required by HUD, the City of Portland submits a Consolidated Annual Performance and Evaluation Report (CAPER) at the end of each program year. This report offers a complete evaluation of the performance and accomplishments of all CDBG, HOME and ESG funded activities. The CAPER reports are available in the HCD office as well as the City of Portland's website.

<http://www.portlandmaine.gov/762/Plans-Reports>

### **4. Summary of Citizen Participation Process and consultation process**

Summary from citizen participation section of plan.

The City of Portland strongly encourages citizen participation in the CDBG, HOME and ESG allocation process. The City follows the guidelines written in our Citizen Participation plan. The public is given an opportunity to learn about the programs and budgets as well as speak at the following meetings: District meetings in the fall, CDBG Allocation Committee meetings, ESG meetings at the Maine Continuum of Care and Emergency Shelter Assessment Committees, Housing program budget meeting at the Council's Housing Committee, and two public hearings in March and April with the full City Council. Additionally, staff encourage any member of the public that has questions about the programs or budgets to set up a meeting with staff.

A copy of the City's Citizen Participation Plan is made available to the public on the City's website and hard copy is available in the HCD Office. As part of our continual evaluation process, HCD Staff periodically review the Citizen Participation Plan to evaluate its consistency with the goals of the City as well as HUD requirements.

## **5. Summary of public comments**

This could be a brief narrative summary or reference an attached document from the Citizen Participation section of the Con Plan.

The Annual Action Plan public comment period was held from March 16 to April 16, 2018. Two members of the public made appointments with staff to voice their opinions on the CDBG allocations. A summary of their comments is attached.

During the March 19th public hearings, many members of the community as well as organization representatives spoke about the need for CDBG funds for the following programs; CEI Microenterprise Assistant, all four Preble Street programs, Childcare Voucher Program, Milestone HOME team, Amistad Inc and Portland Downtown POW pilot program, YMCA, Catholic Charities and ILAP, Greater Portland Health, and LearningWorks. A full list of public comments is included with the grantee unique appendices. This year staff asked anyone that would like to turn in a written version of their public comments to do so. A copy of these written public comments as well as a summary of the public comments from the March 19th meeting are attached as part of the Grantee Unique Appendices. The video stream of the Council Meeting can be watched here:

[http://townhallstreams.com/stream.php?location\\_id=42&id=14156](http://townhallstreams.com/stream.php?location_id=42&id=14156)

During the April 18th public hearing, 18 additional members of the public spoke in support of the following programs: Milestone HOME team, Oxford Street- Housing Assistance for Long Term Shelter Stayers, Amistad & Portland Downtown- Peer Outreach Worker, Catholic Charities & ILAP – Immigrant Legal Services, Preble Street Resource Center, YMCA- New American Welcome Center, Playground at Dougherty Field, Portland Housing Authority- Front Street Rehab, Greater Portland Health- MARP program, and the COP- Business Assistance Program. A summary of the public comments are attached as part of the Grantee Unique Appendices. The video stream of the Council Meeting can be watched here: [http://townhallstreams.com/stream.php?location\\_id=42&id=14158](http://townhallstreams.com/stream.php?location_id=42&id=14158)

**6. Summary of comments or views not accepted and the reasons for not accepting them**

All comments and views were accepted.

**7. Summary**

The focus of this year's Annual Action plan is to carry out activities that help the City of Portland reach the goals listed in our Five-Year Consolidated plan. Every activity being carried out as part of this year's Annual Action Plan makes strides toward the goals of 'Addressing the Needs of the Growing Homeless Population', 'Housing Availability', 'Economic Opportunity', or 'Neighborhood Investment and Infrastructure'.

**PR-05 Lead & Responsible Agencies - 91.200(b)**

**1. Agency/entity responsible for preparing/administering the Consolidated Plan**

The following are the agencies/entities responsible for preparing the Consolidated Plan and those responsible for administration of each grant program and funding source.

Agency Role	Name	Department/Agency
Lead Agency	PORTLAND	
CDBG Administrator	PORTLAND	Planning and Urban Development Dept, HCD Division
HOPWA Administrator	PORTLAND	Frannie Peabody Center, ME
HOME Administrator	PORTLAND	Planning and Urban Development Dept, HCD Division
ESG Administrator	PORTLAND	Health and Human Services Department, SS Division
HOPWA-C Administrator		

**Table 1 – Responsible Agencies**

**Narrative**

The City of Portland’s Department of Planning and Urban Development, Housing and Community Development Division, is the lead entity for managing and distributing the CDBG and HOME funding. The ESG Grant is distributed through the Health and Human Services Department. HOPWA is managed and administered by the Frannie Peabody Center.

The Annual Action Plan was written by staff in the Housing and Community Development Division (HCD). However, numerous individuals and entities were involved in the process, recommendations, and decision making that defined the details of this Plan.

All CDBG applications for 2018-2019 funding were submitted to the HCD Staff. There were twenty-four (24) requests for social service funding from eighteen (18) different entities, and six (6) requests for development activity funding from six (6) different entities. Staff reviewed each application for threshold eligibility, and prepared and presented the information to the CDBG Allocation Committee. This year the Allocation Committee was comprised of nine (9) community members who were vetted through an application process and appointed by the Portland City Council. The CDBG Allocation Committee read, reviewed, and scored all applications. The Committee recommended funding allocations to the

City Manager based on priorities, information provided, performance, and capacity of the applicants. Allocation Committee meetings were open to the public, the dates and times of which were posted on the City's website in the online calendar.

The City Manager reviewed the applications and recommendations from the Allocation Committee. Based on this information, the City Manager made his own recommendations. Both the Committee's and the City Manager's recommendations were presented to the City Council.

The HOME Budget is developed by HCD staff and presented to the Housing Committee. The Housing Committee consists of three of the nine City Councilors. This is a public meeting which is advertised on the City website with notices sent to housing partners, neighborhood organizations and other interested parties who have registered to receive notice of these meetings. Public Comment is taken at the meeting.

The Emergency Solutions Grant was presented to the Continuum of Care and the Emergency Shelter Assessment Committee. The Continuum of Care and the Emergency Shelter Assessment Committees reviewed the allocation and both committees voted unanimously to approve the budget and activities that are included in this Annual Action Plan.

The entire Action Plan, including the estimated budgets for CDBG, HOME and ESG, were presented and discussed at two public hearings on March 19 and April 18 consistent with the Citizen Participation Plan. Public comment was taken at both Council meetings. The Council unanimously approved the program allocations and estimated budget for the CDBG, HOME and ESG programs.

### **Consolidated Plan Public Contact Information**

Mary Davis

Housing and Community Development Division

389 Congress Street, Room 312, Portland, Maine 04101

(207) 874-8711

## **AP-10 Consultation - 91.100, 91.200(b), 91.215(l)**

### **1. Introduction**

The City of Portland Housing and Community Development Division works with other City divisions and departments, regional coalitions, state programs, community stakeholders, and county partners to set and achieve its goals. Also, the City's Citizen Participation Plan ensures that the City undertakes an effective public process that encourages input and participation from all citizens, non-profit organizations and other interested parties. The plan also guarantees access to meetings, information and public hearings on the Annual Action Plan. Technical assistance is provided, upon request, to any organization that would like to develop proposals for funding under the City's Housing and Community Development Programs.

**Provide a concise summary of the jurisdiction's activities to enhance coordination between public and assisted housing providers and private and governmental health, mental health and service agencies (91.215(l)).**

In the City of Portland, 33% of CDBG funds support public service programs. These public service programs work in collaboration with ESG, HOME and CDBG development programs to create a continuum of care and economic opportunities for all LMI Portland residents. During the CDBG application review process, addition points are awarded to organization that show strong collaboration with other housing and public service providers.

The City & the Portland Housing Authority (PHA) have a history of cooperation in several areas including community policing, development of affordable housing, recreational activities for at-risk youth, the Family Self-Sufficiency Program, Family Investment Center and applications to HUD for Section 8 certificates and vouchers for families, homeless, and disabled persons. City of Portland and PHA staff communicate regularly and provide each other with data for plans and reports. The City of Portland and Cumberland County also collaborate with the other Public Housing Authorities in Cumberland County.

Housing and Community Development staff also serve on or participate in several committees and coalitions that support the goal of collaboration between housing providers, mental health services and other social service providers. Staff serve on or attend the following: Maine Affordable Housing Coalition, Age Friendly Portland Steering Committee, Maine Continuum of Care, Emergency Shelter Assessment Committee, and United Way's Thrive 2027.

**Describe coordination with the Continuum of Care and efforts to address the needs of homeless persons (particularly chronically homeless individuals and families, families with children, veterans, and unaccompanied youth) and persons at risk of homelessness.**

This year \$415,953 CDBG public service funds will go directly to efforts to address the needs of homeless persons or persons at risk of homelessness. An addition \$58,559 will go to housing follow up services for chronically homeless individuals who have recently been housed.

The City of Portland also allocated \$162,000 in HOME Program Funds to continue a Tenant Based Rental Assistance Program. Staff modeled the program on the *Maine Housing Stability through Engagement Program*. The short term rental assistance program will provide security deposits and/or first month's rent and will be available to currently homeless or those in danger of becoming homeless.

City staff from the Health and Human Services Department and Housing & Community Development Division coordinate with other members of the Emergency Shelter Assessment Committee (ESAC) and the United Way of Greater Portland to support the Homeless Continuum of Care, respond to the McKinney Vento NOFA and monitor shelter bed usage for single adults, adolescents, and families. ESAC members include shelter providers for singles, adolescents, mentally ill, women, families with children, and victims of domestic violence, supported housing providers, mental health service providers, substance abuse service providers, health service providers and general services, including day shelter providers for the homeless population. ESAC also produces monthly and quarterly statistics on shelter usage and provides a forum to discuss new programs, resource availability, emerging trends and to resolve problems within the continuum that may arise from time to time. City staff also coordinate the Point in Time Survey each year.

**Describe consultation with the Continuum(s) of Care that serves the jurisdiction's area in determining how to allocate ESG funds, develop performance standards for and evaluate outcomes of projects and activities assisted by ESG funds, and develop funding, policies and procedures for the operation and administration of HMIS**

In 2017 the Portland Continuum of Care and the Maine Continuum of Care voted to merge and become one continuum of care for the entire state. Staff participate in monthly Continuum of Care meetings. Continuum of Care evaluated and unanimously voted to approve Portland's 2018-2019 ESG estimated budget.

Additionally, the City was awarded 20 hours of training time with Cloudburst in order to evaluate our current ESG process and create an updated set of policies of procedures that align with the goals of the City and Maine Continuum of Care. The updated policies and procedures manual is expected to be finished by June 2018.

City staff have also taken the lead in scripting the universal intake forms that will be used by 211 and shelter's across the state as part of the HMIS data entry system.

**2. Agencies, groups, organizations and others who participated in the process and consultations**

**Table 2 – Agencies, groups, organizations who participated**

1	<b>Agency/Group/Organization</b>	City of Portland
	<b>Agency/Group/Organization Type</b>	Housing Services-Elderly Persons Services-homeless Services-Health Services-Education Services-Employment Service-Fair Housing Other government - Local Grantee Department
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless Homeless Needs - Families with children Economic Development Anti-poverty Strategy Lead-based Paint Strategy

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City of Portland includes the Planning and Urban Development Department, which is responsible for housing and community development needs and strategy in addition to anti-poverty barriers to affordable housing, and lead based paint remediation. The Economic Development Department is responsible for the economic strategies for the City. The Health and Human Services Department is responsible for homeless needs, specifically families with children, single adults, and chronically homeless individuals. The Public Works Department is responsible for infrastructure needs and projects. The Recreation and Facilities Department is responsible for building maintenance and renovations. The Executive Department, which includes the City Manager, is responsible for providing policy guidance and an interdepartmental vision and budget for the City.
2	<b>Agency/Group/Organization</b>	CUMBERLAND COUNTY
	<b>Agency/Group/Organization Type</b>	Housing Other government - County
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The City of Portland and Cumberland County are partners in the HOME Consortium. The two entities work collaboratively to distribute resources and address affordable housing needs, residential rehabilitation needs for residents of Portland and Cumberland County.
3	<b>Agency/Group/Organization</b>	Portland Housing Authority
	<b>Agency/Group/Organization Type</b>	PHA
	<b>What section of the Plan was addressed by Consultation?</b>	Public Housing Needs

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The Portland Housing Authority was consulted to provide information regarding housing and public housing needs.
4	<b>Agency/Group/Organization</b>	Community Housing of Maine
	<b>Agency/Group/Organization Type</b>	Housing Services - Housing Services-Persons with Disabilities
	<b>What section of the Plan was addressed by Consultation?</b>	Housing Need Assessment Homeless Needs - Chronically homeless
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Community Housing of Maine provides housing to vulnerable populations including the elderly, disabled, people experiencing mental illness, people with developmental and intellectual disabilities, people recovering from addiction, veterans, victims of domestic violence and persons living with HIV/Aids.
5	<b>Agency/Group/Organization</b>	Westbrook Housing Authority
	<b>Agency/Group/Organization Type</b>	PHA
	<b>What section of the Plan was addressed by Consultation?</b>	Public Housing Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Westbrook Housing Authority was consulted to provide information regarding housing and public housing needs.
6	<b>Agency/Group/Organization</b>	South Portland Housing Authority
	<b>Agency/Group/Organization Type</b>	PHA
	<b>What section of the Plan was addressed by Consultation?</b>	Public Housing Needs

	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	The South Portland Housing Authority was consulted to provide information regarding housing and public housing needs.
7	<b>Agency/Group/Organization</b>	Brunswick Housing Authority
	<b>Agency/Group/Organization Type</b>	PHA
	<b>What section of the Plan was addressed by Consultation?</b>	Public Housing Needs
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Brunswick Housing Authority was consulted to provide information regarding housing and public housing needs.
8	<b>Agency/Group/Organization</b>	Milestone Foundation
	<b>Agency/Group/Organization Type</b>	Services-homeless Services-Health
	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homelessness Needs - Veterans Homelessness Strategy
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Milestone provides health and basic needs outreach to the most vulnerable populations including the disabled, people experiencing mental illness, people with developmental and intellectual disabilities, and people suffering from addiction. Milestone coordinates with HCD Staff, the City's Police Department, and other social service and health providers in the City.
9	<b>Agency/Group/Organization</b>	Preble Street
	<b>Agency/Group/Organization Type</b>	Services-Victims of Domestic Violence Services-homeless Services-Health

	<b>What section of the Plan was addressed by Consultation?</b>	Homeless Needs - Chronically homeless Homeless Needs - Families with children Homelessness Needs - Unaccompanied youth
	<b>Briefly describe how the Agency/Group/Organization was consulted. What are the anticipated outcomes of the consultation or areas for improved coordination?</b>	Preble Street is seen by the City as an integral partner in the shelter and basic needs of the City's most vulnerable population. Preble Street is consulted by the City on a regular basis due the their teen shelter, women's shelter, food program, and resource center.

**Identify any Agency Types not consulted and provide rationale for not consulting**

All agencies pertaining to public services available in the City Portland and housing services available in Cumberland County and the City of Portland were consulted.

**Other local/regional/state/federal planning efforts considered when preparing the Plan**

Name of Plan	Lead Organization	How do the goals of your Strategic Plan overlap with the goals of each plan?
Continuum of Care	Maine Continuum of Care	The Maine Continuum of Care, which merged with the Portland CoC in 2017 has a goal of ending homelessness
Portland's Plan 2030	City of Portland Planning and Urban Development Department	The City of Portland's new comprehensive plan will guide the planning and design decisions of the City of Portland. Future housing initiatives will align with the new comprehensive plan for the City.

**Table 3 – Other local / regional / federal planning efforts**

**Narrative**

The City of Portland strives to consider all applicable local, regional, state, and federal planning efforts when preparing the Annual Action Plan and Five year consolidated plan. The list above is a representation of the most prominent strategic planning efforts that directly impact the goals and priorities of this Annual Action Plan.

There are four public housing authorities in the Consortium; Westbrook Housing Authority, South Portland Housing Authority, Portland Housing Authority, and Brunswick Housing Authority. In 2016, Portland Housing Authority (PHA), the largest of the four housing authorities, developed their five year plan, annual agency plan, and capital fund plan; the City worked closely with the PHA to collaboratively develop housing goals for the City's five year consolidated plan.

Social Service and homeless shelter staff were consulted to include input on housing the city's most vulnerable populations. Housing and Community Development staff have attend Continuum of Care and Emergency Shelter Assessment Committee meetings to stay updated on shelter bed usage, housing successes and needs for this population, and to receive input from Homeless Voices for Justice, a local grassroots effort involved in affecting change for Portland's homeless populations.

City of Portland Public Works Department was consulted on the need for public services in the city, specifically within CDBG eligible neighborhoods. Additionally, several CDBG-funded non-profit social service and basic needs providers are consulted because of their expertise in assisting the city's most vulnerable populations.

## **AP-12 Participation - 91.401, 91.105, 91.200(c)**

### **1. Summary of citizen participation process/Efforts made to broaden citizen participation Summarize citizen participation process and how it impacted goal-setting**

HCD staff strive to make every effort to encourage public comment and participation. This year staff teamed up with the City's executive branch to host the well-established district meetings. The decision was made to co-host these meetings as a way to reach residents that do not normally attend the community development meetings.

To promote the district meetings, a postcard was sent to every resident in the City. Over 400 residents attended the District Meetings. The meetings informed the public of CDBG and HOME programs and services available to them. The meetings also helped to gather public comment and input on the needs in our community, plus ideas for CDBG and HOME projects and ways we can improve the effectiveness of our CDBG and HOME funds.

For CDBG, there was a mandatory applicants meeting to inform all potential CDBG applicants of the information needed to apply for CDBG funding. The CDBG Allocation Committee met eight times. Each meeting was advertised on the City calendar and website. The committee reviewed and discussed CDBG applications at these meetings. HOME funds were reviewed and discussed at the Housing Committee. Priorities and funding allocations were reviewed and approved at these meetings. Public comment, if any, was taken. The Emergency Solutions Grant was presented and discussed at the Portland Continuum of Care meetings and also the Emergency Shelter Assessment Committee meetings. The Continuum of Care voted to approve the funding allocations and priorities unanimously. The funding allocations and action plan were advertised in the paper. The entire Action Plan, including estimated budgets for CDBG, HOME and ESG were presented to the City Council at the March 19 and April 18 Council Meetings.

**Citizen Participation Outreach**

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL ( If applicable )
1	Public Meeting	Non-targeted/ broad community	Over 400 people attended the 5 District meetings held in November and December of 2017. Approximately 13 people requested additional information about CDBG and HOME related programs.	Approximately 13 people requested additional information about CDBG and HOME related programs. Many other residents took informational flyers. No formal public comments were submitted, though several members of the public asked questions about eligibility and status of ongoing projects.	All comments were accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL ( If applicable )
2	Public Meeting	Non-targeted/ broad community	Two City wide Public meetings were held on March 19 and April 18, over 50 people attended each meeting. 48 people gave public comment.	A summary of comments are attached in the unique grantee appendices. A video stream of the meetings can be watched here: March 19 <a href="http://townhallstreams.com/stream.php?location_id=42&amp;id=14156">http://townhallstreams.com/stream.php?location_id=42&amp;id=14156</a> and April 18 <a href="http://townhallstreams.com/stream.php?location_id=42&amp;id=14158">http://townhallstreams.com/stream.php?location_id=42&amp;id=14158</a>	All comments were accepted	
3	Newspaper Ad	Non-targeted/ broad community	Placement of Legal Notice notifying citizens of the Action Plan key dates and deadlines, contact information, and two citywide hearings on 3/19 and 4/18.	Please see attachment	All public comments were accepted	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/attendance	Summary of comments received	Summary of comments not accepted and reasons	URL (If applicable)
4	Email	Non-targeted/ broad community	Emails were sent to 331 individuals soliciting their comments and inviting their participation at public hearings. Emails were sent 3 times: (1) When the City Managers recommendations were released, (2) three days before the first public hearing, (3) 1 day before the second public hearing.	Please see attachments	All public comments were accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL ( If applicable )
5	Internet Outreach	Non-targeted/ broad community	A 'City News Flash' was emailed to 850 subscribers soliciting their comments and inviting their participation at public hearings.	Please see attachment	All public comments were accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL ( If applicable )
6	Public Meeting	Non-targeted/ broad community	The Maine CoC and ESAC committees met on March 15th to discuss the ESG budget. Both meetings were open to the public, a total of 4 members of the public attended the ESAC meeting and no members of the public attended the CoC meeting. A total of 1 member of the public commented on the ESG budget	The public comment was about the general lack of funding for ESG. The member of the public wanted to know if we could apply for additional ESG funding.	All public comments were accepted.	

Sort Order	Mode of Outreach	Target of Outreach	Summary of response/ attendance	Summary of comments received	Summary of comments not accepted and reasons	URL ( If applicable )
7	Public Meeting	Non-targeted/ broad community	On 2/28/2018 The Housing Committee reviewed the HCD Housing budget which includes CDBG program income and HOME funds. A total of 2 members of the public gave public comments.	Please see attachments	All public comments were accepted.	

**Table 4 – Citizen Participation Outreach**

## Expected Resources

## AP-15 Expected Resources - 91.420(b), 91.220(c)(1,2)

### Introduction

For the Year 3 Annual Action Plan, the anticipated resources include federal CDBG, HOME, and ESG funds. The amount of each of these resources is dependent on their respective federal allocations, which can be unpredictable. The HOME and CDBG program saw an increase in funding for Year 3. Estimates assume level funding for the next two years. The Year 3 Annual Action Plan also includes resources from a Section 108 loan, a local housing trust fund, and program income from two former HUD programs; UDAG and Healthy Home/Lead Safe Housing. The Section 108 funding is to build a parking garage in the Bayside neighborhood through a project called Midtown. Once funds are expended no more are expected. The Local Housing Trust Fund is funded through various City Programs such as the Housing Replacement Ordinance, Short Term Rental registration, and Inclusionary Zoning fee in lieu. In 2017, the City sold a parking garage that was originally purchased with UDAG funds, the sale was a onetime payment, \$20,000 from the proceeds from the sale will be used for a CDBG eligible activity each year. Finally, payments on the healthy home/Lead Safe Housing are typically made when owners sell or refinance their homes and are therefore unpredictable. Estimates are based on past years income.

### Anticipated Resources

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
CDBG	public - federal	Acquisition Admin and Planning Economic Development Housing Public Improvements Public Services	1,895,922	50,000	188,982	2,134,904	3,971,844	\$10,000 is program income from the Housing Rehab Program along with \$11,886 in reprogrammed funds will go toward the CDBG allocation. An Additional \$40,000 is program income from the housing rehab program and \$177,096 in previously reported program income will be recirculated into Housing Rehab Program for project costs.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
HOME	public - federal	Acquisition Homebuyer assistance Homeowner rehab Multifamily rental new construction Multifamily rental rehab New construction for ownership TBRA	1,151,710	151,247	587,000	1,889,957	2,303,420	Program income is generated by repayment of HOME program loans. \$587,000 in reprogrammed HOME funds will go toward Affordable Housing Development in Portland.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
ESG	public - federal	Conversion and rehab for transitional housing Financial Assistance Overnight shelter Rapid re-housing (rental assistance) Rental Assistance Services Transitional housing	157,131	0	0	157,131	314,262	Due to a staffing vacancy, prior year ESG funds were not fully expended. All annual allocation funds plus prior year resources will be expended in 2018-2019

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Housing Trust Fund	public - local	Acquisition Homeowner rehab Housing Multifamily rental new construction Multifamily rental rehab New construction for ownership	913,502	0	0	913,502	0	Local Housing Trust Funds allocated under an annual plan that is approved by the City Council. The Housing Trust Funds are available for affordable and workforce housing development, up to 120 AMI.
Section 108	public - federal	Economic Development	7,983,999	0	0	7,983,999	0	Section 108 loan funds slated for the construction of a 840 parking space garage to support a million square foot mixed use development including market rate housing and retail/commercial space.

Program	Source of Funds	Uses of Funds	Expected Amount Available Year 1				Expected Amount Available Remainder of ConPlan \$	Narrative Description
			Annual Allocation: \$	Program Income: \$	Prior Year Resources: \$	Total: \$		
Other	public - federal	Acquisition Admin and Planning Economic Development Housing Overnight shelter Public Improvements Public Services	0	0	0	0	0	
Other	public - federal	Homeowner rehab Multifamily rental rehab	170,866	0	0	170,866	0	Program Income from prior HUD Healthy Home/Lead Safe Housing Grants. Wherever possible, the City will utilize rehab program funds in combination with lead program income funds to complete additional lead-safe units.

Table 2 - Expected Resources – Priority Table

**Explain how federal funds will leverage those additional resources (private, state and local funds), including a description of how matching requirements will be satisfied**

**If appropriate, describe publically owned land or property located within the jurisdiction that may be used to address the needs identified in the plan**

Over the past several years the Housing Committee has tasked staff with identifying publicly owned land and property located within the jurisdiction that can be used for affordable housing. The City recently sold 4 parcels of land in the Bayside Neighborhood that will be include affordable housing. The parcels are:

- 1) 60 Parris Street: 20 condominiums will be priced for affordability to households earning 120% AMI for the initial sale. 3 units will be sold at market price.
- 2) 178 Kennebec Street: Of the proposed 46 rental units, 78% of the units will be priced at 60% AMI or less. 22% will be at market rate.
- 3) 65 Hanover Street: Approximately 25 proposed total units of which at least 25 units will be affordable to low and moderate income households.
- 4) 44 Hanover Street: Proposing 16 rental units (total number of units is unknown as of yet) priced at \$1,000 per month (which is approximately 80% AMI).

The City also passed new provisions governing tax acquired property in Portland wherein any profits from subsequent sales will be allocated to the City's Housing Trust Fund. Over the next few years, the HCD staff will continue to identify additional city-owned properties for affordable housing development.

Additionally, the City has created shelter over-lay zones as a first step in creating a new city shelter that will hold 200 beds and be open 24 hours a day. This new shelter aligns with the City's 10 year plan to end homelessness and the City's Continuum of Care plan. The new shelter also aligns with the "Addressing the Needs of the Growing Homeless Population" goal in our Five Year Consolidated Plan.

Finally, the City works with social service providers and housing developers that would like to address the need for additional types of housing in our community, such as: housing for physical and mental disabilities; substance use disorders; and seniors.

