



Michael A. Russell, MS, Director
Permitting and Inspections Department

Ann Machado
Zoning Administrator

**CITY OF PORTLAND
ZONING BOARD OF APPEALS**

Variance Appeal Application

Applicant Information:

Samuel Harmon
NAME

Harmonious Holdings LLC
BUSINESS NAME

15 Lowst St. #3
ADDRESS

Westbrook, ME 04092

(207) 632-7527
TELEPHONE #

Owner
APPLICANT'S RIGHT, TITLE OR INTEREST
(eg; owner, purchaser, etc)

B-4
CURRENT ZONING DESIGNATION

Subject Property Information

31 Warren Avenue, Portland, ME
PROPERTY ADDRESS

292 0010001
CHART/BLOCK/LOT (CBL)

PROPERTY OWNER (if different)
SAME

NAME SAME

ADDRESS _____

VARIANCE FROM
SECTION 14 - 473(c)1

EXISTING USE OF PROPERTY:

Used as a Three-Unit, however, only permitted as a Two-Unit

NOTE: If site plan approval is required, attach preliminary or final site plan.

The undersigned hereby makes application for a conditional use permit as described above, and certifies that the information herein is true and correct to the best of his OR her knowledge and belief.

[Signature]
SIGNATURE OF APPLICANT

12/15/16
DATE



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ZONING BOARD OF APPEALS Variance Appeal Application

Except as specifically provided by the Ordinance, a variance may be granted by the Board of Appeals ONLY where strict application of the Ordinance, or a provision thereof, to the petitioner and his property would cause undue hardship. In order for the Board to find "undue hardship" the applicant must answer ALL of the following questions and provide supporting evidence. The Board will consider this evidence in deciding whether to grant the appeal.

1. The land in question cannot yield a reasonable return unless a variance is granted. [NOTE: "failure to yield a 'reasonable return' means 'the practical loss of all beneficial use of the land...Reasonable return DOES NOT mean maximum return" Rowe v. City of South Portland, 730 A.2d 673, 675 (ME 1999) (citations omitted.)]

Satisfied: _____ NOT Satisfied: _____

Reason & supporting facts: As seen in the attached "Expense Sheet" for the subject property 31 Warren Avenue, my invested dollar amount is approximately \$261,500. As a two-unit, not only would I have to spend another \$15,000-\$20,000 (which I don't have) to change the layout and reconfigure the building but I would also definitely be foreclosed on and forced to return the property to the bank due to it being a 6-month short-term "Hard Money" loan where I have to fix and re-sell in that term. This would likely cause both tenants currently residing there who work and go to school in Portland, to vacate and render building vacant. Furthermore, the current layout of building and

2. The need for a variance is due to the unique circumstances of the property and NOT to the general conditions of the neighborhood.

Satisfied: _____ NOT Satisfied: _____

Reason & supporting facts:

This is a very unique case because the property has always been used as a three unit, confirmed by neighbors, prior owners, AND code file/inspections. The way the building is set up and designed is clearly for a three-family, with the back stair case that would literally divide the second floor in half if it were converted to a two-unit. The neighborhood is mostly commercial with some residences and rental property and would not be affected at all by the variance. Plenty of parking as well.

Convert into two-unit would cause building not to be sold and remain vacant for a long time.



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ZONING BOARD OF APPEALS
Variance Appeal Application

3. The granting of a variance will NOT alter the essential character of the locality.

Satisfied: _____ NOT Satisfied: _____

Reason & supporting facts:

The property has almost always been used as a three unit, so the essential character of the locality would be un-altered. Businesses on Warren Avenue would likely benefit from having working class residents residing just down the street from their store-fronts. The direct area in question is a mix between residential and commercial uses already.

4. The hardship is NOT the result of action taken by the applicant or a prior owner.

Satisfied: _____ NOT Satisfied: _____

Reason & supporting facts:

The use of this property has been a 3-unit for a very long time. Code Enforcement and other departments of the Inspections Division have been at the property a number of times with no violations noted against the number of units. It seems that the City Department should communicate amongst each other and be on the same page as to not create confusion or neglect to make proper assessments. As the purchaser, I did my due diligence to make sure it was a 3-unit above and

beyond what the average citizen, or even Real Estate Agent, would do.

Zoning Board of Appeals—Portland, ME

Subject Property: 31 Warren Avenue

On August 24, 2016 I, Sam Harmon, purchased a property located at 31 Warren Avenue, Portland. The condition of the property was poor, due to lack of maintenance, and would not be financeable for most traditional loans because of the condition. Using Hard Money and an Equity Partner, I bought this building with intentions to Fix it Up It and either Re-Sell it OR Re-Finance it into a traditional loan and keep it myself to rent. Although I would love to keep it as a rental property for a long time, my new-entrepreneur financial situation and current Credit Score are forcing me to opt for Plan A—to resale.

When I bought this building it was my understanding that this was a legal three-family dwelling, as all three units were existing and had been used for decades according to prior owners and neighbors, the tax records showed it as a legal three family, and Code Enforcement told me in an email one month prior to the closing that their records showed it also as a legal three family dwelling. Although I would not have bought this building if it were in fact not a three family dwelling as I believed it was, I later found out just that. A month or so after I purchased this property I applied for a couple of permits, in good faith. One was an Electrical Permit to update the wiring, and bring all three units up to code with smoke/carbon monoxide detectors. The Electrical Permit was granted and the work was done. The second was a Building Permit to do a rather small Bathroom Expansion in that third unit, as all other repairs to the property were mostly cosmetic. However, at that point I was informed by Zoning that the property was in fact NOT permitted as a three unit and is currently a legally non-conforming two-unit. This was as much of a shock to me as it was to the neighbors and anyone else I talked to that was familiar with the history of the property. The fact of the matter is that this property has been used as a 3-unit for a long time. The layout of the building and floor plan (as you will see in this packet) is clearly designed for a three-unit. Furthermore, turning it into a two unit not only is not financially feasible for me but it would also be a very strange and dysfunctional flow to the space if the whole second floor was converted into one unit--no matter how you designed it the back staircase would be in the middle of the dwelling unit.

