City of Biddeford

City Council - Workshop

October 27, 2020 5:30 PM

Please click the link below to join the webinar:
https://biddeford.zoom.us/j/98116284435

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1. **Workshop Discussion Items**
   1.1. Workshop Materials
   Workshop Brief - Affordable Housing and TIF.pdf
   TIF Fund Projection Summary - Revenue.pdf
   Copy of High Level TIF Overview Memo (Oct 13 Workshop).pdf
   Workshop Brief - Housing Goal Concepts
   Workshop Housing Data - Existing Conditions - Part 2 PowerPoint Slides.pdf
   Draft 5-Year Housing Goals for Consideration

City of Biddeford, Maine

The Office of
City Manager
James A. Bennett
Email: jbennett@biddefordmaine.org

MEMORANDUM

TO:	**Honorable Mayor Casavant** **Honorable City Council**
FROM:	James A. Bennett, City Manager
DATE:	October 23, 2020
RE:	**October 27, 2020 Workshop**

Housing affordability is often spoke of but seldom expressed in a finite, objective manner. The ongoing successful revitalization of the downtown and other market forces have combined to accelerate housing costs in the community over the last three years. As a result, the community is experiencing a change in community demographics. Some have expressed concerns the changes may be irreversible. Regardless of one's opinion, the deliberative conversation that the Council is having on these issues is both timely and important.

Tuesday night's workshop is the next step in that process. The expressed objective is to assist the Council in achieving two of their more recent emerging priorities; namely to develop specific housing goals and consider how to use the additional revenues being generated by the exceptional performance of the downtown TIF. Included within the package are support items to assist the Council during their deliberations, these include:

- October 9, 2020 memo *'High Level TIF Overview'*
- Summary of Revised TIF Forecast (Spreadsheet)
- Copy of Housing PowerPoint
- Mathew Eddy's Housing Memo

Sense of Space vs Sense of Place

Like many urban blue-collar New England communities, Biddeford was a place of vast demographic diversity. At the core, the community was a great place; an affordable community where the citizenry were engaged and deeply connected to each other. The massive mill structures was home to the great employers. Each neighborhood was a 'micro-village', often centered by the various houses of worship that existed.

The collapse of manufacturing hit Biddeford hard. As America developed a liking to malls and big box shopping, their love affair with downtown diminished. Over time, the sense of place that residents embraced slowly changed. Compared to other communities, housing costs declined. While some of the core residents remain, as vacancies occurred the community saw a silent transition. Residents migrating to Biddeford were more likely to be attracted to the community because of cost than because it was a great place. Instead of being attracted to Biddeford because of a sense of place, selection was made based on cheap housing.

Biddeford was not alone. No manufacturing urban center was able to prevent the forces from altering universal community pride. However, the presence of the trash incinerator in the community made the slide deeper and longer lasting. When the new centennial arrived, many outsiders saw Biddeford as an alternative to Greater Portland Area's housing cost crises.

The decision by community leaders to focus on downtown revitalization was a game changer. Recognition of MERC's adverse impact was insightful. Eliminating the impact was critical. All statistical data since the removal of MERC is indisputable. Combined with the downtown infrastructure investment and policies to support revitalization, Biddeford is once again seen as a special place.

Objectives of Downtown Focus

Ask those that were involved with making the case to change the downtown why they thought it was important and you will hear mostly alignment in the vision. They wanted downtown to return to community importance and instill a source of pride that existed before the decline of manufacturing. Often trips down memory lane were used to remind people of that which was lost. This process was highly effective in gaining support.

Included within the vision was embedded assumptions. Key among those assumptions was that Biddeford would become a community that people chose for reasons other than just cost of living. It would be a place were working families could find neighborhoods they could be proud to call home.

Biddeford's Future Affordability

Affordability is a function of a person's means. Biddeford today is fast losing affordability to many of those that came to the community when MERC still existed. For those that chose Biddeford simply because it was cheap space, the increased rents of the last three years in particular has outpaced their means.

Some of the premiere downtown rents are now exceeding $2,000 per month. These units are not affordable for a traditional so-called blue-collared resident. The inclusion of such units in the downtown mix is an important part of a healthy downtown. An overabundance of such units changes the downtown and the community.

In three short years, all costs in the downtown have gone up rapidly. As demonstrated within the workshop materials, the current trajectory could challenge the affordability of many in the working class.

Sale of Rental Units

A review of the selling prices of apartments is a good measure of the market rents in a community. Since 2012, just over 800 multifamily buildings have sold in the community. We have done some analysis of the selling prices, which is included within the package. Selling price, more specifically, the price paid per unit is an indication of what is going on in the rental market. Accepting there are those that disagree, ownership of multi-family buildings[1] are primarily business ventures. The value of a building is directly determined by the rents that would be generated by the units.

Beginning in 2013, converting sales to an average cost per rental unit, the price paid per apartment unit was about $50,000 through 2017. Over the next three-year period, the price paid per unit rapidly accelerated. In 2020, a unit is now selling for just under $95,000 per unit. Correspondingly, tenants are paying more in rent today than in 2017. There are no indications of any slowdown in desirability (or the increasing price).

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[1] For the purpose of this discussion, multi-family includes 4 or more units

Housing Goals

In the accompanying information, staff has provided statistical data to assist the Council in defining what affordability will mean in Biddeford. This data will assist the Council in determining the desired mixture of housing for the future. Acknowledging the immediate pressures, a five-year horizon is suggested. Staff will help facilitate the discussion on Tuesday evening by providing context to the data. In preparation for the workshop, you should begin to think about housing in terms of the whole. You many find answering the following questions helpful.

- As a percentage, what should be the percentage of owner occupied housing structures?
- How many units of housing should be available in the community for:
    - Workforce housing
    - So-called starter homes
    - So-called next homes; homes to raise families that replace starter homes or upscale apartment living ($300,000 to $650,000)

As you ponder the questions staff suggests you frame your responses by returning to the differences between a community that is made up of so-called 'micro-villages' with unique sense of place versus a community that is primarily a sense of space.

Available TIF Funds

In preparation for the workshop Tuesday, you should also revisit the October 9, 2020 memo *'High Level TIF Overview'* that is included in the package. We have also included a copy of a spreadsheet used for that memo. A working copy of that spreadsheet is also provided to the Council directly for those that desire to utilize it.

The suggested uses of the additional funds should be reviewed so members can provide direction on projects that are considered the highest priority. Finally, you will be asked if you agree that extending the Downtown TIF for an additional 10 years should be pursued.

Ultimate Outcome of Council Desired Goals

Once the Council reaches clarity on the desired goals, staff will prepare a Council order to place the goals into formal action. Once adopted, staff will provide strategies the community could use to obtain the goals. For the purpose of TIF, the formal process of amending the TIF would begin.

If clarity is obtained on Tuesday evening, the formal action would appear on the first Council meeting in November.

TOTAL CITY TIF REVENUE FOR ALL PARCELS IN THE ORIGINAL RTE 111/MILL TIF DISTRICT - As Amended									
Tax Year	Rte 111/Mill TIF	North Dam CEA	Lincoln Mills CEA	Riverdam TIF	Total City TIF Revenue	Cumulative Gain/Loss	Original TIF Revenue Proj	Gain/Loss Actual v. Original	Cumulative Gain/Loss Actual v. Original
4/1/2021	$1,046,412	$185,590	228,472	$0	$1,460,474	$1,460,474	$1,023,533	$436,941	$436,941
4/1/2022	$1,068,940	$189,668	236,492	$0	$1,495,100	$2,955,574	$1,052,366	$442,734	$879,675
4/1/2023	$1,091,919	$193,827	244,672	$0	$1,530,418	$4,485,992	$1,149,437	$380,981	$1,260,656
4/1/2024	$1,115,357	$198,070	253,016	$0	$1,566,443	$6,052,435	$1,341,275	$225,168	$1,485,824
4/1/2025	$1,139,264	$404,794	261,527	$3,228	$1,808,814	$7,861,249	$1,536,883	$271,931	$1,757,755
4/1/2026	$1,163,649	$413,623	420,208	$7,142	$2,004,622	$9,865,871	$1,584,708	$419,914	$2,177,669
4/1/2027	$1,188,522	$422,627	429,063	$11,134	$2,051,346	$11,917,217	$1,634,854	$416,492	$2,594,161
4/1/2028	$1,213,892	$431,812	438,095	$15,206	$2,099,005	$14,016,222	$1,687,424	$411,581	$3,005,742
4/1/2029	$1,239,770	$441,180	447,307	$19,359	$2,147,616	$16,163,838	$1,747,531	$400,085	$3,405,827
4/1/2030	$1,266,165	$450,736	456,704	$23,595	$2,197,200	$18,361,038	$1,810,521	$386,679	$3,792,506
4/1/2031	$1,293,088	$460,483	466,289	$27,916	$2,247,776	$20,608,814	$2,049,005	$198,771	$3,991,277
4/1/2032	$1,320,550	$470,425	476,065	$205,050	$2,472,090	$23,080,904	$1,293,909	$1,178,181	$5,169,458
4/1/2033	$1,348,561	$480,566	486,037	$209,546	$2,524,709	$25,605,613	$606,225	$1,918,484	$7,087,942

City of Biddeford, Maine

The Office of
City Manager
James A. Bennett
Email: jbennett@biddefordmaine.org

MEMORANDUM

TO:	**Honorable Mayor Casavant** **Honorable City Council**
FROM:	James A. Bennett, City Manager
DATE:	October 9, 2020
RE:	**High Level TIF Overview for October 13, 2020 Workshop**

One component of the Tuesday night's workshop is to visit the Downtown/Rt.111 TIF performance. As staff has shared recently, the performance of the TIF (tax incremental financing) account has significantly exceeded original expectations (cash that it is generating). This creates unique opportunity for the Council to decide how it would like to apply those additional resources. In addition, as part of the overview, staff is suggested further changes that would be beneficial for Biddeford residents.

