



## **METRO REGIONAL COALITION**

### **Agenda**

**March 12, 2019**

**Noon to 1:30 pm**

**GPCOG, 970 Baxter Boulevard, Portland**

#### **1. Welcome and introductions (5 minutes)**

#### **2. Acceptance of minutes from February 12, 2019 meeting (Attachment A) (5 minutes)**

#### **3. Expanding Housing Choices – Data from around our region (60 min.)**

Stephanie Carver, GPCOG's Director of Planning Director, will present staff research findings on housing issues in our region, examining various perspectives at the local level and the regional level.

After Stephanie's presentation we will take time to discuss three questions, in addition to anything else members would like to address:

1. How does the information presented align with your understanding of your community's housing situation? We'll identify any needed updates to our baseline research.
2. What additional information regarding housing in our region would you like GPCOG to develop in order for all our MRC member communities to speak collectively on the region's housing needs?
3. In preparation for our next meeting with developers in our region, what information would you like staff to present, and what questions would you like to see addressed at the next meeting?

After our meeting in April with the development community we will craft a draft statement at the May meeting for MRC member communities to bring through their Council processes, so we arrive at a collective statement on expanding regional housing choices in November 2019. To that end, if there are questions members need answered we will make time in the agenda to do so.

#### **4. MRC Work Plan Updates (15 min.)**

We'll get an update on the Falmouth opioid event held last month.

#### **5. Adjourn at 1:30 pm.**

Upcoming Meetings:

- April 9: Developer Roundtable on expanding housing choices
- May 14: Framing collective MRC statement on expanding regional housing choices



## Attachment A

# Metro Regional Coalition MINUTES

February 13, 2019

### In Attendance:

Name	Affiliation
Tom Hall	Scarborough
Sue Henderson	South Portland City Council
Scott Morelli	South Portland City Manager
Matt Sturgis	Cape Elizabeth Town Manager
Jeremy Gabrielson	Cape Elizabeth Town Council
Josh Reny	South Portland Assistant City Manager
Ginny Wilder Cross	Gorham Town Council
Jim Gailey	Cumberland County
<b>Guests:</b>	Marshal Archer, Saco City Council Dan Brennan, Maine State Housing Authority
<b>For GPCOG:</b>	Kristina Egan Chris Hall Stephanie Carver Tom Bell

### 1. Welcome and Introductions

Tom Hall called the meeting to order at 12:00pm.

### 2. Acceptance of Minutes from January 8, 2019 Minutes

Matt Sturgis made a motion, and Josh Reny seconded the motion to approve the minutes. All were in favor.

### 3. Expanding Housing Choices

Tom Hall introduced Dan Brennan, Executive Director of Maine Housing. Dan provided background about his experience at Maine Housing and described his positions during his 25 years with Maine Housing. He has had a variety of experiences in different areas of the organization and joined the executive team a few years ago. He was appointed Director by Governor LePage last April.

Maine Housing is a quasi-state agency- separate from state government. Its board reports to Commissioners appointed by the Governor. The organization's mission centers on affordable housing through financing support to homebuyers and to developers of affordable housing in Maine, along with programs to improve existing housing stock. Among the Maine Housing programs Dan highlighted were:

- HomeWorks, focused on educating homebuyers through community action agencies and providing money for home repair to help keep people safer in their homes. This program is often used to help people age in place.
- The HEAT program which allocates \$35 million a year to community action agencies around the state used to heat and weatherize homes, helping people afford to stay in their homes.
- Other programs which help mitigate lead paint and arsenic using federal grants from HUD and a state appropriation.

Dan explained that in the rental market there is currently more demand than supply in our region. Other areas of the state there is plenty of supply but demand is lower. People want to be closer to service centers making the demand for rentals in this region higher. Maine Housing works to help address these disparities.

One of Maine Housing's most important tools is their low income housing tax credit tax program which has been in use for almost 40 years. The program helps developers build affordable rentals by reducing project debt, and thereby lowering rents, through financing that uses the sale of high interest debt – 9% return for some tax credits (these are limited in number, and developers must successfully compete for access to this financing), and 4% return for more available tax credit financing.

