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PLANNING BOARD REPORT

Chapter 701, Zoning Ordinance Amendment: Inclusionary Zoning
Yarmouth Affordable Housing Committee, Applicant
Prepared by: Erin Zwirko, Director of Planning & Development
Report Date: March 2, 2023; Meeting Date: March 8, 2023

Introduction

The Yarmouth Affordable Housing Committee proposes inclusionary zoning provisions for the Town of Yarmouth to be inserted in the Town of Yarmouth Ordinances Chapter 701, Zoning. The Grounded Solutions Network¹ describes inclusionary housing (IZ) as *“housing policies [that] tie the creation of affordable homes for low- and moderate-income households to the construction of market-rate housing or commercial development. These policies leverage the profitability of new development to pay for new affordable housing units and support the creation more economically diverse and inclusive communities.”*

YAHC proposes an IZ ordinance that requires that rental and ownership projects that meet threshold requirements contribute 10% of the total units as deed-restricted affordable units. Affordable units are proposed be available to eligible households that earn up to 80% of the area median income for rental units and up to 120% of the area median income for homeownership units. Development incentives are also proposed.

The IZ proposal was introduced to the Town Council at two Council Operations Committee meetings on September 29 and October 13, 2022. The IZ proposal was on the Town Council’s November 15, 2022, voting meeting,² where the Council directed YAHC to submit the proposed ordinance to the Planning Board for consideration and that the Planning Board issue a recommendation to the Council by February 22, 2022. The Council indicated that if more time is needed for the Planning Board to review and issue a recommendation to the Council, it is available.

There have been calls for the creation of an inclusionary zoning ordinance since the 1980 Comprehensive Plan; this is not a new concept for Yarmouth. Since the Affordable Housing Committee last met with the Planning Board, the Biddeford Mayor’s Affordable Housing Task Force³ recommended an inclusionary zoning ordinance to the City Council and the Cumberland Housing Task Force Advisory Committee also recommended an inclusionary zoning ordinance to the Town Council.⁴ Both of these task forces, much like our Affordable Housing Committee, recommended a multi-pronged effort to address this pressing issue. The tools are available, and the Affordable Housing Committee plans a

¹ <https://groundedsolutions.org/strengthening-neighborhoods/inclusionary-housing>

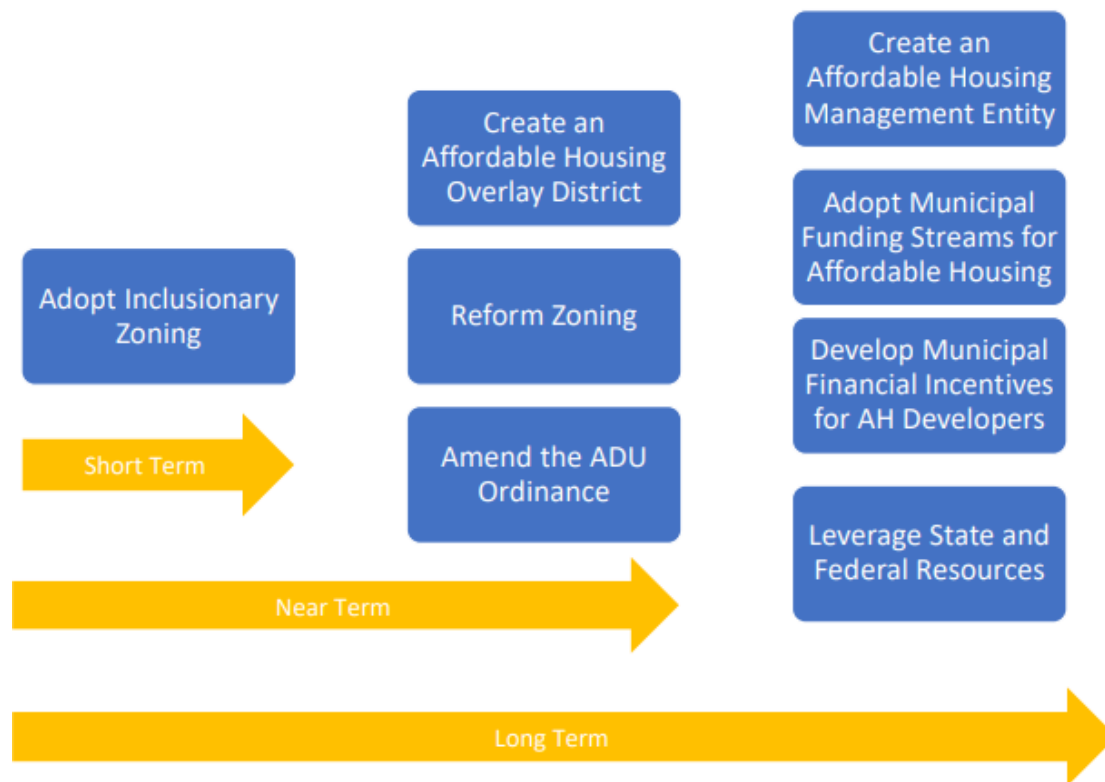
² The Town Council meeting may be watched on demand at <https://ymtv3.viebit.com/player.php?hash=ypSuMa9FELik>.

