

City of Biddeford
City Council - Workshop
December 08, 2020 6:30 PM Via ZOOM
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1. Workshop Discussion Items

- 1.1. Strategies for the Housing Goals
 - [12-08-2020 Housing Strategy Options-MEMO.docx](#)
 - [12-08-2020 Act to Improve Affordable Housing Options and Services to Homeless.docx](#)
 - [12-08-2020 5-Year Housing Strategy Options.docx](#)
 - [12-08-2020 Density Bonus PP - Councilor Lessard.pptx](#)
- 1.2. Comprehensive Plan Update
 - [12-08-2020 Comp Plan Process Outline.docx](#)



Biddeford City Council

Meeting Date: December 8, 2020

Meeting Time: 6:00 PM

Agenda Item No:

Item Description: Strategy Options to meet 5-Year Housing Goals

Submitted by: Mat Eddy, Director of Planning & Development
Gail Wilkerson, Housing Rehab Programs Manager

Supporting Information/Documentation:

Key Terms: Cooperative Housing: A form of homeownership in which the property is owned by an organization/nonprofit and then sold as shares to the residents of the community. Cooperative housing splits costs on shared housing amenities, and is frequently used as a part of an intentional community initiative.

Executive Summary: In follow up to the Council's establishment of 5-year Housing Goals, the Planning Department has created a list of potential strategy options for the Council to consider for attaining the goals.

Detailed Review: The attached document (*5-Year Housing Strategy Options*) provides a 'menu' of possible paths the Council might choose to increase homeownership and create/preserve affordable rental units in the City.

Funding Source: N/A

Staff Recommendation: NONE--The intent of the document is to gauge Council interest in the presented options, exclude/refine/add items, and ultimately achieve a priority list of strategies upon which a draft implementation plan can be presented for Council review/approval.

Act to Improve Affordable Housing Options and Services to Homeless

DRAFT ONLY

Key Objective: To provide communities that desire a new financial tool to address affordable housing and services to citizens without a home.

Secondary Objectives: to provide more community flexibility in selecting physical locations for affordable housing, allowing projects to be better connected to jobs and services;

to provide more community flexibility to create more diversified downtowns;

to provide more workforce housing in downtowns;

to incentivize and reward communities for being active partners in developing solutions for affordable housing and addressing the needs of citizens without housing; and,

to create housing that supports the community economic development strategy(s).

Concept: Tax Increment Financing (TIF) is one of the most successful tools given to a municipality by the state. It allows local communities, through their elected leadership, to influence private investment within the community.

The tool has been modified over time to provide more flexibility for communities. One modification that is more recent was the creation of an Affordable Housing TIF to address community-housing needs. This change has been a welcome addition. The City of Biddeford's request is to amend this concept. The current law appears to have some unintended limitations.

The current Affordable Housing TIF law requires that a minimum of thirty percent (30%) of the housing within the physical boundaries of an affordable housing TIF meet the goal of affordability. Economic Development TIFs do not permit the use of funds for housing support. As established, the ability for a community to use these tools for housing on generally vacant or underutilized land is difficult. In communities where the affordability gap is greatest, such parcels are either unavailable, located in areas where integrating housing and workforce can be cost prohibitive without subsidy support, or otherwise impractical. In addition, the Affordable Housing TIF does not appear to provide the opportunity to use TIF funds for homeless service or housing support.

Two other more recent changes to the TIF tool provided needed flexibility on the local level. Municipalities can now apply TIF funds to support transit or art district goals. Using transit as an example, communities can use proceeds from an approved TIF program that implements transit strategies for new operations or capital assets to support development. With a Transit District Tif, there is no cap on value or land use.

We believe that using a similar model for affordable housing could produce diverse and economically connected housing opportunities. We suggest amending the TIF program to:

- a. Allow a percentage of funds from any approved TIF to be designated to serve as an affordable housing fund. The fund would be available to support the development of affordable housing or the provision of homeless services within or around the economic development TIF district. Such a program would require a nexus between the district and the need for affordable housing.
- b. Permit funds from an Affordable Housing TIF to support homeless issues inside or outside the district related to homeless needs.

For illustration, a revitalized area in a mill downtown could generate affordable housing TIF funds to support workforce housing inside or outside of the development district that is viable, connected, and attractive to the district's workforce.

