



featuring:

Jeff Levine  
AICP



Levine Planning  
Strategies



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WEBINAR

# Securing Housing Choices for a Well-Rounded Community

June 22 Tues  
4 - 6 PM

Southern Kennebec Working Communities Challenge:



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## TODAY'S AGENDA

4:00 Introduction and Logistics (Nancy Smith)

4:15 Housing Tools and Data – An Overview (Jeff Levine)

Legislative Update (Nancy Smith)

4:45 Question & Answer

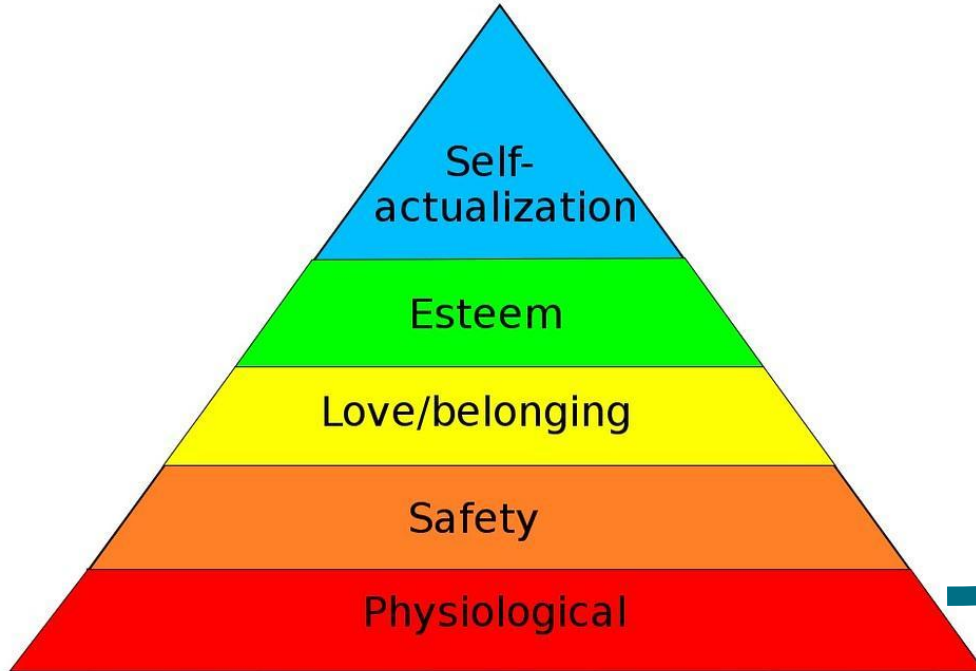
5:00 Breakout Rooms to Discuss Housing Needs and Tools by Community Type

5:40 Reconvene and Facilitator Debriefs

5:55 Wrapup (Nancy Smith)

# Housing First for Public Health: Healthy living starts with a place to live

## Maslow's hierarchy of needs



Physiological=basic needs

- Health
- Food
- Water
- Sleep
- Clothes
- *Shelter*



# What is “Affordable Housing”?

Housing that requires no more than 30% of a household’s income to pay for

Often the term implies “affordable for lower-income households”

Prefer the term “below-market affordable housing” for that reason

Income is often indicated via “Area Median Income” (AMI) - as determined by the federal government

FY 2021 Income Limit Area	Median Family Income <b>Explanation</b>	FY 2021 Income Limit Category	Persons in Family							
			1	2	3	4	5	6	7	8
<b>Kennebec County, ME</b>	\$68,700	Very Low (50%) Income Limits (\$) <b>Explanation</b>	25,100	28,700	32,300	<b>35,850</b>	38,750	41,600	44,500	47,350
		Extremely Low Income Limits (\$)* <b>Explanation</b>	15,050	17,420	21,960	<b>26,500</b>	31,040	35,580	40,120	44,660
		Low (80%) Income Limits (\$) <b>Explanation</b>	40,150	45,900	51,650	<b>57,350</b>	61,950	66,550	71,150	75,750