³ <https://www.biddefordmaine.org/3295/Mayors-Affordable-Housing-Task-Force>

⁴ https://www.cumberlandmaine.com/sites/g/files/vyhlf9216/f/uploads/23-006_0.pdf

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multi-pronged strategy that included zoning, financial and management recommendations to increase opportunities for affordable housing production over time in concurrence with regional efforts and state efforts as well as the local implementation of LD 2003:



Background information about the creation of the Affordable Housing Committee, the need in Yarmouth for more affordable housing, and the Committee’s recommendations are provided in my staff report dated December 8, 2022.⁵

Discussion on PB Hearing and Listening Session

The Affordable Housing Committee took note of all the questions from the Planning Board and prepared a concise document in response to those questions. In addition, the Affordable Housing Committee held a listening session on January 24th⁶ which was attended by approximately 20 people and the discussion focused on many of the same questions that the Planning Board had at the previous meeting.

The Committee has heard from affordable housing advocates, people who have struggled to live in Yarmouth, developers who would be subject to IZ and don’t want to be, and real estate agents on both sides of the issue. The Committee noted that they have not yet heard from Yarmouth residents who are not involved in the real estate or building industry, and who are not themselves in need of affordable housing. Many of the comment letters that have been received are from those community members.

Local media has also picked up on the local debate, an article was printed in *The Northern Forecaster* and an op-ed was featured in the Portland Press Herald by former AHC member, Deborah Keefe.

⁵ https://yarmouth.me.us/index.asp?SEC=629E1BD4-C041-417B-BBBD-FE8E3715114C&DE=5BAD0E38-2E57-4D91-A28D-6B05BA380F5B&Type=B_BASIC

⁶ <https://www.youtube.com/watch?v=MBJSTxlyzWE>

Proposed Revisions to Ordinance

Working with the Affordable Housing Committee, and the feedback that has been received regarding the draft ordinance, the following revisions are proposed (organized by section):

Purpose

The purpose statement was updated to reflect the goals of the Affordable Housing Committee and reflective of the goals of the 2010 Comprehensive Plan, that is to create an economically diverse and inclusive community. The 2010 Comprehensive Plan identified “diversity of population” as a major theme of the plan and stated this vision:

Yarmouth will continue to be a community with a diverse population: young families with children, middle-aged couples, elderly residents, younger renters ranging from those with modest incomes to affluent households. To accommodate this population diversity, a wide range of housing choices will continue to be available in our community including housing that is affordable to households with modest income and a variety of rental housing. To help maintain an economically diverse population, at least 20% of newly created housing units will be units that are in housing other than single-family homes or that are affordable to households with modest incomes. (Page 26)

Although “promoting the health, safety, and welfare” is catchall language, it is often used to give purpose to Zoning Ordinances in their entirety. The revised purpose language is more consistent with the stated goals around creating more housing options in the Town of Yarmouth.

Applicability

The Affordable Housing Committee recommends that the “development projects that create 5 or more net new lots” be removed from the applicability of the ordinance. However, to be clear, if a developer proposes to subdivide a lot and construct 5 net new single-family homes, that project would be subject to the inclusionary zoning requirements. Simply dividing land into lots would not trigger the inclusionary zoning requirements.

The Affordable Housing Committee and Department of Planning & Development make this recommendation based on the feedback that was received in public meetings. Upon reflection, the primary goal of the ordinance to create deed restricted affordable units is not accomplished with ease and efficiency due to the sale of those lots languishing and over-complicating the process. It was also determined that it is not reasonable to require the sale (or donation) of those lots to the Town of Yarmouth at this time, as the Town does not have the capacity to be a developer. It is an element that could be revisited should the ordinance pass, and the capacity of the Town and/or its partners be more fully developed.

Standards and Alternative Compliance

As initially proposed, if the number of required affordable units resulted in a fraction, the developer is either required to round up to the nearest whole number or provide a fractional payment in lieu. For example, if the project resulted in 26 units, 2.6 affordable units is required, and the developer would have the option of providing three affordable units or two affordable units and a fractional payment in lieu of 60% of the calculation.

