

## **CUMBERLAND HOUSING TASK FORCE**

### **September 27, 2022, Meeting Minutes**

**Call To Order:** Chair Broder opened the meeting at 6:30 pm.

**Roll Call:** Present: Chair James Broder, Vice Chair Lu Gallaudet, Brian Cashin, Rick Doane, Betsey Harding, Katie Magoun, Eben Sweetser, Justin Wood, Council Liaisons Mark Segrist & Robert Vail and Christina Silberman -Admin. Asst. Absent: Mark Lapping & Gail Witherill.

**Approval of Minutes:** The amended minutes of the September 13, 2022, meeting were accepted.

**Chair Comments:** Chair Broder said the work of the Housing Task Force is moving along well with a lot of good ideas. The next meeting will focus on coming to a consensus on the broad principles at the core of the Task Force's mission. Chair Broder said his hope is that after the Oct. 25<sup>th</sup> meeting the Task Force can start drafting recommendations.

Ms. Magoun asked if the Task Force should seek public input. Chair Broder replied that the meetings are open to the public. The Task Force has no legislative authority. Their needs to be a consensus on recommendations to the Town Council and there is a tight timeline. Councilor Vail noted that the work of the Task Force is reported on at the Town Council meetings. Councilor Segrist replied that the Task Force members are the representation of the community tasked to come up with the recommendations and then the Town can have whatever public hearings are necessary.

#### **Progress Reports:**

Chair Broder said the Task Force needs to deal with the ability to create a requirement of some kind for affordability within the Town. Some ideas are to create density increases for meeting social needs or to require that a portion of all new development be affordable. This could give the marketplace opportunity for more density and result in not having to deal with each project ad hoc, time after time. Chair Broder said this can be done in a lot of different ways. The Task Force should consider mechanisms for affordability and for keeping things affordable.

The following Creative Ideas & Solutions Committee report, shared earlier today by Ms. Harding, was reviewed.

Creative Ideas & Solutions Committee report, for discussion on 9-27-2022

We continued to gather, examine, and discuss data, ideas and options for varied housing opportunities in Maine and other areas, trying to discover why some affordable, workforce, or moderate income housing proposals have failed in Maine, and how we could propose solutions suitable for Cumberland.

We are still in the examination stage of our work. Among the questions we need answers to are:

- What long term controls would work here without overburdening the Cumberland Housing Authority? Can we rely on deed restrictions, as many towns do?

- For rental housing – ADUs would be controlled by the owner, probably with no income level set. In rental complexes, most likely the landlord would be responsible for finding tenants who qualify for the housing units.
- Given that many want to live in a neighborhood but still appreciate a rural community, what types of co-housing would be popular here, and what sorts of funding could help to produce affordable co-housing units?
- What types of housing could fit into the area between the schools and Tuttle Road near Dara Restaurant?
- If we aim to address housing needs of people with an income range of 80 to 120% of the Median Income for this area – would we be serving local people who would want the housing? (See 2020 Census data on household incomes and housing costs, attached.) What is a typical salary range for local teachers, fire department workers, restaurant cooks and waiters, library workers, police, physical therapists, etc.?
- How can we ensure that some of the housing units Cumberland needs could be built within our community – not just placed along Routes 1 and 100, at the edges of Cumberland? We like the idea of having an inclusionary housing ordinance that would encourage or even require new housing developments to include some lower cost homes through use of a density bonus.
- What is a reasonable density bonus for our area, one in every 10 or 11 units?
- How can we encourage some desirable clustered developments while retaining the rural feel here? To what extent does our current zoning encourage sprawl?
- We like a mix of ages in housing complexes – possibly through a shared housing program, an apartment complex not restricted to those over 55, or housing units of varying sizes. Could the Route 1 complex have such a mixture?
- We are learning that lingo matters – apparently “moderate income” housing may be more appealing than “workforce housing.”
- Again, the primary effort must be to encourage “buy-in” among Cumberland’s current residents!

Chair Broder said creating a program with deed restrictions could work if the Task Force wants to do this. Ms. Harding said this would take the burden off the Town. Chair Broder questioned how the deed restriction would be enforced for subsequent owners. At times the covenants are ignored. Ms. Magoun said this would work well where there is a non-profit housing authority partner. Ms. Magoun referred to a successful program in MDI that is focused on home ownership. Chair Broder said that MDI has a non-profit housing authority that has first refusal on home sales. Mr. Wood asked if this would apply to new development and how would it be dealt with retroactively. Chair Broder said it could not be retractive. Chair Broder said it is possible to have the Cumberland Housing Authority be the vehicle for enforcement of the covenants by giving them certain powers and/or a right to acquire the property. Mr. Doane referred to the OceanView model and said this could have inconsistent results. Mr. Wood said having the Town involved would help to ensure long-term affordability. Councilor Vail said he does not want to lose sight, in talking about affordable housing, to include affordable rents.

