

Beyond the Feds: Other Tools for Affordable Housing Production

Jeff Levine, AICP
Planning & Urban Development Director
City of Portland

PORTLAND

INCLUSIONARY
ZONING

HOUSING
TRUST

ZONING

RESULTS TO DATE

TRENDS

Jeff Levine
jlevine@portlandmaine.gov

- CDBG funding nationally was \$3.0 billion in 2015, down 61% since 1982 inception
- HOME funding nationally was \$935 million in 2015, down 63% since 1992 inception
- LIHTC 9% funding is \$2.75 per capital in 2017, up from \$1.25 in 2000

FEDERAL FUNDING

General trends are challenging

- HOME funding is down
- CDBG funding is down (and difficult to use)
- LIHTC is the bright spot but still very limited

Regardless, can only be used for limited markets of affordability

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HOUSING IN PORTLAND

- Widely perceived housing challenges in the City
- Reality is more nuanced – shortages in some types of housing stock that are essential to the economy of the region
- 2015 Workforce Housing Demand Study: Concluded market is supplying 29 out of every 100 units of housing as affordable at 100% AMI, needs to double that
- 2016 Council Housing Committee research raised concerns about housing rights for tenants
- 2017 Comprehensive Plan recommends building on existing programs and adopting measurable objectives to monitor success
- Rent Stabilization Referendum in the background



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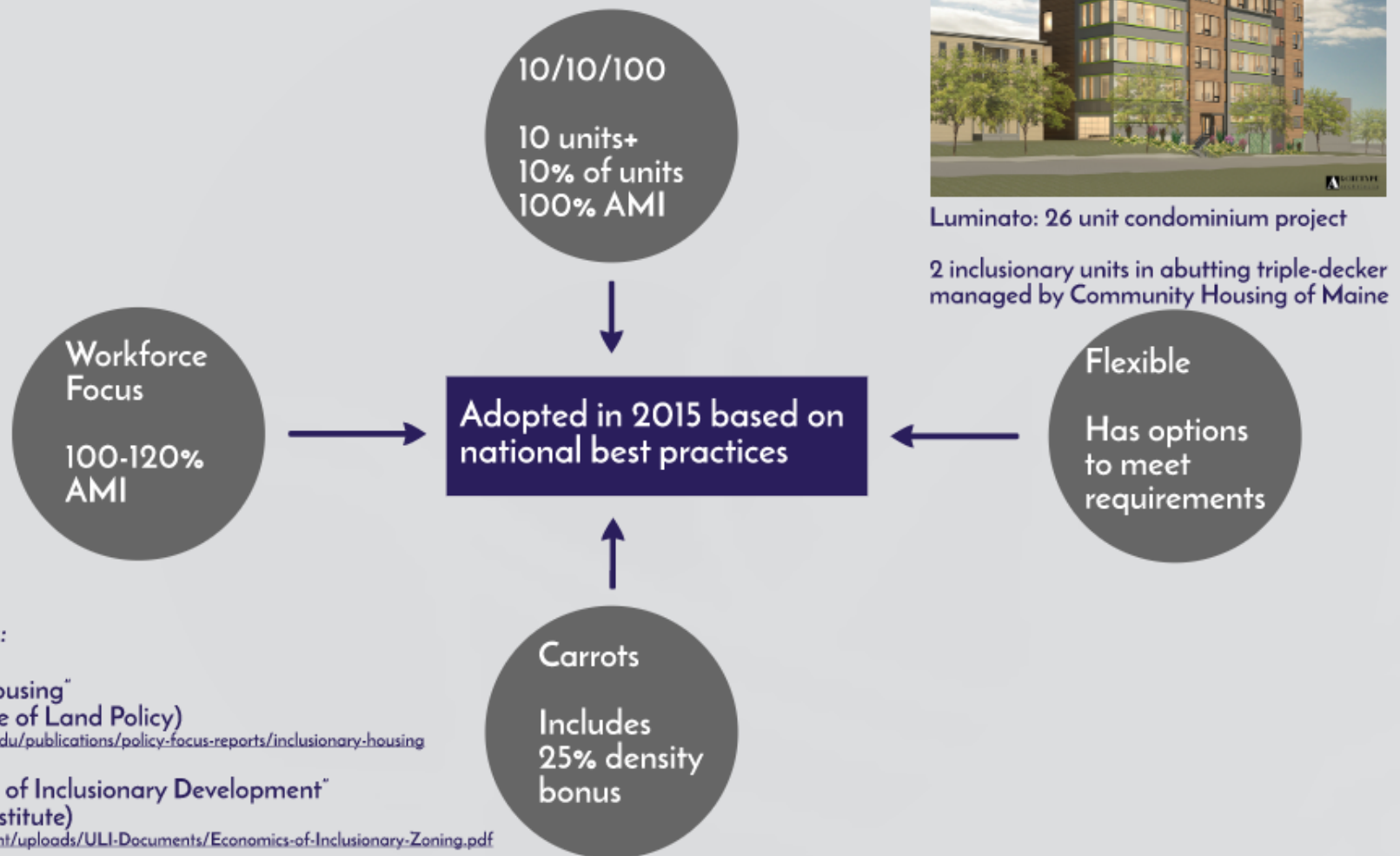
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Luminato: 26 unit condominium project

2 inclusionary units in abutting triple-decker
managed by Community Housing of Maine