**Discussion**

The City of Portland secured HUD 108/BEDI funds in an amount of \$1.2 million in Brownfields Economic Development Initiative (BEDI) and \$10.8 million in Section 108 loan to support revitalization of the distressed area of Bayside by stimulating residential and commercial economic development activities and creating jobs.

One of the catalysts to support the Bayside area-wide revitalization is a public-private partnership to construct an 800 space parking garage with ground level commercial space. Despite unanticipated delays, the city is hopeful that the parking garage will be under construction during FY2019.

## Annual Goals and Objectives

### AP-20 Annual Goals and Objectives - 91.420, 91.220(c)(3)&(e)

#### Goals Summary Information

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
1	Neighborhood Investment & Infrastructure	2016	2020	Non-Housing Community Development	PORTLAND, MAINE Eligible Census Tracts CDBG Target Neighborhoods Bayside Neighborhoods	Neighborhood Investment & Infrastructure	CDBG: \$579,019	Public Facility or Infrastructure Activities other than Low/Moderate Income Housing Benefit: 1448 Persons Assisted Public service activities other than Low/Moderate Income Housing Benefit: 5000 Persons Assisted
2	Economic Opportunity	2016	2020	Economic Development	PORTLAND, MAINE Eligible Census Tracts CDBG Target Neighborhoods Bayside Neighborhoods	Economic Opportunity	CDBG: \$312,805	Public service activities other than Low/Moderate Income Housing Benefit: 1378 Persons Assisted Jobs created/retained: 14 Jobs Businesses assisted: 6 Businesses Assisted

Sort Order	Goal Name	Start Year	End Year	Category	Geographic Area	Needs Addressed	Funding	Goal Outcome Indicator
3	Housing Availability	2016	2020	Affordable Housing Public Housing	PORTLAND, MAINE Cumberland County	Housing Availability	CDBG: \$250,000 HOME: \$1,201,220 ESG: \$55,200 Housing Trust Fund: \$913,502	Rental units constructed: 10 Household Housing Unit Rental units rehabilitated: 8 Household Housing Unit Homeowner Housing Rehabilitated: 10 Household Housing Unit
4	Address the Needs for Growing Homeless Population	2016	2020	Homeless	PORTLAND, MAINE Eligible Census Tracts CDBG Target Neighborhoods Bayside Neighborhoods	Address the Needs for Growing Homeless Population	CDBG: \$406,799 ESG: \$93,940	Public Facility or Infrastructure Activities for Low/Moderate Income Housing Benefit: 200 Households Assisted Public service activities other than Low/Moderate Income Housing Benefit: 11650 Persons Assisted

Table 3 – Goals Summary

## Goal Descriptions

1	<b>Goal Name</b>	Neighborhood Investment & Infrastructure
	<b>Goal Description</b>	<b>Create strong, safe, accessible and vibrant neighborhoods-</b> Invest in infrastructure to improve neighborhood assets and build strong, safe, accessible and vibrant neighborhoods. Improve accessibility and livability through age-friendly designs and ADA compliance. Build sidewalks and trails to improve connectivity, increase the use of bicycles as a mode of transportation, and redevelop streetscapes to create shared streets for cars, bikes, and pedestrians that integrate with the fabric of the neighborhood. Support programs that increase safety in neighborhoods for residents and visitors.
2	<b>Goal Name</b>	Economic Opportunity
	<b>Goal Description</b>	<b>Create economic opportunities to transition people out of poverty.</b> Invest in Portland businesses to enable them to expand to create jobs. Invest in persons wanting to create microenterprises. Engage job seekers in a continuum of services to increase their professional capacity, financial stability, and ability to maintain employment. Focus on difficult to employ populations including homeless, new Americans and single parent head of households. Combine resources and build partnerships between public and private entities to provide opportunities to transition Portland residents out of poverty to sustainable employment and financial stability.
3	<b>Goal Name</b>	Housing Availability
	<b>Goal Description</b>	<b>Increase housing availability &amp; affordability.</b> Increase housing availability and affordability to all Portland residents regardless of income, race, ethnicity, and family size. Encourage housing development by removing barriers to traditional urban housing types while ensuring the inclusion of workforce and age-friendly housing in significant development projects
4	<b>Goal Name</b>	Address the Needs for Growing Homeless Population
	<b>Goal Description</b>	<b>Prevent and Reduce Homelessness.</b> Prevent individuals and families from becoming homeless and entering into the shelter system. Rapidly rehouse those who enter the shelter system. Provide necessary resources to assist vulnerable population's transition out of homelessness, including housing opportunities for chronically homeless or long-term stayers at homeless shelters.

## AP-35 Projects - 91.420, 91.220(d)

### Introduction

The City of Portland's Housing and Community Development Program will enter into the PY 2018-2019 budget cycle with the following funding allocations: \$1,922,808 in CDBG which consists of \$1,895,922 in direct HUD allocation, \$11,886 in reprogrammed funds, and \$15,000 in CDBG housing program income; \$157,131 in Emergency Solutions Grant funding; and \$1,302,957 HOME allocation as part of the Cumberland County HOME Consortium, which consists of \$1,151,710 in direct HUD allocation; \$120,000 in program income, and \$31,247 in recaptured funds. \$856,911 is designated for City of Portland use and \$446,046 is designated for the County. An additional \$60,000 in Housing Development Funds/CDBG housing program income is available.

#	Project Name
1	HCD Grant Administration
2	CDBG Planning
3	Preble Street Corridor Sidewalk Project
4	City of Portland- Business Assistance Program
5	CEI- Portland Microenterprise assistance program
6	Portland Housing Authority - Front Street Redevelopment Phase 1
7	North Woods Adventure Playground at Dougherty Field
8	Port Resources - Hot Water Heater replacement project
9	COP Community Policing
10	Wayside Food Programs
11	Preble Street Joe Kreisler Teen Shelter
12	Catherine Morrill Childcare Voucher Program
13	COP - Mobile Medical Outreach
14	Preble Street Food Program
15	Peer Outreach Worker (POW) Program
16	Immigrant Legal Services
17	COP- Housing Follow Up Services for Long Term Shelter Stayers
18	Milestone Homeless Outreach and Mobile Engagement Team (HOME Team)
19	Preble Street Resource Center
20	Homeless Programs HESG
21	HOME Administration
22	Housing Development Fund Project Staff Costs
23	Tenant Based Rental Assistance
24	City Housing Rehabilitation
25	City Affordable Housing Development
26	County HOME Housing Rehabilitation
27	County HOME Affordable Housing Development

#	Project Name
28	Section 108 Loan

**Table 4 – Project Information**

**Describe the reasons for allocation priorities and any obstacles to addressing underserved needs**

Nearly all of the City’s CDBG, HOME and ESG funds go to addressing underserved needs in Portland. The allocation process and priorities for CDBG, HOME and ESG is described below. The largest obstacle to addressing the underserved needs is limited funding. The needs of the underserved continue to increase in the City of Portland, but the funding resources remain limited.

Community Development Block Grant: CDBG funds are allocated through a competitive application process. To apply, organizations must attend a mandatory application meeting. Applications are available through the Housing and Community Development Office in City Hall and on the City's webpage. Applications are reviewed by a volunteer citizen allocation committee appointed by the City Council. The Allocation Committee sends its recommendations to the City Manager who forwards the funding recommendations to the City Council. The City Council conducts two public hearings before deciding on the final funding recommendations. This year the only funds that are not directly going to serve low to moderate income persons are the funds are for administration and planning. As mentioned under the 'AP-15 Expected Resources', the City of Portland sold the Cotton Street Parking garage in 2017, which was originally purchased with UDAG funds. As part of this sale, the City Council has decided to spend \$20,000 from the proceeds each year on a CDBG eligible activity. This year the Council has decided to spend this \$20,000 on the Preble Street Florence House Women’s shelter. This is a program that has received CDBG funding in the past and offers a safe place for homeless women, many of who have experience domestic violence or assault.

HOME: The HOME Program budget is formulated by staff, endorsed by the City Council's Housing Committee and Cumberland County's Municipal Oversight Committee. The City Council conducts two public hearings before deciding on the final HOME Program budget. Program guidelines and applications are available through the Housing and Community Development Office in City Hall and on the City's webpage.

Emergency Solutions Grant: The Emergency Solutions Grant funding is formulated by staff and presented to the Maine Continuum of Care and the City’s Emergency Shelter Assessment Committee. The funding supports shelter operations, homeless prevention, rapid rehousing, and HMIS.

## AP-38 Project Summary

### Project Summary Information

1	<b>Project Name</b>	HCD Grant Administration
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Neighborhood Investment & Infrastructure Housing Availability Economic Opportunity Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Neighborhood Investment & Infrastructure Housing Availability Economic Opportunity Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$366,986
	<b>Description</b>	CDBG funds to help administer the program and report to HUD.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	These funds are for the administration of the CDBG program, not funds will directly benefit families.
	<b>Location Description</b>	389 Congress Street, Room 312 and 313 Portland, ME 04101
	<b>Planned Activities</b>	Manage the Grant. Comply with grant requirements and reporting. Follow federal regulations
2	<b>Project Name</b>	CDBG Planning
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Neighborhood Investment & Infrastructure Housing Availability Economic Opportunity Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Neighborhood Investment & Infrastructure Housing Availability Economic Opportunity Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$22,198

	<b>Description</b>	CDBG Eligible planning activities
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	These funds are for long range CDBG eligible planning. No funds will directly benefits families in portland.
	<b>Location Description</b>	389 Congress Street, Floor 4 Portland, ME 04101
	<b>Planned Activities</b>	Long Range Planning efforts, including transportation planning.
<b>3</b>	<b>Project Name</b>	Preble Street Corridor Sidewalk Project
	<b>Target Area</b>	Bayside Neighborhoods
	<b>Goals Supported</b>	Neighborhood Investment & Infrastructure
	<b>Needs Addressed</b>	Neighborhood Investment & Infrastructure
	<b>Funding</b>	CDBG: \$279,515
	<b>Description</b>	The Preble Street Corridor Sidewalk Project will design and construct approximately 750 linear feet of concrete sidewalk, 6 ADA Ramps, driveway aprons, plus streetscape improvements and new pedestrian lighting on Preble Street. This sidewalk work will be in conjunction with the 2018-2019 Preble Street Sewer Separation Project, funded thru alternate local, state and private utility funds. The improved segments are between Lancaster Street and Cumberland Avenue. The construction and schedule efficiencies will minimize the impacts to the public.
	<b>Target Date</b>	12/31/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1615 live in census tract 6.1. 72% of which are LMI. This project will benefit not only the people living in this neighborhood, but also the individuals that work in the area, and the homeless individuals that use the day shelter on a daily bases.
	<b>Location Description</b>	Preble Street between Lancaster Street and Cumberland Ave.

	<b>Planned Activities</b>	The Preble Street Corridor Sidewalk Project will design and construct approximately 750 linear feet of concrete sidewalk, 6 ADA Ramps, driveway aprons, plus streetscape improvements and new pedestrian lighting on Preble Street. This sidewalk work will be in conjunction with the 2018-2019 Preble Street Sewer Separation Project, funded thru alternate local, state and private utility funds. The improved segments are between Lancaster Street and Cumberland Avenue. The construction and schedule efficiencies will minimize the impacts to the public.
4	<b>Project Name</b>	City of Portland- Business Assistance Program
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Economic Opportunity
	<b>Needs Addressed</b>	Economic Opportunity
	<b>Funding</b>	CDBG: \$145,000
	<b>Description</b>	This program will provide grant funds to new and expanding Portland Businesses to create 14 net new jobs for low/moderate income Portland residents. This will also encourage job skills training and strengthen Portland's HCD eligible neighborhoods.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	8-14 businesses and 14 low/moderate income Portland residents will benefit from this project
	<b>Location Description</b>	The location of each business will be determined, but location of the administering office is 389 Congress Street, room 307, Portland ME, 04101
	<b>Planned Activities</b>	This program will provide grant funds to new and expanding Portland Businesses to create 14 net new jobs for low/moderate income Portland residents. This will also encourage job skills training and strengthen Portland's HCD eligible neighborhoods.
5	<b>Project Name</b>	CEI- Portland Microenterprise assistance program
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Economic Opportunity
	<b>Needs Addressed</b>	Economic Opportunity
	<b>Funding</b>	CDBG: \$48,000

	<b>Description</b>	CEI and Cultivating Community will help at least 50 New American and/or female low/moderate income Portland Residents start six microenterprise businesses in Portland by providing intensive business advising and farm training.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	At least 50 new americans and/or female low/moderate income portland residents, of which 6 will start microenterprise businesses.
	<b>Location Description</b>	The office is located at 2 Portland Fish Pier, Suite 201, Portland ME 04101
	<b>Planned Activities</b>	CEI and Cultivating Community will help at least 50 New American and/or female low/moderate income Portland Residents start six microenterprise businesses in Portland by providing intensive business advising and farm training.
<b>6</b>	<b>Project Name</b>	Portland Housing Authority - Front Street Redevelopment Phase 1
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Housing Availability
	<b>Needs Addressed</b>	Housing Availability
	<b>Funding</b>	CDBG: \$250,000
	<b>Description</b>	PHA will relocate 28 families as part of a larger redevelopment of 50 units of public housing into 99 units of mixed-income affordable apartments for families in Portland.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	28 families will be temporarily relocated but a total of 99 families will benefit from the finished project
	<b>Location Description</b>	37 West Presumpscot Street, Portland ME

	<b>Planned Activities</b>	PHA will relocate 28 families as part of a larger redevelopment of 50 units of public housing into 99 units of mixed-income affordable apartments for families in Portland. This CDBG funding is critical for Phase 1 to allow PHA, as the Seller of this property, to pay for these costs outside the LIHTC development of 60 units. This will make our tax credit application to MaineHousing more competitive. Without this funding Portland may not have an affordable multi-family winning project in the MaineHousing tax credit round for 2018.
7	<b>Project Name</b>	North Woods Adventure Playground at Dougherty Field
	<b>Target Area</b>	Eligible Census Tracts
	<b>Goals Supported</b>	Neighborhood Investment & Infrastructure
	<b>Needs Addressed</b>	Neighborhood Investment & Infrastructure
	<b>Funding</b>	CDBG: \$137,000
	<b>Description</b>	Dougherty Field is Libbytown's central community space. The project will build a playground where no playground currently exists. It will be fully ADA accessible and will serve as a gathering space within the community.
	<b>Target Date</b>	12/31/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1430 live in the Libbytown area. Families with children ages 3-12 in the Libbytown neighborhood are the most likely users of this playground.
	<b>Location Description</b>	Dougherty Field, Portland me
	<b>Planned Activities</b>	Dougherty Field is Libbytown's central community space. The project will build a playground where no playground currently exists. It will be fully ADA accessible and will serve as a gathering space within the community.
8	<b>Project Name</b>	Port Resources - Hot Water Heater replacement project
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Neighborhood Investment & Infrastructure
	<b>Needs Addressed</b>	Neighborhood Investment & Infrastructure
	<b>Funding</b>	CDBG: \$12,504

	<b>Description</b>	This project will replace hot water heaters in three group homes. All three group homes listed in this proposal have hot water heaters that are 20+ years old. Traditional tank- type hot water heaters typically have a 10-15 year life span. The Congress Street location also lacks insulation of its steam piping. Replacing the hot water heaters in all three homes and installing steam piping insulation in the Congress Street location will result in uninterrupted access to hot water for all eighteen residents who reside in the three group homes listed in this proposal.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	18 adults with severe mental disabilities will benefit from this project
	<b>Location Description</b>	72 Emery St, Portland, ME (hot water heater replacement) 823 Congress St, Portland, ME (hot water replacement and piping insulation) 271 Woodford Street, Portland, ME (Hot water heater replacement)
	<b>Planned Activities</b>	This project will replace hot water heaters in three group homes. All three group homes listed in this proposal have hot water heaters that are 20+ years old. Traditional tank- type hot water heaters typically have a 10-15 year life span. The Congress Street location also lacks insulation of its steam piping. Replacing the hot water heaters in all three homes and installing steam piping insulation in the Congress Street location will result in uninterrupted access to hot water for all eighteen residents who reside in the three group homes listed in this proposal.
9	<b>Project Name</b>	COP Community Policing
	<b>Target Area</b>	CDBG Target Neighborhoods
	<b>Goals Supported</b>	Neighborhood Investment & Infrastructure
	<b>Needs Addressed</b>	Neighborhood Investment & Infrastructure
	<b>Funding</b>	CDBG: \$150,000
	<b>Description</b>	The Portland Police Department will utilize grant funds to pay a portion of the salary of five Community Policing Coordinators who will work closely with residents, social services agencies, businesses, community stakeholders, and other city departments to create effective programs and strategies to effect long-term change in their respective neighborhoods.

	<b>Target Date</b>	
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	5,000 residents living in CDBG eligible neighborhoods in Portland
	<b>Location Description</b>	CDBG Eligible neighborhoods on the Portland peninsula
	<b>Planned Activities</b>	The Portland Police Department will utilize grant funds to pay a portion of the salary of five Community Policing Coordinators who will work closely with residents, social services agencies, businesses, community stakeholders, and other city departments to create effective programs and strategies to effect long-term change in their respective neighborhoods.
<b>10</b>	<b>Project Name</b>	Wayside Food Programs
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$34,000
	<b>Description</b>	Wayside's Direct Services program works to prevent and reduce homelessness by increasing access to nutritious food for economically vulnerable community members in Greater Portland through 5 Mobile Food Pantries and 13 weekly Community Meals. All of Wayside's work is rooted in cross sector partnerships and focused on strengthening the quality and quantity of social ties and support networks. Every month 1,200 different individuals receive 9,500 meals through Wayside's Direct Services program.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	3,900 low and moderate income families
	<b>Location Description</b>	The mobile food pantries will delivery a various locations around Portland. The Community meals will also take place at various locations across Portland, all located in predominantly low income neighborhoods.

	<b>Planned Activities</b>	Wayside's Direct Services program works to prevent and reduce homelessness by increasing access to nutritious food for economically vulnerable community members in Greater Portland through 5 Mobile Food Pantries and 13 weekly Community Meals. All of Wayside's work is rooted in cross sector partnerships and focused on strengthening the quality and quantity of social ties and support networks. Every month 1,200 different individuals receive 9,500 meals through Wayside's Direct Services program.
<b>11</b>	<b>Project Name</b>	Preble Street Joe Kreisler Teen Shelter
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$26,140
	<b>Description</b>	Overnight emergency shelter open 365 days for 24 homeless and runaway youth 12-20 years old.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	200 homeless teens between the ages of 12-20
	<b>Location Description</b>	38 Preble Street, Portland, ME 04101
	<b>Planned Activities</b>	Meet the safety and support needs of youth on the streets by providing 6000 shelter bed nights and meals; separate youth from the population of homeless adults who can place them at risk; engage homeless youth to better meet their needs in a system designed specifically to address youth issues with a complete initial intake, safety plan and/or guardian notification and initial stabilization.
<b>12</b>	<b>Project Name</b>	Catherine Morrill Childcare Voucher Program
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Economic Opportunity
	<b>Needs Addressed</b>	Housing Availability
	<b>Funding</b>	CDBG: \$68,460

	<b>Description</b>	This grant will provide child care vouchers to 5 high quality child care programs for Portland LMI families who are working, actively looking for work, participating in educational, vocational or social services, and/or are waiting for a state subsidy.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	25 low/moderate income Portland families
	<b>Location Description</b>	96 Danforth Street, Portland, ME 04101 331 Cumberland Ave, Portland ME 215 Congress Street, Portland ME 71 Herman Ave, Portland ME 87 High Street, Portland ME
	<b>Planned Activities</b>	The program will provide subsidized child care to approximately 25 LMI Portland families in need of affordable quality child care services so that they can be a productive member of the workforce, and in turn, move toward self sufficiency.
<b>13</b>	<b>Project Name</b>	COP - Mobile Medical Outreach
	<b>Target Area</b>	CDBG Target Neighborhoods
	<b>Goals Supported</b>	Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$33,408
	<b>Description</b>	The Mobile Medical Outreach Program will provide Portland's vulnerable homeless population with access to paramedics, in both the shelter and community setting, who are specially trained in community education and medical services. In an effort not to duplicate services, this project is aligned with local primary care and other social service providers to enhance the continuum of care.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	175 homeless clients will benefit from this project
	<b>Location Description</b>	203 Oxford Street and various hotspots across the Portland peninsula

	<b>Planned Activities</b>	The Mobile Medical Outreach Program will provide Portland's vulnerable homeless population with access to paramedics, in both the shelter and community setting, who are specially trained in community education and medical services. In an effort not to duplicate services, this project is aligned with local primary care and other social service providers to enhance the continuum of care.
14	<b>Project Name</b>	Preble Street Food Program
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$43,568
	<b>Description</b>	Three soup kitchens serving 3 meals a day, 365 days a year at the Resource Center, Florence House, and Teen Center and a food pantry distributing emergency food boxes weekly or by appointment to meet the nutrition needs of people who are homeless and living in poverty
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	4,600 low and extremely low income portland residents. Many of who are homeless.
	<b>Location Description</b>	252 Oxford Street Portland, ME 04101 190 Valley Street Portland, ME 04101 343 Cumberland Avenue Portland, ME 04102
	<b>Planned Activities</b>	Three soup kitchens serving 3 meals a day, 365 days a year at the Resource Center, Florence House, and Teen Center and a food pantry distributing emergency food boxes weekly or by appointment to meet the nutrition needs of people who are homeless and living in poverty
15	<b>Project Name</b>	Peer Outreach Worker (POW) Program
	<b>Target Area</b>	CDBG Target Neighborhoods
	<b>Goals Supported</b>	Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$51,345

	<b>Description</b>	This program will build relationships with homeless and substance use disordered populations, service and healthcare providers, local merchants and neighbors, and community Police, with the goal of leveraging these relationships to assist with access to support, bring together diverse sectors of the community on common aims, enhance the impact of current initiatives to end chronic homelessness, halt the opiate epidemic, and help all to experience the community as safe, respectful and humane.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1000 homeless individuals will benefit from this program
	<b>Location Description</b>	Targeted hotspots across the downtown area of Portland's peninsula
	<b>Planned Activities</b>	Provide coaching sessions with the peer coach, either over the phone, in person on the street, or in person over a cup of coffee. Coaching clients are referred to Amistad by area hospitals, who see this population as frequent users of emergency departments, as well as by the community health center, city shelters and resource center, Cumberland County Sheriff's department, Portland Police department, area psychiatric service providers, Milestone Foundation (a CDBG recipient), and other service providers in the community.
16	<b>Project Name</b>	Immigrant Legal Services
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Economic Opportunity
	<b>Needs Addressed</b>	Economic Opportunity
	<b>Funding</b>	CDBG: \$51,345
	<b>Description</b>	This program will increase the amount of affordable, qualified immigrant legal services for Portland Immigrants, refugees and asylees. Services will be delivered by Maine's sole refugee resettlement agency (CCM) and Maine's only comprehensive statewide immigration legal aid agency (ILAP). Services will expand economic opportunities for clients by helping them to gain residency, work permits, citizenship, and to reunify with family. T
	<b>Target Date</b>	6/30/2019

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1358 LMI individuals will benefit from this program
	<b>Location Description</b>	80 Sherman Street, Portland ME
	<b>Planned Activities</b>	This program will increase the amount of affordable, qualified immigrant legal services for Portland Immigrants, refugees and asylees. Services will be delivered by Maine's sole refugee resettlement agency (CCM) and Maine's only comprehensive statewide immigration legal aid agency (ILAP). Services will expand economic opportunities for clients by helping them to gain residency, work permits, citizenship, and to reunify with family.
<b>17</b>	<b>Project Name</b>	COP- Housing Follow Up Services for Long Term Shelter Stayers
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$58,671
	<b>Description</b>	This program is the only program whose sole focus is to help formerly homeless persons recover from the trauma of homelessness, assisting their integration into their new neighborhoods, improving their health and quality of life, and reducing returns to homelessness and expensive emergency services.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	75 formerly homeless individuals will benefit from this program
	<b>Location Description</b>	Various locations
	<b>Planned Activities</b>	This program is the only program whose sole focus is to help formerly homeless persons recover from the trauma of homelessness, assisting their integration into their new neighborhoods, improving their health and quality of life, and reducing returns to homelessness and expensive emergency services.
<b>18</b>	<b>Project Name</b>	Milestone Homeless Outreach and Mobile Engagement Team (HOME Team)
	<b>Target Area</b>	CDBG Target Neighborhoods

	<b>Goals Supported</b>	Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$114,000
	<b>Description</b>	The HOME Team will provide daily street outreach, interventions, referrals, and transportation to highly intoxicated, homeless individuals. The HOME Team's Housing Navigator will assist Milestone's long-term shelter stayers secure and maintain housing; Milestone's partners, Amistad and Maine Homeless Veterans Alliance will provide follow-up care to ensure clients remain housed.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	400 homeless individuals
	<b>Location Description</b>	65 India Street, Portland ME 04101
	<b>Planned Activities</b>	The HOME Team will provide daily street outreach, interventions, referrals, and transportation to highly intoxicated, homeless individuals. The HOME Team's Housing Navigator will assist Milestone's long-term shelter stayers secure and maintain housing; Milestone's partners, Amistad and Maine Homeless Veterans Alliance will provide follow-up care to ensure clients remain housed.
<b>19</b>	<b>Project Name</b>	Preble Street Resource Center
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Address the Needs for Growing Homeless Population
	<b>Funding</b>	CDBG: \$25,667
	<b>Description</b>	Drop-in service center providing homeless adults and families with essential services-e.g. bathrooms, showers, clothing, phones-and assistance with links to resources to help them move beyond homelessness.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	1500 Homeless individuals will benefit from this program

	<b>Location Description</b>	5 Portland Street, Portland ME
	<b>Planned Activities</b>	Staff will have 600,000 client contacts over the course of the year. They will provide safe shelter day 7 days a week and meet the basis critical needs of adults and families with inadequate access to clothing, storage, bathrooms, laundry, and personal hygiene items.
20	<b>Project Name</b>	Homeless Programs HESG
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Address the Needs for Growing Homeless Population
	<b>Needs Addressed</b>	Address the Needs for Growing Homeless Population
	<b>Funding</b>	ESG: \$157,131
	<b>Description</b>	This is for all Emergency Solutions Grant programs, including Family Shelter essential services; Family Shelter homeless prevention and rapid rehousing; Oxford Street Shelter homeless prevention; and administration and HMIS.
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	All individuals and families living in or entering the City of Portland Shelter system that qualify for rapid rehousing, essential services, or homeless prevention will benefit from this activity
	<b>Location Description</b>	203 Oxford St, Portland, ME 04101 and 54 Chestnut St, Portland, ME 04101
	<b>Planned Activities</b>	This is for all Emergency Solutions Grant programs, including Family Shelter essential services; Family Shelter homeless prevention and rapid rehousing; Oxford Street Shelter homeless prevention; and administration and HMIS.
21	<b>Project Name</b>	HOME Administration
	<b>Target Area</b>	PORTLAND, MAINE Cumberland County
	<b>Goals Supported</b>	Housing Availability
	<b>Needs Addressed</b>	Housing Availability
	<b>Funding</b>	HOME: \$101,737
	<b>Description</b>	HOME set-aside for administrative costs of the program; Manage the HOME Program including housing rehabilitation, affordable housing development, TBRA and HUD reporting.