Background

I would argue TIF's are possibly the most misunderstand municipal program. Certainly part of that misunderstanding is because TIF's are often mischaracterized by those that disagree with their use. For purposes of clarity for this memo and the discussions on Tuesday, the following background is offered on TIF's generally prior to the specifics for Tuesday evening.

The use of TIF is based on one key assumption: without a project(s) increased valuation, there exist no 'incremental' increase in taxes. The increase in valuation generates new tax revenues that did not exist prior to the project. Further, there be no new property taxes without the new project(s).

Increased value occurs primarily because of new investment; construction of new buildings or the significant rehab of existing structures. Increased valuation can also occur when deliberative changes in a general area make that area more valuable. The value in the target area accelerates at a pace that is greater than it would have if the changes were not made.

State tax policy has disincentives for community growth. The three specific policies are county tax, state aid to education and municipal revenue sharing. As the value increases, a community has to pay a larger share of County taxes. In addition, the two largest state resources for local property taxpayers are based a community's valuation. State aid to education and state revenue sharing formulas change annually based on every communities state valuation. If a community's state valuation grows at a pace faster than the rest of the state, that community's share of these funds decreases. Each community's exact impact is different. For Biddeford, the accepted method had determined that each new dollar is adversely impacted by a 48% loss.

The state TIF law allows a community to 'tax shelter' new growth. Any property placed into a district, the new growth (or percentage thereof) does not exist for calculation of state valuation. This prevents the loss of taxes from the new growth because of the three policies above. It should be noted that new proceeds (new tax revenues) cannot be used however the local municipal officials desire. All uses must meet state law and be specifically approved by the state. The implications are simple; whenever the City can TIF new revenues and find a legitimate way to use those proceeds for city expenses that normally would have been paid for by the general fund, it has effectively saved 50%.

One use of TIF proceeds are to give some of the new taxes generated by a project back to the owner (developer) of the project. Technically called 'credit enhancements', this use is often the source of political disagreement. At the core of the disagreement is whether a project actually needs the CE (credit enhancement). If one believes that the new project would have happened without the CE, the view is that money should have been retained for the benefit of the taxpayers. On the other end of the spectrum, if the project would not have occurred without the funding, then the taxpayers only get some new benefit because of the CE. As a side note (because of loss without a TIF from state tax policy), the rule of thumb in Biddeford is a 50% CE is considered break even for the taxpayers.

Finally, as is current City practice, for the balance of this paper, whenever TIF is used, it refers to the shelter funds being used by the City for some purpose. Whenever CE is used, it refers to sheltered revenues being paid back to the developer.

Exceeding Expectations

TIF applications are by their nature conservative. At least they should be. It is a common place for TIF's to generate additional proceeds than originally forecasted. In the case of Biddeford's downtown/rt. 111 TIF, the City is currently seeing exceptional performance. Both sources of increase (actual investment and increased market valuation) has occurred.

This TIF has been amended nine times. It currently expires in 2033. Our current forecasts are showing that it will generate $7,000,000 of *additional revenues* over our most recent expectations.

Opportunities

The City can extend the current time on this TIF by upwards of another ten years. This extension is currently forecast to return another $14,000,000 over that ten year period that would be available for expenses during those years. Staff believes that this should be seriously considered.

Uses of funds

There are several areas of uses that staff believes should be considered for possible uses. These are listed in no particular order.

- *Green space at 3 Lincoln:* a premiere green space has always been contemplated at the end of Lincoln Street along the river. This space would be the focal point of the river walk system. Currently going through an active citizen engagement and visioning process, a reasonable range of $300,000 to $400,000 may be needed.
- *Public safety radios:* staff believes there is a strong argument that can be made that some TIF proceeds should be allowed for payment of the radio upgrade. As the Council is aware, there are dead spots within the mill buildings. If approved by the state that around 33% would be allowed, it would use $1,500,000 of proceeds.
- *Support for new public spaces maintenance:* until recently, the mill district was not really open and accessible for the general public. It has a long history of a closed campus. With the new public spaces being created, there comes a requirement to maintain that public space. TIF proceeds should be used to support this new expectation. Our current estimate is that between $100,000 and $125,000 annually should be allocated for this purpose.
- *Additional pedestrian improvements:* there is expectations to continue to expand pedestrian improvements in the area, including another river crossing. The range for these improvements could be from $1,250,000 to $2,500,000.

- *Transit improvements/upgrades:* staff is currently reviewing the advantages of using a transit orientation TIF designation. It currently appears that upwards of $130,000 annually might be possible. More work will need to be done on this.
- *Affordable housing:* affordable housing TIF's should be thought of as a 'niche' type of TIF. This is the most recent significant change to the TIF. Consideration for a new housing TIF for a future development in the downtown not currently in a shelter area or possibility during an amendment could be considered.
- *Parking:* the downtown continues to have a shortage of parking to meet demand.

Workshop Expectations

The TIF discussion is not the focus of the workshop. The discussion about the downtown strategy and housing is. The TIF discussion is primarily to share a global review of performance, present the opportunities as well as staff current thoughts regarding potential uses.

It does appear there is some desire by the Council to attempt to modify the TIF to pay for a portion of the public safety radios. This would require a formal amendment. As such, it is appropriate to consider other possible amendment opportunities.

Any brief reactions from the Council would be helpful. Continued deliberation is expected to occur over the next month or so. During that process, the Council will have the opportunity to weigh in on these issues.

Biddeford City Council

Meeting Date: October 27
Meeting Time: 6:00

Agenda Item No: Workshop

Item Description: Housing Goal Concepts

Submitted by: Mathew Eddy

Supporting Information/Documentation:

- Housing Data October 2020-Part 2
- Five-Year Housing goal Possibilities
- Materials from October 13 meeting (https://d3n9y02raazwpg.cloudfront.net/biddeford/1030525b-0826-11eb-80dd-0050569183fa-4a59ae56-2c51-4bac-8981-a64e9c0fbac0-1602188375.pdf)

Key Terms:

- 30% threshold: in generally accepted, whether renter or owner, that no more than 30% of household income should be used for housing. While different housing programs vary, that is a general rule of thumb.
- Housing Continuum: The path that describes the ability to afford a home, potentially beginning with homelessness, proceeding through affordable, subsidized housing rents, traditional rents, first-time homeownership, second-time homeownership (upsizing) and then the decline associated with housing downsizing and shifting from ownership, to rental, to varieties of long-term care and housing assistance. The ability to move through the continuum is dependent on household income.
- Income, in terms of Housing, are generally (the limits vary among agencies) defined as:
  - Moderate income: 81-120% of median income
  - Low Income: 51%-80% of median income
  - Very low income: 31%-79% of median income
  - Extremely low income: less than 30% of median income
- Section 8 Vouchers: rental housing assistance to private landlords on behalf of low-income households, provided here by the Biddeford Housing Authority.

Executive Summary:

The council asked staff to provide information related to housing goals. Staff put together information that elaborated on previous data, as we focused on appropriate five-year housing goals that the City Council might wish to consider. We provided some concept goals, with some background as to how we arrived at those goals. Below, we have also provided a brief discussion on the tools that are available to us in meeting affordable housing goals and the income groups they might serve.

Detailed Review:

Staff identified five basic goal areas to consider and provided a starting point:

- Ownership rates. The City shall increase the rate of homeownership from 48% to 51%.
- Affordable Rents. The City shall preserve or create 90 affordable rental units per year.
- Healthy Homes. To make all housing units appropriate for families and receiving subsidized assistance to be lead safe by 2026.
- First-time Homebuyers. Of the 120 owner units, 40% could serve first time homebuyers.
- Housing Options. Biddeford will continue to provide a broad choice of housing options.