The Affordable Housing Committee proposes to create more flexibility in compliance with the standards. If a fractional unit of less than 0.5 results, the number of affordable units required is rounded down. If a fractional unit of 0.5 or more results, the number of affordable units is rounded up or a fractional payment may be accepted.

It is clear that for inclusionary zoning ordinances to work, flexibility is key. The Committee has heard this clearly in their research and in public meetings. To that end, the Affordable Housing Committee also recommends allowing off-site units to be a path to alternative compliance. The concern with off-site units is that those units will not be comparable to what would be produced on-site, especially if the off-site unit is not also new construction. As such, the off-site units may fulfill the purpose of the ordinance if the following conditions are present:

- Located within the Town of Yarmouth;

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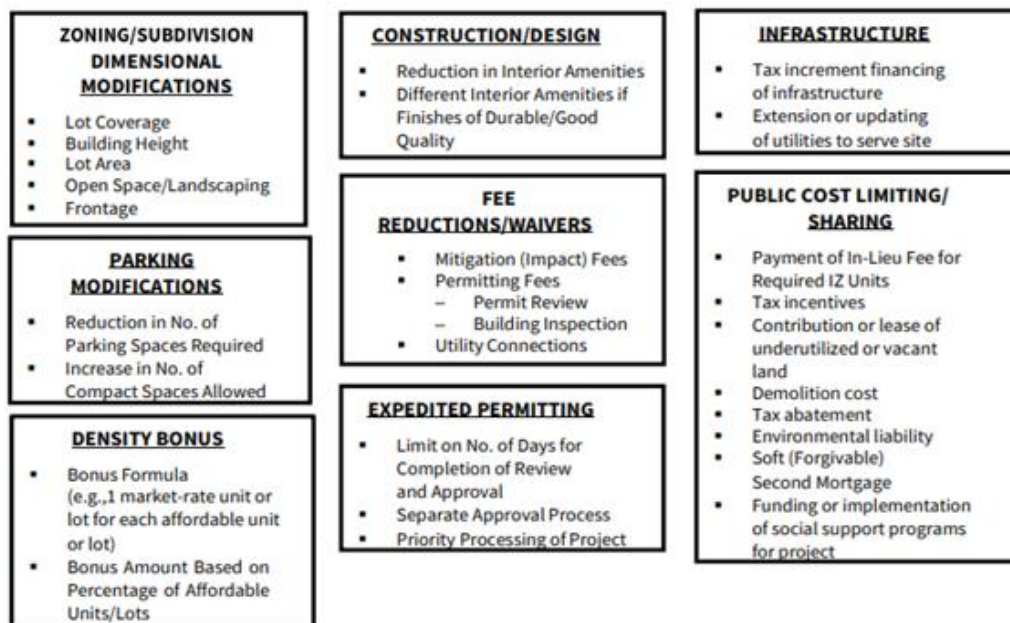
- Comparable or larger unit bedroom sizes to the average unit created on-site;
- Comparable quality to the units being created on-site;
- Same amenities provided whether in the unit or on the property as those offered for on-site units;
- Same income level served as the on-site units;
- The term of affordability is the same as would have been provided through on-site compliance; and
- Delivered safe in accordance with all federal, state, and local environmental regulations pertaining to hazardous conditions common to residential structures.

The Certificate of Occupancy for any off-site units must be received prior to the Certificate of Occupancy for any on-site units.

The Committee also recommends eliminating the requirement for all projects subject to inclusionary zoning to also be subject to the architectural and landscape standards of the Character Based Development Code. The Committee understands that compliance with these standards simply adds cost to projects. Note that projects being developed in the character districts (along Route One or on Main Street) must comply with these standards, and further, if the project is located in one of Yarmouth's locally designated historic districts, review by the Historic Preservation Committee is also necessary. However, it is unnecessary to also add compliance with these standards if the project is not located within one of the character districts; keeping this standard creates yet another barrier to development.

Development Incentives

Another element that the Committee heard clearly is that the development incentives need to be stronger. In my previous staff report, I indicated that the comments received in December on the proposed ordinance indicated that there is not enough incentive in the proposal. Attached to that staff report, Assistant Planner Julie Dubovsky prepared a memo where she reviewed case studies of similar communities to Yarmouth where there is a strong preference for historic preservation as well as the adoption of a form-based code or strict design requirements. The case studies offered showed how additional height could be regulated, but also point out that there may be simpler options such as expedited review, reduced or no cost permits, and financial incentives as shown in this graphic from Julie's memo:



Source: Inclusionary Zoning Primer. (2019). National Association of Home Builders. Retrieved from: [Common State and Local Issues - NAHB](#)

Upon reviewing this information, the Affordable Housing Committee discussed at length the best way to incentivize the inclusionary zoning ordinance in the character districts, the CD4 along Main Street and the CD4-C along Route One, where there are no density requirements. The Character Based Development Code's limiting control is height; the

Committee feels strongly that without this particular incentive, the Town will more readily experience a “cliff” where projects are proposed just under the threshold (i.e., many 9-unit projects if the applicability starts at 10 units).