What I would like to do with this property is make it into that legal three family dwelling and get all necessary permits and certificates of occupancy to do so. To do so I am not altering anything to do with the floor plan, design, and layout of the building whatsoever, with the small exception of a 3-foot expansion of the Bathroom in the Third Unit to make it more functional. There are also no exterior alterations necessary for this to happen. The repairs that I have made to this building thus far have brought the property back to life. The neighbors are not only happy because they don't have to look at an eyesore anymore but they're also happy because their property(s) value will likely go up as well. This is a reasonable proposal that would not infringe on any neighboring property owners nor negatively impact The City. It's no secret that Portland is having a growth spurt, especially in demand for housing. Granting this variance would be a small yet positive step in the right direction for the City of Portland. Considering what some are calling the "housing crisis in Portland", and some of the main goals of Portland's Comprehensive Plan, I hope that this Board can understand my case and grant an Undue Hardship Variance so that I can continue on this project as planned and make another affordable/market rent apartment available to the People of Portland.....AND IT'S ON THE BUS LINE!!!

Thank You for Your Consideration.

Sincerely,

Sam Harmon

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31 Warren Ave-Sam Harmon (4)

People

sam Harmon <sam@mainerealtyllc.com>
 To drm@portlandmaine.gov

Jul 19 at 12:20 PM

Douglas,

My name is Sam Harmon and although I am a real estate agent I am contacting you today in regards to my own personal business/purchase of the above mentioned 3-unit property that I do currently have Under Contract.

I'm trying to figure out the legal use of this property, so I know what I'm getting into with this project, and I'm having a little trouble clarifying everything. It seems like the property is being "taxed" as a 3 unit (which I know doesn't really mean anything) and it is set up as a three unit so ideally that's what I want to buy it as. However, the code file doesn't reveal any building permits other than some electrical permits. So I was wondering if you were at all familiar with this property, knew any red flags off the top of your head that I should be concerned about in terms of Code, or might be able to take look into this property for me and help me determine if it is or can be a 3-unit AND/OR if you would recommend that I go ahead and apply for a "Zoning Determination" to move forward...even though I know that part isn't your business, I did also email Ann Machado. Just want to make sure I'm doing everything by the books and by the code..especially where I'm only 26 and have a lot to learn yet want to be doing projects like this and investing in Portland (my home city) for decades to come!

Please let me know your thoughts and thank you for your time and consideration.

Much Appreciated .

Cheers

Sam Harmon
 Realtor & Owner
 Maine Realty LLC
Sam@mainerealtyllc.com
 (207) 632-7527 (text friendly)
www.mainerealtyllc.com

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 Realtor & Owner
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www.mainerealtyllc.com

Reply Reply to All Forward More

Douglas Morin <drm@portlandmaine.gov>
 To sam Harmon

Jul 19 at 2:58 PM

Good afternoon,

It appears in our records that this is a legal three family dwelling. I would recommend following up with Anna Machado to verify the information is correct.

I hope this helps you,
Doug

Show original message

--
 Douglas Morin CEO
 City of Portland
 Planning and Urban Development Dept
 Inspection Services Division
 389 Congress Street Rm 315
 Portland, Maine 04101

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31 Warren avenue (2) People

From: sam Harmon <sam@mainerealtyllc.com> To: amachado@portlandmaine.gov Jul 26 at 2:46 PM

Hi Anne

Sam Harmon here. Did you get my last email and/or voicemail about 31 Warren Ave and whether or not you currently had that zoned for a 3-unit residential property?? I'm sure you're busy as heck so I apologize if I do seem pesky...just starting out what is to be hopefully a long long career of investing in real estate in Portland Maine so I want to make sure I'm doing things the right way from the get-go. Small background: I'm 26, real estate agent and co-owner of Maine Realty LLC located at 415 congress street (we're neighbors!) and also do some side investing. I'm sure we'll be in touch quite a bit over the years to come! Thanks a bunch for your input in advance!!

Have a great day.

Cheers

Sam Harmon
 Realtor & Owner
 Maine Realty LLC
Sam@mainerealtyllc.com
 (207) 632-7527 (text friendly)
www.mainerealtyllc.com

Reply Reply to All Forward More

From: Ann Machado <amachado@portlandmaine.gov> To: sam Harmon Aug 12 at 9:00 AM

Sam -

I apologize for not getting back to you sooner. When I get a request for the legal use of the property I can check our more recent files to see if we have a building permit that shows the legal number of units on the property. I just checked those files and there have been no recent permits. Our older records are on microfiche. You need to come into our office at room 315 at City Hall and look at the microfiche yourself.

Good luck with your real estate endeavors.

Ann

Ann Machado
 Zoning Administrator
 Permitting and Inspections Department
 City of Portland, Maine
 (207) 874-8709

Show original message

Notice: Under Maine law, documents - including e-mails - in the possession of public officials or city employees about government business may be classified as public records. There are very few exceptions. As a result, please be advised that what is written in an e-mail could be released to the public and/or the media if requested.

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31 Warren Ave-Sam Harmon (2)

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Ann My name is Sam Harmon and although I am a real estate agent I am contacting you Jul 19 at 12:15 PM

Ann Machado <amachado@portlandmaine.gov> Aug 12 at 9:04 AM

To sam Harmon

Sam -

I just read your earlier email. If you have already checked the microfiche and did not find any building permits you can try another place. The assessor's office has cards from the early 1950s. If the card lists the use as three apartments and there are no later permits on the microfiche that state the use, the legal use would be what the early 1950s card says since that would have been the use when our ordinance went into effect. You can also check the street directory at the Portland Public Library for 1957 to see if three apartments were listed for the property.

Ann

Ann Machado
Zoning Administrator
Permitting and Inspections Department
City of Portland, Maine
(207) 874-8709

Show original message

Notice: Under Maine law, documents - including e-mails - in the possession of public officials or city employees about government business may be classified as public records. There are very few exceptions. As a result, please be advised that what is written in an e-mail could be released to the public and/or the media if requested.

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To: Zoning Board of Appeals—Portland, ME

Subject Property: 31 Warren Avenue Legal use as a 3-unit appeal.