	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This is for administration of the HOME program. No families will benefit directly from this project.
	<b>Location Description</b>	HOME Program activities can occur throughout the City of Portland and Cumberland County, specific locations to be determined.
	<b>Planned Activities</b>	HOME set-aside for administrative costs of the program; Manage the HOME Program including housing rehabilitation, affordable housing development, TBRA and HUD reporting.
22	<b>Project Name</b>	Housing Development Fund Project Staff Costs
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Housing Availability
	<b>Needs Addressed</b>	Housing Availability
	<b>Funding</b>	CDBG: \$51,826
	<b>Description</b>	This is for project staff costs on specific rehabilitation projects throughout the City.
	<b>Target Date</b>	6/30/2019
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	This is for project staff costs on specific rehabilitation projects throughout the City.
	<b>Location Description</b>	Rehabilitation projects throughout the City of Portland
	<b>Planned Activities</b>	Staff salary for managing specific rehabilitation projects.
23	<b>Project Name</b>	Tenant Based Rental Assistance
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Housing Availability
	<b>Needs Addressed</b>	Housing Availability
	<b>Funding</b>	HOME: \$162,000
	<b>Description</b>	Tenant Based Rental Assistance Program operated by the City of Portland out of the General Assistance Office
	<b>Target Date</b>	6/30/2020

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	Approximately 162 extremely low income individuals or families will be assisted through this program
	<b>Location Description</b>	Throughout the City of Portland
	<b>Planned Activities</b>	Tenant Based Rental Assistance Program operated by the City of Portland's General Assistance Office
<b>24</b>	<b>Project Name</b>	City Housing Rehabilitation
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Housing Availability
	<b>Needs Addressed</b>	Economic Opportunity
	<b>Funding</b>	CDBG: \$165,270 HOME: \$100,000
	<b>Description</b>	Housing rehabilitation program will provide home repair assistance to income eligible property owners in the City of Portland
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	18 low/moderate income families
	<b>Location Description</b>	Throughout the City of Portland
	<b>Planned Activities</b>	Housing rehabilitation program will provide home repair assistance to income eligible property owners in the City of Portland
<b>25</b>	<b>Project Name</b>	City Affordable Housing Development
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Housing Availability
	<b>Needs Addressed</b>	Housing Availability
	<b>Funding</b>	HOME: \$1,080,174
	<b>Description</b>	Affordable housing development projects which create or maintain affordable rental housing units.
	<b>Target Date</b>	6/30/2022

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	3 low/moderate income families
	<b>Location Description</b>	Throughout the City of Portland
	<b>Planned Activities</b>	The goal for the distribution of HOME funds is to promote and finance the development of affordable housing in the City of Portland. Rental housing for seniors, multi-family, SRO units.
<b>26</b>	<b>Project Name</b>	County HOME Housing Rehabilitation
	<b>Target Area</b>	Cumberland County
	<b>Goals Supported</b>	Housing Availability
	<b>Needs Addressed</b>	Housing Availability
	<b>Funding</b>	HOME: \$100,000
	<b>Description</b>	Housing rehabilitation program in Cumberland County
	<b>Target Date</b>	6/30/2020
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	8 low/moderate income families
	<b>Location Description</b>	Throughout Cumberland County, not including the City of Portland
	<b>Planned Activities</b>	Housing rehabilitation projects typically include energy efficiency repairs and other basic home repairs such as heating system replacements, roof repairs and utility upgrades. A housing inspection and energy audit are complete on each property assisted.
<b>27</b>	<b>Project Name</b>	County HOME Affordable Housing Development
	<b>Target Area</b>	Cumberland County
	<b>Goals Supported</b>	Housing Availability
	<b>Needs Addressed</b>	Housing Availability
	<b>Funding</b>	HOME: \$346,046
	<b>Description</b>	Affordable Housing Development Program is designed to promote and help finance the development of affordable housing in the communities of Cumberland County, not including the City of Portland. Funding for this activity includes a portion of the annual CHDO set-aside.
	<b>Target Date</b>	6/30/2022

	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	4 low/moderate income families
	<b>Location Description</b>	Throughout Cumberland County, excluding the City of Portland.
	<b>Planned Activities</b>	The goal is to promote and finance the development of affordable housing in Consortium communities outside the City of Portland. This housing may be rental or ownership housing or the conversion of nonresidential property to housing units. Developments must be deemed appropriate for the community and location consistent with the community's Comprehensive Plan. The Consortium seeks developments with a high standard for quality, design and livability. Developments should promote efficient use of land, a location proximate to shopping, work places, and community facilities and incorporate high standards of energy efficiency and "green" design criteria.
28	<b>Project Name</b>	Section 108 Loan
	<b>Target Area</b>	PORTLAND, MAINE
	<b>Goals Supported</b>	Neighborhood Investment & Infrastructure
	<b>Needs Addressed</b>	Neighborhood Investment & Infrastructure
	<b>Funding</b>	Section 108: \$7,983,999
	<b>Description</b>	The City received 108/BEDI funds in an amount of \$1.2 million in Brownfields Economic Development Initiative (BEDI) and \$10.8 million in Section 108 loan. The combined \$12 million will revitalize the distressed area of Bayside by stimulating residential and commercial economic development activities and creating jobs.
	<b>Target Date</b>	6/30/2022
	<b>Estimate the number and type of families that will benefit from the proposed activities</b>	The Section 108 funds are slated for the construction of an 840 parking space garage with retail/commercial space on the ground level. The construction of the parking garage will leverage the creation of three new buildings which will include direct street access retail space at the ground level and 445 new market rate apartments.
	<b>Location Description</b>	Bayside neighborhood

	<p><b>Planned Activities</b></p>	<p>As part of the revitalization efforts in Bayside, in 2012, the City underwent negotiations with Federated Companies for the purchase and sale of seven parcels of land. The Section 108 funds are slated for the construction of an 840 parking space garage with 43,000 sq ft of retail/commercial space on the ground level. The construction of the parking garage will leverage the creation of three new buildings consisting of approximately 715,000± square feet, including 90,000± square feet of direct street access retail space at the ground level, and 445 new apartments (from 400 sq. ft studios to 1050 sq. ft. two-bedroom units).</p> <p>The project received Portland Planning Board approval in January 2014. A legal appeal filed by opponents of the project has been settled. In March 2015, the Portland Planning Board approved revisions to the original plan. The City anticipates the project to be under construction by the summer of 2019 with an anticipated two to three year build-out period.</p>
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## **AP-50 Geographic Distribution - 91.420, 91.220(f)**

### **Description of the geographic areas of the entitlement (including areas of low-income and minority concentration) where assistance will be directed**

The City of Portland's priority to allocating resources is to focus them on the areas of the jurisdiction that are in the most need. To determine this, the City considered which areas of the City have the highest combination of poverty, minorities, single parents, oldest housing stock, and housing problems. These are located in Census Tracts 5, 6 and 10, which represents East Bayside, Bayside and Parkside neighborhoods respectively. As mentioned in the City's 2016-2020 Consolidated Plan, Portland is considering a Neighborhood Revitalization Strategy Area to help increase investment in these neighborhoods.

In 2015 the City created a 'targeted neighborhood investment' area; starting with the Bayside Neighborhoods and moving to a different neighborhood every 2-7 years, depending on community and public infrastructure needs. The Bayside Neighborhoods were chosen as the first targeted neighborhood investment area due to a combination of this area having the highest percentage of LMI residents, a lack of adequate housing and public infrastructure, as well as a high potential for private investments. Street work, sidewalks, lighting, parks, playgrounds, and other area benefit projects will be located in the target neighborhoods to benefit the low and moderate income individuals and families that live there. Due to the amenities and proximity to services, many HOME funded affordable housing projects are also located in the target neighborhoods.

Housing rehabilitation and new construction benefit individual persons or households who are low to moderate income, and therefore HOME funds can be spent throughout the City and County, which are the next geographic area priorities.

The percentages listed in the below table do not include program administration. The program administration funds are not tied to a target area of the City or County

### **Geographic Distribution**

<b>Target Area</b>	<b>Percentage of Funds</b>
PORTLAND, MAINE	58
Eligible Census Tracts	5
Cumberland County	15
CDBG Target Neighborhoods	12
Bayside Neighborhoods	10

**Table 5 - Geographic Distribution**

## **Rationale for the priorities for allocating investments geographically**

The City's goal is to allocate funds to areas of the City with the highest need. As shown in the above table, the majority of funds allocated fall in the City of Portland and Cumberland County target areas. Many of the CDBG social service activities and economic development activities, as well as all of the HOME and ESG activities, are based on the type of person served, not the location. Therefore, the final percentage of funds allocated for the Bayside Neighborhood, CDBG Target Neighborhoods, and Eligible Census Tracts target areas may increase, but the program is not specifically targeting a resident in a particular neighborhood.

Several of the CDBG social service programs target LMI residents living in CDBG Target Neighborhoods, this is done to increase the efficiency of these particular programs. In addition to the social service programs, the CDBG public infrastructure sidewalk improvement project will take place in target area Bayside Neighborhoods.

## **Discussion**

As mentioned in the Five Year Consolidated plan, the City is considering creating a Neighborhood Revitalization Strategy Area in the neighborhoods of Bayside, East Bayside and Parkside; or Census Tracts 5, 6, and 10. These neighborhoods have been a focus for the City of Portland for several years. Although they are not the only areas of the City, these neighborhoods are of highest concern for the city because in combination they have the highest concentration of poverty, minorities, single parents, oldest housing stock, and housing problems. More consideration of a Neighborhood Revitalization Strategy Area will be given over the remaining two years of the Five Year Consolidated Plan.

# Affordable Housing

## AP-55 Affordable Housing - 91.420, 91.220(g)

### Introduction

The City of Portland currently has a 2% vacancy rate, the tight housing market contributes to the need to build more affordable housing in the greater Portland area. The City of Portland and the Cumberland County HOME Consortium strive to increase the amount of decent, safe, and affordable housing available throughout Cumberland County. The City uses ESG and CDBG funds in addition to the HOME funds to fulfill this goal.

As part of the City's 10 year plan to end homelessness, the City has opted to use \$162,000 of its HOME allocation to serve an estimated 162 homeless families via tenant-based rental assistance (TBRA) program. The City's affordable housing providers work with social service providers to move individuals out of homeless and into affordable housing.

This year, CDBG will fund a 'Housing Follow-Up Services' program that will provide follow up services to individuals who have moved from chronic homelessness to permanent housing. This program is been proven very successful at preventing individuals from returning to homelessness. Through the CDBG funding, this program will be able to expand to more clients.

One Year Goals for the Number of Households to be Supported	
Homeless	162
Non-Homeless	40
Special-Needs	0
Total	202

Table 6 - One Year Goals for Affordable Housing by Support Requirement

One Year Goals for the Number of Households Supported Through	
Rental Assistance	162
The Production of New Units	14
Rehab of Existing Units	26
Acquisition of Existing Units	0
Total	202

Table 7 - One Year Goals for Affordable Housing by Support Type

### Discussion

In 2016 the City of Portland implemented a policy requiring any new rental housing development receiving assistance through Tax Increment Financing and/or HOME or CDBG subsidy from the City, be required to set aside 10% of the rental units in the development for individuals or families currently

living in a City of Portland shelter.

The City would be responsible for providing referrals, providing or coordinating supportive services to eligible homeless populations who become tenants of the housing, including assuring tenants qualify for the housing, providing or locating financial resources such as Section 8, General Assistance, or other resources to assist with monthly rent payment. Individual services would be dependent upon the particular requirements of the individual tenants and specific to their needs and goals, and would be subject to eligibility at the City. All tenants referred would meet income, homelessness criteria, and other requirements so as to be fully qualified for the housing. City staff would work to provide a variety of support services to assist homeless individuals, enhance their self-esteem, secure housing, and work towards a self-sufficiency plan. Long term support services would be provided through collaboration with other area service providers.

## **AP-60 Public Housing - 91.420, 91.220(h)**

### **Introduction**

The Portland Housing Authority (PHA) provides quality, affordable housing opportunities to Portland's LMI residents. PHA partners with the City of Portland, clients, and appropriate agencies to enhance the quality of life in the community.

PHA plans to expand its current inventory of affordable housing and be part of the ongoing solution to the City's critical shortage of affordable housing. Additionally, the agency continues to take steps to help address the housing needs identified in its annual and 5-year plans (2015-2019 Strategic Plan). The stated goal is to develop 100 new housing units in five years. In addition to creating new housing, PHA maintains an aging housing stock that will require updates to maintain the quality of its housing opportunities for its residents.

Through the HOME Consortium, the City of Portland and Cumberland County work with Westbrook Housing Authority, South Portland Housing Authority, and Brunswick Housing Authority to assure quality, affordable housing opportunities to LMI residents in Cumberland County.

### **Actions planned during the next year to address the needs to public housing**

Two important goals in Portland Housing Authority's 5 Year Plan (2015 to 2019) include the development of additional affordable housing and investment in PHA owned properties. In PY2018-2019, the Portland Housing Authority will receive \$250,000 in CDBG funds to help with relocation costs associated with the reconstruction of the PHA Front Street Apartments. Additionally, the PHA, with the assistance of CDBG, HOME and LITHC funds, will begin the reconstruction of 58 Boyd Street. The completion of these two projects will add 104 units of housing to Portland's market.

### **Actions to encourage public housing residents to become more involved in management and participate in homeownership**

#### Portland Housing Authority

- Periodic community meetings with residents
- Assist with the organization of resident councils where none exist
- A new website with inactive features for residents to engage staff
- Quarterly meetings with recently reorganized Resident Advisory Board (RAB) to obtain input on agency plans and resident needs.
- Newsletters in certain developments

#### Westbrook Housing Authority

- Survey residents to identify optimal method, frequency and desired content of communication
- Educate residents on existing Agency communications
- Based on survey results, build and implement a communication plan, potentially to use such methods as Presidents’ meetings, Resident Councils, social media, website, email/phone blasts or other tools as appropriate
- Expand use of our facilities for community partners (satellite offices, conference rooms, community rooms) in keeping with agency policies
- Establish new working relationships with neighboring communities as development partners
- Strengthen economic and development connections with City of Westbrook

South Portland Housing Authority

- Each month South Portland releases an activities calendar with all of the activities available to the residents. These activities include; picnics, senior and health expos, bus services to Walmart, the mall, and the grocery store, breakfast outings, and many other activities.
- Implement a volunteer management plan to maximize volunteer effectiveness and recognize efforts
- Increase the number of Family Self Sufficiency participants by 10% annually

Brunswick Housing Authority

- Residents hold monthly meetings to discuss ideas and plan activities
- Staff and Residents hold family development meeting meetings where activities and family trainings are planned. This includes summer lunch programs, after school programs, and family trainings

Brunswick Housing builds single family homes. These homes are advertised to residents. Qualifying residents then work with Coastal Enterprises Inc. to participate in homeownership counseling. The program has been very successful.

**If the PHA is designated as troubled, describe the manner in which financial assistance will be provided or other assistance**

n/a

**Discussion**

Portland and Cumberland County’s vitality depends on the availability of a diverse array of housing options, particularly apartments, which are often the first and often the only choice for working professionals, immigrants and families.

The Portland Housing Authority has strategic plans in place to participate in the City’s efforts to increase

housing for LMI Portlanders, including building in-house housing development capacity; prioritize development; utilize program reserves to seed fund development opportunities; redevelop PHA properties and utilize excess land for development opportunities; continue to seek financing programs for new housing development; and partner with non-profit housing developers for developments beyond the capacity of PHA. All three Cumberland County housing authorities work closely with their local governments and surround communities to address emerging needs affecting their residents and the availability of adequate housing.

## **AP-65 Homeless and Other Special Needs Activities - 91.420, 91.220(i)**

### **Introduction**

Portland homeless shelters, including the Joe Kreisler Teen Shelter, Portland Family Shelter, Safe Haven, Milestone, Oxford Street Shelter for Men and Women, and the Preble Street Florence House Women's Shelter, sheltered an average of 458 individuals per night last year. This number exceeds bed capacity among all shelters by over 100 individuals and includes providing hotels from overflow at the Family Crisis Shelter and the Family Shelter (average 19 families per night), and accommodating overflow mats at Preble Street Overflow Shelter (average of 70 per night) and in chairs at the adult Oxford Street Men's and Women's Shelter (average 6 men and 2 women per night).

The City's Family shelter has been experiencing an unprecedented volume of clients. Many of the clients are asylum seekers, which adds to the complexing of moving clients out of the shelter and into permanent housing. Even with the addition of 48 beds last year, the family shelter runs two overflow sites on a nightly bases. All homeless shelter providers in Portland meet once a month at the Emergency Shelter Assessment Committee meetings to discuss the recent trends and ways to better serve Portland's growing homeless population.

### **Describe the jurisdictions one-year goals and actions for reducing and ending homelessness including**

#### **Reaching out to homeless persons (especially unsheltered persons) and assessing their individual needs**

The Maine State Housing Authority coordinates the efforts of homeless shelters, outreach groups, and volunteers who participate in an annual Point in Time Survey of State of Maine and City of Portland homeless populations. The annual census is required of all states at this time of year by U.S. Department of Housing and Urban Development, and the count provides a snapshot of the number of individuals and families in shelters and on the streets on a given night. For Maine, a count performed in January will represent chronic and truly desperate homelessness because of extreme weather conditions including typical temperatures well below freezing, regular snow accumulation, and minimal daylight hours.

The Homeless Outreach and Mobile Engagement (HOME) Team is a collaboration between the City of Portland, the Portland Downtown District and Milestone Foundation, a non-profit social service provider, to provide outreach and community supports to those with chronic health, mental health and substance abuse issues living on the streets of Portland. The HOME team has become part of the emergency service delivery system for businesses and community members.

In addition, Amistad, a Portland-based non-profit organization, and Portland Downtown (a 501c4) have created a Peer Outreach Worker pilot program, funded by CDBG that will allow a peer outreach worker to connect with clients that live with mental illness, often times co-occurring substance abuse disorders,

and often times experience homelessness. The outreach worker will then collaborate with the Milestone Foundation, the City's Shelters, local hospitals, and Portland Downtown businesses to get the client the services they need.

### **Addressing the emergency shelter and transitional housing needs of homeless persons**

Emergency Shelter: As mentioned above, the City of Portland has a connected network of homeless shelters, yet the number of individuals seeking shelter often out numbers the available beds. The City run shelters have a policy of not turning away an individual due to the shelter reaching capacity, therefore, the City contracts with various organizations, such as Preble Street and the Salvation Army to run shelter overflow sites on a nightly bases.

Transitional Housing: As a result of two pre-development grants for new Housing First projects, the City has seen one new 30-unit Housing First project developed, Huston Commons, which is 30 unit project providing homeless individuals with secure, stable housing. The second pre-development grant helped to establish a 4-unit project which is currently being rehabilitated. The City Council has identified the creation of Housing First Incentives as a goal.

Scattered site programs including Shelter Plus Care and other subsidies are used in the housing first model.

Regional Approach: The Public Housing Authorities in Westbrook and South Portland have both made commitments to set aside Section 8 housing vouchers specifically for people experiencing long-term homelessness.

**Helping homeless persons (especially chronically homeless individuals and families, families with children, veterans and their families, and unaccompanied youth) make the transition to permanent housing and independent living, including shortening the period of time that individuals and families experience homelessness, facilitating access for homeless individuals and families to affordable housing units, and preventing individuals and families who were recently homeless from becoming homeless again**

The ESAC Long Term Stayer's Committee Initiative is focused on housing the longest stayers in homelessness in Portland. Since the initiative began in April of 2015 a total of 192 Housing First Placements have been made. This group collectively had more than 275 years of homelessness and more than 100,000 total bed nights. 85 of these placements occurred in 2017. This initiative has greatly helped to decrease the need for overflow shelters in Portland. The CDBG funded Housing Follow up Services for Long Term Stayers program helps individuals who have been placed into housing from returning to homelessness.

Additionally, the goal of the City of Portland's Emergency Solutions Grant program is to provide rapid re-housing services to individuals staying at the shelter and to provide prevention services to individuals facing homelessness in the community. In PF18/19 there is \$54,200 for rapid rehousing and \$12,950 in homeless prevention for the Oxford Street Shelter. The projected annual goal for Oxford Street Shelter is to serve 125 people who are literally homeless and 10 people who are at risk of homelessness. Likewise, the Family Shelter has \$51,200 for homeless prevention and \$27,000 for Essential Services. The goal for the Family Shelter is to serve 75 families who are literally homeless and 25 families who are at risk of homelessness. Additionally, the shelters have a goal of no more than 10% recidivism[k1] . The goal is to ensure the 135 clients at Oxford Street and 100 families at the Family Shelter will have success in housing.

The City's Tenant Based Rental Assistance program (TBRA) was implemented on April 1, 2014. This program uses a portion of the City's HOME funds (\$162,000). There is a centralized intake with a single point of contact located at the Oxford Street Shelter and Family Shelter, utilization of a rapid re-housing approach with a particular focus on reducing recidivism; as such clients are assigned a case manager to provide follow-up care services. Follow-up services provided will have a strong emphasis on connecting clients to other mainstream resources to ensure long term housing success.

The Home to Stay (HTS) Program is modeled after a rapid re-housing approach that provides housing stability services to persons who are experiencing homelessness. This project is funded by Maine Housing and covers both city-operated shelters; the Oxford Street Shelter and the Family Shelter. The Home to Stay Program assists homeless clients seeking permanent housing with education, services and support to meet their health, housing, and employment needs in order to overcome barriers to obtaining and maintaining housing. The goal is to help participants achieve permanent stable housing. Participants are assigned a Navigator who has experience in working with people who are experiencing homelessness. Navigators conduct assessments to determine a best course of action and customize a plan that best suits each individual's housing needs.

The combination of the City's Long Term Stayers Initiative, the Emergency Solutions Grant, Tenant Based Rental Assistance, and Home To Stay program help to prevent homelessness and rapidly rehouse individuals who become homeless in Portland.

**Helping low-income individuals and families avoid becoming homeless, especially extremely low-income individuals and families and those who are: being discharged from publicly funded institutions and systems of care (such as health care facilities, mental health facilities, foster care and other youth facilities, and corrections programs and institutions); or, receiving assistance from public or private agencies that address housing, health, social services, employment, education, or youth needs.**

The City's After Hours Program assures access of emergency services to low-income 'at-risk' individuals and families, including help with placement in appropriate shelters/warming centers and assists with

basic needs such as medication, food, baby formula, diapers, and heating. The program offers a hotline service 365 days a year, 24 hours a day.

The Greater Portland Addiction Collaborative has brought together local hospitals, City Programs, Police, community detox centers, SUDs treatment providers, crisis providers, housing and employment providers, recover community, and the peer recovery center is to provide high quality treatment and fill the gaps to ensure that individuals receive the care they need upon discharge.

## **Discussion**

The National Opioid crisis has been having a great impact on the need for homelessness and substance abuse services in Portland. The City's one and five year goals are to create a safety net of programs through a combination of CBDG, HOME, ESG, other federal and local resources.

## **AP-75 Barriers to affordable housing -91.420, 91.220(j)**

### **Introduction**

In 2015 the City Council passed a suite of ordinance changes, referred to as the “Encourage & Ensure” housing package, which would encourage greater housing development while still preserving City residents' quality of life and housing affordability. Encourage and Ensure is a two-pronged approach designed to encourage housing development by removing barriers to the creation of traditional urban housing types while ensuring the inclusion of affordable workforce housing in significant development projects. Part of this approach included changes to Division 30 of the City's ordinance which refers to affordable housing. This change provides additional density through development incentives as well as adding an inclusionary zoning requirement for workforce housing.

In 2016, the City Council passed a new Tenant Housing Rights Ordinance aimed at providing additional education and protections for tenants. The ordinance established a new tenant/landlord committee, required landlords provide a City issued document describing tenancy at will to tenants, and extended minimum rent increase notices to 75 days.

Following the implementation of the City's new Comprehensive Plan in 2017, The City will be rewriting the land use zoning code. Portland's Land Use Code includes zoning, historic preservation, site plan and subdivision standards, environmental regulations, affordable housing provisions, and more.

### **Actions it planned to remove or ameliorate the negative effects of public policies that serve as barriers to affordable housing such as land use controls, tax policies affecting land, zoning ordinances, building codes, fees and charges, growth limitations, and policies affecting the return on residential investment**

Within the past two years the Planning Department has created or revised a wide variety of ordinances to help promote additional housing development and preserve housing affordability. Several zoning changes were approved to help minimize the barriers to building affordable housing. These include changes to the B2 zone to increase allowed housing densities to 100 units/acre and revisions to the R6 zone that would increase density from 45 to 60 units per acre, reduce parking requirements, and reducing minimum lot size. Parking requirements were also reduced for residential uses in the B3, B5, B6 and B7 business zones in an effort to allow for more housing density and reduce the financial costs associated with new developments. Recent revisions to the code eliminated residential density limits in B1 and B2 business zones. Allow the use of fee-in-lieu of parking in off-peninsula business zones. Amendments were made to the downtown height overlay map to increase housing height limits from 45' to 65' in certain areas of the City. Revised the use of accessory dwelling units in island residential zones provided they limit occupancy to year round tenants whose income qualifies them as workforce households. Similar revisions were made for ADU's in the R5 zone within existing structures as long as the units were restricted to households earning up to 80% of AMI. In addition, the City expanded

projects that qualify for density bonuses associated with the creation of affordable housing. The conglomeration of these initiatives will help to reduce barriers to building additional affordable housing in Portland. Listed below are recently adopted or revised policy tools, zoning ordinances and funding resources at the City's disposal for addressing issues related to housing affordability in Portland.