In addition, the Committee recommends that the Town provide expedited review for projects that trigger the inclusionary zoning ordinance. The Committee recommends that the Town of Yarmouth staff and the Yarmouth Water District staff hold a pre-application meeting, which would take the place of the typical concept meeting. The applicant would be required to incorporate the recommendations of the staff, and would proceed to two meetings with the Planning Board, preliminary and final. Attendance and preparation of materials for public meetings is costly and takes a significant amount of time. In fact, the town’s ordinances (Site Plan and Subdivision in particular) only discuss three meetings with the Planning Board, and the revised language is consistent with that. It requires the applicants to be presenting their best application each time they are at the Planning Board, and may require consultation with Town staff or other town boards and committees outside of the meeting. This simple allowance is consistent with existing Town requirements and does not require alteration of the underlying zoning.

Other adjustments were made to the incentives to simplify the ordinance.

Administration and Enforcement

The final element that has been revised as part of the Committee’s review is to require biannual reviews of the ordinance in order to evaluate the efficacy of the ordinance and recommend any updates to the Planning Board and the Town Council. Best practices regarding inclusionary zoning ordinances suggest that regular review and updates are important to track its usefulness and responsiveness, to changing market conditions.

Discussion and Recommendation

The Planning Board has received feedback questioning whether IZ is the most appropriate tool to advance, even members of the Planning Board questioned advancing this ordinance. There are many different tools that can be advanced to encourage the creation of affordable housing as identified in YAHC’s January report, and YAHC is supporting many avenues. YAHC identified the creation of a housing trust or community land trust as management options outside of local government, and in fact, former members are working to advance the housing trust model. The Town also created a Local Development Corporation, which can contribute to housing development, but has yet to appoint members to the board. Further, the Town is investigating affordable housing TIF districts, shared equity programs, and public/private partnerships to develop municipal land. These efforts will take time to advance but are advancing concurrently.

It should be noted that the public sector no longer plays an active role in the development of affordable housing, federal and state funding opportunities have decreased significantly over time, and Yarmouth does not score well in competitive funding due to demographics, lack of public transportation, and lack of services, among other items. Yarmouth will need to work with market rate and mission driven developers to achieve affordable housing goals. YAHC acknowledges that the recent changes in the market may impact the effectiveness of the IZ proposal, but also acknowledge that this proposal will take time to be effective if adopted. The addition of an evaluation and report to the proposed ordinance will ensure that the Town continues to revisit this ordinance on a biannual basis.

It was not uncommon for cities and towns across the country to be surprised at the rapid rate of development in the 1980s and 1990s, and in response, altering zoning typically by increasing the minimum lot size in order to control growth. As a result, likely an intentional consequence in many cases, communities became more exclusive because each new home then needed more land. As the Planning Board knows from a recent staff report, this happened in Yarmouth in the mid-1980s. In 1981, the minimum lot size for a single-family home was 24,000 square feet (0.55 acres) and a multiplex required 0.5 acres per dwelling in the Medium Density Residential (MDR) District. In 1985, the lot area per dwelling unit for a multiplex increased to one-acre per dwelling unit, which was the requirement until 2008, when the 10-acre minimum lot size for a multiplex was adopted. In 1987, the minimum lot size was increased to one-acre for a single-family home.

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The increase to one-acre for a single-family home was discussed at the January 15, 1987, Town Council meeting where the Council adopted a resolution calling for a study of the MDR District due to the rapid development of the MDR District (likely due to the presence of the public sewer as acknowledged by the 1984 Long Range Planning Committee Report) and the resulting loss of open space and village atmosphere that were inconsistent with the goals of open space preservation, traffic management, and the prevention of overcrowding. The Town Council directed the Planning Board to revise the MDR requirements in order to preserve the present quality of life for the residents of the Town, protect and preserve essential natural resources and to preserve and protect the public's health, safety and welfare. Ultimately on March 12, 1987, the Town Council adopted the present one-acre minimum lot size. The minutes of the Council meeting from January 1987 are attached.

These designations were not revisited until 2018, when zoning adjustments to the residential areas surrounding the Village were contemplated (as called for by the 2010 Comprehensive Plan) but were tabled by the Town Council.