# What is “Affordable Housing”?

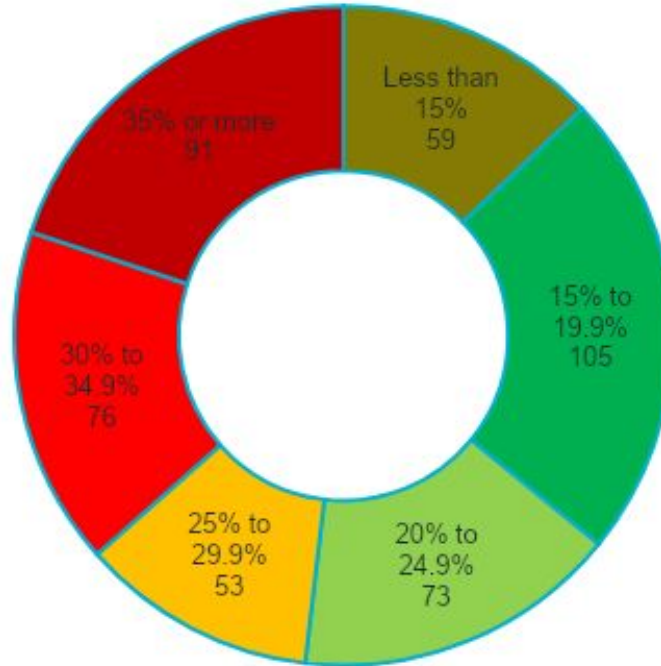
Rent or mortgage costs are set at 30% of the income level

Should include utilities and insurance

	% Median Income - Adjusted by Family Size								Maximum Gross Rents				
	One	Two	Three	Four	Five	Six	Seven	Eight	0BR	1BR	2BR	3BR	4BR
<b>Kennebec County</b>													
30% AMI	15,850	18,100	20,350	22,600	24,450	26,250	28,050	29,850	396	424	508	588	656
40% AMI	20,475	23,400	26,325	29,225	31,600	33,925	36,275	38,600	511	548	658	760	848
50% AMI	25,100	28,700	32,300	35,850	38,750	41,600	44,500	47,350	627	672	807	932	1,040
60% AMI	30,120	34,440	38,760	43,020	46,500	49,920	53,400	56,820	753	807	969	1,119	1,248
80% AMI	40,150	45,900	51,650	57,350	61,950	66,550	71,150	75,750	1,003	1,075	1,291	1,491	1,663

# Evaluating Housing Burden

Estimated Rent as a Percentage of Income in Hallowell  
2018



# Different Solutions for Different Situations



Funding for More Housing  
Preserving Existing Below-Market Housing  
Tenant-Side Programs  
Land Use Tools  
Alternative Models

Eviction Prevention  
Rent Stabilization  
Homebuyer Assistance  
Tenant Protections  
Rental Assistance  
Housing Safety

Housing Preservation

Housing Trusts

TIF Districts

Address Expiring Uses

Accessory Dwelling Units

Setbacks, Lot Sizes, Parking

Land Sales/Gifts

Site Preparation

Land Trusts

Inclusionary Zoning

Density Bonuses /Smart Growth zoning



## Housing Trusts

- A dedicated account for housing production
- Can be funded by budget allocations, sales of municipal property, development mitigation...
- Needs good infrastructure to administer
- Useful general holding place

Accessory  
Dwelling Units

- “In Law” Apartments or “Granny Flats”
- Relatively small second units
- Add additional housing options for people as they (or their parents) age
- Also allows supplemental income if rented out to others
- Generally requires that one of the units be owner-occupied
- ADU is generally less visible from the street
- New Hampshire allows by right statewide

Density Bonuses/  
Smart Growth zoning

- Municipalities can recognize that certain places make sense for more mixed-income housing and allow increased densities
- Portland passed an affordable housing overlay to provide up to a 250% density bonus for projects that include significant below-market units
- Massachusetts' 40R program provides state aid to communities that create Smart Growth overlays – Maine's TIF sheltering policy could be adapted this way?

Housing  
Preservation

Address  
Expiring Uses

- Many units' affordability restrictions expire in the next 10 years (est. 171 developments with up to 5,641 units affected by 2030)
- Others simply have significant deferred maintenance
- Cities and towns can access HUD funds for renovations (often CDBG)
- Can also simply start a conversation with owners of expiring use/deferred maintenance buildings to explore alternatives

## Land Trusts

- Separates ownership of land from buildings
- Land owned by Land Trust who can control affordability
- Long-term renewable land leases to residents
- Residents get proportional share of value when they sell
- Help prevent foreclosures by reducing financial exposure
- Local land trust boards usually locally based