#### List of Tools

- Inclusionary Zoning
- Selling City Owned Land for Housing Development
- Amended Zoning to Allow for Additional Housing Development B-1, B-2, B-3, B-4, B-6, R-6
- Up to 25% Density Bonus, Section 14-484 Increased Allowable Heights
- ADU Amendments encouraging Workforce Housing in R-5, IR-1, and IR-2 Zones
- Reduced Parking Requirements & Fee-In Lieu Option
- Amended Housing Replacement Ordinance
- Reduced Fee's for Affordable Housing Development
- Transportation Improvements to Allow for Greater Density
- Housing First Model India Street Form Based Code
- Housing Investment Policy
- Housing Trust Fund Annual Plan

#### Financial Resources

- HOME Funds for Housing Development
- CDBG Funds
- Housing Development Funds – CDBG Housing Program Income
- Housing Trust Fund
- Affordable Housing Tax Increment Financing (AHTIF's)
- Affordable Housing Revolving Loan Fund
- Selling City Owned Land at Less Than Market Value
- Tenant Based Rental Assistance Vouchers
- Residential Rehab Program
- Lead Safe Program
- Tax Acquired Properties to Capitalize the Housing Trust Fund

#### **Discussion**

Since 2000 the City has contributed approximately \$13.8 million dollars to aid in the construction of 951 affordable housing in Portland. Of these affordable units, two projects, consisting of 24 units, were built as home ownership. The remainder of the units have all been developed as rental properties. When

accounting for all of its various subsidies, the City of Portland contributes, on average, approximately \$14,539 per unit to support the development of housing.

Over the past three years, the City's Housing Committee has solicited information from a diverse group of stakeholders to solicit policy suggestions, parse out best practices, and fully understand the housing concerns of those on the ground level. As part of the process, the Committee has collected a list of ideas for actionable next steps to address community concerns as they relate to housing. The Housing Committee continues to examine the adoption of policies that further the goals of fair housing, encourage the development of additional housing, and provide and preserve additional affordable housing stock for the City. The end goal of this process is to create a market of decent, safe, and affordable housing units for a diverse range of households.

## **AP-85 Other Actions - 91.420, 91.220(k)**

### **Introduction**

The Office of Community Planning and Development (CPD) seeks to develop viable communities by promoting integrated approaches that provide decent housing, a suitable living environment, and expand economic opportunities for low and moderate income persons. The primary means towards this end is the development of partnerships among all levels of government and the private sector, including for-profit and non-profit organizations. The City of Portland supports this mission and works to address obstacles to meet underserved need, maintain affordable housing, reduce lead based paint, reduce the number of poverty level families, develop institutional structure to help achieve its goals and enhance coordination between private and public entities.

### **Actions planned to address obstacles to meeting underserved needs**

In the City of Portland, the vast majority of CDBG, HOME, and ESG allocations go to addressing underserved needs of the City. The proposed CDBG projects will be meeting underserved needs such as food (soup kitchen and community meals), shelter (teen shelter, women shelter, and adult day shelter), safety (five community policing offices), support for those with mental and physical illnesses and substance use disorders, and child care. The HOME grant funds help persons gain or maintain housing through the Tenant Based Rental Assistance Program, build affordable housing for low income families who cannot afford housing otherwise, and renovate homes to improve energy efficiency and life safety improvements for low income homeowners. Additionally the Emergency Solutions Grant meets the needs of individuals and families by gaining or maintaining housing throughout their homeless prevention or rapid rehousing initiatives, along with maintaining shelter costs for the city's most vulnerable populations.

### **Actions planned to foster and maintain affordable housing**

The City is committed to fostering and maintaining affordable housing. As mentioned earlier, the City's Housing Committee is examining the adoption of policies that further the goals of fair housing, encourage the development of additional housing, and provide and preserve additional affordable housing stock for the City.

Portland's Year 3 Housing Goals include:

- Rehabilitation City- 18, County- 8;
- Affordable Housing Development City -10 HOME assisted, County -4; and
- HOME assisted, Tenant Based Rental Assistance City 162 individuals and families.
- Assisting 38 owners to rehabilitate their homes and remediate LBP hazards.
- ESG Tenant Based Rental Assistance 125 individuals and families
- Promote housing availability by continuing to assess and as appropriate, offer city owned

property to construct affordable housing.

- Assisting 38 owners to rehabilitate their homes and remediate LBP hazards.

City of Portland: Portland's new Comprehensive Plan encourages a manageable level of growth that will sustain the city as a healthy urban center in which to live and work and to achieve our shared vision for Portland. Portland encourages sustainable development patterns and opportunities within the city by promoting efficient land use, conservation of natural resources, and easy access to public transportation, services, and public amenities, and strives to ensure freedom of choice in housing type, tenure, and neighborhood for all, regardless of race, color, age, gender, familial status, sexual orientation, religion, national origin, source of income or disability.

Cumberland County Consortium: The Priorities and the specific objectives for the non-Portland members of the Consortium for PY2018-2019 are: Housing Rehabilitation and Housing Development as a CHDO Activity, i.e. the provision of development subsidy funds to a certified Community Housing Development Organization (CHDO) for the development of either homeownership or rental housing.

### **Actions planned to reduce lead-based paint hazards**

The City of Portland has been committed to eliminating lead poisoning in children since 1995 when it received its first HUD Lead Hazard Control Grant. The control and elimination of lead-based paint remains a critical focus of the City of Portland in the housing rehabilitation program and over the years, 450 units have been made lead-safe in Portland. Within the Lead Hazard Control grant program, Portland has effectively and successfully addressed lead hazards prevalent in the City's older housing stock. These efforts will continue through the housing rehabilitation program.

In addition, this program is geared to benefit low and moderate-income families and households. A grant applicant who is in an owner-occupied building in the City of Portland must prove that their income is less than 80% of the median area income with a child under six years of age residing in the unit. In multi-unit, non-owner-occupied buildings, 50% of the units must qualify at 50% of the area median income. Priority is given to rental units where there is an active abatement order or where young children reside. Projects outside the City of Portland need to meet HUD income eligibility limits established for Cumberland County. Wherever possible, the City will utilize housing rehab program funds in combination with lead program income funds to complete additional units.

The 2016-2019 Lead Hazard Control grant from HUD will complete lead hazard control work in 88 units. A Healthy Homes inspection is also performed on all qualifying units, and in conjunction with HOME and CDBG funds, the program is able to address code violations, and health and safety issues.

Portland also addresses lead-safe practices by leveraging funds as the lead entity for the Cumberland County HOME Consortium (CCHC). The Consortium allows both programs to reach a much wider audience with their lead outreach and education efforts, as well as produce a number of lead-safe units in other communities across Cumberland County. This joint effort results from a desire to provide cost-

effective, efficient programs to benefit all communities of the region.

### **Actions planned to reduce the number of poverty-level families**

The City of Portland allocates a significant percentage of its Community Development Block Grant to social service programs and housing activities designed not only to improve the lives of families and individuals in poverty, but also to facilitate their transition out of poverty. Below are just some of the most critical programs and services which the City plans to support with the CDBG, HOME and ESG funds:

- Quality child care from infancy to 5 years of age for low and moderate-income families. Subsidized childcare enables families to move from welfare to work.
- Microenterprise assistance and business creation.
- Job creation for local businesses.
- Day and night shelter with case management and counseling programs, night shelters specifically for teens and women.
- Community meals and mobile food pantries
- Medical outreach to individuals on the streets and in the Oxford Street Shelter
- Homeless outreach and engagement program to assist individuals in crisis to access necessary services.
- Street Outreach for individuals experiencing homelessness
- Homeownership housing rehab to allow low/moderate income individuals to live comfortably in their own homes.
- Creation of stable affordable housing units
- Tenant based rental assistance to help families to be rapidly rehoused or maintain their current housing, to help build stability.
- Homeless prevention services to individuals facing homelessness.
- Rapid rehousing for individuals staying at the Oxford Street Shelter and Family Shelter.

Helping families move out of poverty as opposed to simply serving those in poverty is an important part of the City's Housing and Community Development Program. Total funds available to the City are insufficient to meet the needs of its citizens in poverty; however targeting funds to activities which support self-sufficiency can make a significant difference in the lives of many people. The City plans to continue to look at requests for funding and existing programs to see how CDBG, ESG and HOME funds can assist individuals and families in moving beyond poverty.

### **Actions planned to develop institutional structure**

The City will continue to carry out its Housing and Community Development Plan in partnership with the other management and delivery entities for housing and community development activities. These organizations include various City Departments, the Portland Housing Authority, and an integrated

network of non-profit housing and social service providers.

The City of Portland Housing and Community Development Division is responsible for overseeing the budget and distribution of the City's CDBG, HOME and ESG entitlement funds and development of the Five-Year Consolidated Plan and Annual Action Plan and Consolidated Annual Performance Evaluation Report, as well as ensuring that all programs comply with HUD's federal regulations. Additionally the HCD Division administers the City's housing rehabilitation and new construction programs as well as monitor's all outstanding loans associated with the former HomePort program.

City of Portland Social Services Division administers the General Assistance Program, the ESG funds, the City's emergency shelters (for single adults and families), transitional housing facilities, housing location services, Family Services Program, job readiness training and employment services and several other support activities in coordination with non-profit housing and social service agencies. Additionally, the Social Services Division administers the HOME funded Tenant Based Rental Assistance Program.

Non-Profit Housing and Social Service Agencies play a large role in directly providing housing and economic development services to low income, homeless, and special needs populations throughout Portland.

Working collaboratively, these entities implement the City's Housing and Community Development Plan. The system's strengths include the collaborative manner in which these diverse groups work together to maximize available resources. Portland is a large enough City to have many institutional resources, yet small enough to be able to effectively communicate and collaborate. Currently there are no gaps in types of housing and services, but there is a lack of adequate amounts of both due to insufficient resources. The City and its partners will continue to seek additional resources to improve the system's ability to meet community needs.

### **Actions planned to enhance coordination between public and private housing and social service agencies**

The City of Portland requires proof of organizational collaboration in the form of a memorandum of agreements, letter of support, or demonstrated outreach for all RFPs. In the CDBG scoring process, organizations and entities who demonstrate collaboration with other organizations and entities receive higher allotted points.

The City and the Portland Housing Authority have a long history of cooperation in several areas including community policing, development of affordable housing, recreational activities for at-risk youth, the Family Self-Sufficiency Program, Family Investment Center and applications to HUD for Section 8 certificates and vouchers for families, homeless and disabled persons. City staff and PHA staff communicate regularly and provide each other data for Annual Plans and reports.

City staff from the Health and Human Services Department and Housing and Community Development

Division coordinates with other members of the Emergency Shelter Assessment Committee (ESAC) and the United Way of Greater Portland to develop the Homeless Continuum of Care, respond to the McKinney NOFA and monitor shelter bed usage for single adults, adolescents and families. ESAC members include shelter providers for singles, adolescents, mentally ill, women, families with children, victims of domestic violence, supported housing providers, mental health service providers, substance abuse service providers, health service providers and general services including day shelter providers for the homeless population. ESAC also produces monthly and quarterly statistics on shelter usage and provides a forum to discuss new programs, resource availability, emerging trends and to resolve problems within the continuum that may arise from time to time. City staff coordinates with all applicants and ESAC members to produce the community's McKinney application. The City's Community Development Program Manager attends ESAC and Continuum of Care meetings.

Additionally HCD staff participates in the Maine Affordable Housing Coalition (MAHC). MAHC is a coalition of developers, community action agencies, public housing authorities, investors, housing and service providers, advocates and others working to increase the supply of quality, affordable rental housing throughout Maine. HCD staff is also a partner in a housing liaison system which is designed to work collaboratively with landlords, tenants, social service agencies and other community groups to address issues that impact the relationship between landlords and tenants.

HCD Staff serve on the Age Friendly Portland Steering Committee, with the goal of planning and preparing for the aging population in Maine. The Steering Committee collaborates with senior care social service providers and is the processes of implementing Age Friendly street design practices into the Planning and Urban Development's Comprehensive Plan. Additionally, the committee is implementing an Age Friendly Business recognition program for downtown businesses.

In the City of Portland 33% of CDBG funds support social service agency programs. The funds support housing programs, homeless services, shelter, child care, and support services for those with mental illness. City staff meet with the agencies throughout the year to provide technical assistance and ensure they are meeting HUD guidelines and regulations. Staff also assists in monitoring their progress and makes recommendations for more efficient services.

## **Discussion**

As mentioned earlier, The City of Portland secured HUD 108/BEDI funds in an amount of \$1.2 million in Brownfields Economic Development Initiative (BEDI) and \$10.8 million in Section 108 loan to support revitalization of the distressed area of Bayside by stimulating residential and commercial economic development activities and creating jobs.

One of the catalysts to support the Bayside area-wide revitalization is a public-private partnership to construct an 800 space parking garage with ground level commercial space. Despite unanticipated delays, the city is hopeful that the parking garage will be under construction during by the summer of 2019.

## Program Specific Requirements

### AP-90 Program Specific Requirements - 91.420, 91.220(I)(1,2,4)

#### Introduction

The City of Portland works hard to ensure that the program specific requirements of the Community Development Block Grant, HOME Investment Partnership Program, and the Emergency Solutions Grant program are met on a timely basis.

#### Community Development Block Grant Program (CDBG)

##### Reference 24 CFR 91.220(I)(1)

Projects planned with all CDBG funds expected to be available during the year are identified in the Projects Table. The following identifies program income that is available for use that is included in projects to be carried out.

1. The total amount of program income that will have been received before the start of the next program year and that has not yet been reprogrammed	50,000
2. The amount of proceeds from section 108 loan guarantees that will be used during the year to address the priority needs and specific objectives identified in the grantee's strategic plan.	0
3. The amount of surplus funds from urban renewal settlements	0
4. The amount of any grant funds returned to the line of credit for which the planned use has not been included in a prior statement or plan	0
5. The amount of income from float-funded activities	0
<b>Total Program Income:</b>	<b>50,000</b>

#### Other CDBG Requirements

1. The amount of urgent need activities	0
2. The estimated percentage of CDBG funds that will be used for activities that benefit persons of low and moderate income. Overall Benefit - A consecutive period of one, two or three years may be used to determine that a minimum overall benefit of 70% of CDBG funds is used to benefit persons of low and moderate income. Specify the years covered that include this Annual Action Plan.	87.00%

**HOME Investment Partnership Program (HOME)  
Reference 24 CFR 91.220(l)(2)**

1. A description of other forms of investment being used beyond those identified in Section 92.205 is as follows:

Not applicable

2. A description of the guidelines that will be used for resale or recapture of HOME funds when used for homebuyer activities as required in 92.254, is as follows:

Homebuyer activities of down payment or closing assistance are not part of the PY17/18 planned activities

3. A description of the guidelines for resale or recapture that ensures the affordability of units acquired with HOME funds? See 24 CFR 92.254(a)(4) are as follows:

Acquisition of units with HOME funds is not part of the FY17/18 planned activities

4. Plans for using HOME funds to refinance existing debt secured by multifamily housing that is rehabilitated with HOME funds along with a description of the refinancing guidelines required that will be used under 24 CFR 92.206(b), are as follows:

Refinancing of existing debt is not part of the PY17/18 planned activities

## Emergency Solutions Grant (ESG)

### 1. Include written standards for providing ESG assistance (may include as attachment)

All applicants for service must initially be evaluated for eligibility by use of a standard centralized or coordinated assessment system. Assessment must include determination of income status and availability or lack of resources to sustain existing housing or obtain new housing. To be eligible, an applicant must meet the standards for homelessness or be at risk of becoming homeless. Applicants are eligible for future services only if they have no other housing subsidies from local, state, or federal sources and have no other viable resources to keep or obtain housing. Further, applicants must have an annual income of less than 30% of area median income. The standard that must be used for calculating annual income is established in 24 CFR 5.609. The highest priority applicants for rapid rehousing are those currently homeless persons for whom a potential living unit has been identified and will be available in less than one (1) month.

Every eligible program participant or program household will be assigned a case manager who has experience working with people who are homeless as well as people at risk of homelessness. The case manager will be supervised by the Adult Shelter Coordinator of Support Services for the City's Oxford Street Shelter and Adult Overflow Community Shelter. The case manager will meet every week as a team with the entire Support Service case management unit to conduct case review to ensure policies and procedures are being followed. The case manager will work directly with each program participant or household to accomplish the following:

- Determination of the appropriate type of service needed and the amount of financial assistance that is required using guidelines approved by the City of Portland;
- Development of both a short- and long-term service plan;
- Counseling concerning household needs;
- Monitoring and evaluating program participant progress on a schedule of no less than one-month intervals and more frequently according to need;
- Credit repair (including credit counseling, budget management, debt management, and making realistic financial choices);
- Communication with landlords and utility companies;
- Assurance that program participants are receiving all needed services from essential service providers, homelessness prevention and rapid re-housing assistance providers, other homeless assistance providers, and mainstream service providers, including schools, child care services, legal services, financial resources, health and mental health services, dispute resolution, etc.; and
- Obtaining all needed local, state, and federal services to benefit the program participant, including public housing, employment assistance and job training, SNAP, SSI or SSDI, TAFDC, General Assistance, Medicaid, WIC, etc. All program participants must have full access to mainstream resources.

The following risk factors will be used to determine which individuals and families are provided assistance: length of homelessness, income status, health and/or mental health issues, domestic violence history, and crisis situations

2. If the Continuum of Care has established centralized or coordinated assessment system that meets HUD requirements, describe that centralized or coordinated assessment system.

All CoC shelters are required to enter data into HMIS (except the DV shelter which uses a comparable but separate database for client confidentiality). Portland CoC is working on data sharing with other PHD providers. Info in HMIS will be shared between service providers. All shelters have adopted and are using a common support and services policy. To prevent duplicate service delivery and data entry, a process was implemented to rapidly assign clients to ensure they are working with appropriate staff. The City of Portland ESG program has written standards for providing ESG assistance and consistently applies those to all program participants. The Portland CoC is working in collaboration with the Balance of State to create a coordinated assessment system. Grant funds from the Betterment Fund have been secured to work to create a coordinated assessment throughout the State.

3. Identify the process for making sub-awards and describe how the ESG allocation available to private nonprofit organizations (including community and faith-based organizations).

Portland CoC and ESAC (Emergency Shelter Assessment Committee) are actively involved in the ESG program, including the development of performance standards, operating procedures, and funding expenditures. There are no sub-awards for ESG. The City of Portland utilizes ESG funding for the Family Shelter and Oxford Street Shelter and for homeless prevention and rapid rehousing programs.

4. If the jurisdiction is unable to meet the homeless participation requirement in 24 CFR 576.405(a), the jurisdiction must specify its plan for reaching out to and consulting with homeless or formerly homeless individuals in considering policies and funding decisions regarding facilities and services funded under ESG.

Portland meets the homeless participation requirements in 24 CFR 576.405(a). A formerly homeless individual serves as Tri-Chair of the City's ESAC committee, he also serves on as a member of Homeless Voices for Justice, a state wide advocacy group. Additionally, the ESAC Committee, which is a collaborative of social services agencies, community representatives, businesses and consumers to identify, monitor, advocate, plan, encourage consumer input and involvement in, and facilitate collaborative decision making around all shelter, housing and support issues concerning homeless teens, adults, and families. The United Way and the City of Portland first established ESAC in 1987 as a purely advisory entity. ESAC is also the central entity for planning, monitoring, and decision making for the Department of Housing & Urban Development (HUD) Continuum of Care Homeless Assistance Grant Application. ESAC produces monthly and quarterly statistics on shelter usage and

provides a forum to discuss new programs, resource availability, emerging trends and resolving problems within the continuum that may arise from time to time.

5. Describe performance standards for evaluating ESG.

The performance of the Prevention goal of the Rapid Re-Housing/Prevention Client Navigation Program will be evaluated based on the number of individuals assisted that would have entered the shelter system “but for” the assistance provided by the City of Portland staff. The performance standards, as developed by the Continuum of Care, for the Prevention goal of the program are ensuring that: 1) services are provided to 20 people per year; 2) 100% of clients are assessed for barriers that threaten housing stability and provided with an overview of mainstream resources; 3) 50% of clients assessed are referred to appropriate mainstream resources; 4) 20% of clients are referred to employment services, housing and/or training program; and 5) 100% of clients receiving financial assistance receive assistance with housing location and receive follow up services for 3 months.

The City of Portland is committed to monitoring the performance of grant recipients to ensure that Federal funds are used appropriately and in a manner to maximize low and moderate income public benefit. Grant recipients include City of Portland Departments and Divisions, outside social service agencies, and non-profit organizations. Monitoring each grant recipient ensures that the goals and objectives identified within the Action and Consolidated Plan are met. Performance reports are submitted on a quarterly basis by each public service agency receiving CDBG funds, unless they request monthly reporting. The reports are reviewed for accuracy, goals, performance measures, and compliance. If an agency is not meeting their target goals, or not reporting on time, this information is shared with the citizen review committee, who utilizes this information when allocating resources for the following year. On site monitoring of social service agencies is done on a rotating schedule.

City staff monitor each agency checking for compliance and eligibility. Copies of the monitoring reports are kept in the Housing and Community Development office. CDBG and HOME Housing Projects are monitored regularly to ensure that rent levels, income guidelines and occupancy are being met. All housing projects are entered into the Housing Database. Large rental projects are monitored through annual contact with the property management staff at each project.

Owner occupied rehab projects are monitored through an annual mailing to ensure owner occupancy and tenant occupancy requirements are being met. The former HomePort projects are monitored through an annual mailing to ensure owner occupancy. The Owner Occupied Housing Rehabilitation Program is monitored on an annual basis for occupancy and rental affordability compliance. Occupancy monitoring notices and tenant income verification forms are sent out on a quarterly basis. (HOME funds have not been a successful financing mechanism for multi-family rehab and therefore the city has very few of these types of projects that require monitoring). Additionally any necessary housing inspections

are completed. New Construction/CHDO Funded Rental Housing projects are monitored for tenant income certifications and site inspections. Site inspections are completed by the City's Housing Rehabilitation Specialist and include an inspection of all HOME assisted units as well as common areas and the exterior of each property.

Developers and/or their property managers provide the City with tenant income certifications on an annual basis coinciding with their reporting requirements from Maine Housing and/or tax credit monitoring/syndication organization. To report timeliness, the City's Finance Officer reports expenditures at month end and compares totals to total allocated funds; the resulting percentage is utilized to track timeliness. Monthly drawdowns are completed through IDIS. Divisions in the Department funded under the 20% administrative cap submit plans identifying CDBG projects and the percentage of their time spent working on such projects, as well as identifying specific areas in eligible census tracts where the projects are taking place. This information, plus quarterly reports, is reviewed to ensure compliance with comprehensive planning goals and requirements. All contracts for CDBG and HOME funds include provisions that include outreach to women and minority business owners.

## Attachments

## Citizen Participation Comments

### Public Comment from March 19, 2018 Council Meeting

#### Public Comment:

**Julie Allaire- Catholic Charities** – See attached speaking notes.

**Speakers from Burundi, using a translator** – She use the ILAP services when she first came to America and was seeking asylum. ILAP was very helpful to her and she was able to stay. Catholic Charities helped her to bring her family over. She is very grateful for the help from both of these organizations.

**Cullen Ryan**- See attached speaking notes and additional material handed to the Council members.

**Bob Fowler**- Milestone Recovery Director- This is his least favorite meeting of the year because he is competing against his partners. He wishes more funds were available for all the worthy organizations. The HOME team benefits the community and there is an economic return on the investment. Last year there were 273 times that dispatch used the HOME team. The HOME team saves the City money.

**Ben Shambaugh**- See attached speaking notes.

**Lori Moses** - See attached speaking notes.

**Jennifer Sporzynski** – CEI – Portland Microenterprise Assistance Program. The program has been receiving CDBG funding for the past several years and has helped start dozens of microenterprise businesses in Portland. CEI has made 278 loans to Portland businesses, the PMAP program works with over 200 individuals and at least 50 LMI individuals.

**Helen Brena** - See attached speaking notes.

**Amy Geren** - See attached speaking notes.

**George Mukoko**- Board Member of the YMCA – The YMCA New American Welcome Center serves the most needy in our community. The program provides English Language classes, it is very important we continue to provide these services. Learning English is not just important for getting a job, it is also a safety concern if someone cannot read the road signs.

**Grace Braley**- See attached speaking notes.

**Zack Barowitz** - See attached speaking notes.

**Renee**- Preble Street Board President- Preble Street helps with other organizations fall short. Support for these programs is critical. Our mission is to create barrier free services. In order to do this we need grants in addition to our private donations.

**Gale Dawson** – Volunteer English Teacher for the YMCA – Her students come from all over the world. They come for English but learn so much more. They learn about the bus system, about driving, recycling, landlord responsibilities, job skills, and so much more. At the YMCA they can relax because their kids are being taken care of and having fun in a safe environment. Often times, childcare is one of the biggest barriers to taking English language classes. Without childcare they are stuck.

**Mike Miles**- President of the Milestone Recovery Board – He understands that this is a tough situation. The work that the HOME team does saves the city money, TODAY, not tomorrow and 10 years from

now. Cutting funds to the HOME team will increase taxes. The City police and Fire do not want to be working with the HOME team clients, they are really appreciative of the HOME team.

**Michael Rift** – Volunteer English language teacher at LearningWorks. He has been a teacher there for 2 years. Students are from all over the world. They can't get a job because of their English is not good enough. Many of them hold a bachelors or a master's degree in their home country. 80% of the students that complete the LearningWorks English Language program enter the workforce. These programs help our economy.

**Christian** – Milestone HOME team employee- The HOME team is mobile and able to check in on hot spots. We build trust with our clients, when we show up they are more receptive to getting help. Many of them will not get treatment from other service providers. We can often prevent the police and fire from being dispatched through interventions.

**AnneMarie Brown** – See attached speaking notes.

**Joe McNally** – Manager of Milestone HOME team- The HOME team has changed over the years, the goal has always been to focus on the most vulnerable in our community. We have over 13,000 encounters with 500 people. We partner with many of the organizations here in this room. We all work together.

**Brian Townsend** - See attached speaking notes.

**Heather Davis**- Director of LearningWorks – She understands that not everyone can be funded but wants to highlight the work that LearningWorks is doing. They partner with many other providers to make sure their clients are getting all of the services they need. Portland has 8,500 residents that speak a language other than English as their first language. There is a great need for more English language classes. They have over 120 people on their waiting list. People are at a standstill until they are able to get the English language skills they need.