When looking back at the 1987 Town Council decision to increase the minimum lot size in the MDR to one-acre, we can clearly see the start of Yarmouth becoming more exclusive. According to Redfin.com, in December 2022, Yarmouth home prices were up 136.7% compared to last year, selling for a median price of \$1.2M. Although supporting an economically diverse population with diverse housing choices are reiterative goals for Yarmouth dating back to the 1980 Comprehensive Plan, they have not been achieved through prior efforts. The Affordable Housing Committee notes that adopting inclusionary zoning would provide an equitable foundation for all other future development to build from. If there has been any consistency across comprehensive plans since 1980, it has been the call for inclusionary zoning and the Affordable Housing Committee is committed to the adoption of inclusionary zoning for the first time in 43 years.

Alongside with acting on the goals of the comprehensive plan, the Affordable Housing Committee is working with the Department of Planning and Development to implement the provisions of LD 2003 this spring and into the summer. The provisions of LD 2003 can help unwind the exclusionary aspects of Yarmouth's Zoning Ordinance by allowing housing stock choices, and be a seamless continuation of the conversation begun by the Affordable Housing Committee in their January 2022 Report. The discussions and deliberations on both inclusionary zoning and LD 2003 go hand in hand; inclusionary zoning can create deed-restricted Affordable units, while implementing LD 2003 can spur housing production potentially creating "housing choice". Everyone should have the right to safe, affordable housing. Affordable housing is not designed for one type of household, but for those who are left struggling due to the high cost of housing in Yarmouth and especially for those that have been subject to discriminatory practices.

Attachments:

1. Revised Draft Inclusionary Zoning Ordinance, revised February 27, 2023
2. Inclusionary Zoning Implementation Guidelines for Developers of Ownership Housing revised February 27, 2023
3. Inclusionary Zoning Implementation Guidelines for Developers of Rental Housing revised February 27, 2023
4. News Articles
 - a. Maine Voices Column 1/18/2023
 - b. The Northern Forecaster 2/2/2023
5. Public comments
 - a. Elizabeth Frazier Comments 12/14/2022
 - b. Carrie Martin Comments 1/9/2023
 - c. Members and Friends of the First Universalist Church of Yarmouth 2/12/2023
 - d. Sue Ellen Bordwell Comments 2/12/2023
 - e. Barbara White Comments 2/15/2023

Proposed Inclusionary Zoning Amendment

Amend Chapter 701, Zoning, Article II by adding the following section:

DD. AFFORDABLE HOUSING PROGRAMS

It is within the public interest to promote an adequate supply of housing that is affordable to a range of households at different income levels. This section outlines the Town of Yarmouth affordable housing programs.

1. Affordable Housing Requirements

- a. Purpose: The purpose of this section is to ensure that developments over a certain size provide a portion of affordable units and by doing so support the creation of more economically diverse and inclusive communities.

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b. Applicability:

- i. This ordinance shall apply to development projects that create 10 or more net new dwelling units for rent through new construction, substantial rehabilitation of existing structures, adaptive reuse or conversion of nonresidential use to residential use, or any combination of these elements.
- ii. This ordinance shall apply to development projects that create 5 or more net new dwelling units for sale through new construction, substantial rehabilitation of existing structures, adaptive reuse or conversion of nonresidential use to residential use, or any combination of these elements.
- iii. This ordinance shall not apply to projects using public financing requiring affordability restrictions, as defined by tax increment financing, U.S. Department of Housing and Urban Development funds such as HOME or CDBG, other federal, state, or local housing program, or the Low-Income Housing Tax Credit program.
- iv. This ordinance shall not apply to projects which have received final approval as a Major Subdivision per Town of Yarmouth Ordinance Chapter 601 and final approval as a Development Plan per Town of Yarmouth Ordinance Chapter 703 prior to October 1, 2022.

Deleted: <#>This ordinance shall apply to development projects that create 5 or more net new lots in accordance with Town of Yarmouth Ordinance Chapter 601.¶

c. Standards: Development projects subject to this ordinance are subject to the following standards:

- i. At least 10 percent of the units in the project shall meet the definition of affordable housing unit for rent or sale to an eligible household. Where the required number of units results in a fraction of less than 0.5, the required number of onsite units is rounded down to the nearest whole number. Where the required number of units results in a fraction of 0.5 or more, the development project shall have the option of paying a partial fee-in-lieu for the fractional value per paragraph d.ii below or rounding the number of onsite units up to the nearest whole number.
- ii. Projects shall not be segmented or phased to avoid compliance with these provisions. In cases where projects are completed in phases, affordable units shall be provided in proportion to the development of market rate units per phase unless otherwise permitted through by the Planning Authority.