Each goal statement comes with the data used to drive the statement. That data is describe more fully in the attached presentation: *Housing in Biddeford – Existing Conditions, Demand and Supply-Part 2, October 2020.* With the data, staff dug deeper into the housing analysis to identify ways in which the Council could influence housing development in the community. In the presentation:

- Median income from neighboring communities are contrasted;
- Income by Households and by type of housing are reviewed;
- Housing type and tenure across several like communities are shared (revealing a strong correlation between the type (structure) of housing and the percentage of rental units; i.e. more multi-family equals more renter occupied units);
- Housing Values and the percent of mortgages above or below 30% of a household's median income
- A path to increasing housing ownership from 48% to 51%.
- The increasing, similar trends in rental cost and sales in terms of *cost per unit for multifamily structures;* correlating very strongly with demolition of MERC; and,
- The cost of rent as a percent of household income and the number of housing units or vouchers available to subsidize those paying in excess of 30% of their income in housing.

The 30% rule, the (in)ability of families to save, and the market play a critical role in what types of homes Biddeford residents, both new and old, can afford. Biddeford's market was long driven by older, high-density housing structures that, with MERC, lagged historically (in value and condition) behind its coastal neighbors. As a result, Biddeford was viewed (Biddeford Pool aside) as very affordable, with very little subsidy necessary to support low and moderate-income households. With that came a transient population.

With the demise of MERC, the market changed dramatically; rents and housing values are trending upwards. Whether through the redevelopment of units in the mills, or through purchase and rehabilitation of existing apartment structures spread through our neighborhoods, the cost of renting a home is increasing. An existing structure will now fetch $118,380 per rental unit, up from just $88,856 in 2017.

These trends affect Biddeford's housing continuum. At the lower end, very low-income renters are having difficulties keeping or finding rents. At median income, renters ready to buy cannot find affordable units or the lack the necessary down payment, forcing them to seek housing outside the community (in less expensive, rural areas). Similarly, existing owners, needing more space as families grow, are having difficulty finding such housing stock locally. Seniors, ready to downsize (making their housing available to owners or renters) cannot find alternative options (rent or own) locally.

In contrast, people arriving from outside the Biddeford market find the existing market rates very reasonable, when compared to the Portland, Portsmouth, or Boston market. Whether buying or renting, they are able to utilize their assets to find something comparably less expensive in Biddeford. Their demand has the effect of driving up value.

One final discussion relates to how resources can be used to serve various income groups. As you move down the continuum, more "subsidy" or "scarce" resources are needed to meet housing needs. Most programs work within the 31%-80% of median income range. Resources are hard to come by:

- Low Income Housing Tax Credits (LIHTC) are extremely competitive, so much that a local Residential TIF is a requirement;
- The Biddeford Housing Authority manages the region's Section 8 Vouchers. They have 153 vouchers of their own, 290 have "ported" in. Most vouchers are now portable—they can go with the household;
- We competed for Maine Housing funds to supplement our 2-4 unit owner occupied rehabilitation program, we were one of only a handful of communities to receive funding.

The following list of resources is by no means inclusive, but can give you a sense of how partnerships and access to resources are necessary to reach different population groups. It can give you a sense of what strategies might evolve to meet your housing goals.

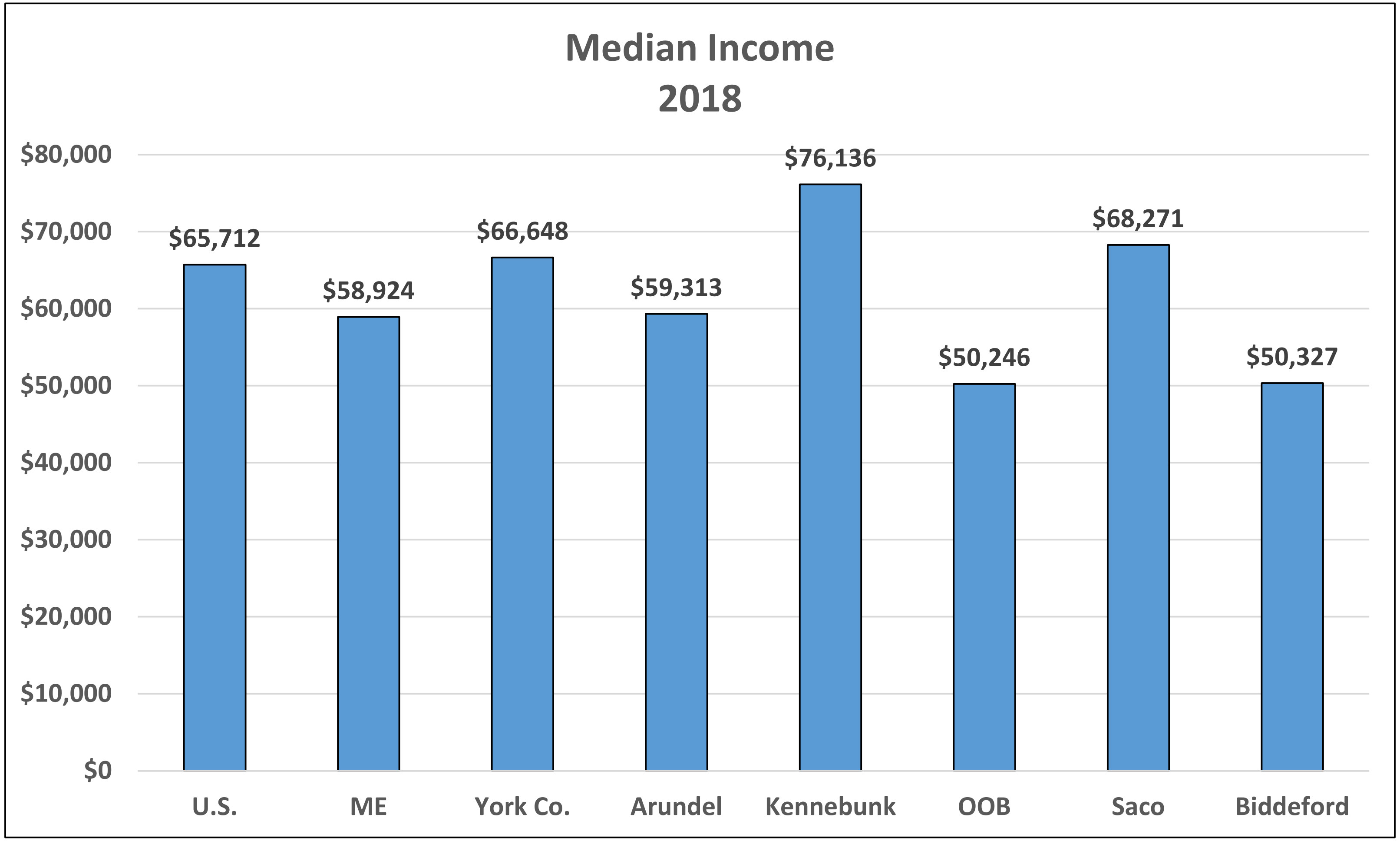
Income Group	Percent of Median Income	Programs
Extremely Low Income	<30%	Emergency Shelter Grants Funds; Section 8 Vouchers
Very Low and Low Income	31-80%	Section 8 Vouchers, LIHTC, TIFs, CDBG, Affordable Housing Program (Federal Home Bank), Maine Housing, Foundations, Zoning Incentives
Moderate Income	81-125%	MH First-Time Homebuyer, FHA/VHA, Private bank incentives, Zoning Incentives

Funding Source: Varies

Staff Recommendation: N/A

Housing in Biddeford – Existing Conditions, Demand and Supply-Part 2
October, 2020