Hello to you all- I hope this special time of year finds you all blessed with great things.

My name is Paul Diou. I am a resident of Portland, a Realtor, and co-owner of a local Real Estate Brokerage Company named Maine Realty LLC—with my business partner Sam Harmon located on Congress St in Portland.

As soon as zoning and use of the subject property came to Sam's knowledge he immediately brought this information to me to me and explained the situation in hopes that I may be able to shed some light on it for him. He told me everything that had transpired, and then asked me for a small favor; to go back and do a search on the property just like I would have for any other client that I work with. He asked that I act accordingly with regards to Due Diligence in uncovering the correct legal use of the property as I would for any client whom I had a written relationship with and acting as their Realtor.

As I went through the records on the microfiche and computer system at town hall I soon came across a document from The City of Portland Inspection Services Division dated 1990. This document clearly stated that the # of Existing Units was 3. The Assessors desk also confirmed that the current assessment for the year 2016 was classified for tax purposes as a 3 unit- as it has for decades. I would note here that to the best of my knowledge Sam Harmon did the same due diligence and relied on an email confirmation that the unit was a legal three unit in the eyes of the city (please see attached copy of email in packet). At that point I stopped what I was doing and explained to Sam that this is where I would have likely extended my research being very careful in my search. I would then have made copies of all of the files in the computer and microfiche results. I would have read through the records and highlighted any potential issues that I might think could be a concern and I would recommend to my client to look through them with the assistance of a lawyer if they needed more info.

There was nothing substantial standing out that would lead me or any other person / Realtor to believe that this property's legal use was anything but a three family dwelling.

I believe that Sam going as far as to reach out to the code office for an update via email to confirm the legal use and was emailed back an email giving Sam confirmation from the city code office that they had it as a legal 3 unit was well above the due diligence that many citizens would accomplish on their own and that the city had a duty to inform Sam upon his request prior to his purchase. This information was crucial in Sam's decision to purchase the property- that is why acting in good faith and with great due diligence he felt comfortable that what he was told when he contacted their office prior to the purchase and consummated the purchase with the understanding that it was a legal three unit- which is how it has been run and maintained for decades with a long history of being identified and taxed as a legal and conforming three unit. Even today if you search www.portlandassessors.com or their office directly in city hall you will see that they as of today 12/28/2016 have the

address listed as being a legal 3 unit-. I think that from my professional standard that a proper and due diligent above what the average buyer would have investigated led Sam to believe the property he was purchasing was truly a 3 unit. I can tell you truly, I have been to the site- and the highest and best use for the property is as a legal 3 unit. Sam is willing to bring all systems up to code and is committed to adding back to the community and offering a new growth for the surrounding area.

Sam has only been a licensed Real Estate Agent for just under 3 years, yet he has done very well at educating and applying himself. Even with my 14+ years in the field I can honestly say that I think the average--or even above average--Realtor would have failed to discover this problem with the proper use of the property. Let alone any individual who was not a licensee purchasing this house in a Private Sale as this was.

Furthermore, I believe that granting this Variance is essential to maintaining this buildings highest and best use that it has already been using for decades and just happens to be in-line with the best interest of the city that I call home and all of its inhabitants with regards to some of the main goals of The City of Portland's Comprehensive Plan.

Sincerely,



ATTEST 12/28/2016

Paul Diou
Designated Broker ~ Owner
Maine Realty LLC
Portland, Maine
www.sellwithpaul.com
Paul@mainerealtyllc.com
207-671-6604 (Text Friendly)

"Just Call Paul!"

REALTOR®
A Rough Ashlar

CITY OF PORTLAND
INSPECTION SERVICES DIVISION - WORKING PAPER

Project No. 187 Complaint 5 year File Inspector's Name

Project Address 21 Johnson Pl C-1 254-1111

Report by Agent Mr. David Webb

Address 21 Johnson Pl
Portland, ME 04101

NO.	DATE	TYPE	PL.	APP.	LOCATION	REMARKS
1		X			Leather Slips	
2		X			Leather Slips	
3		X			Leather Slips	
4		X			Leather Slips	
5		X			Leather Slips	

Exist. Units: 3

N.O.H.C. 1

By Rank
Inspector
David Webb

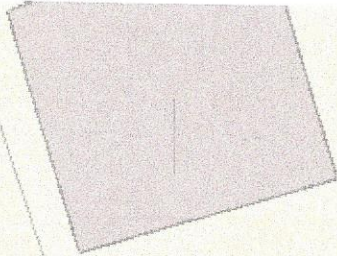
187 Dist. 5

Exist. Units: 3 Stories 2

N.O.H.C. X C.O.D.

3A 292 D005

70.3'



292 D009

14251

292 D011

134

44.3'

292 D010

11865

Driveway

15'



35'

32'