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Proposed Inclusionary Zoning Amendment

- iii. Affordable units must be integrated with the rest of the development, must use a common entrance if in a structure containing multiple units, and must provide no indications from common areas that these units are affordable units.
- iv. Affordable units shall be dispersed throughout the development and shall be comparable in size, number of bedrooms, materials, interior finishes, amenities and parking to dwelling units in the neighborhood and in the development in which they are located. Exteriors of affordable units shall be consistent with and indistinguishable from the exteriors of other units in the project.
- v. Affordable housing units, whether for sale or for rent, shall not be used for short-term rentals.
- d. Alternative compliance options: Instead of on-site compliance, the requirements of this section may be satisfied in the following alternative ways:
 - i. Offsite units may fulfill the purposes of this ordinance if the following conditions are present: located within the Town of Yarmouth; comparable or larger unit bedroom sizes to the average unit created on-site; comparable quality to the units being created on-site; same amenities provided whether in the unit or on the property as those offered for on-site units; same income level served as the on-site units; the term of affordability is the same as would have been provided through on-site compliance; and delivered safe in accordance with all federal, state, and local environmental regulations pertaining to hazardous conditions common to residential structures. The Certificate of Occupancy for any off-site units must be received prior to the Certificate of Occupancy for any on-site units.
 - ii. Projects may pay a fee-in-lieu of some or all of the units. In-lieu fees shall be deposited into a municipal account dedicated to creating and maintaining affordable housing within Yarmouth. The fee for affordable units not provided shall be \$150,000 per unit, adjusted by the cost of living identified in the most recent six-month Consumer Price Index for All Urban Consumers (Northeast, All Cities, All Items, Not Seasonally Adjusted) as released by the U.S. Bureau of Labor Statistics upon the date of submission for a final plan approval, but never less than \$150,000. The payment shall be required in conjunction with a request for a Certificate of Occupancy.
- e. Development Incentives for eligible projects: To facilitate the objectives of this section, the following expedited review process and modifications to the dimensional and parking requirements may be permitted.
 - i. The Town shall perform its review of an eligible project in as expedited a manner as is practical, without impairing the scope of thoroughness of its review. The expedited review shall consist of a pre-application meeting with Town of Yarmouth staff and Yarmouth Water District staff, and two Planning Board public hearings consisting of a preliminary review and a final review.
 - ii. In zoning districts or character districts that establish a minimum lot size or a minimum lot area per unit, for each affordable unit required, one additional unit may be included in the development project regardless of minimum lot size or minimum lot area per unit.

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Deleted: <#>Development projects shall be subject to the Architectural and Landscape Standards of Town of Yarmouth Ordinance Chapter 703, Articles 5.M and 5.N.¶

Proposed Inclusionary Zoning Amendment

- iii. In the CD-4 and CD4-C Character Districts, for any mixed-use development or multifamily development project, the Planning Board may approve a structure height of 4 stories and 45 feet.
 - iv. In the Commercial Zoning District, for any mixed-use development project, the Planning Board may allow an increase in the residential floor area to 75% and a structure height of four stories and 45 feet.
 - v. In any district, off-street parking may be reduced to 2 off-street parking spaces for every 3 units for the entire development project.
- f. Administration and Enforcement:
- i. The affordable units shall be subject to effective deed restrictions and covenants such as those used by MaineHousing which shall be recorded at the Cumberland County Registry of Deeds. The deed restriction shall outline sales prices, resale prices, initial rents and rent increases, and income verification processes, for affordable units to ensure affordability for the entire affordability term to the extent legally possible. The deed restriction shall also outline marketing and tenant selection for the affordable units consistent with state and federal fair housing laws. The deed restriction shall also identify a monitoring agent for the affordable units.
 - ii. The term of affordability for affordable units provided shall be 99 years from the date of the Certificate of Occupancy.
 - iii. Affordable housing units for sale, if converted to affordable housing units for rent, or vice versa, shall become subject to the income limits and other requirements of such units.
 - iv. The Department of Planning & Development shall provide a report to the Planning Board and Town Council evaluating the efficacy of this ordinance and any recommended updates to the ordinance on a biannual basis from the effective date of this ordinance.
- g. Effective Date: The effective date of this ordinance is January 1, 2024.

2. Reserved

Amend Chapter 701, Zoning, Article I by adding the following definitions:

| | |
|---------------------|---|
| Affordable: | The percentage of income an eligible household is charged in rent and other housing expenses, or must pay in monthly mortgage payments (including insurance, condominium or association fees, real estate taxes, mortgage insurance, and utilities) does not exceed 30% of a household's gross income. |
| Affordable Unit: | A designated unit that is affordable to Eligible Households. |
| Eligible Household: | A household which, at the time of the mortgage or rental application, with regard to household income does not exceed the Area Median Income for the <u>Portland, ME, HUD Fair Market Rent Area</u> , adjusted for household size, published annually by the U.S. Department of Housing and Urban Development |

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Proposed Inclusionary Zoning Amendment

(HUD); and the members of which do not, at the time of the mortgage or rental application, own residential real estate.