**Donna Lawlor**- See attached speaking notes.

**Stu Simons** – Port Resources – Wants to thank the City Manager and the Allocation Committee for all of their hard work. Port Resources provides residential services to adults with severe mental disabilities. The new hot water heaters will greatly improve the quality of life for these clients. Many of the clients need structure and routine. Having the hot water turn off in the middle of a shower can cause a great deal of trouble for some of our clients.

**Tom Marzack** - Lawyer downtown- volunteers for the homeless legal project at Preble Street resource center. Lawyers volunteer their time 2 days a week, more than 60% of the clients get extended legal support. The Preble Street staff is a big part of why the program is so successful.

**Bryce Manning**- Volunteer at LearningWorks – He has worked as volunteer English language teacher while waiting for a work permit. This program helps strengthen our community. He moved here from Georgia because Portland is known as a place of hope.

**Sue Roche** - See attached speaking notes.

**Pierre** – Supporting the Learning Works English Language program – He came to Portland last June. He took English Language classes at LearningWorks. He decided to come tonight and tell everyone that

LearningWorks is doing a great job. They can help more students and teach more hours if they are properly and correctly funded. People come to America to stay, they must learn English.

**Cullen Bayor** – Resident of the Libbytown neighborhood – here to support the playground at Dougherty field. The playground will help build community and act as a gathering place for families.

**Linda Holtslander**- See attached speaking notes.

**Mark Swan** – Preble Street Director- Preble Street was not built to serve the number of people we are not serving. We are unable to keep up with the growing homeless population. We need every bit of funding that we can get.

**Public hearing closed at 8:22pm**

## Public Comment from City Council Meeting 4.18.2018 – HCD Annual Action Plan

### Public Comment

**Kinna Thakarar** - Milestone Board Member. She works at Intermed and is here to support the Milestone HOME team. She described a study done on endocarditis related to drug use. The services of the home team are invaluable. Many of the clients that receive treatment through the HOME team would not receive treatment otherwise. Milestone has excellent reputation. Additionally, Milestone will soon allow sober housing for Women in the greater Portland area.

**Sarah Gaba**- Community housing of Maine- Support of Oxford Street - Long term Stayers Housing program. CHOM is one of the largest providers of housing in the state. They cannot do what they do without support from Oxford Street Shelter. The work of Taylor (a staff person for Oxford Street's LTS Housing program) is invaluable, it allows for a real time response to a crisis. Her position works, it prevents people from returning to homelessness because of her real time response to the situation. Unfortunately, Taylor can't do it alone, we have too many doors for one person to knock on. The low barrier flexibility of this program is what makes this program work.

**Casey Gilbert**- Director of Portland Downtown- Here to support the Peer Outreach Worker (POW) program. The mission of Portland downtown is to keep the downtown area safe, clean, and vibrant. We are partnering with Amistad to keep are mission going. We are not against any organization that applied for CDBG, but the longer people are on the street the more likely they are to die. Therefore the POW program will help connect people to the services they need and get them off the street. Amistad does really impactful work in our community. We are developing an app that will connect real time data about people Mark connects with.

**Hannah DeAngelis**- Catholic Charities- here to support the Catholic Charities and ILAP pilot program for immigrant legal services. We both offer free and low cost legal services. We help folks be reunite with family members, we help with green cards and in immigration court. We have many examples of success stories here in Portland. By the services we provide, people can find work and contribute to the economy instead of depending of charitable services. The Allocation Committee's recommended was for full funding, the City Manager cut some of that funding, this amendment by Councilor Cook would further cut our funding.

**Herb Janick**- President of the Board at Preble Street- we simply ask for the same amount of money that we have gotten in the past several years. This is a integral part of the safety net here in Portland. The oxford street shelter does not have the capacity to help everyone that needs it. The council should know we are committed to raising private funds. Eage you to adopt the amendment.

**Tae Chong**- Here is support of the Catholic Charites and ILAP – Immigrant Legal services program. He has been on the board of the CDBG allocation committee and task force. If a person can get work authorization and a green card or permanent status they are more likely to move out of the shelter and earn more money. At a time of difficult immigration in our country, we need to find more help for work authorization, we need more people to work in here Maine. The current unemployment rate is 2.5%. There are almost 1000 people waiting to get help through this program. The sooner they can obtain a work permit, the better for everyone. As someone who has been through the changes of the CDBG

allocation process, we need to stick to what the committee has done and not go back to the way it use to be.

**Meghan Woodson**- Marketing Director at the YMCA- She was told that Council Ali was going to submit an amendment in support of the YMCA, but it doesn't look like that has happened. The New American Welcome Center is greatly needed here in Portland. The English language classes are greatly needed. The free childcare offered by the YMCA allows families to take English Language classes or participate in the YMCA's internship program, which helps people find jobs sooner. Childcare is offend the biggest barrier to learning English and finding work.

**Pamela Merton**- resident of Portland, lives in the Libbytown neighborhood. She would like to support the possible funding for a playground in Libbytown. The young families in this neighborhood community are energized and ready to revitalize the neighborhood. A playground for their children would act as a gathering place and would go a long way in making that happen.

**Mark Perry**- Peer Coaching manager for Amistad. He appreciates everyone that's here and humbly asks that you support the POW program. Amistad does not have the resources it needs to do what needs to be done. Amistad quietly plays a big part of this community. We quietly do wonderful work.

**Mark Adelson**- Director of the Portland Housing Authority. He would like to thank the Councilors for their consideration of the PHA Front Street Project. PHA is working hard to plan for the future and plan for the need for more affordable housing here in Portland. This project will create more affordable units and greatly improve the quality of the current housing at Front Street.

**Ugfaord gogo**- Greater Portland Health- this program helps people go to work. The program helps people PSS certified. We hope this program gets funded so it can continue to help more people.

**Russ Donahue**- Board Member of Milestone Recovery. Here to support the Milestone HOME team application. Everything behind Joe and his team do, every day behind the scenes, it's amazing work. We each have our reasons for volunteering, but what they do helps our clients. Milestone is careful with their expenses and they focus on clients first. It's a lean organization. Milestone has been operating for 50yrs and we hope to be around for another 50 yrs.

**Adele Ngoy**— former recipient of ILAP Legal services. They helped a lot with her legal status. She is now a business owner in Portland, Antoine's Formal Wear. ILAP's helping immigrants can make a big difference in our community. If ILAP can get this grant they can help more people than they do now; which is better for everyone.

**Andrew Bove**- Director of Preble Resource Center. The Resource Center serves the most vulnerable people in our community. We do hundreds of loads of laundry, and showers, and meals. Every day hundreds of people come through our doors looking for a safe place to be.

**Paul Farrell**- Owner of Union Bagel – Received a BAP program to create a new job at Union Bagel. The city guided me through the whole process. When we think about small businesses in this town, programs like this really help our businesses and help the person the small business trains and hires.

**Maureen Moses**- Libbytown Neighborhood Association—Here is support the playground in Libbytown. We are working hard to make our neighborhood safe and better for everyone in the neighborhood. This playground would offer a safe place for our children to play.

**Caroline Selvy**- Homeless Voices for Justice- Here to support of the Resource Center. Thank goodness for the amendment that supports the resource center that was going to be cut from the city's budget. Preble Street is facing great cuts from other sources. The Resource Center helps people become tax payers instead of tax takers. I asked that you not only to support the amendment but to restore their complete funding.

**Norman Maze** - Shelom House Housing Director- I work with Rob and his team at the Oxford Street Shelter in their Long Term Stayers Program. They have been nationally recognized for their work in homelessness. The Oxford Street staff help house these individuals and then help to keep them housed. The goal of the program is to find safe, decent, and affordable housing for the men and women who are chronically homeless, Long Term Shelter stayers. Those Long Term Shelter stayers are often referred to the Shalom house- we work closely with shelter staff to make sure people do not return homelessness.

**Public Comment Closed: 7:05**

**Amy Geren**

Good evening Councilors, Mayor Strimling, Manager Jennings:

My name is Amy Geren and I am here in support of the application I submitted for Portland Downtown, with my colleague Brian Townsend of Amistad, for the Peer Outreach Worker multi-year initiative.

While it has not been historically an issue that place management organizations have had the capacity to address, many, if not most, are now finding the need to partner with social service organizations in response to overwhelming increases in homeless populations. Portland Downtown is a member of the International Downtown Association, which publishes annual *Top Issues Councils* that provide current best practices in addressing pressing issues in urban environments. The IDA's 2017 Top Issues Council on Homelessness advocates for a declaration of four principles in urban place management that organizations should use, which inspire engaged and active urban centers:

1. Housing first solutions with strong ties to services for whole-person care;
2. Partnerships with high quality social service providers that have the capacity to evaluate the social service needs of clients;
3. A balance of the needs of the individuals experiencing homelessness with the expectations of our businesses, residents, property owners, and visitors to downtown; and
4. Invest in meaningful data-driven and comprehensive policies and services that assist in the end goal of meeting the social service and housing needs of individuals experiencing homelessness.

The Peer Outreach Worker program presented to you today for consideration embodies all of these principles, and represents a true partnership with a model social service agency.

The program is long overdue as a demand for viable solutions to addressing homelessness has been vocally requested by the community. Just this month in a survey about the effectiveness of Portland Downtown's Police Cadet Program, 82% of downtown businesses stated that based on the location of their business, homelessness & transiency were the biggest issues their business experiences in the surrounding community. These issues were selected as the most troublesome among a list of crimes that included assaults, burglaries, vandalism, and child abuse. **82% selected Homelessness and transiency as the biggest issue in their business community.**

I want to note that in addressing cleanliness and safety downtown, Portland Downtown's mission-driven initiatives, I have resources at my disposal to respond quickly and professionally when a downtown constituent or visitor reaches out for assistance. As mentioned, Portland Downtown partners with the Police Department on the International Downtown Association award-winning cadet program, as well as through the provision of foot beat officers downtown, to address safety. Portland Downtown partners with the City of Portland through its Supplemental Services Contract to provide an additional level of cleanliness downtown. Neither the police department, nor our designated public works crew have the skills or capacity to attend to the needs of the City's most vulnerable populations. Peer Outreach represents a successful model of addressing these needs.

I appreciate your consideration and am happy to answer any questions you may have. Thank you.

**Anne Marie Brown**

I would like to read a letter of support from Eric Moynihan, of Jobs for Maine Graduates who unfortunately couldn't be here with us tonight.

[Excerpt of earlier submitted letter.]

"Focusing on the significant population of New Americans attending Portland High, we have already collaborated in several areas and have ambitious plans for future opportunities. The YMCA ... has offered significant ... opportunities to Portland High School's New Americans. ... including job shadow opportunities [and] internship opportunities. Currently, one student is fully involved in a semester long internship with the Y and recruitment is underway to expand the number of student interns significantly for the second semester, the summer and looking ahead.

The Y has signed up to participate in ... enrichment sessions to meet students and inform them of the Y's wide range of opportunities available to them and their families. The target audience for these sessions is the New American students of Portland High School. In addition to learning about the various programs available at the Y they will learn of internships, summer jobs, careers and volunteering opportunities.

Other local businesses and community organizations in the area are starting similar programs that connect various opportunities to our New American neighbors and students but the YMCA of Southern Maine is clearly ahead of the curve on this initiative and has strong programs in place ready to expand and succeed.

The Y of Southern Maine is a five minute walk from Portland High School and its 900 plus students of which the New American population is the highest in the state. They are good neighbors and partners to our New American student's at Portland High School. I would enthusiastically recommend them in their efforts to obtain funding sources that will allow them to continue in their proactive approach to reaching a larger population of New Americans for their ambitious programs."

With Eric's comments speaking to our efforts to engage youth to successfully enter the local workforce, I would like to speak to the value of our internships and skilled volunteer roles for adults as well. With a focus on supporting those new Americans who have yet to receive their work papers, we are able to engage with them to gather local experience in their field of expertise or interest, establish local references and networking opportunities.

For those we have had with us already, nearly all individuals have gone on to employment immediately following receipt of their work papers. We truly look forward to expanding this program and further build partnerships for continued impact.

**Ben Shambaugh**

My name is Ben Shambaugh. I am dean of St Luke's cathedral on State Street and a resident of Portland. Those who have been around for a while know that 12 years ago, I was writing and receiving CBDG grants for St Luke's soup kitchen, at that time in collaboration with Preble Street and Wayside. Now the need has grown and all these agencies have grown and responded in their own ways. I currently serve on the board and volunteer with Preble Street. I am continually impressed with the quality of their work, especially at Florence House and the Resource Center.

As a member of the faith community, I want to remind the council that how we treat the most needy among us is a moral issue. It is about who we are as a city.

Thank you to the committee and city manager for support of the Joe Kreidler Center. Thank you to the city manager for adding in Florence House and thank you to the mayor for including the resource center. A word about both of these. Florence House is the only shelter specifically for homeless women. More than 50% of the women at Florence House have experienced domestic violence and/or sexual assault. The Resource Center has a full range of services, including case management that provides help one on one. It is a unique and vital part of our safety net. On top of that, it has provided overflow space for the city shelter for several years — and continues to do that free of charge.

The city manager points out that Portland spends more CBDG funds on agencies than many other cities. Portland is different but as WCLZ listeners know, different is good. It makes us who we are, a beacon of light and hope, and a model for others to follow. We can do it. We need the will and the moral backbone to make it happen. Thank you for doing the right thing and supporting Florence House and the resource center.

**Brian Townsend**

Honorable City Manager, Mr. Mayor, and City Councilors,

On behalf of Amistad and Portland Downtown, I would like to thank the CDBG Allocation Committee for their difficult and diligent work, and to thank Jon Jennings, our City Manager, for making thoughtful and sound interventions to restore funding for several highly valuable community services. In truth, the collaborative initiative that we have put forward to the allocation committee is built in large part on the sustainable community presence of Milestone's HOME Team and on the resounding success and trajectory of the Long Term Stayers initiative, both of which were left vulnerable by the initial allocation process. We are grateful that these programs have been supported to continue through the City Manager's intervention, and willingly accept the cut to our initiative's allotment in order to ensure these programs' continuation.

I would just like to briefly introduce our collaborative initiative, which we call the Peer Outreach Worker program, to this council. A few months ago, a robust forum was held in these chambers in response to an incident that had occurred within a business on Monument Square. The incident had highlighted both the presence in our community of individuals with untreated and under-treated mental health concerns, as well as the apparent ineffectiveness of our existing system of care to provide support and solutions.

Portland Downtown and Amistad have concluded that a large part of the solution for this issue lies in the increased participation of all community members as stakeholders in the issue, and in the intensification of available, responsive supports for anyone in the city in need of this support. We will be working together to bridge the concerns of business owners and other community members, who are concerned about their own safety and the safety of struggling individuals among us, with the concerns of those in our community who lack the health care, housing, treatment and social supports that they need in order to experience healthy lives and positive community connections.

Amistad will deploy Peer Outreach Workers who will be responsive to calls from anyone in the city, while also building relationships with everyone involved—inclusive of community policing officers, cadets, business owners, Milestone's HOME team, the city's Long Term Stayers partners, and of course the struggling individuals themselves—in order to support the increased sense of nurturance, humanity and safety that ought to define this city. Operating morning to afternoon seven days a week, we anticipate that this team will soon become a relied-upon resource that reduces police and emergency calls, strengthens understanding and collaboration across community sectors, and provides a supportive lifeline to those among us who are visibly struggling with homelessness, mental illness, and other sources of distress.

Respectfully, Brian Townsend

Executive Director, Amistad

### **Bridget Rausher**

The Mobile Medical Outreach Project is a collaborative effort between Portland's Public Health Division, the Portland Fire Department, the Oxford Street Shelter and Milestone Recovery. Since May, 2017, a dedicated and experienced group of paramedics have been administering medical care, under the supervision of EMS medical directors, to guests of the Oxford Street Shelter several days each week. The level of disenfranchisement and history of trauma is so great in this population that they generally do not engage the health care system at any level.

In our pilot year, amidst a nation-wide opioid crisis, we focused on the substance use related needs of this vulnerable population. We quickly learned that the needs of these individuals were beyond what we could have predicted.

I recently attended a presentation at the University of New England, by Dr. Jim O'Connell, founding physician of Boston's Healthcare for the Homeless Program, which serves over 12,000 homeless individuals each year. During Dr. O'Connell's presentation, he stated that homeless individuals experience mortality at a rate four times that of housed individuals.

People who are homeless are at greater risk of infectious and chronic illness, poor mental health, substance use disorder, and are more likely to become victims of violence, compared to the general population.

Dr. O'Connell's presentation was a resounding confirmation that the Mobile Medical Outreach Project is a necessary, life-saving, and previously missing piece of the care continuum in Portland. The need to meet people in their environment to foster trust is non-negotiable if we truly want to provide quality care for our citizens experiencing homelessness.

In addition, the project is showing early signs of cost-efficacy and a reduced strain on the first responder system.

Our team of six paramedics, with a combined total of over 100 years of experience, has had over 300 interactions with guests of the Oxford Street Shelter and since October, 2017 has served nearly 75 unique individuals.

In year two, we plan to further integrate with other parts of the care continuum, and also strive to support the social needs of the population we are serving. We know that it is impossible to help an individual reach their potential if we are addressing their needs in silos.

More than 50% of the individuals we've served self-report not having a primary care provider, which means they do not have a medical home and are not accessing preventative medical care.

With our unique proximity to medically vulnerable individuals, as well as access to board certified emergency medicine physicians providing online medical direction, our paramedics have the opportunity to observe and diagnose early symptoms of both acute and chronic illness, and intervene by providing treatment, monitoring and a referral to primary care, without a call to 911, a visit to an emergency department, or a lengthy and costly in-patient stay.

In the first year, 90% of client interactions have resulted in care provision without transportation to an emergency department. With a minimum cost of \$1500 per ambulance transport and BASIC ED visit, we anticipate a notable cost savings to both the City and the local hospitals, in addition to the increase in access to care and the quality of care delivered.

Without Community Development Block Grant funds and limited alternate resources, our opportunity to provide this service will be drastically scaled back.

We thank you for your thoughtful consideration of the Mobile Medical Outreach Project when allocating CDBG funds and we look forward to continuing serving our community members.



**Board Members**

Aaron Shapiro  
Rained Community Development  
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Cumberland County  
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Principal  
The New-Height Group  
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Joe Clarke  
Advocate  
Homeless Voices for Justice

Kendra Darrow  
Clinical Director  
MaineSlay

Jan McCormick  
Vice President of Asset Mgmt.  
Northern New England Housing  
Investment Fund

Luc Nyn  
Mental Health Program  
Coordinator  
OCFSC/Corrections Liaison  
Maine DHHS

Thomas Ptacek  
Veteran's Healthcare Outreach  
Community Organizer  
Preble Street

John Ryan  
President  
Wright-Ryan Construction

Kimberly Twitchell  
Maine Regional President  
NBT Bank

**Staff Contacts**

Cullen Ryan  
Executive Director

Erin Cooperider  
Development Director

Brenda Sylvester  
Development Officer

Bree LaCasse  
Development Officer

Jim Gwynn  
Chief Financial Officer

Kyra Walker  
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Elizabeth Baranick  
Asset Manager

Sarah Gallo  
Occupancy Manager

Somira Bouzara  
Operations Manager

Vickey Rand  
Communications Manager

**Cullen Ryan**

March 19, 2018

City of Portland City Council Meeting

CDBG review – public comments

Mayor Strimling and Council Members:

My name is Cullen Ryan and I am a resident of Portland, and I serve as the Executive Director of Community Housing of Maine, the largest housing provider for homeless populations in the state. I also am proud to chair the ESAC Long Term Stayer Committee, which began an initiative to house all of the Long Term Stayers (LTS) in Portland, beginning at the Oxford Street Shelter (OSS) and then including Milestone and people outside. This initiative began in April 2015 and has grown to include 15 organizations collaborating toward a common goal of housing and keeping housed the LTS in Portland.

LTS are the people homeless, outside or in shelters, for 180 days or more in a calendar year. This finite list of people, who tend to ricochet through our most expensive emergency systems, and use shelter beds night after night, have included people homeless for over 3 decades. We are working from longest to shortest in terms of focused housing efforts, and it is slowly working. When we house one LTS, we make a bed available for many more typical people who experiences homelessness for a brief amount of time (33% 1-3 days, 55% two weeks or less, 80% two months or less). In 2013, LTS accounted for 5% of the state's homeless population; in 2018 they are now down to about 60 people across the state, or less than 1% of the homeless population – because we are housing them successfully.

The ESAC LTS Committee has targeted 296 people between 4/15 and 3/18. **Shelter staff have made more than 192 Housing First placements, housing a group that collectively had more than 275 years of homelessness, and more than 100,000 total bed nights.**

In the three years before this initiative, OSS monthly occupancy highs exceeded 250 people the majority of the time, with a six year high of 292 occurring in February 2015. And, before this initiative, the OSS monthly occupancy lows reached below 170 only once (immediately after 10 LTS were housed in one housing project). Since this initiative began, OSS monthly occupancy highs exceeded 250 people only twice, the most recent of which was two years ago, and occupancy lows have reached below 170 one third of the time. That is measurable change.

To add to this success, **95.6% of LTS have remained in their housing due to effective support services delivered by the City and other providers, 15 agencies in all.**

**It is engagement that makes it possible to house this population.** This is an entrenched, challenging, often paranoid, avoidant, and isolative group of individuals.

I want to commend City Manager Jon Jennings for his reallocation efforts. I fully support them, particularly in the area of Social Services. And it is specifically because of engagement.

I want to single out four programs that provide engagement:

**The LTS Community Integration and Landlord Outreach at \$58,966.**

**The Milestone Home Team at \$100,000.**

**Amistad and Portland Downtown Peer Outreach Worker at \$50,000.**

**Preble Street Florence House at \$20,000.**

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All four of these programs provide engagement, and focus efforts in concert with the very successful LTS initiative. We can gain far more ground if we have people doing the active work of engagement, housing placement, and housing support. Each of these programs provide this service.

Thank you for your consideration of these four important programs among the many seeking funding. We can end long term homelessness whenever we put sufficient resources forward to do so. We are almost there. These four allocations will make an enormous difference for these individuals, our city's downtown business district, our over taxed emergency services, and our overflow issues. Let's solve them in one fell swoop. Thank you for the opportunity to comment.

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### Information on the ESAC Long Term Stayer Committee Initiative – 3/19/18 City Council Meeting

The ESAC Long Term Stayer (LTS) Committee Initiative is focused on housing the longest stayers in homelessness in Portland. The initiative originally focused primarily on the Oxford Street Shelter (OSS), but quickly grew in scope to include Milestone and people outside.

#### Snapshot

- Between April 2015 and March 2018, this initiative targeted 296 people.
- Shelter staff have made 192 Housing First placements, housing a group that collectively had more than 275 years of homelessness, and more than 100,000 total bed nights.
  - Of these 192 housing placements, 85 occurred in 2017.
- This effort has helped the average nightly occupancy at OSS to decline, though there are some peaks and valleys along the way.
- The monthly occupancy highs have markedly decreased since this initiative's inception.
  - Before this initiative, OSS monthly occupancy highs exceed 250 people the majority of the time, with a the six-year high being 292 in February 2015.
  - Since this initiative's inception, OSS monthly occupancy highs have only been above 250 people two times, both times being in the low-to-mid 250's.
- LTS placed in housing have had remarkable retention rates – approximately 95.6% of Long Term Stayers (LTS) have remained in their housing due to effective support services delivered by the City and other providers, fifteen different agencies in all.

#### 2017 Accomplishments

- Shelter staff made 85 housing placements in 2017
- Two new lists were initiated – the fourth list of 33 on 1/19/17, and the fifth list of 84 on 9/28/17.
- A Sixth list, comprised of the new and emerging LTS from OSS will begin in April.

#### Status as of 3/15/2018

- **Summary of remaining LTS: 59 total LTS remain on all five By-Name lists (from 296).**
  - **Original List of 70 (initiated on 4/30/15):** 2 people remain on the original list. The last few people have been the most challenging to place requiring extra time.
  - **Second List of 72 (initiated on 1/7/16):** 11 people remain on the second list. The second list originally included: The 39 remaining LTS at OSS, 16 LTS at Milestone, and 17 people staying outside. Of the 11 remaining on the list, only 3 are currently staying at OSS (the other 8 are primarily staying outside).
  - **Third List of 37 (initiated 6/2/16):** 3 people remain on the third list. The third list included the remaining/emerging LTS at OSS, and those expected to become LTS (with < 180 bed nights).
  - **Fourth List of 33 (initiated 1/19/17):** 10 people remain on the fourth list. The fourth list included the remaining/emerging LTS at OSS, and those expected to become LTS (with < 180 bed nights).
  - **Fifth List of 84 (initiated 9/28/17):** 33 people remain on the fifth list after 5½ months – a remarkable pace. The fifth list included the remaining/emerging LTS at OSS, and those expected to become LTS (with < 180 bed nights), the remaining LTS at Milestone, and 24 people staying outside.
- **Returns to OSS by people placed:** Of the 192 housing placements, approximately nine people have returned to OSS. The nine returns represent a 4.7% return rate, or **95.3% success rate** so far. Sixteen people have died and a number of people from the lists have disappeared during this period.

#### Broadening collaboration: Currently, 15 organizations are active participants in the LTS initiative

- |  |                                     |                               |
|--|-------------------------------------|-------------------------------|
| • City of Portland                           | • Frannie Peabody Center            | • VA Maine Healthcare System  |
| • Shalom House                               | • Preble Street                     | • Maine's HUD Regional Office |
| • Amistad - Peer Support and Recovery Center | • YMCA                              | • Portland Housing Authority  |
| • Milestone Recovery                         | • MaineHousing                      | • Community Housing of Maine  |
| • The Opportunity Alliance                   | • Maine DHHS                        |                               |
|  | • Kennebec Behavioral Health - PATH |                               |

**Donna Lawlor, DNP**

Clinical Director, Greater Portland Health, Health Care for the Homeless Program

March 19, 2018

My name is Donna Lawlor, NP, Clinical director at GPH HCH Program.

I have had the opportunity to ride along with the Milestone team for the past year. In that time we have engaged with well over 150 clients in a medical capacity.

Because of the Milestone teams' long standing positive relationship in the community. I was able to develop relationships with clients, who otherwise had not engaged in care. Several of these clients are now established and getting regular primary care. Several required hospitalization and we were able facilitate those admissions.

Many of these clients would never have engaged in care, had it not been for my time on the van and in meeting clients were they were at – and caring for them there.