31

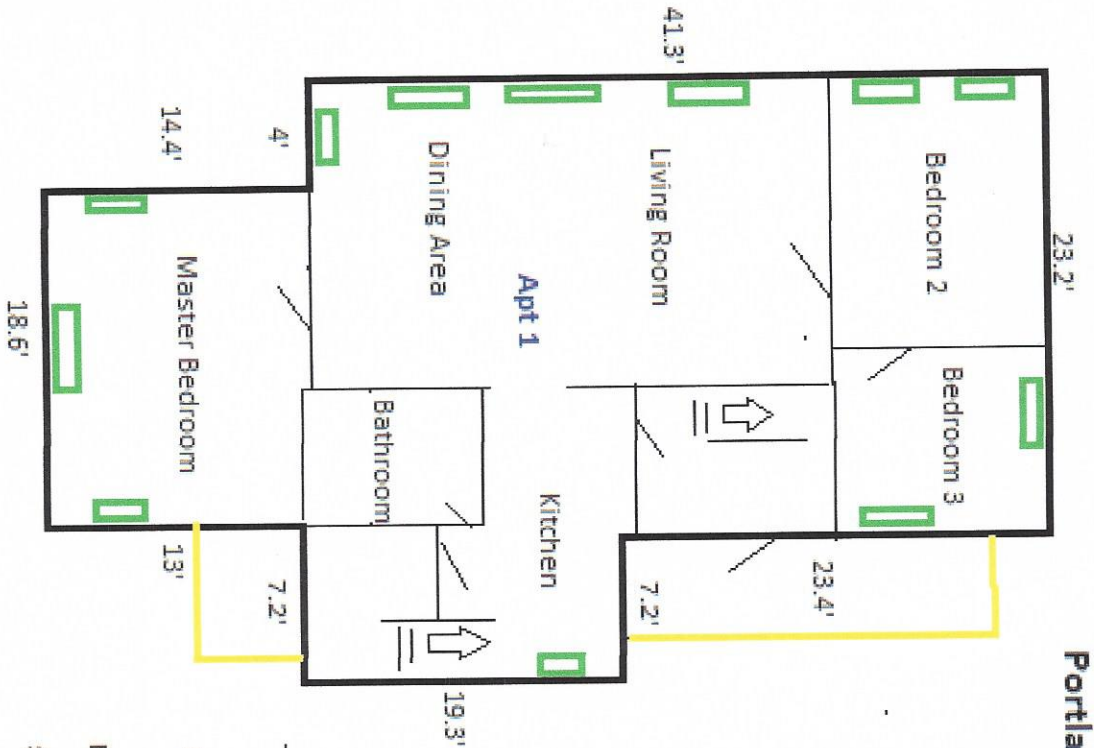
12x100'

56

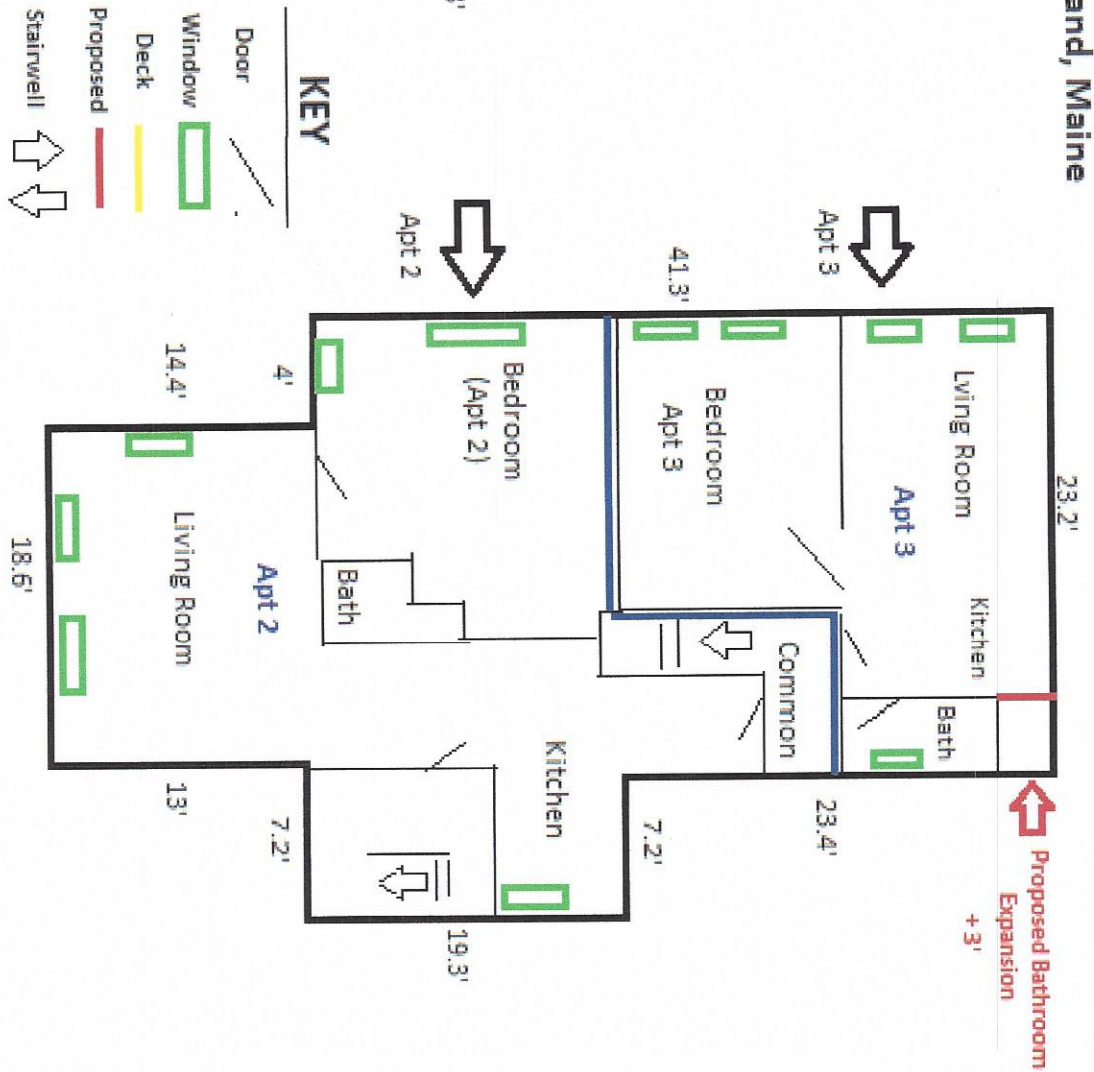
90

18'

First Floor
31 Warren Avenue
Portland, Maine



Second Floor



KEY

- Door
- Window
- Deck
- Proposed
- Stairwell



This page contains a detailed description of the Parcel ID you selected.