Affordable Rental Unit: An affordable rental unit is affordable to an eligible household earning up to 80% of the Area Median Income for the [Portland, ME, HUD Fair Market Rent Area](#), adjusted for household size, and published annually by the U.S. Department of Housing and Urban Development (HUD).

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Affordable Homeownership Unit: An affordable homeownership unit has a purchase price which is affordable to an eligible household earning up to 120% of the Area Median Income for the [Portland, ME, HUD Fair Market Rent Area](#), adjusted for household size, and published annually by the U.S. Department of Housing and Urban Development (HUD).

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Inclusionary Zoning Implementation Guidelines for Developers of Ownership Housing

Applicability

The Town of Yarmouth Zoning Ordinance requires that development projects creating five (5) or more net new dwelling units for sale through new construction, substantial rehabilitation of existing structures, adaptive reuse or conversion of a non-residential use to residential use, or any combination of these elements set aside a portion of the project as Affordable Housing. This provision does not apply to projects that have received Final Subdivision Approval and Final Development Plan Approval prior to October 1, 2022.

Affordable Housing Minimum

At least ten percent (10%) of the units in the development shall meet the definition of Affordable Ownership Unit. Where the required number of units results in a fraction of less than 0.5, the required number of onsite units is rounded down to the nearest whole number. Where the required number of units results in a fraction of 0.5 or more, the development project shall have the option of paying a partial fee-in-lieu for the fractional value or rounding the number of onsite units up to the nearest whole number.

The fractional unit obligation of 0.5 or more can be provided in the form of a proportional fee-in-lieu. If a Developer prefers to pay a fee-in lieu of each Affordable Unit, than the obligation will be calculated on a fractional value to one tenth. For example, a 19-unit project that provides one Affordable Unit would also pay 90% of the fee-in-lieu, or two (2) Affordable Units would be required. For example, a project creating 26 units of housing would be required to provide two (2) Affordable Units and a fractional obligation of 60% as a fee-in-lieu, or three (3) Affordable Units. If the Developer instead prefers to pay the fee-in lieu of providing Affordable Units, the Developer would be required to pay 2.6 times the current rate as established by the Town.

Developers of such units are encouraged to provide Affordable Units on-site. However, in accordance with Chapter 701 Article II.DD, developers may choose alternative compliance as discussed below.

Household Income Limits

Affordable Rental Units will be restricted to households at or below 120% of the area median income (AMI). In order to most effectively target this income level, and based on national best practices, these calculations allow for an "affordability window" of between 110% and 120% AMI. The Town will reference Area Median Income figures published annually by HUD for the Portland, ME, HUD Fair Market Rent Area, adjusted for household size or other income limits as deemed reasonable by the Town. If at a time in the future HUD no longer provides these annual figures, the Town will identify another similar method of determining income guidelines for affordability.

Eligible Households for Affordable Homeownership Units

At the time of sale, a buyer must be a member(s) of an Eligible Household as defined within the Town of Yarmouth Zoning Ordinance. The Household must occupy the Affordable Homeownership Unit (Affordable Unit) as its principal residence. To purchase an Affordable Unit an Eligible Household must be permanent residents of the United States. The Intent is to limit the risk of a loss of the Unit's affordability restrictions due to foreclosure of a household no longer able to reside in the United States.

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Household size/composition upon the unit's sale should be appropriate to the size of the unit as outlined in the chart below. For the qualification of households by unit size, the head of the household and spouse/partner are assumed to share a bedroom. Two children whose ages are not excessively disparate, may share a bedroom. Legal custody is required for households including one or more minor children. There will be no fewer than one, nor more than two persons per bedroom.

The Town will consider households eligible based on their gross income. The Town will use a process similar to what HUD recommends for the HOME program to determine gross income or another method as deemed reasonable by the Town. The Owner or their representative will collect and compile all of the relevant paperwork needed to assess a household's eligibility.

Verification will require sufficient proof of household size and income in the form of mortgage pre-approval letters, official tax statements, W-2 forms, pay stubs, credit reports, bank statements, birth certificates, and any other reasonable documents requested by the Town to aid in their efforts to verify whether or not a household is eligible. The Town shall have the final approval of whether or not a household meets the income or size requirements of each Affordable Unit prior to closing. The Town reserves the right to request proof of income for the last three years from an applicant. The Town may request additional information if needed.