I have several examples where clients with infections, some quite serious - would not have engaged in care- had it not been for my time on the milestone van.

The Milestone team is a trusted part of the homeless community.

There exist in this community many people, due to mental health and or substance use disorders who will not engage in services other than those that the van provides.

By having medical outreach on the van -we are able to reach these people and provide care that they would otherwise never access.

This is an important part of homeless health care -and a much needed service for this high risk population here in Portland.

That said I have been on the front line of the opioid epidemic and many of the people we see on the van or those that I the GPH grant for CDBG funding was designed to reach. That is why GPH has put together a very small pilot of clients and are providing them daily MAT treatment in an effort to combat the opioid epidemic here in our Bayside community. We have engaged a small number of uninsured, homeless injection drug using clients who otherwise would never engage in our services were it not for the suboxone treatment. These clients are now receiving primary care, mental health services and intensive case management. With the help of CDBG funding this program could be expanded and reach more of this very vulnerable high risk community. So Thank You Mayor for your support and I hope you will consider funding this much needed program.

**Grace Braley**

CDBG Hearing – Portland, Maine, March 19, 2018

Grace Braley, Resident, not representing an organizational applicant

First, I want to recognize that Portland, under Kristin Styles' direction, does the CDBG process very carefully. I say this, having been a member of the committee at one time, and another time, an applicant for a program.

Also, I commend the City Manager's creativity to achieve as much as possible for the city.

This process certainly brings before us the many, many needs in the city, as well as a number of organizations who work hard to address the needs.

I do wish that the neighborhoods would work more to take advantage of what is meant for them, to support activities that enhance neighborhood well-being, "to carry out activities directed toward revitalizing neighborhoods....to build strong, self-sustaining neighborhoods." These goals were stated by a Portland task force.

Instead of inert sidewalks which don't exactly bring joy to anyone in particular, we should take \$398,000 and put it into a couple of properties – you can find them – and put some housing funds there to renovate them. We find a couple of households who aren't rich and who work in the area. Sell to them, but hold the land, lease it forever, so that even resale does not lose affordability.

Then go buy another property, put some housing money with it, and keep going.

It might be nice to invest this in single units, as not all people want to live in multi-unit properties.

There needs to be developed a team in the community to support this process.

I think this would really enhance downtown Portland, and meet an important need.

**Helen Breña**

Good evening. My name is Helen Breña and I am the CEO of the YMCA of Southern Maine. Thank you for giving us an opportunity to speak tonight about our CDBG funding request in support of our New American Welcome Center. The YMCA has a long history of serving the New American community. In fact, the nation's first English as a Second Language class was started by the YMCA in 1856. For nearly two centuries, the YMCA movement has been supporting immigrants in their journey to making the United States their home.

Today, the YMCA of Southern Maine, continues this tradition. Last year we were one of only 15 YMCAs in the country to be selected by YMCA of the USA to create a New American Welcome Center right here at our Portland location.

We are seeking CDBG funding to support and increase the impact of this work. Recognizing the importance of not unnecessarily duplicating work, we have been working with several community partners including Portland Adult Education and Jobs for Maine's Graduates.

In capitalizing the YMCA's expertise and utilizing other community tools and resources, our program will:

- Continue to support New Americans who require additional language support but offering English classes and conversation groups. Our program is one of the only programs which also offers caregivers free child care so they can take English classes – a barrier which prohibits many caretakers from participating.
- Create a High School Internship Program in partnership with Jobs for Maine's Graduates. This program will provide New American students the opportunity to explore and gain experience in a variety of fields including youth development, human resources, and finance.
- Create an Adult Internship Program -for those who are awaiting their work papers, allowing them to gain valuable local experience, establish local references, and potential networking opportunities. Again, providing free child care to caregivers who need it.
- Provide Job Readiness Workshops by partnering directly with Portland Adult Education, also offering free child care to increase access and reach.
- Establish a small Computer Lab freely available to the public to support efforts like computer literacy, online job searches.

I sincerely hope you will consider this amendment to the CDBG allocations in order to fund our program. Now I invite others who will share their personal experiences and why they believe our New American Welcome Center should receive funding. Thank you for your time and consideration.

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**Julie Allaire**

- Thank you - to members of CDBG allocation committee and city manager for efforts; To mayor, and council for opportunity to address you. My name is Julie Allaire with CCM, one of largest social service agencies assisting Portland residents.
- Very pleased that our ILS program was recommended for funding this year. Last year, it was not, and we reworked the proposal, and applied jointly with Immigrant Legal Advocacy Project who is also here with me.
- Our two organizations offer immigrants affordable legal services that help them to "improve their immigration status" by gaining residency, obtaining work authorizations, and moving along path to citizenship. Varying intensity of services – from "full representation" before law court, to information and help completing forms at ILAP's immigration forms clinic. Offer services in up to 40 languages.
- CCM and ILAP are only 2 Maine organizations accredited by DOJ to provide free/low fee immigration legal expertise; and give people alternatives to expensive private services, inaccurate information or deceptive practices.
- Provide direct economic benefits to immigrants: Study on Economic Impact of Civil Legal Aid in Maine in 2016 found when immigrants gain work authorization they see a 7% increase in wages. Economic benefits to Portland, because Immigrants who to participate in work force help meet critical workforce shortages, including for skilled labor.
- Respect the challenges/constraints facing you and the rationale for reallocating funds among applications. Respectfully request the council consider making any cuts in equitable proportions across affected applications.
- Thank you. Now introduce Regine Ndayizeye. Also from Sue Roach, the ED at Immigration Legal Advocacy Project (ILAP). In handing over to Ms. Ndayizeye, request extra time for interpreter.

**Linda Holtlander**

- > My name is Linda Holtlander and I am a resident of Peaks Island. When I was deciding where I would retire, a significant factor in the communities I considered was the existence of an organization that provides barrier free services that address homelessness, hunger and issues of vulnerability.
- >
- > I worked professionally for more than 50 years in various areas of community development and when I found Preble Street I knew I had the right organization to volunteer with.
- >
- > I have volunteered for nearly three years at Preble Street and assist in various parts of the agency: kitchen, pantry, office by doing a variety of different jobs.
- >
- > I volunteer three days a week and because of this I have a rather full understanding of the work done by the Preble Street Resource Center and I am continually impressed by the compassion and love and professionalism of the staff, and their dedication to making a difference in the community.
- >
- > On the days that I volunteer in the kitchen I often hear a client ask a case worker " Are you going to be upstairs? I need to talk."The casework always assures the individual they will be there. This reassurance while simple, is the lifeline to the clients.
- >
- > When I talk with my neighbors on the ferry about volunteering at Preble Street almost every single time people are surprised to learn about the breath and depth of the work. Just today I was telling a friend about the how the Resource Center meets the simple basic needs of the clients through providing showers, bathrooms and a mailing address. As well as the casework that assists the clients find services and referrals. Just think about how difficult life would be if you were in a vulnerable situation.
- >
- > I believe that you were invited to visit one of the programs discussed tonight. I believe you should come to the weekly Pantry at the Resource Center a place where individuals and families receive emergency groceries. In the space of 10 minutes the entire dining room is transformed and sometimes more than 190 individuals take part. It is amazing and just one more of the necessary services provided by the Preble Street Resource Center.
- >
- > I have volunteered at the Pantry for sometime and recently a wonderful thing happened. A young woman who I see often stopped to say she wouldn't be coming to Preble Street anymore. I looked up to see her smiling, and she said four beautiful words "I got a job!"
- >
- > Thank you for listening and please consider the enormous value of the Preble Street Resource Center.
- >
- >
- > Kristin, please let me know if you have any questions- Linda

**Lori Moses**

Mayor Strimling, City Manager Jennings and Portland City Councilors,

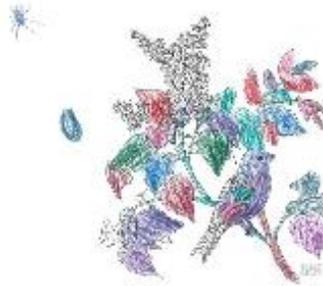
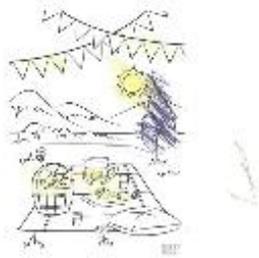
Thank you for this opportunity to speak in support of CDBG social services funding for the Portland CDBG Child Care Voucher Collaborative. My name is Lori Moses and I am the Executive Director of Catherine Morrill Day Nursery. I'd like to thank the Allocations Committee for their hard work, as this application process is no easy task as there are so many worthy applicants. I also appreciate the efforts of the City Manager to make recommendations based on community need.

We have four partner programs who utilize this funding: Youth & Family Outreach, The Opportunity Alliance, Peaks Island Children's Workshop and St. Elizabeth's Child Development Center. Last fiscal year, our collective programs provided 215 units of subsidized child care with CDBG funding, or approximately 75,250 hours of quality child care for 42 children.

Access to affordable, quality child care is an essential foundation for economic development so that parents can participate in the workforce. Other public subsidy sources can be limited, inflexible, confusing and time-consuming to access. Without this CDBG funding, these parents would not be able to be able to work, participate in needed social services, or attend school, leaving some of Portland's most at-risk families unable to move forward in their quest for employment. The result can lead to additional homelessness, substance use, child abuse and neglect, and a whole host of other issues caused by chaos, extreme stress and family instability. Without access to quality child care, the pathway to *"transition individuals and families out of poverty into self-sufficiency, stability, to productivity and beyond so each member of our community can reach their full potential and contribute to community life"* is hindered. "A child's early development sets the foundation for their physical, social and emotional well-being for the rest of their lives and ultimately determines the health of our state workforce and economy". ("Investing in Our Future" report from the Maine Women's Policy Center and the Maine Children's Alliance.)

Children's early learning experiences can have a lifelong impact. Good child care promotes children's development and learning while poor child care places children at risk. Good quality child care promotes supportive, consistent relationships with rich learning opportunities for young children that in turn, creates a strong foundation for success in school and in life. When children and families get the support that they need, the costs for remedial education, health, and the justice system are reduced and tax revenues generated are increased because of improved outcomes. There's no greater investment that we can make than to assure that each child reaches his or her potential and that every family is able to be self-sufficient. This collaborative meets both of those goals.

Thank you.



March 15, 2018

Dear CDBG Committee, City Council, City Manager Jennings and Mayor Strimling,

We are so thrilled to hear the recommendation to build the long-awaited playground in Libbytown at Dougherty Field. Not only does this plan bring to life the Dougherty Field Master Plan that many neighbors worked so hard to create many years ago, it also serves an underserved neighborhood in Portland that lacks a community school or library branch for families to gather. The Libbytown playground means that neighbors can safely walk to a gathering space for their children to be active.

Neighborhood children are getting ready for their playground, by drawing the lovely art seen at the top of this page. Children, and adults are ready to engage in the process and neighbors have truly come together as we start on this adventure together. This is true community building at its finest and we are so glad to be a part of this project.

Thank you to the Committee for meeting and making these hard decisions!

Nikki Anderson

72 Bolton Street

**Rob Parritt**

The Oxford Street Shelter has put in a request for CDBG funding in order to create a second Housing Retention Specialist in order to continue our remarkable work of not just housing our most vulnerable neighbors, but also keeping folks housed. This workload is unsustainable for one person and we must add a second to continue doing the award winning housing work that we do every day. Housing retention is an indicator not just of quality housing placement matches, but is also a requirement for emergency shelters to receive their full allotment of funding from MaineHousing. One of the benchmarks we must meet to receive our full funding allocation is that we keep 85% of the people we housed from returning to housing. I am pleased to report that we meet that benchmark every reporting period due to the work of our current housing retention specialist, and the folks from our community LTS who Taylor works with is successful in housing 95% of the time. Currently Taylor's caseload is over 180 people and she is spread geographically from York County, to Western Maine and as far as Bangor keeping folks housed. This workload is unsustainable for one person and we must add a second to continue doing the hands on work it takes to meet our shelter funding benchmarks, which represent about \$1.4 million dollars in funding. We are not going to slow down our housing as we just cannot afford to, but the need for follow up is beyond what one staff person can manage. This request for funding was the only program that dedicated solely on housing retention and relocation when needed. This is a huge benefit to the entire community.

From July 1, 2015 (the closest start to a FY after LTS started), OSS has prioritized anyone who is a LTSer, whether they were on a list or not.

Since July 1, 2015, OSS has housed **820** people for a total of 198,076 bed nights (or 542.7 years of homelessness). Of those, **372** housed had more than 180 bed nights at OSS (45% of our housed population) for a total of 175,950 bed nights (482.1 years of homelessness). **This means that 45% of our housed group made up 88.9 percent of our total bed nights at Oxford Street. It is vital and certainly in our best interest to**

Of this larger population (372 people with more than 180 bed nights at OSS), 174 were on the LTS list when housed - which left **198 that still required follow up which we either offered or were unable to because of numbers.**

On our LTS list itself, the data shows:

The total bed nights of people housed on the LTS List are as follows:

List #1: 39 people with 29,754  
List #2: 45 people with 24,772  
List #3: 24 people with 14,085  
List #4: 12 people with 13,898  
List #5: 34 people with 16,288  
List #6: 10 people with 3,616  
**Total: 102,413 (280.6 years)**

+Deceased: 10 people with 6,622

**Total: 174 people with 109,035 (298.7 years)**

The total bed nights of people unhoused on the LTS list are as follows:

List #1: 2 for 1,316  
List #2: 3 for 4,191  
List #3: 1 for 598  
List #4: 6 for 3999  
List #5: 8 for 4038  
List #6: 26 for 8731

**Total: 22,873 (62.7 years) for 44 unplaced people (NOTE: Half of these on the lists and bed nights are the newest list, just launched. And half of the people on our new LTS list (not included in these numbers) were under 180 bed nights, showing progress is being made to move LTSers out of the shelter, but the work is not done.**

**Portland City Council Hearing on CDBG Grant Allocations**

**Testimony of Susan Roche, Executive Director of the  
Immigrant Legal Advocacy Project (ILAP)**

**March 19, 2018**

Good evening Councilors and Mayor Strimling. Thank you for the opportunity to testify regarding the application Catholic Charities of Maine and the Immigrant Legal Advocacy Project (ILAP) submitted for CDBG funding. Our Immigration Legal Services Partnership aligns with the Portland CDBG Goal of creating economic opportunity for Portland.

For those of you who are not familiar with ILAP, we are a statewide immigration legal services organization based in Portland. ILAP was founded 25 years ago, initially as a *pro bono* project. We now have 11 full-time and 3 part-time staff and over 250 volunteers. We provide legal consultations, immigration forms assistance, and legal representation to over 3,000 clients each year. We also provide education and outreach on immigration law and legal rights to over 1,000 people each year. The need for our services has escalated over the past several years with the increase in asylum seekers who are coming to Maine, and in the past year with draconian changes to our immigration policies and enforcement priorities. We work closely with Catholic Charities in meeting the legal needs of Portland's immigrant communities. We appreciate that the Allocation Committee and the City Manager recognize the important value of this work to the City of Portland.

You have heard from Catholic Charities about the important role that immigrants will have in Portland's economic future. We see many talented and skilled clients coming through our doors at ILAP. They are eager to integrate into their new community and to join Portland's workforce. These are people who have picked up and left everything they knew—their families, jobs, homes, language and culture. Whether they have fled torture and abuse or economic despair, they have come here so that they can live safely with their families and so that their children will have the opportunity to thrive.

These are people we need in our community. Immigrants are the one growing portion of Maine's population. It is critical that we limit their barriers to employment and integration.

Their first barrier is work authorization and permanent legal status. Without work authorization, someone cannot obtain a social security card, a state ID, or driver's license, and cannot work to support her family or meet basic housing, food, or health care needs. Statistics show that as an immigrant improves her legal status her earnings grow.

Having legal representation can be critical in an immigration case. Sometimes it can be a matter of life or death. For example, government statistics show individuals applying for asylum in immigration court without a lawyer have a 90% denial rate. During the last two years, ILAP has had a 100% success rate in full representation cases that reached a final decision.

Unlike the criminal law system, immigration law is civil and the government does not provide you with a lawyer. When legal services are not available, people turn to non-lawyers in the community who can make mistakes in their cases. Our immigration laws are complex and even a simple mistake can lead to deportation. Those deported may face torture in their home countries, or permanent separation from a U.S. Citizen spouse or children. Low-income immigrants, who may not even have authorization to work, cannot afford to hire a lawyer. They rely upon ILAP and Catholic Charities for assistance. Together, our organizations help thousands of clients each year apply for legal status, and reunite and remain with their families. A CDBG grant would allow us to assist more of these clients. Thank you for considering our application.

**Taylor Schenk**

I am Taylor Schenk the Housing Retention Specialist at the Oxford Street Shelter. As Rob had mentioned I have provided follow up services for 186 folks since 7/1/16. But OSS has housed 372 of which leaves 198 Long term stayers to rely on our housing team for follow up services.

A bit of what this position allows me to do is connect folks to mainstream resources, mostly people without current case management in place. I connect with property managers to check in on any issues they are experiencing with the tenant. Whether that is keeping units clean and bug free, connecting with the police about unwanted guests or assisting those without health care to get enrolled and taking them to their appointments that otherwise they would forget or get too anxious to go alone.

I could go on and on about the day to day struggles of our housed folks. But this position specifically addresses long term stayers. Which is anyone with 180 day or more in the homeless shelter? This obviously means that they have many barriers keeping them from solving their own homelessness. Giving them a home only brings more struggles to the fore front. Our housing team does incredible work but cannot meet the current needs of Oxford Street Shelter's guests while having to continue follow up care with the folks they have already housed.

Due to my heavy case load, I am requesting a second housing retention specialist position funded through CDBG funds.

**From:** Zack Barowitz <[zbarowitz@gmail.com](mailto:zbarowitz@gmail.com)>  
**Date:** March 14, 2018 at 9:35:10 PM EDT  
**To:** [cityclerk@portlandmaine.gov](mailto:cityclerk@portlandmaine.gov), Jill Duson <[jduson@portlandmaine.gov](mailto:jduson@portlandmaine.gov)>, Nick Mavodones <[nickm@cascobaylines.com](mailto:nickm@cascobaylines.com)>, Ethan Strimling <[estrimling@maine.rr.com](mailto:estrimling@maine.rr.com)>, Brian Batson <[bbatson@portlandmaine.gov](mailto:bbatson@portlandmaine.gov)>, Spencer Thibodeau <[sthibodeau@portlandmaine.gov](mailto:sthibodeau@portlandmaine.gov)>, Belinda Ray <[BSR@portlandmaine.gov](mailto:BSR@portlandmaine.gov)>, Pious Ali At Large <[pali@portlandmaine.gov](mailto:pali@portlandmaine.gov)>, [kcook@portlandmaine.gov](mailto:kcook@portlandmaine.gov), Justin Costa <[jcosta@portlandmaine.gov](mailto:jcosta@portlandmaine.gov)>  
**Cc:** Nikki Anderson <[n.annetteanderson@gmail.com](mailto:n.annetteanderson@gmail.com)>, Nick Aceto <[na@acetola.com](mailto:na@acetola.com)>, Jay Weinberg <[jaywein5@gmail.com](mailto:jaywein5@gmail.com)>, caitlin aceto <[ca@acetola.com](mailto:ca@acetola.com)>, Pamela Murton <[pbmurton@hotmail.com](mailto:pbmurton@hotmail.com)>  
**Subject:** Letter in Support of CDBG funding for Playground in Dougherty Field

Mayor and Honorable Councilors;

Libbytown, particularly the segment bounded between the railroad tracks and I-295, is largely under-served and under-funded and a legitimate playground of adequate size is one fundamental amenity that our community is lacking. Over the years I have knocked on hundreds of doors in various efforts to organize the neighborhood and, anecdotally, have seen a lot of substandard housing. This portion is largely "invisible" as the major thoroughfares discourage vibrant street level interactions; but from my experience there is a significant immigrant population, strong indications of low-income residents, and many children; all of whom may not necessarily have ready access to other playgrounds in Portland. This playground will give many deserving people a major attraction within a quarter-mile walk from their homes.

Please support full funding for the North Woods Playground at Dougherty Field.

Thank you,  
Zack

## Housing Committee Minutes of February 28, 2018 Meeting

A meeting of the Portland City Council's Housing Committee (HC) was held on Wednesday, February 28, 2018 at 5:30 P.M. in Room 24 of Portland's City Hall. Councilors present at the meeting included Committee members Councilor Kimberly Cook, Councilor Pious Ali, Councilor Jill Duson, Chair of the Committee and Mayor Ethan Strimling. City staff present included Jeff Levine, Planning and Urban Development Department Director, Mary Davis, Housing and Community Development Division Director, Victoria Volent, Housing Program Manager and Aaron Geyer, Social Service Program Manager.

### Item 1: Review and accept Minutes of previous meetings held on January 24, 2018 and February 12, 2018

Councilor Ali motioned and Councilor Cook seconded to accept the minutes from the January 24 2018 and February 12, 2018 Housing Committee meeting. Minutes were unanimously approved 3-0.

### Item 2: Review and Recommendation to the City Council – 2018-2019 Housing Program Budget

Mary Davis gave an overview of the budget memo.

Committee members and the Mayor requested information regarding FY18 expenditures YTD and Councilor Duson asked that the information be provided with the HCD budget memo to the council.

Item was opened for public comment:

Cynthia Cochran: question about outreach for the housing rehab program, believes not many people are aware of program.

Scott Vonnegut: Inquired if seed money for a community land trust would come from the Housing Trust Fund (HTF) and how would that be identified in a line item. Mr. Levine indicates that the city would look at all available resources when if a community land trust has been identified as housing policy proposal to explore.

Councilor Ali motioned to approve; Councilor Cook seconded. Committee voted 3-0 to forward to council for approval.

Councilor Cook would like to add to the workplan to discuss budget allocations to inform on creation of next year's budget and also whether financing on housing rehab should be adjusted; add a workplan item to discuss policy and procedures on all the housing programs.

Mayor Strimling requests that public input be solicited before the HTF annual plan is put together.

### Item 3: Overview of the Housing and Community Development Division

Mary Davis presented an overview on the responsibilities of the Housing and Community

Development Division.

Item 4: Review of the Housing Trust Fund

Victoria Volent gave a broad overview of the memo. Mr. Levine suggests that the 2018 plan not be too prescriptive.

Councilor Cook would like to hear from public before committee takes action on a plan for the HTF.

Mayor Strimling indicates that he has heard from constituents that flexibility is key and he hopes that the HTF can be the catalyst to development not just the gap funds at the end.

Item 5: Communication Item: Community Land Trust Information

Information provided to the committee to help inform the council goal setting discussion.

Item 6: Communication Item: City-Owned Property

Councilor Duson asks staff to look at list recently done that evaluated paper streets. Councilor Cook thinks it would be helpful to have a color coded map that identifies types of city owned property; it would be helpful to the public to have that type of map (a publicly available map that shows where city owned property is and mark those that would not be appropriate for development – wetlands, etc)

Committee asks for a copy of the COTAPC policies and rules and a copy of the survey template sent out to city departments, councilors.

Item 7: Communication Item: Text Analysis of Housing Report Survey

Councilor Ali asks for more of a data infographic.

Item 8: Committee Discussion re: 2018 Work Plan

Councilor Duson reminds staff that the committee would like a list of policy proposals discussed at last meeting prior to the council goal setting meeting on March 26.

Regarding the Homestart item on the March agenda, Councilor Duson asks that staff be prepared to make comments on the proposal(s) and request that the Homestart organization to prepare a brief presentation.

Councilor Ali motioned to adjourn and Councilor Cook seconded the motion. Motioned approved 3-0. The meeting was adjourned at 8:30 p.m.

Respectfully submitted, Mary Davis

## Grantee Unique Appendices

### GRANTEE APPENDICES

#### Citizen Participation Comments:

- Public Hearing City Council March 19, 2018
- Public Hearing City Council April 18, 2018

#### Program and Project Data for the Annual Action Plan

#### HOME Application Process

#### Eligible Areas Map

#### Legal Ad for 30 day comment period

- Paper Legal Ad for Notice of Public Hearings and 30 day comment period for Year 3, 2018-2019 Annual Action Plan

#### Council Resolve & Order

- Council Order 168- 17/18 Holding Public Hearings for 2018-2019 on Annual Action Plan
- Resolution 8 17/18 Adopting the 2018-2019 Annual Action Plan

#### Grantee SF-424 and Certifications

- SF- 424 and SF-424-D for ESG, HOME, and CDBG
- Non-State grantee certification



## HOME PROGRAM APPLICATION PROCESS

### Affordable Housing Development Program (includes CHDO funding)

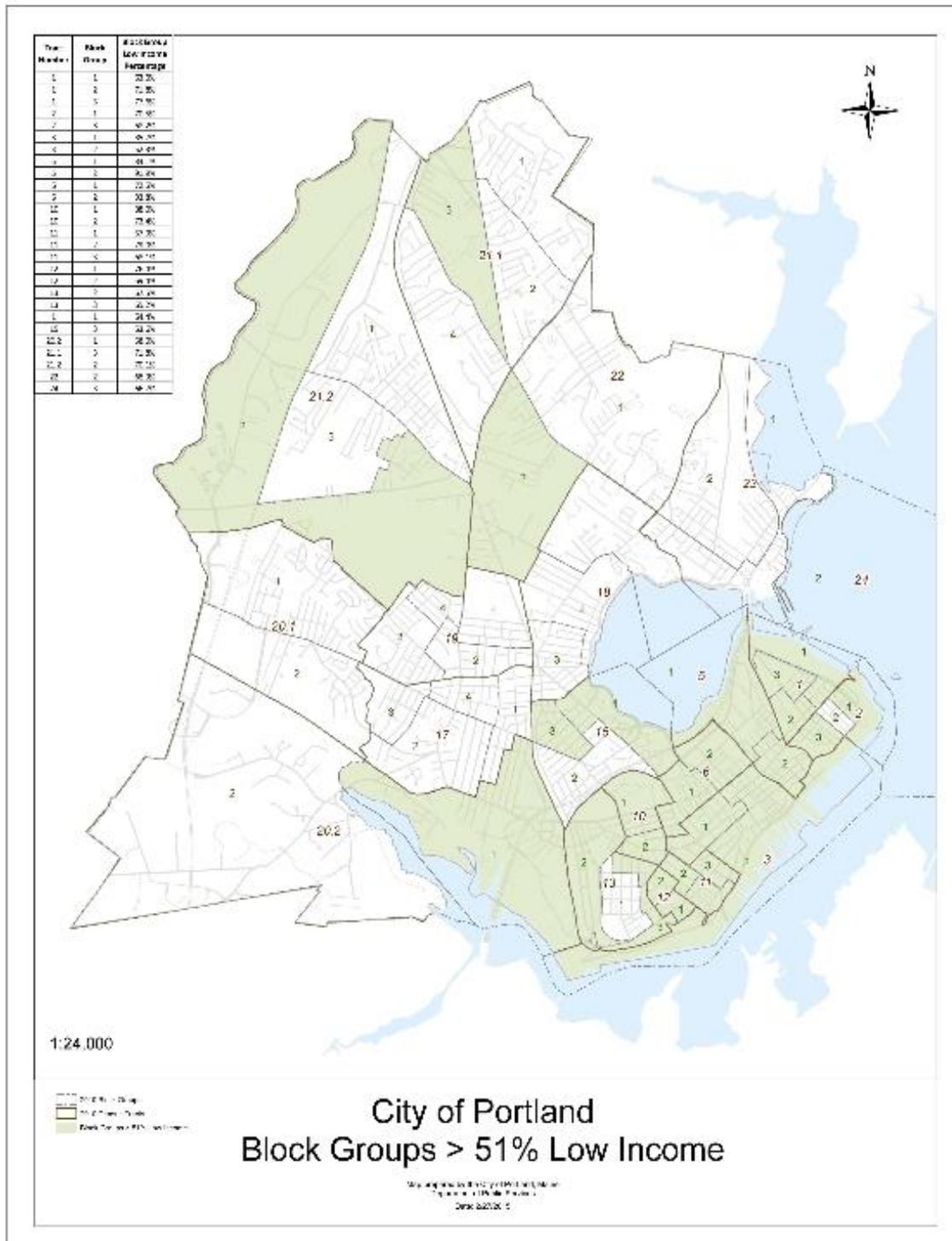
Funding available through the Affordable Housing Development Program will go to assist in the creation of affordable housing available to low and very low income persons. Affordable Housing Development funds are allocated through a competitive, rolling application process. To apply, developers must complete an application which is available through the Housing and Community Development Division and on the City's webpage. Applications are reviewed by City staff and a consultant hired by the City to complete a financial underwriting analysis. City staff present funding recommendations to the City Council's Housing Committee (HC). The HC forwards funding recommendations to the City Council. Under City ordinance, the request for appropriation of funds must be read at two City Council meetings. The City Council can take action on the recommendations at the second public meeting.