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Current Owner Information:

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Best viewed at 800x600, with Internet Explorer

CBL 292 D010001
Land Use Type THREE FAMILY
Verify legal use with Inspections Division
Property Location 31 WARREN AVE
Owner Information HARMONIOUS HOLDINGS LLC
 7 OCEAN ST
 SOUTH PORTLAND ME 04106
Book and Page 33385/010
Legal Description 292-D-10
 WARREN AVE 29-35
 11865 SF

Current Rental Registration

Acres 0.2724

Current Assessed Valuation:

TAX ACCT NO.	32550	OWNER OF RECORD AS OF APRIL 2016
LAND VALUE	\$67,100.00	BUTT MICHAEL J &
BUILDING VALUE	\$173,300.00	BONNIE L BUTT JTS
NET TAXABLE - REAL ESTATE	\$240,400.00	31 WARREN AVE
		PORTLAND ME 04103
TAX AMOUNT	\$5,074.84	

Any information concerning tax payments should be directed to the Treasury office at 874-8490 or [e-mailed](#).

Building Information:

Building 1

Year Built 1930
Style/Structure Type OLD STYLE
Stories 2
Units 3
Bedrooms 4
Full Baths 3
Total Rooms 9
Attic UNFIN
Basement FULL
Square Feet 2368

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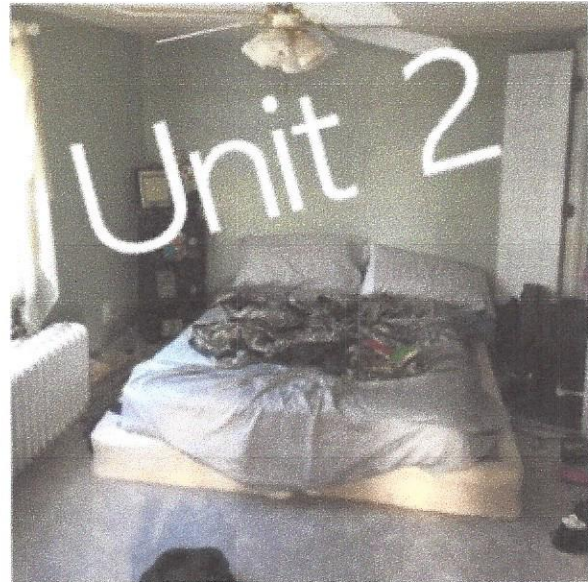
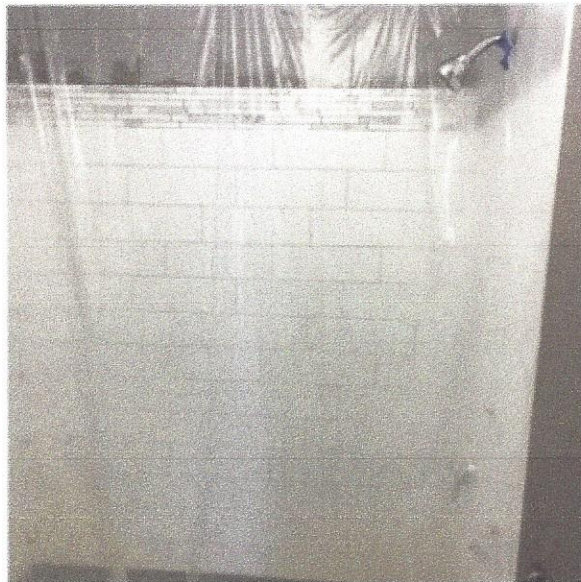
Sales Information:

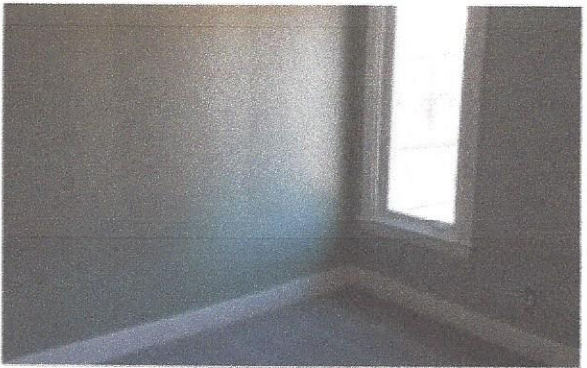
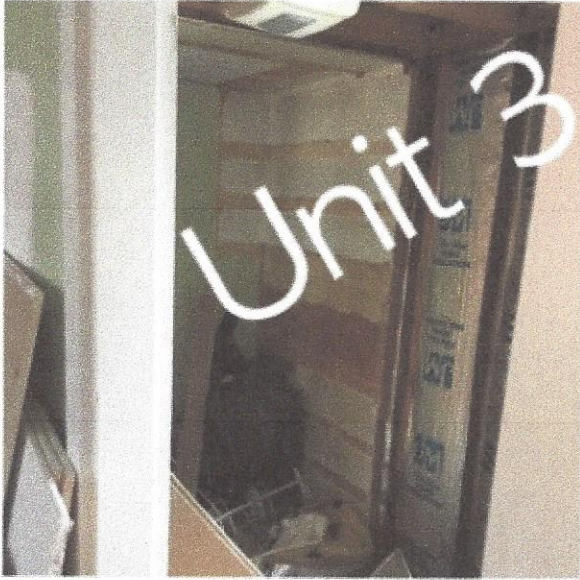
Sale Date	Type	Price	Book/Page
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8/24/2016	LAND + BUILDING	\$165,000.00	33385/010
11/20/2006	LAND + BUILDING	\$150,000.00	24585/225
4/23/1996	LAND + BUILDING	\$40,000.00	12464/163

[New Search!](#)







MAINE REAL ESTATE TAX-Paid

DLN100164009479

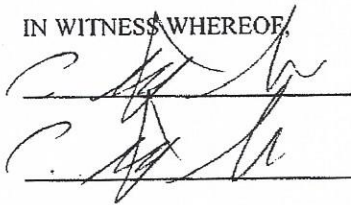
WARRANTY DEED
(Maine Statutory Short Form)

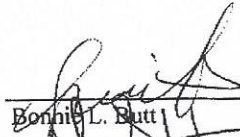
KNOW ALL PERSONS BY THESE PRESENTS, that We, Bonnie L. Butt and Michael J. Butt, of Portland, County of Cumberland and State of Maine, for consideration paid, **grants** to Harmonious Holdings LLC, a Maine limited liability company with its principal place of business in South Portland, Maine, whose mailing address is 7 Ocean Street, South Portland Maine 04106, with **Warranty Covenants**, the land with buildings thereon, in Portland, County of Cumberland and State of Maine, described as follows:


See Exhibit A attached hereto and made a part hereof.