Median Income – Select Towns and Cities



U.S Census Bureau American Community Survey 2018 5 Year Estimate

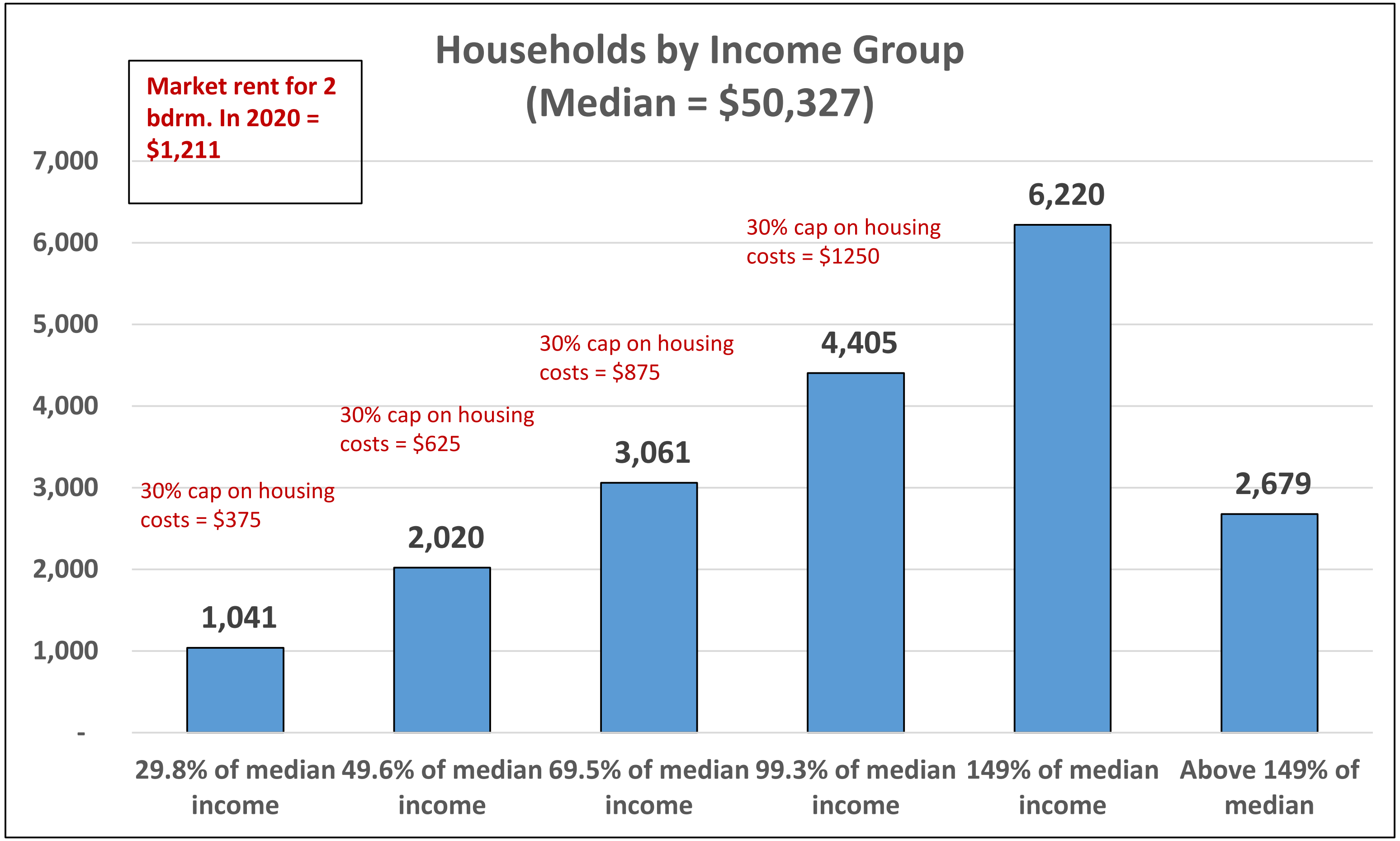
Income by Group

<u>29.8% of median</u> <u>(less than $15,000)</u>: 1,041 households or **11.7%** of all households. **<u>Market rent would absorb 97% of gross monthly income.</u>**

<u>49.6% of median</u> <u>(less than $25,000)</u>: 2,020 households or **22.7%** of all households. **<u>Market rent would absorb 58% of gross monthly income.</u>**

<u>69.5% of median</u> <u>(less than $35,000)</u>: 3,061 households or **34.4%** of all households. **<u>Market rent would absorb 42% of gross monthly income.</u>**

<u>99.3% of median</u> <u>(less than $50,000)</u>: 4,405 households or **49.5%** of all households. **<u>Market rent would absorb 29% of gross monthly income.</u>**



U.S Census Bureau American Community Survey 2018 5 Year Estimate

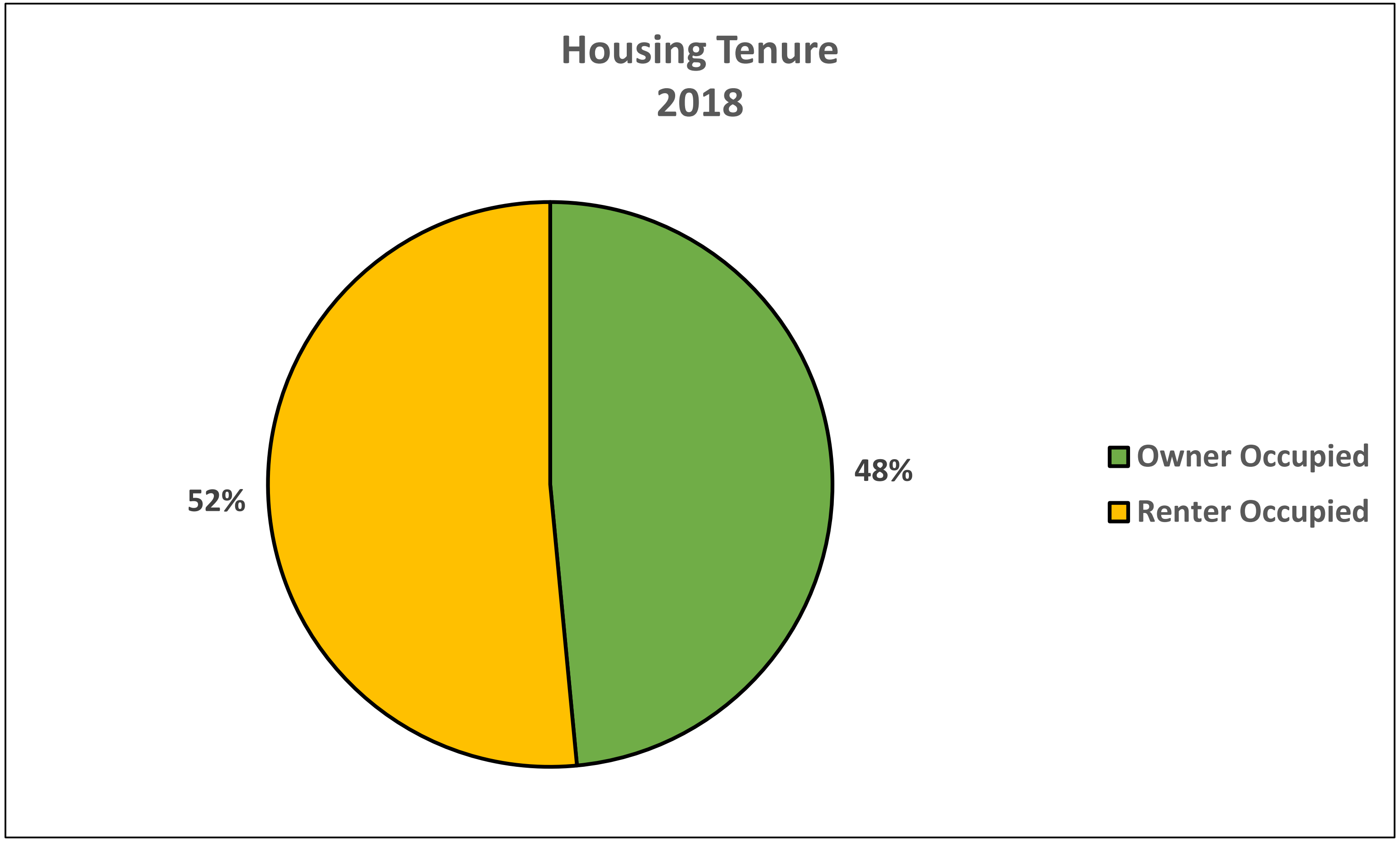
Tenure and Housing Type – A Comparison

Households in Biddeford: **8,899**

Owner Occupied: **4,315**
Median Household Income: **$74,674**

Renter-Occupied: **4,584**
Median Household Income: **$36,121**

Median income for renter-occupied housing units is less than half that of owner occupied units



