

Falmouth Workforce Housing – Potential Next Steps

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How does the Town learn from the Woods Road workforce housing experience and concerns expressed by the Town Council? ¹ If there are any “next steps” to be taken, which ones would be most appropriate?

This memo identifies a range of possible approaches and potential next steps. A wide net is cast to allow the Council to consider all possibilities, identify specific preferences, and form a consensus on what is deemed most important. Key for the Council is to form a solid consensus on this issue and be clear about its instructions and anticipated project outcomes.

The approaches are:

1. **Need:** *Town reaffirms if it sees an affordable housing need that Town wants to address today.*
2. **Site Alternatives:** *Town pursues alternative site(s) for new homeownership development.*
3. **Zoning Approaches:** *Town pursues zoning amendments to encourage or require affordable housing as part of new private housing developments.*
4. **Development by Others:** *Town does not take lead in development projects, but supports other organizations that do.*
5. **Financial Assistance:** *Town provides financial assistance to affordable housing developers to develop new units or rehabilitate existing housing*
6. **Education:** *Town provides education and an idea exchange on affordable housing solutions.*
7. **Other Approaches:** *Town reviews prior housing recommendations and literature on affordable housing “best practices.”*
8. **Organizational Approach:** *Town determines who should do what on workforce housing effort.*

¹ Town Council concerns expressed on May 26th regarding Woods Road Workforce Housing Development as proposed:

Cost: “Annual financial impact to Town is too high.”

“Spending \$20,000 to investigate site and do market study is too much.”

“Site is too difficult and costly to develop.”

“Financial risk in fronting taxpayer funds through infrastructure bond is too high.”

“Project will increase number of kids attending local schools.”

Site alternatives: Plummer-Motz and Lunt school site will become available as an alternative, more centrally-located site.”

Alternative approaches to address need: “Pursue ordinance amendments like the one in Cape Elizabeth.”

Need: “There is no urgency in addressing this problem. Current market supply of low cost homes should not be increased.”

Affordability: “Affordability of units is not going to be maintained.”

Design: “Do not support waiver of stormwater waiver.”

POSSIBLE TOWN APPROACHES AND NEXT STEPS

- 1. Affordable Housing Need:** *Town reaffirms if it sees an affordable housing need that Town wants to address today.*

- Prepare an update on current market conditions and housing availability?
- Decide to conduct work in this area or postpone until some time in future?
- Other?

- 2. Affordable Housing Site Alternatives:** *Town pursues alternative site(s) for new homeownership development.*

- Pursue Plummer-Motz and Lunt site?
 - Renovation/rehabilitation of existing building(s)?
 - New construction?
 - Combination?
- Pursue City of Portland property at Blackstrap and Gray roads?
 - Pursue Falmouth portion of site only?
 - Do partnership with City of Portland for entire site?
- Review previous site evaluation to reconsider other Town-owned properties?
- Pursue limited development(s) as part of new open space acquisitions, where appropriate?
- Request and consider offers for sale of privately-owned sites?
- Identify other Town-owned properties not previously identified?
 - Brown property
- Consider smaller development of Woods Road site by not crossing stream?
- Re-develop Town Hall if town offices were to relocate in future?
- Other sites?

Related Issues

- a. Identify process to follow and terms that the council is willing to consider?
- b. Pursue development with Developers Collaborative or select other developer?
- c. Aim at workforce and/or other targeted groups?
- d. Do single-family, duplex, multi-family condominium ownership units, or combination?
- e. Consider rental units as well?

- 3. Affordable Housing Zoning Amendment Approaches:** *Town pursues zoning amendments to encourage or require affordable housing as part of new private housing developments.*

- Mandatory inclusionary zoning?
- Incentive-based inclusionary zoning (Cape Elizabeth model)?
- Density bonus?
- Design flexibility (reduced setback, smaller lots, etc.)?
- Mandatory payment of an affordable housing fee to Housing Trust Fund or similar fund (“linkage”)?
- Other?

- 4. Affordable Housing Development by Others:** *Town does not take lead in development projects, but supports other organizations that do.*

- Continue land donations to Habitat for Humanity for development by that organization?

- Donate all or some of Woods Road parcel to Habitat for Humanity?
- Donate all or some of Brown property to Habitat for Humanity?
- Put out open call to developers for creative proposals and partnerships?
- Let market place decide where and when to build affordable housing developments?
- Other?

5. Affordable Housing Financial Assistance: *Town provides financial assistance to affordable housing developers to develop new units or rehabilitate existing housing*

- Development fee waiver for developers?
- Reduction of sewer costs for developers?
- Affordable Housing Tax Increment Financing for developers?
- Sponsorship of CDBG and other grant applications for developers?
- Create Falmouth Housing Trust Fund?
- Periodic (annual?) budget allocation into Falmouth Housing Trust Fund?
- Sale of Town-owned properties?
 - Consider selling remainder of Woods Road parcel to generate income?
 - Consider selling portion of Brown property to generate income?
 - Consider selling other properties?
- Other?

6. Affordable Housing Education: *Town provides education and an idea exchange on affordable housing solutions.*

- Conduct an informational series on community cable TV to explore and learn from affordable housing solutions?
- Conduct Community Forum to solicit and discuss best Town approaches?
- Other?

7. Other Affordable Housing Approaches: *Town reviews prior housing recommendations and literature on affordable housing “best practices.”*

- Evaluate applicability of previously-recommended actions (2003 Housing Assessment, 2000 Comprehensive Plan)?
- Conduct updated, comprehensive literature review of “best practices”?
- Other?

8. Affordable Housing Organizational Approach: *Town determines who should do what on workforce housing effort.*

- Role for, and expectations of, Town Council?
- Create new charge for Workforce Housing Commission?
- Seek full membership of Workforce Housing Commission?
- Determine assignment for Community Development Committee?
- Determine assignment for LPAC+?
- Determine working relationships between Workforce Housing Commission, Community Development Committee, LPAC+, and Council?
- Other?