Meaning and intending to convey the same premises conveyed to the Grantor by deed from David W. Webb and Joann E. Webb dated November 17, 2006 and recorded in the Cumberland County Registry of Deeds in Book 24585 Page 225

IN WITNESS WHEREOF,





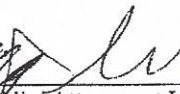
Bonnie L. Butt


Michael J. Butt

State of Maine
County of Cumberland

August 23, 2016

Then personally appeared before me the above Bonnie L. Butt and Michael J. Butt and acknowledged the foregoing instrument to be their free act and deed.

Before me, 

Notary Public/ Attorney at Law

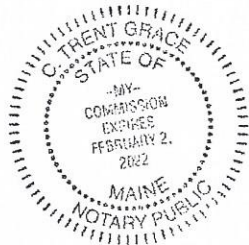


EXHIBIT "A"

File No.: S16-392C

31 Warren Avenue
Portland, Maine

A certain lot or parcel of land with the buildings thereon, situated on the northerly side of Warren Avenue in Portland, County of Cumberland and State of Maine, bounded and described as follows:

Beginning at an iron pin in the ground on the northerly side of said Warren Avenue, said pin being distant one hundred six (106) feet southwesterly from a stone monument standing in the northerly sideline of said Warren Avenue at the first angle in said Avenue from where said Avenue intersects Forest Avenue; thence southwesterly along the northerly side of said Warren Avenue seventy-five (75) feet; thence northerly at right angles to said Warren Avenue one hundred (100) feet; thence easterly parallel to Warren Avenue seventy-five (75) feet; thence southerly at right angles to said Warren Avenue one hundred (100) feet to the point of beginning.

Also, a certain other lot or parcel of land adjoining the premises hereinbefore described on the northerly side thereof, bounded and described as follows: Beginning at the northerly corner of said lot above described; thence southwesterly by said lot seventy-five (75) feet to the westerly corner thereof; and from these two points extending back northwesterly on lines in extension of the side lines of said lot first above mentioned, said extension side lines being about fifty-two (52) feet on the northeasterly side and about thirty-four (34) feet on the southwesterly side and extending to land now or formerly of Hiram Sawyer.

Also, a certain lot or parcel of land situated on the northerly side of said Warren Avenue at the southeasterly corner of the above described premises; thence northwesterly at right angles to said Warren Avenue by said above described land, one hundred fifty-two (152) feet, more or less, to land now or formerly of Hiram Sawyer; thence southeasterly by land now or formerly of Jack C. and Patricia A. Cohoon, one hundred fifty-two and seventy-four hundredths (152.74) feet, more or less, to a point in the northerly sideline of said Warren Avenue; thence westerly by said sideline of Warren Avenue, fifteen (15) feet to the point of beginning. Being a triangular lot with a frontage of fifteen (15) feet on said Warren Avenue.

31 Warren Avenue Expense Sheet

Purchase Price: \$165,000

Closing Costs: \$10,500

Cost of Repairs: \$47,000

Cost of Money: \$24,000

Holding Costs: \$5,000

Closing Costs (backend): \$10,000

\$261,500

Sale as Two-Unit: \$225,000 (Loss of \$36,500)

Sale as Three Unit: \$300,000 (Profit of \$38,500)

Difference of \$75,000

A Livable City

Portland embraces growth that supports strong neighborhoods, a vibrant economy, and a diverse and equitable housing stock for its citizenry.

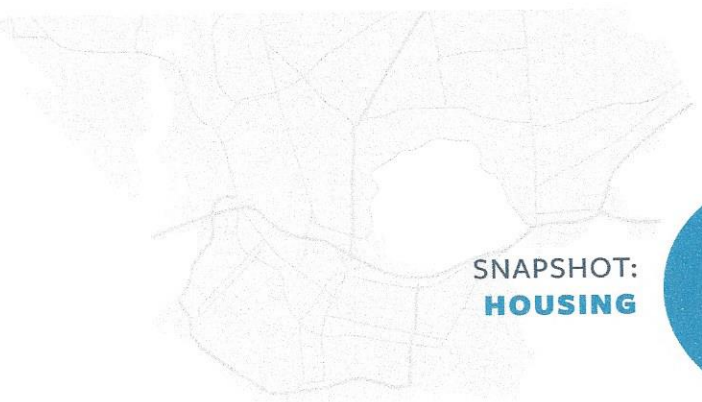
WHILE PORTLAND HAS WELCOMED much needed new housing construction in recent years, both the lack of sufficient housing supply and the affordability of that housing for a healthy socio-economic cross-section of the population remain critical challenges. This phenomenon is not unique to Portland - cities across the nation have recently experienced renewed investment and shifting demographics as the preference for living in close proximity to urban centers, transportation hubs, and walkable neighborhoods continues to grow. Increasingly, stories of displacement and household instability have become more common as residents struggle to find decent, safe, and affordable housing.

The City of Portland is actively engaged in efforts to encourage housing preservation and creation for all income levels and household sizes, both through policy initiatives and through public/non-profit partnerships with agencies such as Portland Housing Authority, Community Housing of Maine, Avesta Housing, Preble Street, Shalom House, and the Maine Affordable Housing Coalition.

The city has a suite of existing tools and policies that remain important in supporting a more

equitable and diverse housing supply. To supplement ongoing efforts in this area, the City Council has established a Housing Committee to recommend new housing policies, promote balanced development, and make recommendations regarding available development tools, such as tax increment finance zones, the Affordable Housing Revolving Loan Fund, Community Development Block Grants, HOME Program, and zoning and policy changes. The committee engaged in a robust public process throughout the spring and summer of 2016 to not only identify housing issues, but develop creative solutions. The Committee identified two main, interrelated themes: 1) housing insecurity; and 2) lack of sufficient and suitable housing supply.

Today, Portland's population is far below its mid-20th century peak, but after decades of decline in the second half of the 20th century, Portland is growing. The city will continue to examine and approve substantive policy changes to accommodate those seeking the benefits of city life, and recognize that the city's vitality rests on the availability of diverse, secure housing options for existing residents, new arrivals, and all stages of life.