U.S Census Bureau American Community Survey 2018 5 Year Estimate

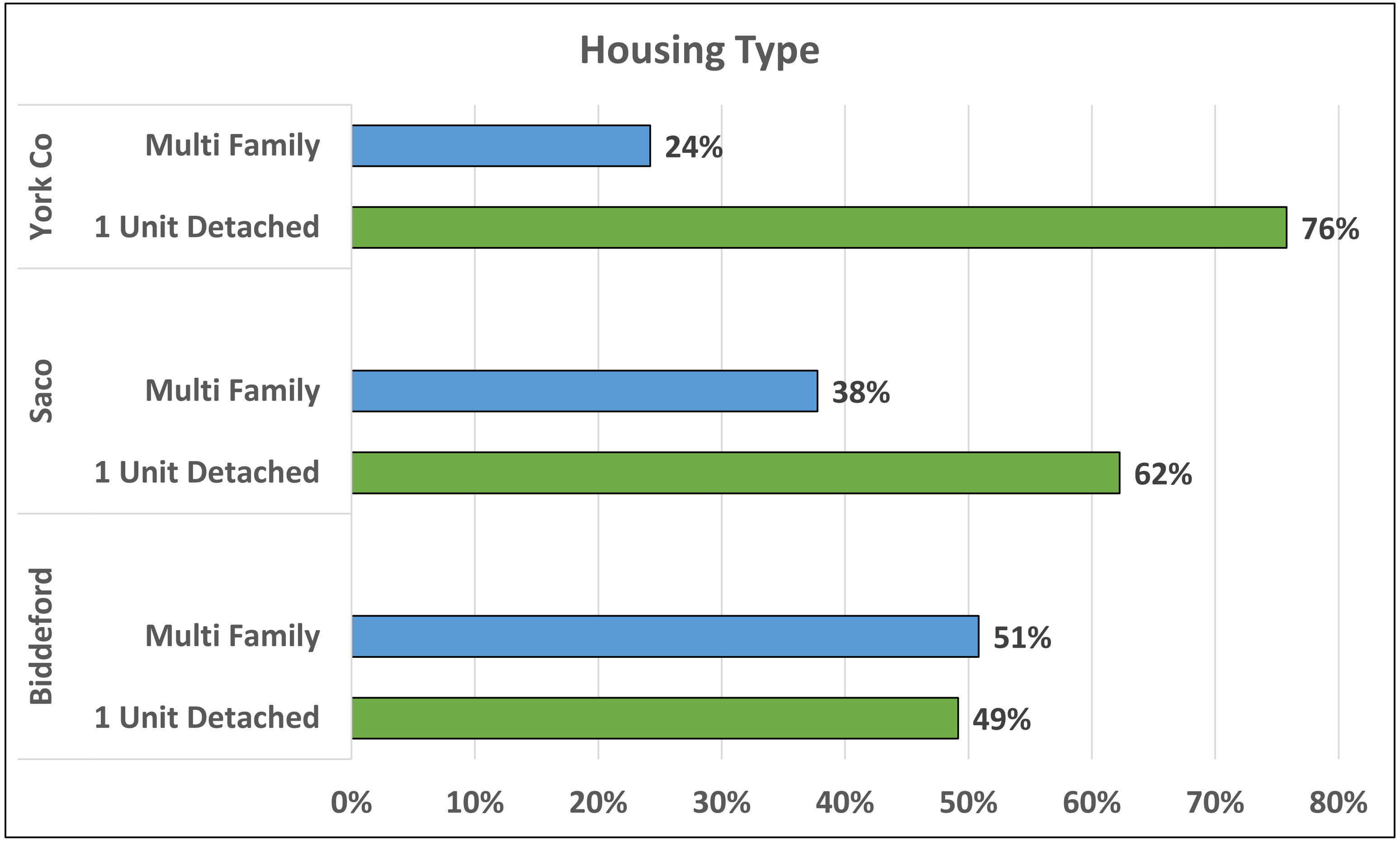
Housing Type

Total Housing Units:
10,071

1 unit detached
(incl. mobile homes):
4,952

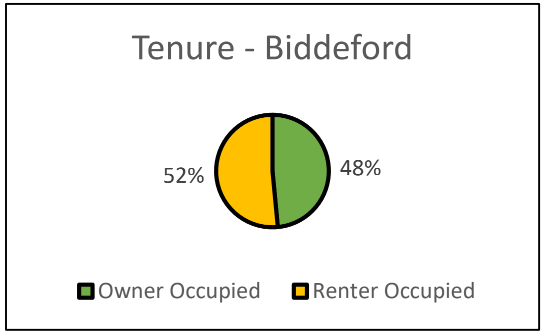
Multi-unit:
5,119

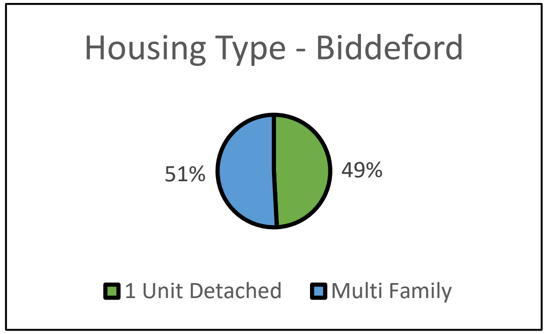
More than half of the housing units in Biddeford are multi-family units.

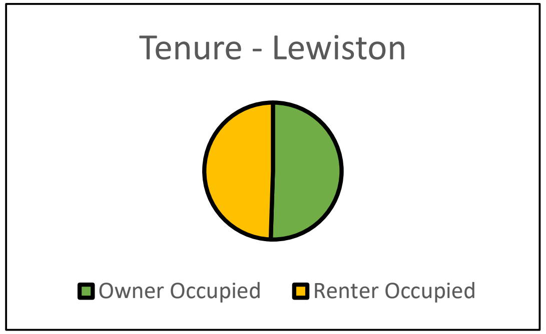


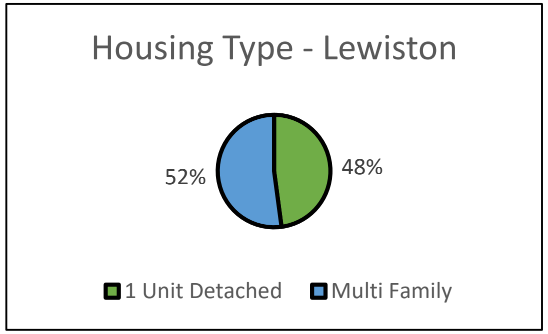
U.S Census Bureau American Community Survey 2018 5 Year Estimate