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- Primary concern relates to whether the requirements might dampen overall housing production
- Interest rates or softening market could also impact
- Research suggests little or no effect on housing production
- Flexibility is key to effectiveness
- Need to commit to staff support, clear regulations, consistency
- Existing ordinance includes sunset provision in 2021 to evaluate effectiveness through one cycle

Inclusionary Zoning Development Projects: December 2015 - June 2017

Address	Status	# of Units	Workforce Units	On-site	Off-site	Fee-in lieu
169 Newbury Street	Under Construction	26	2	-	2	-
62 India Street	Under Construction	29	-	-	-	\$290,000
443 Congress Street	Under Construction	28	4	4	-	-
70 Anderson Street	Approved	10	1	1	-	-
75 Chestnut Street	Approved	55	5	5	-	-
20 Thames Street	Approved	28	-	-	-	\$280,000
221 Congress Street	Under Review	17	-	-	-	\$170,000
218-220 Washington St	Under Review	45	5	5	-	-
161 York Street	Under Review	11	-	-	-	\$110,000
153-165 Sheriden Street	Under Review	19	1	1	-	-
1 Joy Place	Under Review	12	1	1	-	-
Rufus Deering Ph 1	Under Review	82	9	9	-	-
		362	28	26	2	\$850,000

* 58 Fore Street is also expected with approximately 600 housing units

IN PRACTICE

Developers have used all the options available

- On site
- Off site
- Fee in lieu
- Rental
- Home ownership

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- Portland adopted a housing trust about 10 years ago, initially funded through the Housing Replacement Ordinance
- Again, a best practice nationally applied for local needs
- Inclusionary zoning may offer an ongoing way to capitalize the fund via the fee-in-lieu of \$100,000 per unit
- Council has discussed allocating other funds, such as from property sales, to Housing Trust as well
- Current balance is \$468,551

65 Munjoy Street

Final est. TDC: \$2.3-2.4 m.

Units marketed for
\$279,000-\$330,000

\$175,000 from Housing Trust



DEPOSITS			
Maine Medical Center 2002-2003	\$	315,580	
Sportsman's Grill 2002	\$	40,000	
Berlin City Auto 2009	\$	116,000	
Stop and Shop 2010	\$	289,250	
Rockbridge/Eastland Park 2012	\$	42,500	
Riverwalk/Ocean Gateway 2012	\$	250,000	
118 Congress LLC April 2014	\$	3,500	
INTEREST EARNED	\$	51,556	
EXPENDITURES			
Avesta Oak Street Lofts 2011	\$	(380,585)	
Housing First Pre-Development RFP	\$	(75,000)	
65 Hanover St	\$	(9,250)	
65 Munjoy St	\$	(175,000)	
Balance	\$	468,551	

65 Munjoy Street

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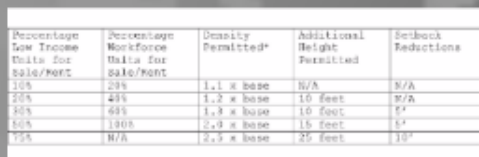
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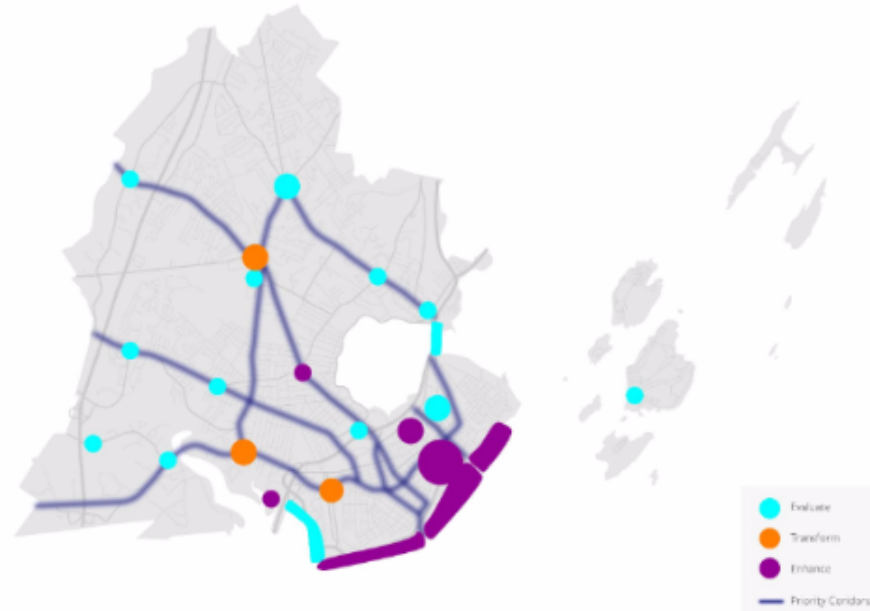
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CITY OF PORTLAND'S PRIORITY GROWTH AREAS
Draft (2017)



Percentage Low Income Units for Sale/Rent	Percentage Workforce Units for Sale/Rent	Density Permitted*	Additional Height Permitted	Setback Reductions
10%	20%	1.1 x base	N/A	N/A
20%	40%	1.2 x base	10 feet	N/A
30%	60%	1.3 x base	10 feet	5'
50%	100%	2.0 x base	15 feet	5'
75%	N/A	2.5 x base	25 feet	10'

ENCOURAGE
Increased
density

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