**SNAPSHOT:
HOUSING**



STATE GOAL

To encourage and promote affordable decent, housing opportunities for all Maine citizens

LOCAL GOALS

WE WILL:

Increase, preserve, and modify the overall supply of housing city-wide to meet the needs, preferences and financial capabilities of all Portland households.

Encourage additional contextually-appropriate housing density in and proximate to neighborhood centers, concentrations of services, and transit nodes and corridors as a means of supporting complete neighborhoods.

Pursue policies to enable people who work in Portland to have the option to live in Portland.

Collaborate with surrounding communities on regional housing solutions.

Encourage quality, sustainable design in new housing development.

FUTURE STRATEGIES



SNAPSHOT:
HOUSING

1. BUILD ON EXISTING PROGRAMS

- Reinforce existing housing tools, policies, and programs while continuing to explore emerging best practices.

2. ADOPT MEASURABLE OBJECTIVES

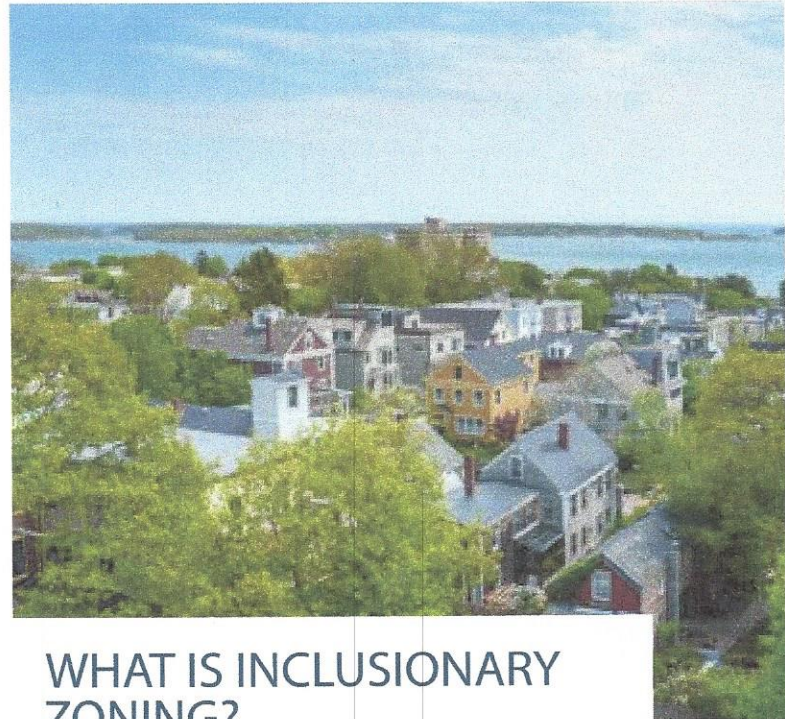
- Track performance on key housing objectives.
- Generate reports to keep staff and city leadership apprised of performance.
- Consider national best practices in developing metrics.

3. REMOVE BARRIERS

- Evaluate whether current zoning allows for new development consistent with historic patterns of form and use.
- Assess the impact of current parking requirements on housing development.
- Emphasize areas determined to be suitable for future growth, consistent with recommendations of the future land use plan.
- Coordinate linkages between accessible transportation and housing affordability.

4. PROMOTE SUSTAINABILITY

- Encourage energy efficiency in new construction and rehabilitation of our housing stock.



WHAT IS INCLUSIONARY ZONING?

Inclusionary Zoning (IZ) requires that residential development projects of a certain size provide a portion of their units as affordable to income qualified households. Portland's IZ ordinance requires that all new projects of ten or more units reserve 10% of the units as "workforce" housing for households earning at or below 100% -120% of the Area Median Income (AMI). Developers are given the flexibility to provide units on-site, in another building nearby, or pay a substantial fee in lieu of each required unit. Any funds received through the fee in lieu option are deposited in the City's Housing Trust Fund to be used to maintain or create additional affordable units throughout the city.

HOUSING INITIATIVES

I. INTRODUCTION

The implementation of the Housing: Sustaining Portland Future requires support and commitment from many individuals and organizations. The City Council, City Council Housing Committee and Planning Board are key to implementing the Plan through code revisions and development review. The Department of Planning and Development is the primary department designated to implement Housing: Sustaining Portland Future with the Housing and Neighborhood Services Division being the lead on production incentives and the Planning Division on zoning initiatives. Other potential collaborators include the Land Bank Commission, State delegations, Portland Housing Authority, State Planning Office, neighborhood organizations, developers, Portland Landmarks, local businesses, major institutions, Maine Association of REALTORS, and developers. Other funding partners include Housing and Urban Development (HUD), Maine State Housing Authority (MSHA), Department of Economic Development (DECD), HOME and Homeport.

The following actions are currently being undertaken by the City of Portland in response to the housing issues identified in the plan Housing: Sustaining Portland Future. The majority of the initiatives will be started or completed within the next 12 months. The longer term and on-going efforts are shown in the spreadsheet (Table 1).

II. PRODUCTION

Portland Seeks to Grow: Portland's population has remained stable over the past two decades while the rest of Cumberland County grew. Thus, Portland has experienced a decline in its share of the County's population and employment. Growth is a part of sustaining Portland as a healthy city and maintaining its role as the economic, cultural, and residential center for the region.¹ Appropriate growth is needed to provide housing near employment centers, support public transportation, attract families with children, expand the tax base, and stabilize neighborhoods.

Housing: Sustaining Portland's Future recommends that Portland seek to grow along with Cumberland County and maintain a 25% share of the County's population. The Plan seeks to retain families who might otherwise leave the city in the next decade. By retaining those households predicted to leave the city, Portland's estimated population could grow to roughly 24.5% of the County's population. The 25% target for growth is viewed as a reasonable goal to reverse the city's declining trends. An estimated moderate population growth rate over the next ten years shows Portland growing to 72,000 residents, representing 25% of Cumberland County. Roughly 4,267 new units of housing would be needed for this projection. As shown in the build out analysis in the Existing Land Use Chapter, there is sufficient land available to meet the desired goal under existing standards. Efforts to encourage production of housing and recommended revisions to the residential zoning will increase Portland's capacity for new development.