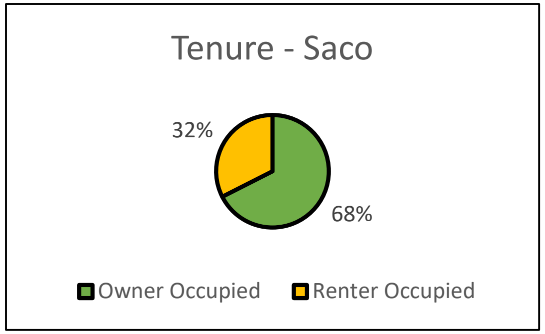
Tenure and Housing Type – A Comparison

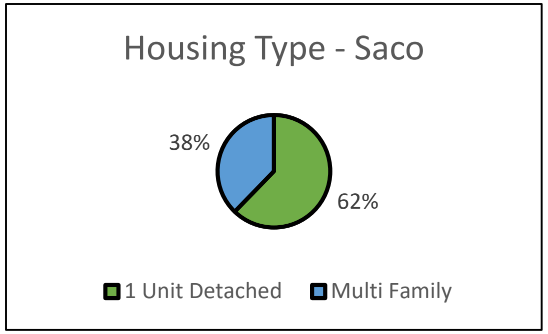


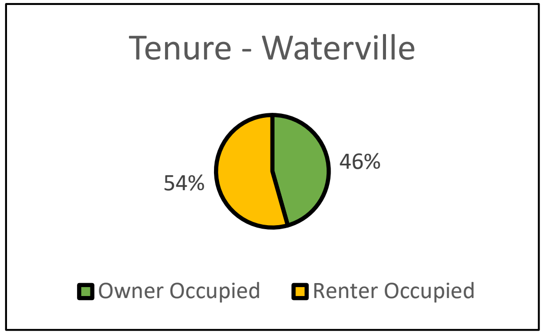


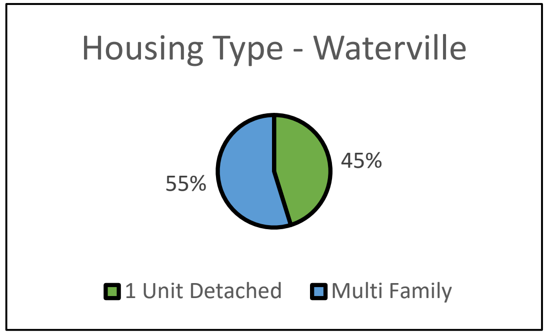


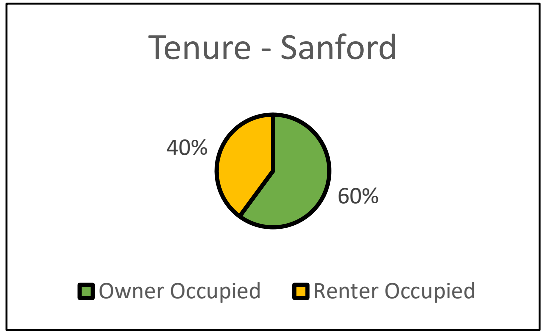


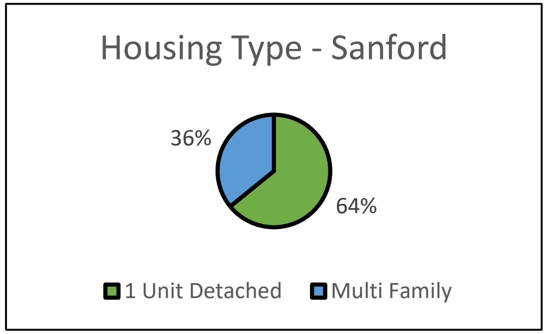


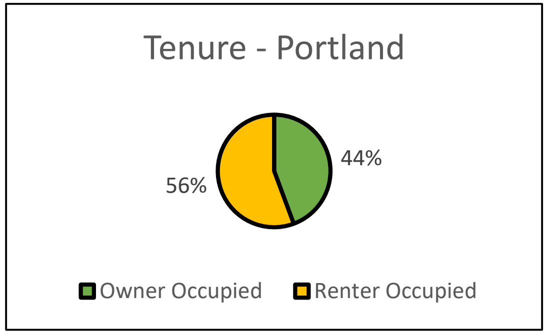


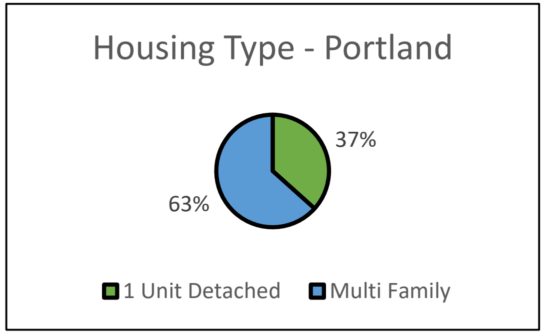








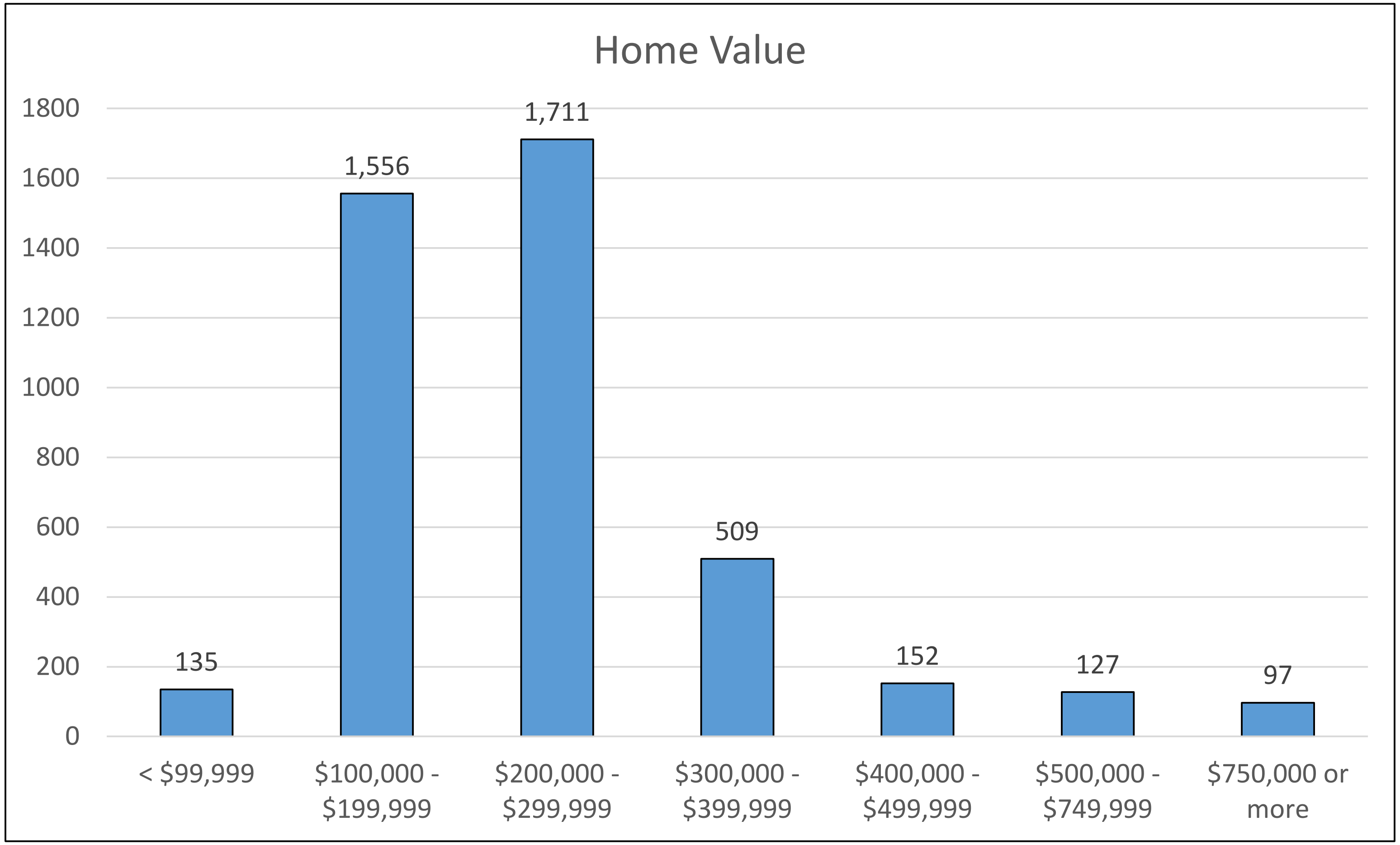




Home Values in Biddeford by Household

78% of single family homes in Biddeford are priced below $300,000.

Median Value in Biddeford is $230,000.



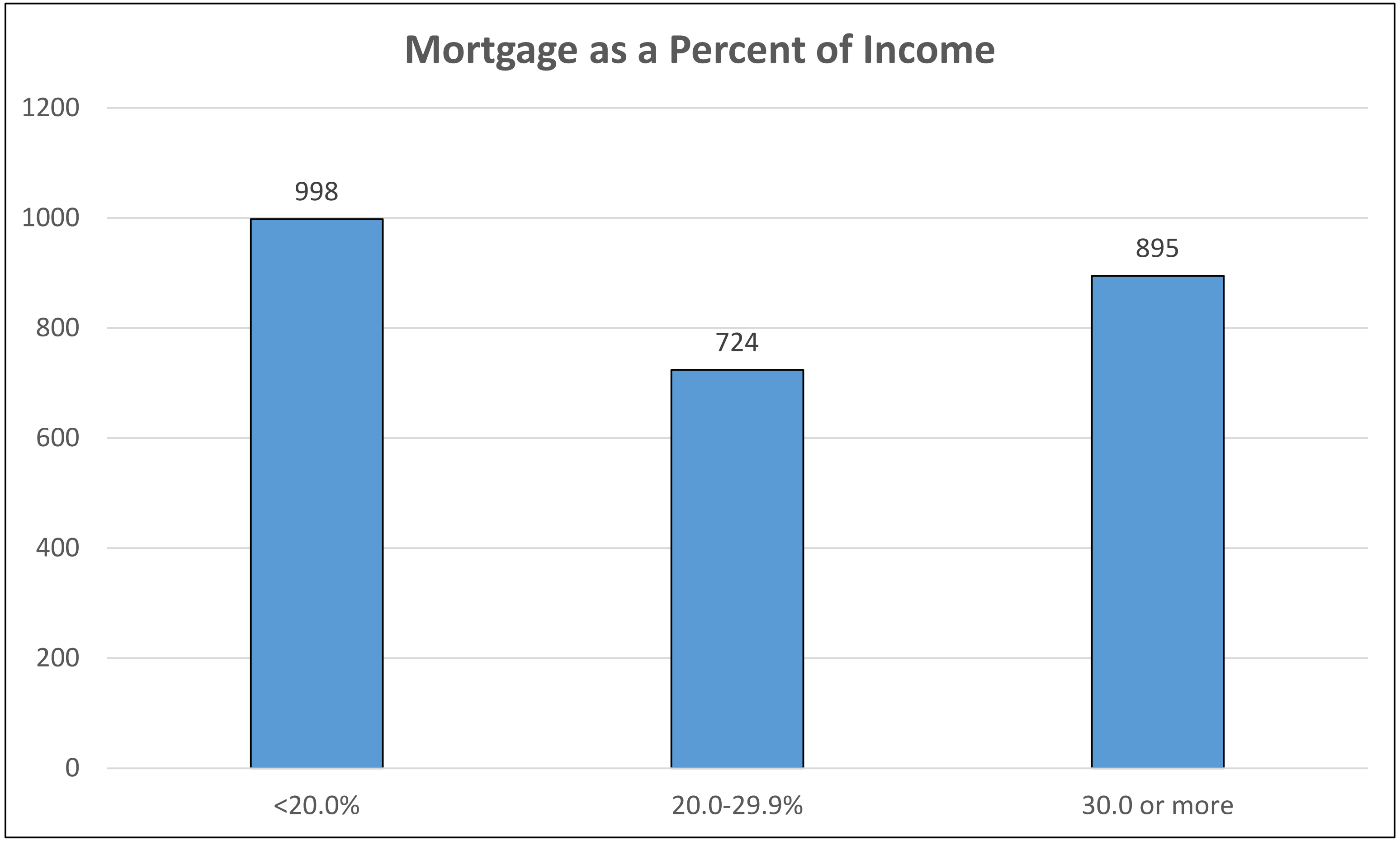
U.S Census Bureau American Community Survey 2018 5 Year Estimate

Mortgage as Percent of Income

78% of single family homes in Biddeford are priced below $300,000.

Median Value in Biddeford is $230,000.

Little housing inventory exists for middle income earners to move to to.