Mr. Cashin explained how his cooperative ownership in NY works and questioned if the Town could develop a cooperative. Chair Broder said this could be a risk for the Town and cooperatives have not worked in Maine. Ms. Harding said Ms. Witherill has investigated cooperatives in Maine and none include workforce or affordable housing.

Ms. Magoun noted that 96% of Cumberland is single family homes and in order to have a breadth of opportunity for people, higher density is needed where it makes sense. The

focus should not be just on single family homes. The Task Force should determine how and where to encourage density. People are not building starter homes because the land is too expensive. Ms. Magoun thinks the Task Force should think about how to add more units on a smaller space.

Mr. Sweetser said in working with the existing rules, ADUs are a good process to follow and would not require waiting for ordinance changes. Mr. Sweetser suggested a survey asking why residents don't take advantage of building ADUs as a source of income. Mr. Doane noted that ADUs can be costly to build. Ms. Magoun reported on a grant program being considered in Kittery to encourage people to build ADUs that would have an affordability stipulation.

Councilor Vail suggested offering density bonuses for developments offering affordability and said costs to bring utilities to a single unit are nearly the same as for a multi-unit building.

LD2003 has language regarding affordability. Chair Broder gave an example of a single family lot that now could have three units, rental and/or affordable, and the Town could control the terms and conditions by which this happens. The law takes the power away from the Town to be more restrictive or exclusionary in zoning. Chair Broder said the Town now has a mandated legal structure of creating more density but this doesn't say it can't be denser. The Town has the ability now to change ordinances for the setback requirements to allow for more units.

LD2003 defines affordability. Ms. Magoun noted the Comprehensive Plan defines affordability. The LD2003 summary references what affordability means for rentals and for home ownership. This can be used as a starting point. LD2003 defines housing costs as affordable if within 28-33% of household income. The cost to build a house can be over \$400,000. Discussion was had about what the base amount is for affordable housing in Cumberland. Councilor Segrist reported that the Town Manager said the affordable housing cost would be under \$2,000.00 per month.

Ms. Magoun said the affordable housing definition talks about 80% of the County median income and there is a big difference between the County and the Town of Cumberland's median incomes. Councilor Vail said the work force can't afford to live in Cumberland. The Town needs rental housing at an affordable rate or to find an entity to pay a portion of the rent. There could be income maximums to screen tenants with the means to afford a higher rent elsewhere. A suggestion was made to run the senior housing program at a net gain to help fund other projects.

Councilor Vail said there is merit in the Town acting as a general contractor and a piece of Town owned property to develop some number of units to turn over to the Housing Authority. Chair Broder said the Housing Authority could build something affordable.

Chair Broder said tax credit incentives for private developers are enormous and the amount available has tripled. This is allocated by the State and is not just for senior programs. Funding will be needed through the bond market, low lending rates and/or tax

incentives to have revenue to acquire and scale affordable housing in Town. Chair Broder said the benefits of having an active housing authority are substantial.

Ms. Gallaudet recapped the following discussion; ADUs are expensive but the Town could publicize them, the Housing Authority can be repurposed, create a policy to regulate short-term rentals to ensure permanent housing, and the use of contract zoning is too prevalent – the Town should preserve the underlying zoning.

Councilor Segrist said the Town can do something systemically at the route of our ordinances to make it easier for developers to come to Cumberland and build affordable housing. Chair Broder suggested looking areas of Town where affordable housing would be appropriate and creating an overlay zone.

Councilor Segrist shared an idea for using TIF funds for the infrastructure to relocate the ballfields next to the Drowne Rd. school in order to develop the area for more affordable housing. The two ball fields could be moved to the ten acre area where the brush dump is now.

Ms. Gallaudet suggested a townwide overlay to require new developments to include a certain number of lower cost homes. Ms. Harding suggested a requirement for workforce housing also. Mr. Doane said he would favor an impact fee with funds going to the housing authority for a public purpose.

Ms. Harding said restricting requirements in HOAs could be an opportunity to keep the housing costs down. Ms. Magoun suggested finding a way to incentivize developers to build starter homes.

Mr. Broder reported on the proposed Skyview Dr. development for 55 units of senior, affordable housing that looks to be moving forward as a tax credit project. This would leave 65 units of residential development for non-single family homes in this contract zone and leaves a significant portion for commercial development.

Councilor Vail read an email received from former Town Councilor Mike Perfetti.

Councilor Segrist said the Town can make some serious progress if focused on some zoning changes and a few key projects.

**Adjourn:** The meeting was adjourned at 8:30 pm.