### Housing Rehabilitation Program

Funding available through the Housing Rehabilitation Program will go to assist households throughout Cumberland County earning at or below 80% of the area median income. The HOME Program budget is formulated by staff, endorsed by the City Council's Housing and Community Development Committee and Cumberland County's Municipal Oversight Committee. The City Council conducts two public hearings before deciding on the final HOME Program budget. Program guidelines and applications are available through the Housing and Community Development Office in City Hall and on the City's webpage. Applications are reviewed by the Loan Officer who makes funding recommendations to the Housing and Community Development Division Director. The Housing and Community Development Division Director provides the final approval on all applications for housing rehabilitation assistance. Information about the Housing Rehabilitation Program is made available through the City's webpage and information disseminated through the County's Municipal Oversight Committee and direct contact with staff in each Municipal Office throughout the County.

### Tenant Based Rental Assistance Program

Applications for the Tenant Based Rental Assistance Program are available through a centralized intake system with a single point of contact located at the Oxford Street Shelter and Family Shelter. The program is available to low and very low income persons currently experiencing or at imminent risk of homelessness. Eligibility is determined by staff in the City's Social Service Division.



**Public Notice**

**NOTICE OF  
PUBLIC HEARINGS**

Monday, March 19, 2018  
at 5:30am  
Wednesday, April 18, 2018  
at 5:30am

389 Congress Street,  
Portland City Hall,  
Council Chambers,  
30 DAY PUBLIC

COMMENT PERIOD  
CITY OF PORTLAND, MAINE  
March 15, 2018 to  
April 15, 2018  
389 Congress Street,  
Portland City Hall,  
Room 313

2018-2019 CONSOLIDATED  
HOUSING AND COMMUNITY  
DEVELOPMENT ANNUAL  
ACTION PLAN, estimated  
budgets are as follows:  
Community Development  
Block Grant Program  
\$1,772,351; HUD's  
Investment Partnership  
Grant Program \$976,133;  
Emergency Solutions Grant  
Program \$16,280; Housing  
Development Fund: \$1  
\$224,096; Lead Safe Housing  
PI \$170,886; Housing Trust  
Fund \$913,502; TRF \$120,000;  
Cotton St. proceeds \$20,000.  
The Portland City Council  
will hold two public hearings  
to consider the allocation  
of the above referenced  
program funds received by  
the City of Portland from  
the Federal Department  
of Housing and Urban  
Development (HUD).

The primary objectives  
of the City of Portland's  
Consolidated Housing and  
Community Development  
Plan and the Annual Action  
Plan are the development of  
a viable urban community  
including decent housing, a  
suitable living environment,  
and expanding economic  
opportunities, principally for  
low and moderate income  
persons, and to aid in the  
prevention and elimination  
of slum and blight.

For more information please  
contact Housing and  
Community Development  
Division, Room 313 Portland  
City Hall, 389 Congress  
Street, Portland, Maine or  
874-8731.

[Classified Advertising Proof | Printed on: 2/28/2018

Order 168-17/18

Passage: 7-0 (Strimling, Batson absent) on 3/5/2018

Effective 3/15/2018

ETHAN K. STRIMLING (MAYOR)  
BELINDA S. RAY (1)  
SPENCER THIBODEAU (2)  
BRIAN E. BATSON (3)  
JUSTIN COSTA (4)

**CITY OF PORTLAND  
IN THE CITY COUNCIL**

KIMBERLY COOK (5)  
PIOUS ALI (A/L)  
JILL C. DUSON, (A/L)  
NICHOLAS M. MAVODONES, JR. (A/L)

**ORDER SETTING PUBLIC HEARINGS ON  
FISCAL YEAR 2019 ANNUAL ACTION PLAN  
AND APPROPRIATIONS FOR COMMUNITY DEVELOPMENT  
BLOCK GRANT PROGRAM, HOME PROGRAM, AND EMERGENCY SOLUTIONS  
GRANT PROGRAM**

**ORDERED**, that public hearings be held on the Fiscal Year 2019 Annual Action Plan and appropriations for the Community Development Block Grant Program, HOME Program, and the Emergency Solutions Grant Program; and

**BE IT FURTHER ORDERED**, that such hearings be held on March 19, 2018 and April 18, 2018 at City Council Meetings held at 5:30 p.m., in Portland City Hall Council Chambers, 389 Congress Street.

Resolve 8-17/18

Amended to reduce Long Term Stayers by \$7,500 and to reduce Mobile Medical Outreach, Amistad and ILAP by \$5,000 each and to fund Preble Street Resource Center with \$22,500: 7-2 (Duson, Ray)

Passage as amended: 9-0 on 4/18/2018

Effective 4/28/2018

ETHAN K. STRIMLING (MAYOR)  
BELINDA S. RAY (1)  
SPENCER THIBODEAU (2)  
BRIAN E. BATSON (3)  
JUSTIN COSTA (4)

**CITY OF PORTLAND  
IN THE CITY COUNCIL**

KIMBERLY COOK (5)  
PROUS ALI (A/L)  
JILL C. DUSON, (A/L)  
NICHOLAS M. MAVODONES, JR. (A/L)

**RESOLUTION ADOPTING THE FY 2018-2019 HOUSING AND COMMUNITY DEVELOPMENT ANNUAL ACTION PLAN INCLUDING APPROPRIATIONS FOR COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM, HOME PROGRAM, AND EMERGENCY SOLUTIONS GRANT PROGRAM AND CERTIFICATIONS PERTAINING THERETO**

**WHEREAS,** the City of Portland, Maine has determined that there are pressing community and neighborhood needs for further federal assistance for housing and community development activities; and

**WHEREAS,** annual activities for the Consolidated Housing and Community Development Annual Action Plan have been recommended; and

**WHEREAS,** the City of Portland is anticipating an allocation from the United States Department of Housing and Urban Development (HUD) of \$1,745,465 of Community Development Block Grant ("CDBG") Entitlement Funds, for the program year 2018-2019 under Title I of the Housing and Community Development Act of 1974 (Public Law 93-383) as amended from time to time; and the City has also received Community Development funds in the amount of \$75,000 in Housing Program income, along with \$20,000 in Cotton Street Proceeds, which is subject to the same regulations as the entitlement funds; and \$120,000 in TIF funds; a HOME Program Grant allocation of \$824,856, HOME Program income of \$120,000, HOME Recaptured Funds of \$31,247; Lead Safe Housing Program Income of \$170,866; local Housing Trust Funds of \$913,502; and \$161,280 of Emergency Shelter Grant funds; and

**WHEREAS,** the City Council of the City of Portland, Maine, desires to utilize these funds to support housing and community development activities;

**NOW, THEREFORE, BE IT RESOLVED,** that the City Council of the City of Portland, Maine, hereby adopts the FY 2018-2019 Consolidated Housing and Community Development Annual Action Plan; and the sums of \$1,912,351 for the Community Development Block Grant Program, plus \$209,096 in CDBG Housing Program funding; \$976,103 for the HOME Program, \$170,866 in Lead Safe Housing Program Income, \$913,502 in local Housing Trust Funds and \$161,280 for the Emergency Shelter Grant Program are hereby appropriated for

the purposes approved in the attached Plan and budgets as provided in the Attached Exhibit A; and

**BE IT FURTHER RESOLVED,** that the City of Portland, Maine, possesses legal authority to apply for the above referenced Community Development Block Grant Program Funds, HOME Program funds and Emergency Shelter Grant Program funds for the Program Year 2018-2019; and

**BE IT FURTHER RESOLVED,** that the City Manager or his designee be authorized to:

- 1) Apply for, accept and expend the Community Development Block Grant Entitlement Funds of \$1,745,465 and to expend \$75,000 in CDBG housing program income funds, \$120,000 in TIF, and \$20,000 in Cotton Street proceeds; \$824,856 of HOME Program funds and to expend \$120,000 of program income and \$31,247 of recaptured funds for a total of \$976,103; \$170,866 in Lead Safe Housing program income; \$913,502 in local Housing Trust Funds; and \$161,280 of Emergency Shelter Grant funds; and
- 2) Officially represent the City of Portland, Maine, in connection with the application, including the execution of contracts on behalf of the City; and
- 3) Act as the certifying officer for HUD environmental documents related to these grants and to execute said documents and any other related documents necessary or convenient to carry out the intent of said grants; and
- 4) Make adjustments to all proposed activities' budgets to be proportionately increased or decreased from the estimated funding levels to match actual allocation amounts; and

**BE IT FURTHER RESOLVED,** that the City of Portland, Maine certifies that it will comply with all of the attached assurances and provide such additional information as may be required by the U.S. Department of Housing and Urban Development; and

**BE IT FURTHER RESOLVED,** that the foregoing FY 2018-2019 Housing and Community Development Annual Action Plan funds are hereby appropriated pursuant to the Budget attached hereto.

## Grantee SF-424's and Certification(s)

### CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

**Affirmatively Further Fair Housing** --The jurisdiction will affirmatively further fair housing.

**Uniform Relocation Act and Anti-displacement and Relocation Plan** -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, (42 U.S.C. 4601-4655) and implementing regulations at 49 CFR Part 24. It has in effect and is following a residential anti-displacement and relocation assistance plan required under 24 CFR Part 42 in connection with any activity assisted with funding under the Community Development Block Grant or HOME programs.

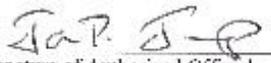
**Anti-Lobbying** --To the best of the jurisdiction's knowledge and belief:

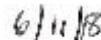
1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-L.L.L. "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

**Authority of Jurisdiction** --The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

**Consistency with plan** --The housing activities to be undertaken with Community Development Block Grant, HOME, Emergency Solutions Grant, and Housing Opportunities for Persons With AIDS funds are consistent with the strategic plan in the jurisdiction's consolidated plan.

**Section 3** -- It will comply with section 3 of the Housing and Urban Development Act of 1968 (12 U.S.C. 1701(i)) and implementing regulations at 24 CFR Part 135.

  
Signature of Authorized Official

  
Date

City Manager:  
Title

### Specific Community Development Block Grant Certifications

The Recipient Community certifies that:

**Citizen Participation** -- It is in full compliance and following a detailed citizen participation plan that satisfies the requirements of 24 CFR 91.105.

**Community Development Plan** -- Its consolidated plan identifies community development and housing needs and specifies both short-term and long-term community development objectives that have been developed in accordance with the primary objective of the CDBG program (i.e., the development of viable urban communities, by providing decent housing and expanding economic opportunities, primarily for persons of low and moderate income) and requirements of 24 CFR Parts 91 and 570.

**Following a Plan** -- It is following a current, consolidated plan that has been approved by HUD.

**Use of Funds** -- It has complied with the following criteria:

1. **Maximum Feasible Priority.** With respect to activities expected to be assisted with CDBG funds, it has developed its Action Plan so as to give maximum feasible priority to activities which benefit low- and moderate-income families or aid in the prevention or elimination of slums or blight. The Action Plan may also include CDBG-assisted activities which the grantee certifies are designed to meet other community development needs having particular urgency because existing conditions pose a serious and immediate threat to the health or welfare of the community, and other financial resources are not available (see Optional CDBG Certification).

2. **Overall Benefit.** The aggregate use of CDBG funds, including Section 108 guaranteed loans, during program year(s) 1 (a period specified by the grantee of one, two, or three specific consecutive program years), shall principally benefit persons of low and moderate income in a manner that ensures that at least 70 percent of the amount is expended for activities that benefit such persons during the designated period.

3. **Special Assessments.** It will not attempt to recover any capital costs of public improvements assisted with CDBG funds, including Section 108 loan guaranteed funds, by assessing any amount against properties owned and occupied by persons of low and moderate income, including any fee charged or assessment made as a condition of obtaining access to such public improvements.

However, if CDBG funds are used to pay the proportion of a fee or assessment that relates to the capital costs of public improvements (assisted in part with CDBG funds) financed from other revenue sources, an assessment or charge may be made against the property with respect to the public improvements financed by a source other than CDBG funds.

In addition, in the case of properties owned and occupied by moderate income (not low-income) families, an assessment or charge may be made against the property for public improvements financed by a source other than CDBG funds if the jurisdiction certifies that it lacks CDBG funds to cover the assessment.

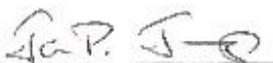
**Excessive Force** -- It has adopted and is enforcing:

1. A policy prohibiting the use of excessive force by law enforcement agencies within its jurisdiction against any individuals engaged in non-violent civil rights demonstrations; and
2. A policy of enforcing applicable State and local laws against physically barring entrance to or exit from a facility or location which is the subject of such non-violent civil rights demonstrations within its jurisdiction.

**Compliance with Anti-discrimination laws** -- The grant will be conducted and administered in conformity with title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d) and the Fair Housing Act (42 U.S.C. 3601-3619) and implementing regulations.

**Lead-Based Paint** -- Its activities concerning lead-based paint will comply with the requirements of 24 CFR Part 35, Subparts A, B, J, K and R.

**Compliance with Laws** -- It will comply with applicable laws.

  
Signature of Authorized Official

6/11/18  
Date

City Manager  
Title

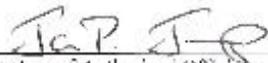
**Specific HOME Certifications**

The HOME participating jurisdiction certifies that:

**Tenant Based Rental Assistance** -- If it plans to provide tenant-based rental assistance, the tenant-based rental assistance is an essential element of its consolidated plan.

**Eligible Activities and Costs** -- It is using and will use HOME funds for eligible activities and costs, as described in 24 CFR §§92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in §92.214.

**Subsidy layering** -- Before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing.

  
Signature of Authorized Official

6/11/18  
Date

City Manager  
Title

### Emergency Solutions Grants Certifications

The Emergency Solutions Grants Program recipient certifies that:

**Major rehabilitation/conversion/renovation** – If an emergency shelter's rehabilitation costs exceed 75 percent of the value of the building before rehabilitation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed rehabilitation.

If the cost to convert a building into an emergency shelter exceeds 75 percent of the value of the building after conversion, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 10 years after the date the building is first occupied by a homeless individual or family after the completed conversion.

In all other cases where ESG funds are used for renovation, the recipient will maintain the building as a shelter for homeless individuals and families for a minimum of 3 years after the date the building is first occupied by a homeless individual or family after the completed renovation.

**Essential Services and Operating Costs** – In the case of assistance involving shelter operations or essential services related to street outreach or emergency shelter, the recipient will provide services or shelter to homeless individuals and families for the period during which the ESG assistance is provided, without regard to a particular site or structure, so long the recipient serves the same type of persons (e.g., families with children, unaccompanied youth, disabled individuals, or victims of domestic violence) or persons in the same geographic area.

**Renovation** – Any renovation carried out with ESG assistance shall be sufficient to ensure that the building involved is safe and sanitary.

**Supportive Services** – The recipient will assist homeless individuals in obtaining permanent housing, appropriate supportive services (including medical and mental health treatment, victim services, counseling, supervision, and other services essential for achieving independent living), and other Federal, State, local, and private assistance available for these individuals.

**Matching Funds** – The recipient will obtain matching amounts required under 24 CFR 576.201.

**Confidentiality** – The recipient has established and is implementing procedures to ensure the confidentiality of records pertaining to any individual provided family violence prevention or treatment services under any project assisted under the ESG program, including protection against the release of the address or location of any family violence shelter project, except with the written authorization of the person responsible for the operation of that shelter.

**Homeless Persons Involvement** – To the maximum extent practicable, the recipient will involve, through employment, volunteer services, or otherwise, homeless individuals and families in constructing, renovating, maintaining, and operating facilities assisted under the ESG program, in providing services assisted under the ESG program, and in providing services for occupants of facilities assisted under the program.

**Consolidated Plan** – All activities the recipient undertakes with assistance under ESG are consistent with its consolidated plan.

**Discharge Policy** – The recipient will establish and implement, to the maximum extent practicable and where appropriate, policies and protocols for the discharge of persons from publicly funded institutions or systems of care (such as health care facilities, mental health facilities, foster care or other youth facilities, or correction programs and institutions) in order to prevent this discharge from immediately resulting in homelessness for these persons.

  
Signature of Authorized Official

6/11/18  
Date

City Manager  
Title

Application for Federal Assistance SF-424		
*1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Change/Corrected Application	*2. Type of Application: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision	*3. Budget, select appropriate label(s): <input type="text"/> *Other Sheet(s): <input type="text"/>
*5. Date Received: <input type="text"/>	4. Applicant Identifier: <input type="text"/>	
6a. Federal Entity Identifier: <input type="text" value="HE232484"/>		6b. Federal Award Identifier: <input type="text" value="K19M0120003"/>
State Use Only: 8. Date Received by State: <input type="text"/> 7. State Application Identifier: <input type="text"/>		
<b>8. APPLICANT INFORMATION:</b>		
*a. Legal Name: <input type="text" value="City of Portland Maine"/>		
*b. Emergency Response Identifier Number (ERIN): <input type="text" value="01-60-0002"/>	*c. Organizational DUNS: <input type="text" value="0717499020000"/>	
<b>d. Address:</b>		
*Street: <input type="text" value="369 Congress Street"/>	*Street2: <input type="text" value="Room 112"/>	
*City: <input type="text" value="Portland"/>	*Country: <input type="text" value="USA - UNITED STATES"/>	
*State: <input type="text" value="ME - Maine"/>	*Province: <input type="text"/>	
*Zip/Postal Code: <input type="text" value="04101-3065"/>	*County: <input type="text"/>	
<b>e. Organizational Unit:</b>		
Department Name: <input type="text" value="Planning and Urban Development"/>	Division Name: <input type="text" value="Housing and Community Development"/>	
<b>f. Name and contact information of person to be contacted on matters involving this application:</b>		
Prefix: <input type="text" value="Ms."/>	First Name: <input type="text" value="Mary"/>	Middle Name: <input type="text" value=""/>
Last Name: <input type="text" value="Lewis"/>	Suffix: <input type="text"/>	Title: <input type="text" value="Housing and Community Development Director"/>
Organizational Address: <input type="text"/>		
*Telephone Number: <input type="text" value="2078748711"/>	*Fax Number: <input type="text" value="207740248"/>	
*Email: <input type="text" value="hpd@portlandmaine.gov"/>		

<b>Application for Federal Assistance SF-424</b>			
* 9. Type of Applicant 1: Select Applicant Type: <input type="text" value="City of Houma, Louisiana"/>			
Type of Applicant 2: Select Applicant Type: <input type="text"/>			
Type of Applicant 3: Select Applicant Type: <input type="text"/>			
* Other (specify): <input type="text"/>			
* 10. Name of Federal Agency: <input type="text" value="U.S. Department of Housing and Urban Development"/>			
11. Catalog of Federal Domestic Assistance Number: <input type="text" value="14.531"/>			
CFDA Title: <input type="text" value="Emergency Rental Assistance Grant"/>			
* 12. Funding Opportunity Number: <input type="text"/>			
* Title: <input type="text"/>			
13. Competition Identification Number: <input type="text"/>			
Title: <input type="text"/>			
14. Areas Affected by Project (Cities, Counties, States, etc.): <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>			
* 15. Descriptive Title of Applicant's Project: <input type="text" value="The City of Houma's Homeless Assistance Grant"/>			
Attach supporting documents as specified in agency instructions: <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/>			

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: <input type="text" value="2011"/>	* b. Program-Project: <input type="text"/>
Attach an additional list of Program/Project Congressional Districts if needed.	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
17. Proposed Project:	
* a. Start Date: <input type="text" value="07/01/2010"/>	* b. End Date: <input type="text" value="06/30/2010"/>
18. Estimated Funding (\$):	
* a. Federal	<input type="text" value="157,131.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="0.00"/>
* f. Program Income	<input type="text" value="0.00"/>
* g. TOTAL	<input type="text" value="157,131.00"/>
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/>	
<input checked="" type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review.	
<input type="checkbox"/> c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide explanation and attach:	
<input type="text"/>	<input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 28, Section 1001)	
<input checked="" type="checkbox"/> ** I AGREE	
<small>** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.</small>	
Authorized Representatives:	
Profile: <input type="text" value="011"/>	* First Name: <input type="text" value="Joa"/>
Mobile Number: <input type="text" value=""/>	
* Last Name: <input type="text" value="Garcia Lopez"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="City Manager"/>	
* Telephone Number: <input type="text" value="807-870-8689"/>	* Fax Number: <input type="text" value="807-874-8689"/>
* Email: <input type="text" value="joa@joa.tandohai.gov"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="6/11/10"/>

ASSURANCES - CONSTRUCTION PROGRAMS

OMB Number: 4340-0088  
 Expiration Date: 01/31/2018

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

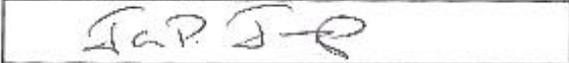
1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance, and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of persons, or organizational, conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4733) relating to prescribed standards of merit systems for programs funded under one of the 19 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§1801 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicap; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§5101-5107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290 do-2 and 290 ee 3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

Previous Edition Usable

Authorized for Local Reproduction

Standard Form 424-D (Rev. 7-97)  
 Prescribed by OMB Circular A-102

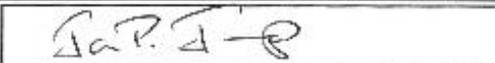
11. Will comply, or has already complied, with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1509 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§327-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11980; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-523); and, (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-205).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 106 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11650 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§480a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 106(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from: (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	Chief, Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
City of Fort Lee, NJ	6/11/18

SF-424D (Rev. 7-87) Back

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision	* If Revision, select appropriate title (a) <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: <input type="text"/>	4. Applicant Identifier: <input type="text"/>	
5a. Federal Entry Identifier: 03202004	5b. Federal Award Identifier: 6160019000	
State Use Only:		
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:		
* a. Legal Name: <input type="text" value="City of Portland"/>		
* b. Employer/ taxpayer Identification Number (EIN/TIN): 01-600032	* c. Organizational DUNS: 0717436320001	
d. Address:		
* Street: 335 Congress Street	<input type="text"/>	
* State: Maine	<input type="text"/>	
* City: Portland	<input type="text"/>	
* County/Parish: <input type="text"/>	<input type="text"/>	
* State: ME; Maine	<input type="text"/>	
* Postcode: <input type="text"/>	<input type="text"/>	
* Country: USA; UNITED STATES	<input type="text"/>	
* Zip/Postal Code: 04101-3000	<input type="text"/>	
e. Organizational Unit:		
Department Name: Planning and Urban Development	Division Name: Planning and Community Development	
f. Name and contact information of person to be contacted on matters involving this application:		
* Prefix: Mr.	* First Name: Henry	<input type="text"/>
* Middle Name: D	<input type="text"/>	
* Last Name: Davis	<input type="text"/>	
* Suffix: <input type="text"/>	<input type="text"/>	
* Title: Housing and Community Development Director	<input type="text"/>	
Organizational Address: <input type="text"/>		
* Telephone Number: 503-976-8011	* Fax Number: <input type="text"/>	
* Email: hvd@cityofportland.me.gov		

<b>Application for Federal Assistance SF-424</b>	
* 9. Type of Applicant 1: Select Applicant Type: <input type="text" value="City or Township Government"/> Type of Applicant 2: Select Applicant Type: <input type="text"/> Type of Applicant 3: Select Applicant Type: <input type="text"/> * Other (specify): <input type="text"/>	
* 10. Name of Federal Agency: <input type="text" value="U.S. Department of Housing and Urban Development"/>	
11. Catalog of Federal Domestic Assistance Number: <input type="text" value="14.218"/> CDA Title: <input type="text" value="Community Development Block Grant"/>	
* 12. Funding Opportunity Number: <input type="text"/> Title: <input type="text"/>	
13. Competition Identification Number: <input type="text"/> Title: <input type="text"/>	
14. Areas Affected by Project (Cities, Counties, States, etc.): <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachments"/>	
* 15. Descriptive Title of Applicant's Project: <input type="text" value="The City of Portland's Community Development Block Grant program invests in neighborhood infrastructure, social service programs, housing, public improvements and other community needs."/>	
Attach supporting documents as specified in agency instructions. <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/>	

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: HI - 1	* b. Program/Project:
Attach an essential list of Program/Project Congressional Districts if needed. <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
17. Proposed Project:	
* a. Start Date: 07/01/2018	* b. End Date: 06/30/2019
18. Estimated Funding (\$):	
* a. Federal:	1,885,922.00
* b. Applicant:	
* c. State:	
* d. Local:	
* e. Other:	75,968.00
* f. Program Income:	90,000.00
* g. TOTAL:	2,125,614.00
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on: <input type="text"/>	
<input checked="" type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review	
<input type="checkbox"/> c. Program is not covered by E.O. 12372.	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No	
If "Yes", provide explanation and attach: <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 218, Section 1001)	
<input checked="" type="checkbox"/> I AGREE	
** The list of certifications and assurances, or an Internal file where you may obtain this list, is contained in the announcement or agency website/website.	
Authorized Representative:	
Prefix:	Mr.      * First Name: Jon
Middle Name:	
Last Name:	Donahoe
Suffix:	
* Title:	City Manager
* Telephone Number:	207-874-8589      * Fax Number: 207-874-8666
* Email:	jon@piscatawayiaa.com
* Signature of Authorized Representative:	
* Date Signed:	6/14/18

ASSURANCES - CONSTRUCTION PROGRAMS

OMB No. Let. 4340-0038  
Expiration Date: 01/31/2019

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding the burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

**PLEASE DO NOT RETURN YOUR COMPLETED FORM TO THE OFFICE OF MANAGEMENT AND BUDGET. SEND IT TO THE ADDRESS PROVIDED BY THE SPONSORING AGENCY.**

**NOTE:** Certain of these assurances may not be applicable to your project or program. If you have questions, please contact the Awarding Agency. Further, certain Federal assistance awarding agencies may require applicants to certify to additional assurances. If such is the case, you will be notified.