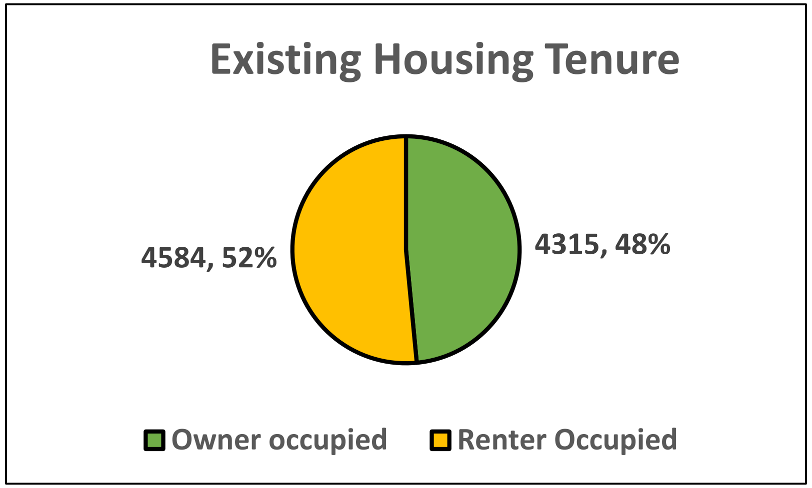
Moving Toward Greater Ownership

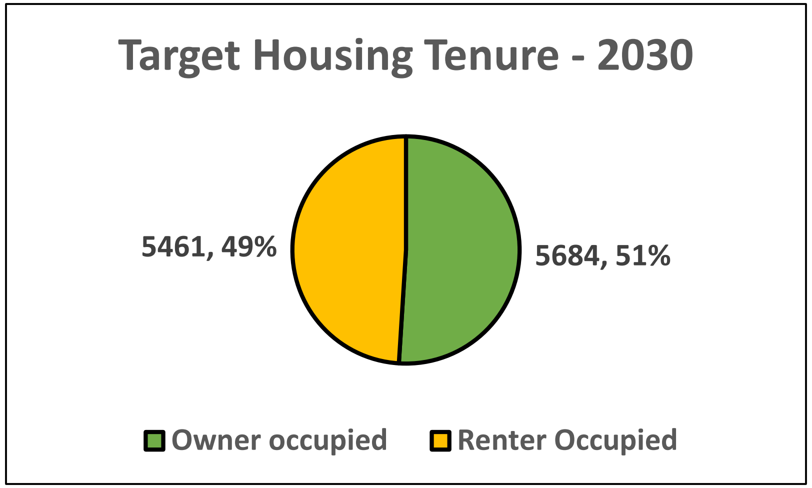
Current Tenure: 51% Renter Occupied
49% Owner Occupied

Target: Increase Owner-Occupied units by 3% points
in order to reverse the tenure mix

New Units thru 2030:
Rental: 877
Owner Occupied: 1,369

Tenure by 2030: 49% Renter Occupied
51% Owner Occupied

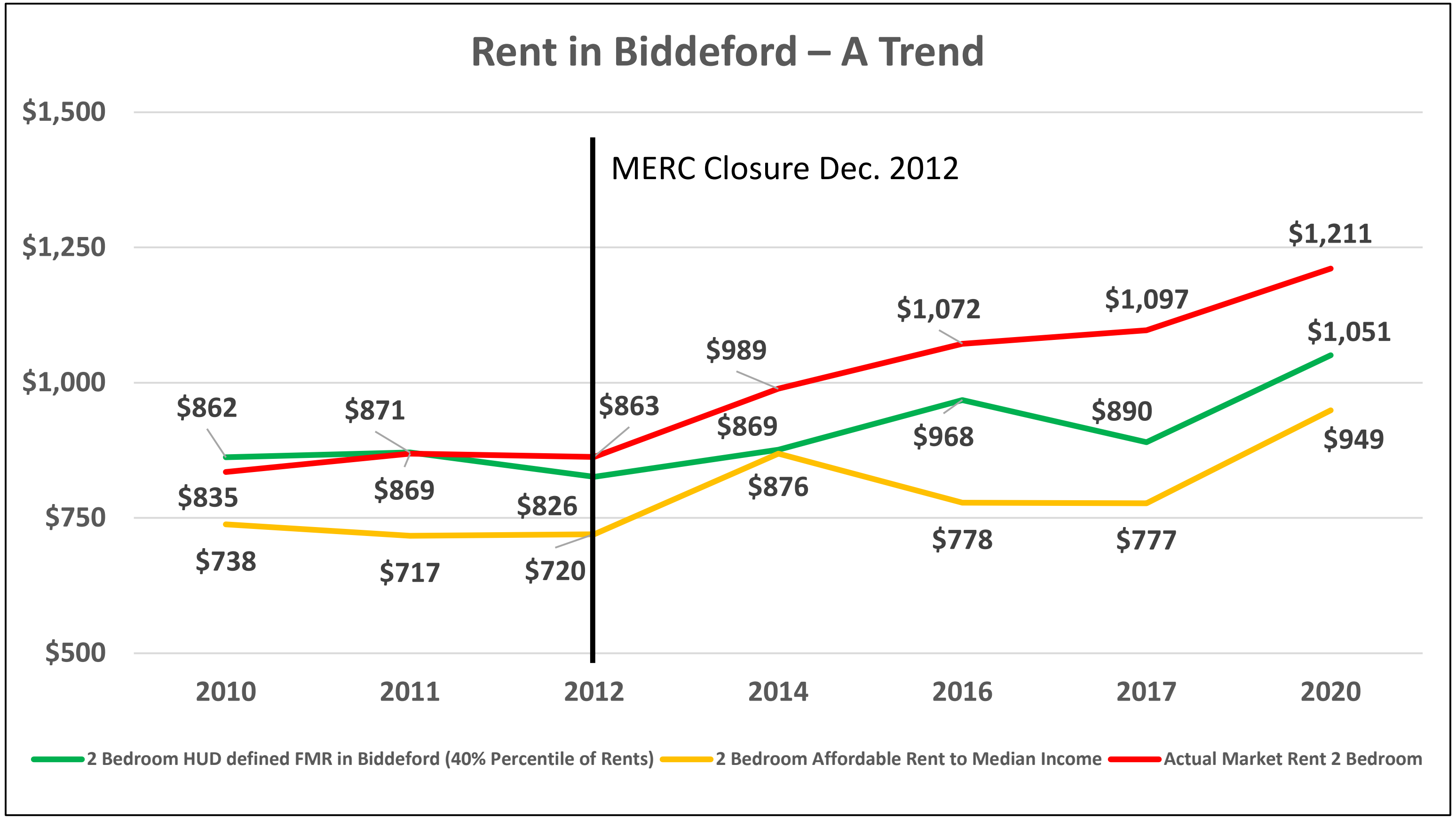




Rent – A Trend

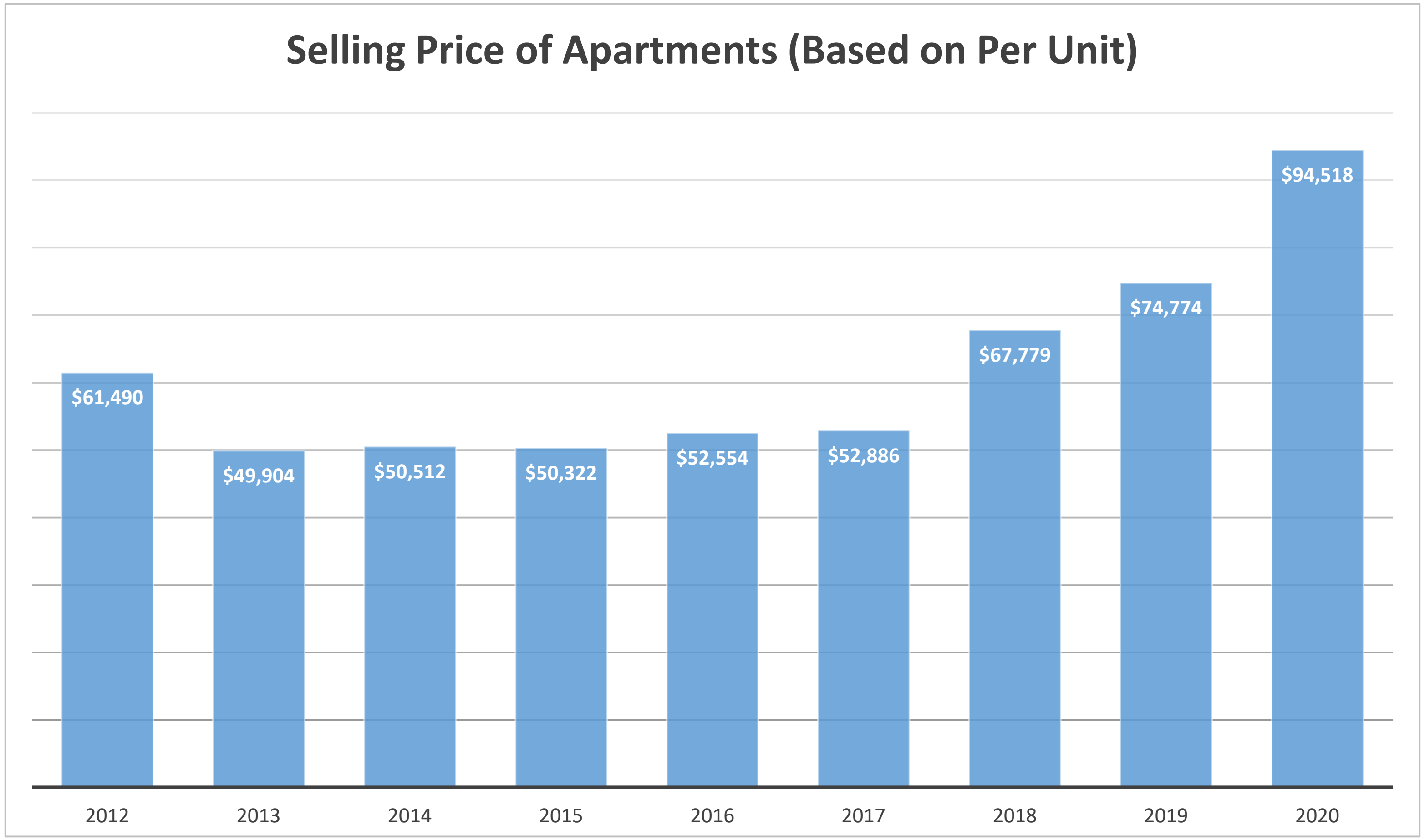
Market rents in Biddeford have increased faster than HUD Fair Market Rent (FMR) or the ability of renters to pay, based on median income.