We believe that Maine Housing should continue to play a significant role in reviewing and approving the implementation program for the use of affordable housing funds.

Intended Outcome: If amended, Biddeford would create an affordable housing fund from its Mill district TIF district program to support workforce development within and around that district. Those funds could create integrated workforce and affordable housing opportunities within a redeveloping downtown district. Other districts could be amended or created to support the affordable housing fund.

The City is certain that such amendment would result in more housing diversity within the community, especially within and around the downtown and mill district. Without the amendment, the very market we wish to create through redevelopment may defeat this purpose, limiting workforce housing availability.

The nature of TIF funds and the tax sheltering available increases every community's likelihood of using some of those funds to address the growing homeless issues facing Maine. At a time when municipal resources continue to be strained, this amendment becomes an incentive for more communities to partner with each other and the state to address the homeless issue.

5-YEAR HOUSING STRATEGY OPTIONS

Goal 1: INCREASE HOMEOWNERSHIP FROM 48% TO 51% BY JANUARY 1, 2026 (= 270 units)

Goal 1 (a): CREATE AT LEAST 200 FIRST-TIME HOMEOWNERSHIP OPPORTUNITIES (AFFORDABLE TO THOSE BETWEEN 80% and 120% of Area Median Income)

Goal 1 (b): CREATE AT LEAST 200 'NEXT HOME' OPPORTUNITIES (HOMES THAT PROVIDE MORE SPACE FOR GROWING FAMILIES)

Homeownership Strategy Options:

- Identify existing potential growth areas for housing development in the City.
- Relax zoning requirements (lot size, set-backs, height restrictions, etc.) in target neighborhoods to convert smaller existing homes into larger "Next Homes" for growing families.
- Support home ownership models with long-term affordability, such as housing cooperatives.
- Explore guaranteeing tenants the right of first refusal and/or purchase opportunity when their landlord puts a property up for sale.
- Discourage the purchase of existing single family homes for rental use (e.g., assess rental property registration fees, make them subject to Code inspection, etc).
- Incentivize the purchase of existing single family homes by first-time/Next-Home buyers (e.g., exempt a portion of the annual property tax for a period of 1 to 5 years).
- Expand programs that support new homebuyers in maintaining their homes (housing rehab programs).
- Promote/partner with programs that build renters' capacity for homeownership:
 - o HUD's Family Self Sufficiency Program (partner with Biddeford Housing Authority).
 - o York County Community Action's financial counseling/homebuyer education programs.
 - o Local bank/credit union programs that empower low-income renters to become homeowners.

Goal 2: CREATE OR PRESERVE 90 UNITS OF AFFORDABLE RENTAL UNITS PER YEAR FOR FIVE YEARS WITH HALF OF THE UNITS TARGETED TO SERVE THE 40% - 80% AMI COMMUNITY AND A DESIRED GOAL OF HAVING AT LEAST HALF THE UNITS CREATED BY NEW CONSTRUCTION

Rental Unit Strategy Options:

- Change the current density bonus program to only incentivize the creation of affordable rental units.
- Partner with Biddeford Housing Authority to establish new affordable rental units (e.g., Adams Court, 66 South St., etc).
- Collaborate with private developers in the creation of additional subsidized units.
- Explore the sale of appropriate City properties for the creation of affordable housing.
- Identify/pursue acquisition of vacant/abandoned properties for affordable housing development.
- Explore the use of tiny homes and other alternative housing as accessory dwelling units.
- Establish a Housing Development Trust Fund to attain rental unit production goals.

5-YEAR HOUSING STRATEGY OPTIONS

Goal 3: REHABILITATE AT LEAST 65 RENTAL UNITS PER YEAR FOR THE NEXT THREE YEARS SO UNITS ARE HEALTHY AND LEAD SAFE.