As the duly authorized representative of the applicant, I certify that the applicant:

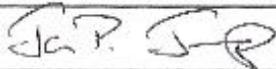
1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
3. Will not dispose of, modify the use of, or change the terms of the real property title or other interest in the site and facilities without permission and instructions from the awarding agency. Will record the Federal awarding agency directives and will include a covenant in the title of real property acquired in whole or in part with Federal assistance funds to assure non-discrimination during the useful life of the project.
4. Will comply with the requirements of the assistance awarding agency with regard to the drafting, review and approval of construction plans and specifications.
5. Will provide and maintain competent and adequate engineering supervision at the construction site to ensure that the complete work conforms with the approved plans and specifications and will furnish progressive reports and such other information as may be required by the assistance awarding agency or State.
6. Will initiate and complete the work within the applicable time frame after receipt of approval of the awarding agency.
7. Will establish safeguards to prohibit employees from using their positions for a purpose that constitutes or presents the appearance of personal or organizational conflict of interest, or personal gain.
8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4728-4765) relating to prescribed standards of merit systems for programs funded under one of the 10 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 500, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§4501 et seq.) which prohibits the use of lead-based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683, and 1686-1689), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (20 U.S.C. §504), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Office and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-576), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§523 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290aa-3 and 290aa-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§3601 et seq.), as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

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Prescribed by OMB Circular A-102

11. Will comply, or has already complied, with the requirements of Titles I and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-646) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§1501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §274), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§27-333) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-254) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11985; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-525); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-203).
16. Will comply with the Wild and Scenic Rivers Act of 1968 (16 U.S.C. §§1271 et seq.) related to protecting components or potential components of the national wild and scenic rivers system.
17. Will assist the awarding agency in assuring compliance with Section 105 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11500 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§486a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, "Audits of States, Local Governments, and Non-Profit Organizations."
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 1005(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub-recipient from: (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect; (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	City Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
City of Portland, Maine	6/11/18

SF-4240 (Rev. 7-87) Back

Application for Federal Assistance SF-424		
* 1. Type of Submission: <input type="checkbox"/> Preapplication <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed/Corrected Application	* 2. Type of Application: <input type="checkbox"/> New <input checked="" type="checkbox"/> Continuation <input type="checkbox"/> Revision	* 3. Revision, select appropriate letter(s): <input type="text"/> * Other (Specify): <input type="text"/>
* 3. Date Received: <input type="text"/>	4. Applicant Identifier: <input type="text"/>	
5a. Federal Entity Identifier: BE232484	5b. Federal Award Identifier: H1800230200	
State Use Only:		
6. Date Received by State: <input type="text"/>	7. State Application Identifier: <input type="text"/>	
8. APPLICANT INFORMATION:		
* a. Legal Name: <input type="text" value="City of Pontchartraine"/>		
* b. Employer/Taxpayer Identification Number (EIN/TIN): 00-4000000	* c. Organizational DUNS: 0117495000000	
d. Address:		
* Street: ER9 Commerce School	Street2: Room 312	
* City: Bossier Parish	County/Parish: <input type="text"/>	
* State: LA	* State: XX: <input type="text" value="Haiti"/>	
* Province: <input type="text"/>	* Country: USA: UN160 214100	
* Zip / Postal Code: 71301-3566	* Zip / Postal Code: <input type="text"/>	
e. Organizational Unit:		
Department Name: Teaching and Career Development	Division Name: Housing and Community Development	
f. Name and contact information of person to be contacted on matters involving this application:		
* Prefix: Mr.	* First Name: Kary	* Last Name: Quail
Middle Name: <input type="text"/>	Suffix: <input type="text"/>	
Title: Housing and Community Development Director		
Organizational Affiliation: <input type="text"/>		
* Telephone Number: 209-449-1111	* Fax Number: 209-449-1111	
* Email: kquail@pca.edu		

Application for Federal Assistance SF-424	
<p>* 9. Type of Applicant 1: Select Applicant Type:</p> <input type="text" value="City or Township Government"/>	
<p>Type of Applicant 2: Select Applicant Type:</p> <input type="text"/>	
<p>Type of Applicant 3: Select Applicant Type:</p> <input type="text"/>	
<p>* Other (specify):</p> <input type="text"/>	
<p>* 10. Name of Federal Agency:</p> <input type="text" value="U.S. Department of Housing and Urban Development"/>	
<p>11. Catalog of Federal Domestic Assistance Number:</p> <input type="text" value="14.039"/>	
<p>CFDA title:</p> <input type="text" value="HOME Investment Partnership Program"/>	
<p>* 12. Funding Opportunity Number:</p> <input type="text"/>	
<p>Title:</p> <input type="text"/>	
<p>13. Competition Identification Number:</p> <input type="text"/>	
<p>Title:</p> <input type="text"/>	
<p>14. Areas Affected by Project (Cities, Counties, States, etc.):</p> <input type="text"/>	
<p style="text-align: right;"> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/> </p>	
<p>* 15. Descriptive Title of Applicant's Project:</p> <input type="text" value="The Cumberland County HOME Consortium, with the City of Portland as the lead entity, proposes to rehabilitate existing housing units, build new construction, and provide rental based rental assistance."/>	
<p>Attach supporting documents as specified in agency instructions.</p> <p style="text-align: right;"> <input type="button" value="Add Attachments"/> <input type="button" value="Delete Attachments"/> <input type="button" value="View Attachments"/> </p>	

Application for Federal Assistance SF-424	
16. Congressional Districts Of:	
* a. Applicant: <input type="text" value="ME-1"/>	* b. Program-Project: <input type="text"/>
Attach an additional list of Program/Project Congressional Districts if needed: <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
17. Proposed Project:	
* a. Start Date: <input type="text" value="07/01/2019"/>	* b. End Date: <input type="text" value="06/30/2020"/>
18. Estimated Funding (\$):	
* a. Federal	<input type="text" value="1,500,000.00"/>
* b. Applicant	<input type="text" value="0.00"/>
* c. State	<input type="text" value="0.00"/>
* d. Local	<input type="text" value="0.00"/>
* e. Other	<input type="text" value="21,000.00"/>
* f. Program Income	<input type="text" value="190,000.00"/>
* g. TOTAL	<input type="text" value="1,711,000.00"/>
* 19. Is Application Subject to Review By State Under Executive Order 12372 Process?	
<input type="checkbox"/> a. This application was made available to the State under the Executive Order 12372 Process for review on <input type="text"/> <input checked="" type="checkbox"/> b. Program is subject to E.O. 12372 but has not been selected by the State for review. <input type="checkbox"/> c. Program is not covered by E.O. 12372	
* 20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes," provide explanation in attachment.)	
<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No If "Yes", provide explanation and attach: <input type="text"/> <input type="button" value="Add Attachment"/> <input type="button" value="Delete Attachment"/> <input type="button" value="View Attachment"/>	
21. *By signing this application, I certify (1) to the statements combined in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U.S. Code, Title 28, Section 1001) <input checked="" type="checkbox"/> ** I AGREE <small>** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions.</small>	
Authorized Representative:	
Prefix: <input type="text" value="Mr."/>	* First Name: <input type="text" value="Jon"/>
Middle Name: <input type="text"/>	
* Last Name: <input type="text" value="Learings"/>	
Suffix: <input type="text"/>	
* Title: <input type="text" value="City Manager"/>	
* Telephone Number: <input type="text" value="207-572-0589"/>	* Fax Number: <input type="text" value="207-574-8850"/>
* Email: <input type="text" value="jpl@townofandoverme.org"/>	
* Signature of Authorized Representative: 	* Date Signed: <input type="text" value="6/11/19"/>

Public reporting burden for this collection of information is estimated to average 15 minutes per response, including time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. Send comments regarding this burden estimate or any other aspect of this collection of information, including suggestions for reducing this burden, to the Office of Management and Budget, Paperwork Reduction Project (0348-0042), Washington, DC 20503.

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As the duly authorized representative of the applicant, I certify that the applicant:

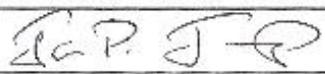
1. Has the legal authority to apply for Federal assistance, and the institutional, managerial and financial capability (including funds sufficient to pay the non-Federal share of project costs) to ensure proper planning, management and completion of project described in this application.
2. Will give the awarding agency, the Comptroller General of the United States and, if appropriate, the State, the right to examine all records, books, papers, or documents related to the assistance; and will establish a proper accounting system in accordance with generally accepted accounting standards or agency directives.
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8. Will comply with the Intergovernmental Personnel Act of 1970 (42 U.S.C. §§4720-4763) relating to proscribed standards of merit systems for programs funded under one of the 15 statutes or regulations specified in Appendix A of OPM's Standards for a Merit System of Personnel Administration (5 C.F.R. 900, Subpart F).
9. Will comply with the Lead-Based Paint Poisoning Prevention Act (42 U.S.C. §§901 et seq.) which prohibits the use of lead based paint in construction or rehabilitation of residence structures.
10. Will comply with all Federal statutes relating to non-discrimination. These include but are not limited to: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352) which prohibits discrimination on the basis of race, color or national origin; (b) Title IX of the Education Amendments of 1972, as amended (20 U.S.C. §§1681-1683 and 1685-1686), which prohibits discrimination on the basis of sex; (c) Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. §794), which prohibits discrimination on the basis of handicaps; (d) the Age Discrimination Act of 1975, as amended (42 U.S.C. §§6101-6107), which prohibits discrimination on the basis of age; (e) the Drug Abuse Offense and Treatment Act of 1972 (P.L. 92-255), as amended relating to nondiscrimination on the basis of drug abuse; (f) the Comprehensive Alcohol Abuse and Alcoholism Prevention, Treatment and Rehabilitation Act of 1970 (P.L. 91-616), as amended, relating to nondiscrimination on the basis of alcohol abuse or alcoholism; (g) §§503 and 527 of the Public Health Service Act of 1912 (42 U.S.C. §§290-5d-3 and 290-5e-3), as amended, relating to confidentiality of alcohol and drug abuse patient records; (h) Title VIII of the Civil Rights Act of 1968 (42 U.S.C. §§801 et seq.) as amended, relating to nondiscrimination in the sale, rental or financing of housing; (i) any other nondiscrimination provisions in the specific statute(s) under which application for Federal assistance is being made; and (j) the requirements of any other nondiscrimination statute(s) which may apply to the application.

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 Prescribed by GMS Circular A-102

11. Will comply, or has already complied, with the requirements of Titles I and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (P.L. 91-546) which provide for fair and equitable treatment of persons displaced or whose property is acquired as a result of Federal and federally-assisted programs. These requirements apply to all interests in real property acquired for project purposes regardless of Federal participation in purchases.
12. Will comply with the provisions of the Hatch Act (5 U.S.C. §§ 501-1508 and 7324-7328) which limit the political activities of employees whose principal employment activities are funded in whole or in part with Federal funds.
13. Will comply, as applicable, with the provisions of the Davis-Bacon Act (40 U.S.C. §§276a to 276a-7), the Copeland Act (40 U.S.C. §276c and 18 U.S.C. §874), and the Contract Work Hours and Safety Standards Act (40 U.S.C. §§227-353) regarding labor standards for federally-assisted construction subagreements.
14. Will comply with flood insurance purchase requirements of Section 102(a) of the Flood Disaster Protection Act of 1973 (P.L. 93-234) which requires recipients in a special flood hazard area to participate in the program and to purchase flood insurance if the total cost of insurable construction and acquisition is \$10,000 or more.
15. Will comply with environmental standards which may be prescribed pursuant to the following: (a) institution of environmental quality control measures under the National Environmental Policy Act of 1969 (P.L. 91-190) and Executive Order (EO) 11514; (b) notification of violating facilities pursuant to EO 11738; (c) protection of wetlands pursuant to EO 11990; (d) evaluation of flood hazards in floodplains in accordance with EO 11688; (e) assurance of project consistency with the approved State management program developed under the Coastal Zone Management Act of 1972 (16 U.S.C. §§1451 et seq.); (f) conformity of Federal actions to State (Clean Air) Implementation Plans under Section 176(c) of the Clean Air Act of 1955, as amended (42 U.S.C. §§7401 et seq.); (g) protection of underground sources of drinking water under the Safe Drinking Water Act of 1974, as amended (P.L. 93-625); and (h) protection of endangered species under the Endangered Species Act of 1973, as amended (P.L. 93-203).
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17. Will assist the awarding agency in ensuring compliance with Section 109 of the National Historic Preservation Act of 1966, as amended (16 U.S.C. §470), EO 11593 (identification and protection of historic properties), and the Archaeological and Historic Preservation Act of 1974 (16 U.S.C. §§459a-1 et seq.).
18. Will cause to be performed the required financial and compliance audits in accordance with the Single Audit Act Amendments of 1996 and OMB Circular No. A-133, 'Audits of States, Local Governments, and Non-Profit Organizations.'
19. Will comply with all applicable requirements of all other Federal laws, executive orders, regulations, and policies governing this program.
20. Will comply with the requirements of Section 108(g) of the Trafficking Victims Protection Act (TVPA) of 2000, as amended (22 U.S.C. 7104) which prohibits grant award recipients or a sub recipient from: (1) Engaging in severe forms of trafficking in persons during the period of time that the award is in effect (2) Procuring a commercial sex act during the period of time that the award is in effect or (3) Using forced labor in the performance of the award or subawards under the award.

SIGNATURE OF AUTHORIZED CERTIFYING OFFICIAL	TITLE
	City Manager
APPLICANT ORGANIZATION	DATE SUBMITTED
City of Portland, Maine	6/11/18

SI-4240 (Rev. 7/97) Back

# **Accessory Dwelling Units**

The City is reviewing existing standards for accessory dwelling units (ADU's) with the goal of establishing a more uniform definition and set of requirements across Portland's various zoning districts. The effort to standardize ADU terms and standards is a vital component of the ReCode process.

## **What is an Accessory Dwelling Unit (ADU)?**

An ADU is an additional living quarter that is independent of and wholly contained within a principal building or attached/detached accessory structure (such as a garage) on property where a single-family dwelling-unit or multi-family dwelling-unit is the principal use. ADU's are equipped with kitchen and bathroom facilities and are typically subject to standards related to location of the ADU within a site, interface of entrances and ADU size. An ADU within a single family home is distinguished from a duplex, for example, because the ADU is intended to be clearly subordinate in scale and placement in relation to the primary residence.

## **Why do Accessory Dwelling Units Matter?**

ADU's have the potential to increase the city's supply of affordable housing (both for rental and home ownership), augment the diversity of housing options available to Portland's residents, provide flexibility for property owners, address shifting demographic trends towards smaller households, allow more possibilities for aging in place, and allow for the more efficient use of existing housing stock and infrastructure. ADUs can be utilized to provide living quarters for family members, such as aging parents or college students, as well as offering greater flexibility and independence to retirees by potentially allowing them to remain in their home and age in place. In short, ADUs are one important element of Portland's approach to creating a well-rounded housing supply and an organic way to allow neighborhoods to retain their character as they grow.

## **How does Portland currently REGULATE Accessory Dwelling Units?**

At present, some form of accessory dwelling unit is permitted within most of Portland's residential zoning districts, with some exceptions. The terms used for this land use tool vary, and may be listed as either an accessory dwelling unit, such as in the R-1, R-2, R-3 and several island zones, or as an additional dwelling unit, such as in the R-5 zone. All zones consider this a Conditional Use, and standards, dimensions, and requirements vary. For example, the R-1, R-2 and R-3 permit ADU's so long as the total floor area of the ADU does not exceed 30% of the total gross floor area of the property, whereas in the IR-1 and IR-2, ADU's are limited to 35% of the total gross floor area. In all cases, as Conditional Uses, they are subject to additional standards and increased oversight by the Zoning Board of Appeals (ZBA).

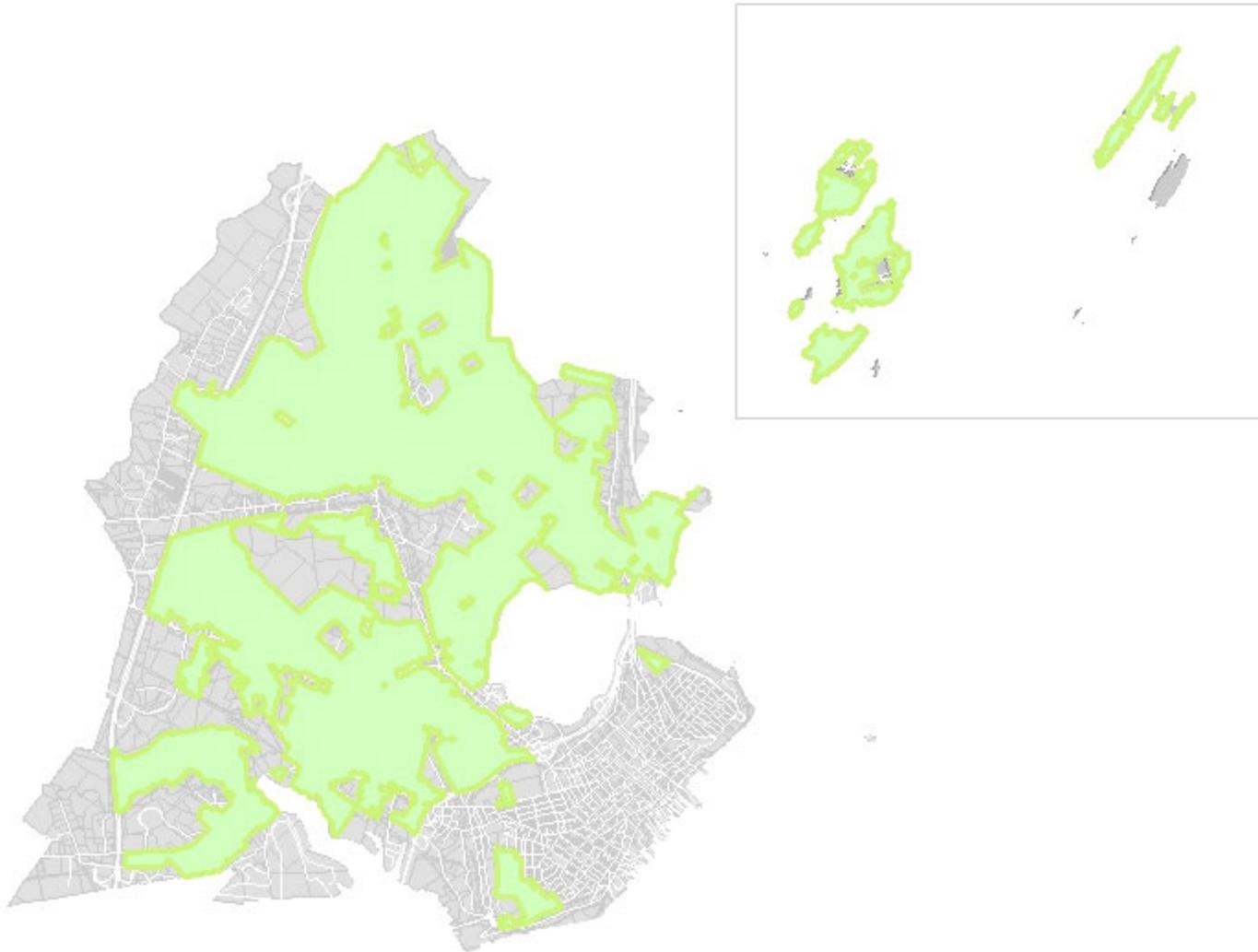
## **What are the next steps?**

Portland allows accessory dwellings in many areas of the city, but there's not yet a unified approach to them, and the current requirements may be more restrictive than they should be. This is a perfect opportunity to gather community input, conduct research on ADU best practices and comprehensively revisit this topic, with the goal of broadening opportunities for implementation, reducing unwanted regulatory constraints and employing consistent terminology. Watch this space for updates later this summer.

## **Contact**

Please send questions or comments about existing ADU standards or upcoming changes to [recodeportland@portlandmaine.gov](mailto:recodeportland@portlandmaine.gov).

Areas Where Accessory Dwelling Units or  
Equivalent are Currently Permitted



Click to enlarge

ReCode Portland  
389 Congress Street,  
Portland, ME, 04101,

[207874800](tel:207874800) [recodeportland@portlandmaine.gov](mailto:recodeportland@portlandmaine.gov)

**DRAFT**

**2018 Housing Committee Work Plan**

**June 22, 2018**

June 27, 2018

1. Presentation of City-Owned Property Map - housing development potential
2. (Action Item) Review and Recommendation to the City Council – HOME Affordable Housing Development Funding Requests Received from the Affordable Housing Development HOME Fund Application
3. (Action Item) Review and Recommendation to the Planning Board - Hotel Linkage Fee
4. 2018 Amended Housing Committee Schedule
5. Communication Item: FY19 HUD Annual Allocation Plan
6. Communication Item: Accessory Dwelling Units – site page review
7. 2018 Work Plan Discussion

July 31, 2018

1. Rental Housing Safety & Inspection Program - Implementation and Financial Report
2. Short Term Rental Registration Program – Implementation, Financial Report and possible Ordinance revisions
3. 2018 Work Plan Discussion

August 22, 2018 - canceled

September 6, 2018

1. Review of proposal for Increase in Short Term Rental Registration Fees
2. Review and Discussion of possible changes to the Condo Conversion Ordinance
3. (Action Item) Review and Recommendation to the City Council Housing Trust Fund Allocation(s)

September 26, 2018

1. (Action Item) Review and Recommendation to the City Council Increase in Short Term Rental Registration Fees
2. (Action Item) Review and Recommendation to City Council/Planning Board Amendments to Condo Conversion Ordinance
3. Communication Item: FY18 HUD Consolidated Annual Performance Report
4. Review and Discussion of City-Owned Property re: housing development potential
5. 2018 Work Plan Discussion

October 11, 2018

October 24, 2018

1. Presentation of Key Updates to the 2017 Housing Report
2. Presentation and Discussion of Community Land Trust model
3. 2018 Work Plan Discussion

November 28, 2018

1. Review of 2018 Annual Committee Report
2. 2018 and 2019 Work Plan Discussion

December 26, 2018 – canceled

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**COMPLETED WORK**

January 24, 2018

1. Review 2017 Housing Policy Proposals.
2. Review 2017 Housing Committee Report; Goals, Work Plan, and Accomplishments.
3. Review Summary of Feedback of Housing Policy Proposals.

4. First Review of Developer Feedback on the Inclusionary Zoning Ordinance.
5. Update on 2018 Short Term Rental registration process.
6. 2018 Work Plan Discussion

February 12, 2018

1. Review Housing Policy Proposals
2. Review Public Feedback on Housing Policy Proposals
3. 2018 Work Plan Discussion

February 28, 2018

1. Housing Program Budget - Review and Recommendation to the City Council
2. Overview of the Housing and Community Development Division
3. Overview of the Housing Trust Fund
4. Communication Items: Community Land Trust Information; City-owned property information; Text Analysis of Housing Report Survey
5. 2018 Work Plan Discussion

March 28, 2018

1. 14-403
2. HomeStart
3. Affordable Housing Development HOME Fund Application - Review and Approval to Issue by the Committee
4. Franklin Reserve Massing Study/GPCOG overview of Brownfields Planning Grant
5. 2018 Work Plan Discussion – including a discussion of the Council’s goal setting session

April 25, 2018

1. Rental Market Survey results presentation
2. Review and Vote to Recommend to the City Council Amendments to Chapter 6 re: Disorderly House Ordinance.
3. Housing Trust Fund Annual Plan
4. Tax Acquired and City-Owned Property – Westbrook Street
5. 2018 Work Plan Discussion

Communication Items:

Portland Water District water efficiency and repair services program

Inclusionary Zoning Workflow Update

May 23, 2018

1. Review Funding Requests Received from the Affordable Housing Development HOME Fund Application
2. (Action Item) Review and Recommendation to the City Council of the 2018 Housing Trust Fund Annual Plan
3. Review of Amendments to Ordinance: Section 6-225 of the Tenant Housing Rights Ordinance. (Housing Advisory Board) (Public Comment)
4. Communication Item: HUD FY18/19 Funding Update
5. 2018 Work Plan Discussion

June 5, 2018

1. (Action Item) 5:30 pm to 6:30 pm - Joint meeting with the Economic Development Committee to Review and Recommend to the City Council Affordable Housing TIF Requests
2. (Action Item) Review and Recommendation to the City Council – Funding Requests Received from the Affordable Housing Development HOME Fund Application
3. (Action Item) Review and Recommendation to City Council of Amendments to Ordinance: Section 6-225 of the Tenant Housing Rights Ordinance. (Housing Advisory Board)
4. Hotel Linkage Fee Discussion
5. 2018 Work Plan Discussion