The rate of increase of Market Rent has risen more steeply since MERC closure in 2012.



Source: Maine Housing Authority, Policy and Resources
www.rentdata.org

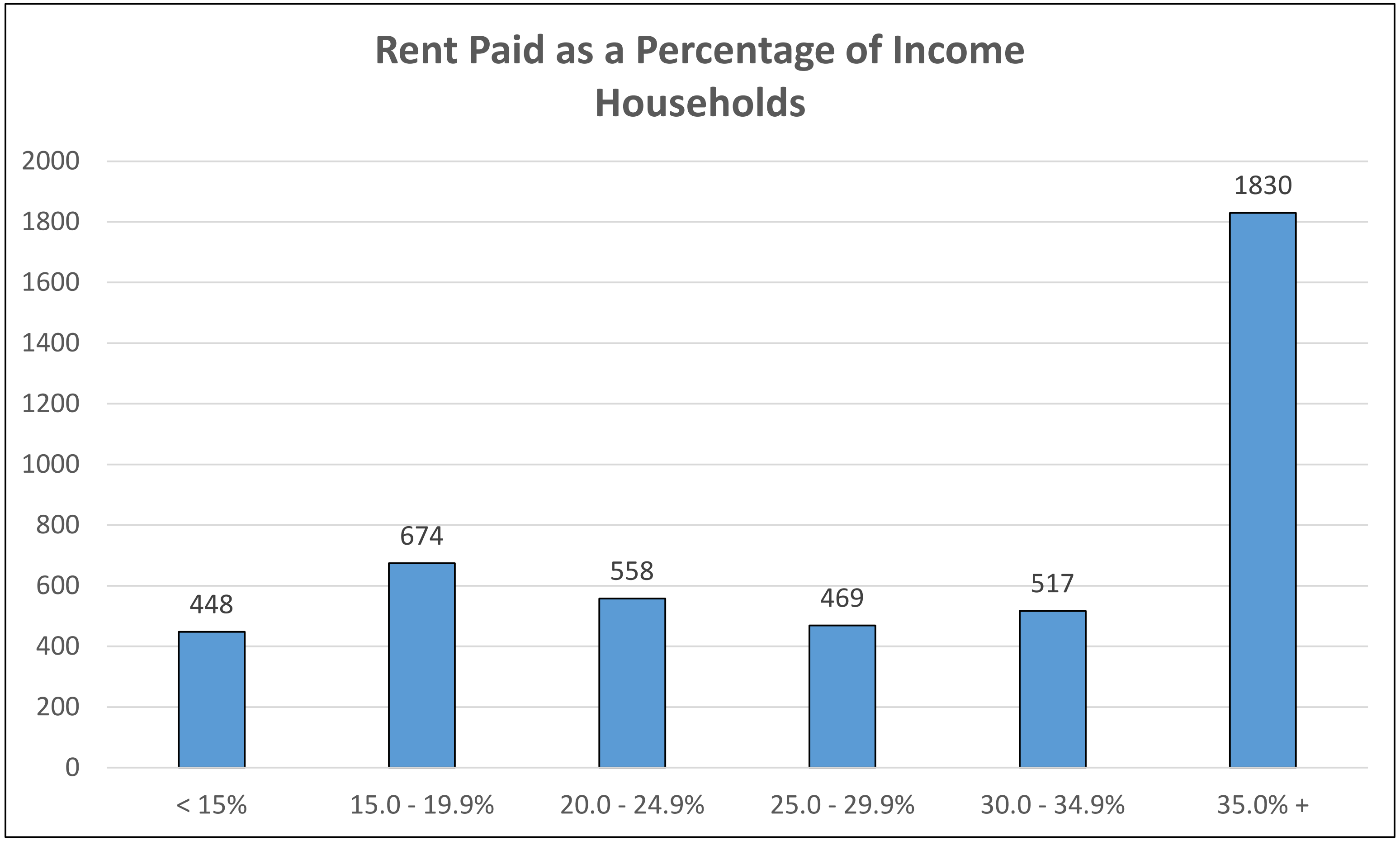
Average Sales Price Per Unit: 2012 - 2020



Rent as Percent of Income

40% of renter households in Biddeford pay 35% or more of their income in rent.

To compound affordability, the Biddeford Housing Authority reports that vacancy rates for affordable units are at 2%; functionally, there is no supply



Source: Maine Housing Authority, Policy and Resources

Supply of Affordable Rental Units – Aug. 2020

Housing Complex	Population	Management	No. of Units	Wait list Aug 2020
Avignon Apts.	Families	York County Shelters	8 subsidized	n/a
Emery School Apts.	Elderly (55 or older)	Avesta Housing	24 subsidized	25
Five Graham Street	Elderly (62 or older)	Avesta Housing	35 subsidized Rent based on 30% of household adjusted income	20
Forest Green Apts.	Families	Phoenix Management	40 subsidized	48
Hill Street Terrace	Families	Avesta Housing	12 subsidized Rent based on 30% of household adjusted income	39
Ledgewood Apts.	Elderly (62 and over) & disabled	Christopher Cimino	60 Subsidized	55
Pierson Lane	Families	Phoenix Management	68 subsidized	39
Presidential Apts.	Elderly & disabled	Phoenix Management	45 subsidized	31
Prospect Manor	Elderly & disabled	Mack Brothers	50 subsidized	68
Riverbed Apts.	Families	Realty Resources	28 Subsidized	23
St. Andre's Apts.	Elderly & disabled	Biddeford housing Authority	35 subsidized	n/a
Summer Block	Elderly, disabled; families	Phoenix Management	32 subsidized	54
The Mill at Saco Falls	Families	Saco Falls Management	40 Rent based on 30% of household adjusted income	129
Total			**477 Affordable Units**	**531 Waiting**

As of December, 2019 Biddeford Housing Authority Counted
443 vouchers for the Biddeford, Saco and Old Orchard area

Five-Year Housing Goal Possibilities:

- The City shall increase the rate of homeownership from 48% to 51%.
    - In the last three years, there were 91 single family/owner permits, or 30 per year
    - Based on growth in rental units, the city will need to add or convert up to 120 owner occupied units per year to shift ownership above 50%
- The City shall preserve or create 90 affordable rental units per year.
    - There are 835 subsidized units[1] in Biddeford, representing 18% of all rental units in the community. There are 1,830 rental households paying more than 35% of their income in housing per year. The difference is 995 units.
    - The city added 282 multiple family units by permit in the last three years; only 7 were workforce housing units. However, the Falls at Saco Way (80 units) came on board the previous year.
    - There are proposals (without a building permit; real or conceptual) for another 500 units.
    - There are, conceptually, another 150 ownership units being considered in the Mill District area.
- To make all housing units appropriate for families and receiving subsidized assistance to be lead safe by 2026. There are a total of:
    - 392 Affordable Family Units
    - 443 vouchers (Saco, Biddeford, Old orchard)
        - Assume 132 in Biddeford
    - 524—would be 52 per year.
- Of the 120 owner units, 40% could serve first time homebuyers.
    - There are approximately 1,000 households at between 80 and 100% of median income in Biddeford. Roughly 500 households may be renters and capable of becoming homeowners if there are affordable units available. Still more could be older homeowners who are seeking a housing alternative (downsize, rental) in which options need to be created. Hence, the supply of first time homebuyer units could come from existing units created through lifestyle change, from new construction, or through the conversion of rental units into owner occupied units[2].
- Biddeford will continue to provide a broad choice of housing options.

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[1] Vouchers are also used in existing subsidized buildings to support households that are at less than 50% of median income; however, they are portable, so we count them individually for goal purposes.

[2] Of note, the Density Bonus program enacted by the City Council in 2018 has proven popular in the creation of new rental units. An affordability clause (considered at the time) could be added to that program as we expand it to other zoning districts. That same program also created the opportunity for conversion to condominium units; that has not occurred.

Still need a graph explaining subsidies by income group for renters