## Homebuyer Assistance

- Helps lower-income residents buy or fix up their first home
- Providing some portion of a down payment
- Often structured as a loan at no interest that will be repaid if the household moves within a certain period of time
- Sometimes a separate “soft second” mortgage on the property
- Can be funded in partnership with local lenders

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TIF  
Districts

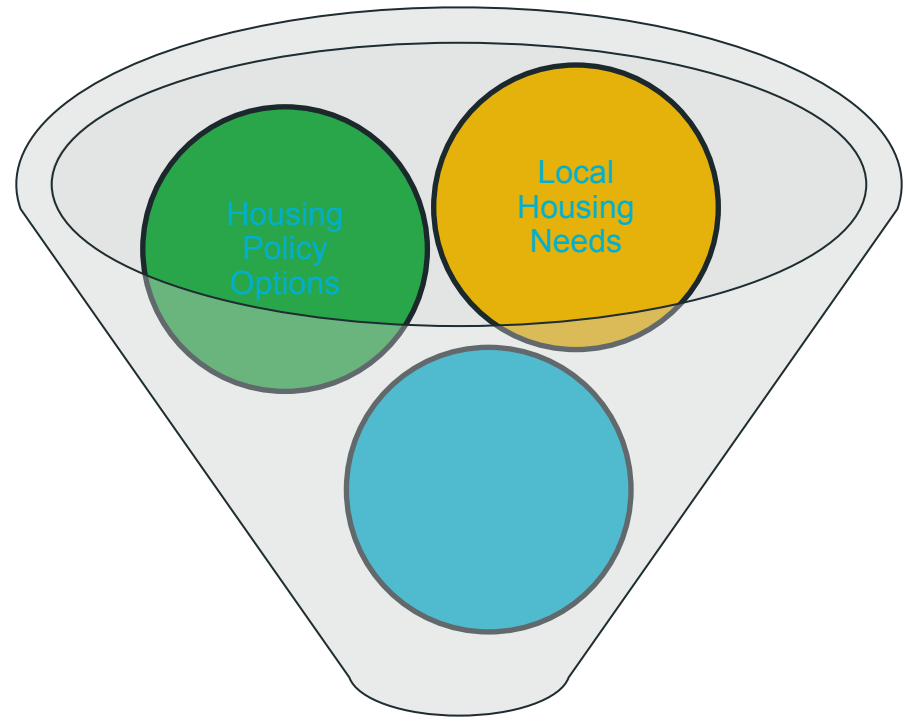
- Maine allows for Affordable Housing Tax Increment Finance districts
- Can be one parcel or many
- At least 25% of the housing in the district must be affordable at or below 120% of area median income
- Provides for operating expenses or ability to borrow through tax bill reductions

# BUILDING THE LOCAL TOOLKIT THROUGH LEGISLATIVE ACTION

- ✓ **Housing Choices: Tiny Houses and Accessory Dwelling Units in every Municipality:**
  1. **LD 1312** An Act To Remove Barriers to Accessory Dwelling Units (AUDs) and Allow Accessory Dwelling Units where Single-family Houses Are Allowed.
  2. **LD 1530**: An Act To Allow People To Live in Tiny Homes as a Primary or Accessory Dwelling
  
- ✓ **Extending Maine's Historic Rehabilitation Tax Credit!**
  1. **LD 201** An Act To Reduce Greenhouse Gas Emissions and Promote Weatherization in the Buildings Sector by Extending the Sunset Date for the Historic Property Rehabilitation Tax Credit
  
- ✓ **Addressing Rental Challenges**
  1. **LD 473** An Act To Create the Maine Rental Assistance and Voucher Guarantee Program
  2. **LD 1508** An Act To Prevent Homelessness by Establishing an Eviction Mediation Program
  
- ✓ **Getting to the root of the problems: Studies and Commissions (LD 609, LD 446, LD 1246, LD 1694 & LD 1240)**



# What's right for *Your* Community?



Locally Appropriate  
Solutions!

# What to do with the data?

1. Get to know what it says for your community
  - a) Look at affordability challenges (households spending >30%)
  - b) Compare household sizes and unit types
  - c) Look at housing condition and other issues that impact affordability (such as vehicle ownership)

Determine what the key housing opportunities and choices are in each of the a), b) and c) above

2. Look at the universe of tools (and/or add your own ideas!)
3. Develop a capacity constrained & politically feasible strategy