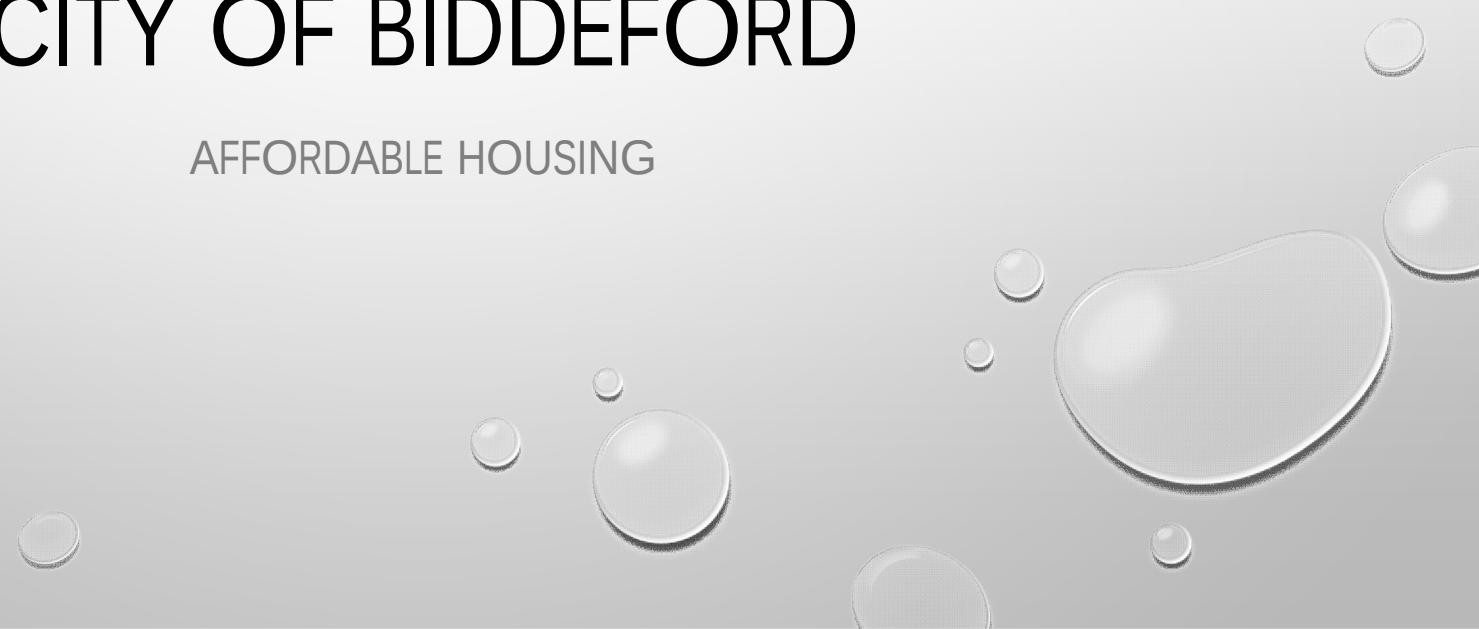
Performance Benchmarks:

- Leverage *HUD Lead & Healthy Homes Grants* to rehab 45 units/year
- Leverage *MaineHousing Community Solutions Grant* to rehab 10 units/year
- Leverage CDBG 2/4-Unit Housing Rehab Program to rehab 10 units/year



CITY OF BIDDEFORD

AFFORDABLE HOUSING



DENSITY BONUS

- CITY COUNCIL PREVIOUSLY PASSED A DENSITY BONUS IN THE MSRD 2 ZONE.
- ORIGINAL CALCULATION PROVIDED UP TO 200 UNITS COULD QUALIFY.
- APPROXIMATELY 20 UNITS HAVE SIGNED UP WITH ANOTHER 20 REVIEWING.

POTENTIAL UPDATED DENSITY BONUS

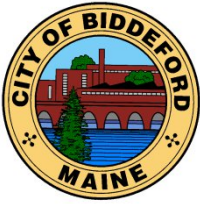
- EXPAND PROGRAM TO R1B, R2,B2,OR ZONES.
- REQUIREMENT WOULD BE THAT EACH PROPERTY COULD ADD NO MORE THAN ONE UNIT AND ENSURING THAT AT LEAST ONE UNIT WOULD HAVE TO RENT AT NO MORE THAN 80% OF FAIR MARKET RATE*
- INTENDED FOR LARGE ~1,400 SQ FT UNITS THAT COULD BE DIVIDED TO CONTAIN ONE UNIT AT 90% OF FAIR MARKET RENT.
- ADDED UNIT WOULD HAVE 650 SQ FT MINIMUM REQUIREMENT.
- REGISTER WITH CITY WITH PROOF OF RENT LEVEL PAYING A \$200 PER YEAR CITY MANAGEMENT FEE PER UNIT.
- EXPECT NO MORE THAN 40 PROPERTIES WOULD QUALIFY.