Maine Housing's QAP (Qualified Allocation Plan) outlines the criteria and requirements for tax credit finance projects. These rules are technical and deserve careful understanding as municipalities consider tax credit projects. QAP revisions are currently underway.

While the development community and local housing authorities engage with QAP revisions, Dan encouraged towns and cities to do more to understand the rules and proposed changes. Dan said he will connect the MRC with Maine Housing's Director of Development so members can participate in meetings.

For instance the QAP regulates the number of bedrooms in affordable housing units financed by Maine Housing through a cap on units. Many developers have asked to raise the cap, but Dan said Maine Housing developed the cap so it would be effective for many years and they believe the cap is still important to ensure a diversity of family-sized units in new projects.

In response to questions about how affordable housing projects are put together, Dan explained that these projects are more complicated than market rate developments because they are built on multiple levels of financing, making transactional costs (especially legal costs) much higher and increasing upfront costs to developers. Successful projects are usually led by experienced private and non-profit sectors leaders working together with municipal leadership and community members.

Maine Housing is now looking at ways to incentivize developers to do more single-family subdivisions through grants that reduce a developer's upfront costs and ask that the homes be sold to first-time homebuyers.

The current pipeline of multifamily development includes 33 projects statewide with over 1000 units. It takes about two years to go through the application, financing and development processes to build a project.

Kristina asked if any studies have been conducted at the regional or state level to look at what type of housing we are developing and where. Are we keeping up with demand for workforce housing? Is the development of affordable housing contributing to increases in school enrollment?

Dan said he isn't aware of specific data on the connection between building new affordable units and increases to school enrollment, but we should check in with the Maine Affordable Housing Coalition and look at where people moving into affordable units are coming from, and do they tend to increase the school ranks.

In Q&A the following points were discussed:

- Josh Reny asked if the strategy of simply building market rate housing is helping the affordability issue. Dan responded that if you want a healthy community, you need a mix of housing. You need a place for everyone to live. This should include a variety of affordable and market rate units.
- Dan suggested the group reach out to developers to discuss what strategies will work best to expand housing choices in the region. He noted that Szanton Co., Kevin Bunker, Avesta, John Smith of Great Falls, and the housing authorities are all possibilities. Maine Housing also wants to set up discussions with municipal leadership to discuss what is working - such as TIFs, density bonuses, inclusionary zoning.
- Dan mentioned that he is working with Jess Mauer from the Maine Council on Aging to talk about how to help seniors age in their homes. Dan said they are talking to South Portland and others about programs that fund home modification programs.

Tom wrapped up the conversation and thanked Dan Brennan for speaking with the group.

## Fire Training Facility

Tom gave an update on the status of the regional training facility discussion and said they have been productive. They are still working on who will run it and how it will be financed. Camion did an analysis and provided baseline data that tells us where the calls are coming from and that there is a benefit in combining resources for a regional training facility.

## Mid-Year Review of FY19 Workplan

**Homelessness** - Kristina gave an update on GPCOG homelessness discussions. LD 48 is before the Appropriations Committee in the State House. The bill proposes a \$15 million dollar bond for additional

housing for the homeless. Chris Hall will provide members with a draft letter of support which they can use if they would like to speak in favor of the bill, which has already had its public hearing.

**Opioid Misuse** - Kristina asked if we should bring back the superintendents for a discussion on this issue and it was agreed to do so this spring. Tom Hall added that although opioid related deaths are down, the impacts are beginning to emerge as an issue in the schools.

After its recent meeting, Falmouth is now in the process of creating an action plan. There is interest from Gorham, Portland, and South Portland in a similar meeting. Please let us know if you are interested.

**Marijuana** - We are still waiting on some data from the City of Portland. We hope to put together a common data collection methodology for the region for the costs of implementation and enforcement.

**Housing Choices:** Kristina asked whether April will work for this group to host a discussion with developers and asked if it makes sense to invite the housing authorities. The consensus was yes. Kristina said we would like to get a public commitment to expand housing choices. Should we use the summit to introduce the initiative? The group decided it was better to announce the initiative in May at the summit and then spend summer getting council support for a final commitment in November.