1. **Infill Housing:** Infill housing projects are designed to take advantage of smaller vacant lots that exist in developed neighborhoods. They make efficient use of land while adding needed housing. City, State, and Federal funding have been approved for 40 new units of affordable family rental housing on six different sites on the Portland peninsula to be developed by PROP with City assistance. All 40 units will be completed by 2004.

¹ Housing: Sustaining Portland's Future, Draft, April 2002, page 50.

2. **Rense of Existing Non-Residential Buildings for Housing:** Portland has a long tradition of adapting and converting vacant schools and other city owned buildings to housing. Funding has been approved for 12 units of affordable family rental housing within the former St. Dominic's Girls School on Gray Street, currently under conveyance from the City, to be developed by PROP and Portland West. Construction will begin in the December 2002.

3. **New Senior Citizen Housing:** A variety of housing opportunities are needed to assist Portland's senior citizens, including subsidized apartments. HUD funding has been approved for 12 units of affordable senior citizen housing Peaks Island Housing. The developer will be Volunteers of America Northern New England Inc. The City is donating the land. Construction will begin in the Spring 2003.

4. **Creation of Affordable Units:** There are several mixed income multifamily rental housing projects being planned that will provide needed affordable apartments to families in Portland. The City has expressed its support for each of these projects, and committed HUD funding to most in order to ensure their feasibility. The projects include:
 - PROP Scattered Sites Phase I and II** – 37 units on 6 sites on the Portland peninsula
 - St. Dominic's Family Housing Inc.** – 12 units on Gray Street
 - Wellesley Village** – 45 units at 1818 Forest Ave.
 - True Street** – 86 units to be built between Presumpscot Street and Ocean Ave.
 - Yale Court** – 30 units of affordable rental units and 10 market-rate single-family homes to be constructed off of Harvard Street.

5. **Permanent Housing for the Homeless:** Permanent housing opportunities are needed to move individuals out of emergency shelters. The City is using HUD funds and other assistance to support the development of a single room occupancy (SRO) facility with up to 30 beds. The non-profit developer is currently seeking a site.

6. **Housing Bayside:** New housing in Bayside is a critical component to the implementation of the Bayside Plan. The stated goal is for 300 new units in five years and another 500 new units over the long-term. New units in Bayside are to include rental and owner-occupied for all income levels. Unity Village in Bayside was a demonstration project, which was completed in 2001 with 32 units. The City donated the land and provided financial assistance in partnership with other financial mechanisms. The following projects and initiatives are currently underway:
 - Conducting a feasibility study for developing housing on the 4-acre Department of Public Works Site. Actual development is 4 to 5 years away.
 - Funding approved for new 3-unit PROP building at 49 Hanover Street.
 - Evaluating other in-fill development sites for new development.

7. **Pro-Active Role for City in Facilitating Housing - Partnerships & Capacity Building:** To ensure housing is developed and the City's Housing objectives are met, Portland will take a more active role in the development process. Depending on the site and the need, municipal options include property acquisition, and to undertake predevelopment tasks, such as property survey, environmental studies, concept plans, public notification, guiding projects through local approvals, and re-selling land for development.

8. **Encourage and Support Private Market Rate Development:** In addition to the need for affordable housing, there is also a critical need for market rate housing that serves middle and higher income households. Eliminating barriers to housing development and supporting market

rate projects through the approval process will assist in expanding the market rate housing stock. Currently, 217 housing units are being reviewed for development.

III. PLANNING AND REGULATION

1. **Zoning and Design Guidelines:** The key to eliminating barriers to housing development, while protecting the integrity of Portland's neighborhoods, is amending the zoning ordinance and establishing design guidelines for development. Three initiatives are currently underway:

- Bayside Urban Housing Overlay Zone (UHOZ);
- R-7 Infill Provisions; and
- Design guidelines for the Bayside Urban Housing Overlay Zone (UHOZ) and the R-7 Infill Provisions, which will guide projects and ensure neighborhood compatibility.

Following these zoning amendments, an analysis of each residential zone will be undertaken to identify opportunities to increase the capacity of all the neighborhoods to accommodate new housing. Citywide changes to the residential zoning text are anticipated, which each neighborhood will eventually participate in a planning process to determine appropriate locations for substantial additional housing units (see Neighborhood Based Planning below).

2. **Replacement Housing:** Due to the scarcity of housing and high costs, housing is an extremely valuable resource that is very difficult to replace once lost. The City Council enacted the Replacement Housing Ordinance in October 2002, which requires the replacement of housing units that are lost due to demolition, conversion to non-residential use, or elimination through consolidation of units. The provisions apply to three or more units lost within a 5-year period, including vacant residential buildings. The replacement units can be new construction or created within existing non-residential buildings and ready for occupancy within 18 months from approval. As an alternative, the applicant can deposit \$30,000 for each rooming unit or \$50,000 for each dwelling unit to be lost, into the City's Housing Development Fund. Implementation will be ongoing.

IV. FINANCIAL RESOURCES

Develop New Financial Sources: The private market will produce the bulk of new housing. Public financing will be needed to support housing for low and moderate income households. Major funding partners include the Federal department of Housing and Urban Development (HUD), Maine State Housing Authority (MSHA), State of Maine and other public and private resources that come available. The high cost of land and construction will require new financial resources to assist housing developers and ensure our objectives are met.

1. **Tax Increment Financing for Housing (TIF):** TIF's for housing are currently used in rare instances. To clarify the use of TIF's for housing, the City will work with the MSHA to prepare legislation for next session, and bring together a coalition of local developers and housing advocates supporting this effort.

V. OTHER HOUSING INITIATIVES: SHORT-TERM, LONGER TERM, AND ONGOING

The following chart shows the short-term, long-term, and on-going actions contained in Housing: Sustaining Portland's Future. The actions are in addition to the early achievable actions described above.