*may increase to 90% if appropriate off street parking is provided

DENSITY RESTRICTION RELIEF

- ADDRESS THE AFFORDABLE HOUSING STRUGGLES.
- ALLOW PROPERTY WITHIN 10% OF REQUIREMENTS TO HAVE ONE EXTRA UNIT GRANTED SO LONG AS ONE UNIT IS NO MORE THAN 90% OF FAIR MARKET RENTAL RATE.
- EXAMPLE:
 - IF THE TRIGGER IS NEEDING 20,000 SQ FT NEEDED FOR A THIRD UNIT.
 - PROPERTY HAS 19,000 SQ FT (REALLY NO DIFFERENCE BETWEEN 19 AND 20,000).
 - PROPERTY COULD ADD THIRD UNIT SO LONG AS ONE UNIT IS AVAILABLE AT 80% OR LESS THAN THE FAIR MARKET RATE.
- ADDED UNIT WOULD HAVE 650 SQ FT MINIMUM REQUIREMENT.
- REGISTER WITH CITY WITH PROOF OF RENT LEVEL PAYING A \$200 PER YEAR CITY MANAGEMENT FEE PER UNIT.
- EXPECT NO MORE THAN 40 PROPERTIES WOULD QUALIFY.

*may increase to 90% if appropriate off street parking is provided



CITY OF BIDDEFORD

Planning and Development Department

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To: Biddeford City Council

From: Bill Southwick
Greg Tansley
Mathew Eddy

Date: December 4, 2020

Subject: Work Plan: Next Phase of the Comprehensive Planning Process

Introduction

The Planning Board was assigned the task of completing the Comprehensive Plan, by City Council, less than two years ago. The Planning Board has done so, pandemic notwithstanding, while addressing other issues, including regular workflow and various zoning modifications. With some of those issues now aside, we are ready to lay out the next phase of the Comprehensive Planning process: a multi-layered approach to public participation aimed at developing the future land use plan. We will do this within the limits of a virtual reality. We believe that we can accomplish this in the first quarter of 2021.

It is important to note what has been accomplished thus far. As required, the review of the previous plan, the inventory and analysis for each "Chapter," and a first gathering of goals and objectives has been completed (the natural resources chapter is in need of review). For the record, since 2019 and as part of the Comprehensive Plan, we met with the following groups to review the plan, provide input and determine needs:

- Economy/Economic Improvement Commission/DDC/HoB – 2/20/2019, 3/20/2019
- Housing/BHA – 4/17/2019, 5/15/2019, 6/19/2019
- Historical Society/Historic Preservation Commission – 7/17/2019, 8/28/2019
- Recreation – 7/11/2019
- Cultural Groups – 8/28/2019, 9/18,2019
- Maine Water – 10/16/2019

Other groups and agents have also occasionally attended meetings. The Conservation Commission, for instance, has attended most every meeting we had through 2019. Representatives from transit, engineering and public works have also attended meetings as topics related to them were discussed.

All of these sessions were open to the public and held in City Hall until rules related to the pandemic were put in place. It was the intent of the Planning Board to launch the next phase, the land use plan and visioning process in the spring of 2020. For a variety of reasons, that process was delayed as we hoped for opportunity for live public engagement to emerge. That opportunity did not emerge.

The comprehensive planning process outlined below is meant to guide the public participation process as we create a vision for the community that is embedded in the Future Land Use Plan. It departs from the inventory and analysis chapters and begins the public engagement process. We remain open to other suggestions for public engagement, given its virtual nature, and will likely make adjustments as we learn and move forward.

Biddeford Comprehensive Plan 2021 – Public Engagement Plan (PEP)

Staff recognizes the importance and value of a fair, open, and unbiased public participation process in Comprehensive Planning. Expecting no change regarding the COVID-19 situation for the first quarter of 2021, remote-access public involvement is considered the primary method of public engagement. We (staff) believe that the following outline presents a process that will result in a new Comprehensive Plan being completed in March, following a robust, inclusive, and open public engagement process, albeit virtual. We intend to utilize a variety of public engagement methods throughout the process. This will begin in December with discussions and fact sheets related to the inventory, with the engagement process beginning in earnest in January. The process will culminate in a “Community Vision” as graphically represented in a Future Land Use Plan.

We understand that some concern from the public is that there is no “Vision” or “Public Engagement Summary” in the plan (yet). The pages are “blank.” This has been intentional. These sections have been left blank so as to approach this effort with no presumptions – a “clean slate” if you will.

To date, the lion share of the work has been developing, presenting, and discussing the inventory and analysis components of the plan. The intent has been that following this review, the public engagement process would begin. It is the Public Engagement Process that helps develop a community Vision for Biddeford. Finally, once the Plan is complete, the “Public Engagement Process” section of the Plan will be completed. Given that even this PEP may evolve over time, only once the process is complete can this section be completed, describing the process that led to the adoption of a Community Vision for Biddeford.

The following outline/plan reflects our thoughts on how to engage the public in the expected COVID-19 remote-access world. We will be reviewing this outline with the Planning Board on December 9, a day after the City Council holds a Workshop on the 8th to discuss this approach.

December

- Review and Update final applicable sections of the Draft Plan. The Natural Resources Section is still in need of review and completion.
- Begin the preparation of highest priority mapping needs with the GIS Department.
- Develop Comprehensive Plan “primer” materials including videos and written material express what the Comprehensive Plan is why it is important, and what each of the individual sections of the Plan involves. A summary page for each chapter will be developed. These will be released by the end of December for public use.
- By the end of December, a revised, updated Draft of the Comprehensive Plan (with the exception of the natural resource section, which likely will be completed in January) will be posted on the website for public consumption, digestion, and response. The present draft is posted here: [Comprehensive Plan Update | Biddeford, ME \(biddefordmaine.org\)](http://biddefordmaine.org).
- Develop Issue Modules to frame the PEP moving forward. Modules will include a simple, but informative, fact sheet regarding Comprehensive Plan topics - a 1-2 page summary of inventory and analysis items appropriate to the topic. From the modules, prepare Video Summaries (scans) on land use topic areas such as:
 - o Natural resources
 - o Housing
 - o Recreation and open space
 - o Climate change
 - o Neighborhoods
 - o Transportation and Development

The 5-10 minute videos will provide an overview of the selected topic and how it relates to Biddeford. These videos would be intended to augment the fact sheets and generate interest in participating in the plan development.

January

- The PEP process begins.
- One or two videos at a time will be released on the City’s website. The fact sheet and relevant mapping will accompany these short videos.
- The public may choose to review the facts sheets but not watch the video, or vice-versa. We hope they would both review the fact *and* watch the video.
- Whichever method people choose, they will complete an accompanying short survey asking directed questions related to the summary information provided.
- The survey will help identify community priorities regarding important issues and will frame the goals, objectives, and strategies that form the core of the plan and ultimately, the vision and future land use plan for the community.

February

- Staff will present to the Planning Board the findings from the efforts in January.

- Staff and the Planning Board will facilitate a number of multi-disciplinary focus groups on selected critical issues identified through the existing draft and survey responses.
- The focus group sessions will be recorded and summarized.
- By the end of February, one or more new video summaries and fact sheets will be developed and posted on the City Website, reporting what we have learned and how they would shape the future of Biddeford.
- Staff and the Planning Board will develop a draft future land use plan for community reaction. A first “vision statement” will emerge.

March

- Staff and the Planning Board will conduct a Zoom Webinar, with breakout group capacity, to facilitate community discussions on the initial draft of the land use plan.
- Staff will collect all of the input and provide a Proposed Future Land Use Plan Report. The report will be posted on the City Website.
- The Planning board will hold 1-2 public input sessions (design to be developed out of earlier experiences) seeking further comments on the proposed plan.
- With the direction of the Board, Staff will finalize the Proposed Future Land Use Plan chapter of the Comprehensive Plan and adjust the Plan’s goals and strategies accordingly. A DRAFT of the Comprehensive Plan, including the Vision, will be sent to the City Council and Planning Board at this time.

April

- Staff will complete and present to the Board the DRAFT Capital Improvements Program and Fiscal Impacts Analysis.
- Once the Planning Board, with comments from Council, deems the Draft Plan complete, a statutorily required Public Hearing on the Comprehensive Plan will be held.
- Following the Public Hearing, the Draft Comprehensive Plan will then be submitted to the City Council for final approval.