The chart below indicates the minimum household size for each unit type based on bedroom count.

| | Studio/One-Bed | Two-Bed | Three-Bed | Four-Bed |
|-----------------------------------|----------------|---------|-----------|----------|
| Minimum Household Size By Bedroom | 1 | 2 | 3 | 4 |

Affordable Units will also be subject to maximum household sizes based on bedroom counts. The following chart outlines the maximum persons allowable per bedroom assuming the occupants meet all other requirements related to qualifications for determining a household such as age of children sharing bedrooms.

| | Studio/One-Bed | Two-Bed | Three-Bed | Four-Bed |
|-----------------------------------|----------------|---------|-----------|----------|
| Maximum Household Size By Bedroom | 2 | 4 | 6 | 8 |

Eligible Households may not qualify if any member of the household owns other residential real estate at the time of application or sale.

The Town reserves the right to perform an asset test to help determine a household's income. This may include making certain assumptions about the average returns that would be reasonable to expect from certain investments including stocks, bonds, annuities, mutual funds, dividends, trusts, money market accounts, certificates of deposit (CD's) or other financial instruments. The Town may request documentation for the three most recent years to help determine a household's income.

The Town reserves the right to perform an asset limitation test for eligibility.

Closing costs and a down payment of up to 20% of the sale price may be gifted to an Eligible Household.

Maximum Allowable Sale Price

The calculation of the maximum allowable sales price will be determined by the Town. The price will in part be based on the minimum number of bedrooms in each Affordable Unit for sale as outlined in the chart below:

| | Studio/One-Bed | Two-Bed | Three-Bed | Four-Bed |
|---|----------------|---------|-----------|----------|
| Max Sale Price Basis -Household Size | 1 | 2 | 3 | 4 |

For example, the maximum allowable sale price of a two bedroom Affordable Unit will be based on what is affordable to a two (2) person household. A larger household of four (4) persons meeting the income qualifications for their household size would still be able to purchase this unit but the maximum allowable sale price will be calculated based on a two (2) person household. It is important to be clear that this is to calculate the maximum allowable sale price of an Affordable Unit and that units may be sold at lower prices depending on the market, location, and condition of a unit.

The maximum allowable sale price at the initial sale of an Affordable Unit and for any subsequent sales will be based on the following calculation:

- 1) Begin by calculating 30% of the gross monthly income for a household earning 120% AMI as appropriate for the minimum household size for each Affordable Unit by bedroom type.
 - (Household's 120% AMI x 0.30)/12 = monthly income available for housing expenses.
 - That portion of monthly income may be attributed to mortgage payments less other housing related expenses such as real estate taxes, mortgage insurance, condominium/HOA fees, insurance, and utilities. Utilities that effect maximum sale price include electricity, heat, hot water, cooking energy, sewer, water, and trash collection. The Town shall make reasonable assumptions based on a unit's bedroom count as to the monthly cost of each utility. To determine what is reasonable, the Town may utilize the figures estimated by HUD and distributed through the Maine State Housing Authority annually for similar utility allowances based on a unit's bedroom count. The Town shall reserve the right to determine a different metric should the HUD figures be unavailable.
 - Mortgage insurance will be estimated similar to current rates utilized by the Federal Housing Administration (FHA) or another reasonable method as determined by the Town. Currently, for 30 year mortgages of less than \$625,000 with Loan to Value (LTV) ratios equal or less than 95%, the FHA utilizes a rate of 80 basis points on the mortgaged amount. The actual rate used in the calculation will be determined at the time the unit is marketed.

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- 2) The sale price will then be based off a 30 year fixed rate mortgage with a 5% down payment.
 - It will be allowable for qualified buyers to offer a larger down payment but a down payment larger than 5% will not increase the maximum allowable sale price of an Affordable Unit.
- 3) Interest rates for the calculation will be the average national mortgage rate over the past thirteen years as determined by the Freddie Mac Primary Mortgage Market Survey or another source as determined reasonable by the Town. The interest rate for the calculation will be determined at the time the unit is marketed

Purchase price limits establish maximum allowable sale prices. An Eligible Household's financial situation will determine the mortgage amount that can be borrowed. This amount may be more or less than the maximum allowable sales price of a particular Affordable Unit. However, at no time shall an Affordable Unit be sold for greater than the maximum allowable sale price as determined by the Town.

Condominium/HOA Fees

If the Developer is setting up a new condominium trust or homeownership association (HOA), then the Developer shall present to the Town a draft condominium/HOA budget and related governing documents. The Town may request quotes and/or justification for costs, including replacement reserves, insurance, water and sewer, utilities, management fees, and other services. The Town will have final approval of the initial condominium/HOA fee to ensure that a reasonable front-end calculation of cost in setting initial fees for a Project.

The condominium/HOA fee will be shared proportionately between units based on the Town's tax assessment for the value of the units. If assessed values are not available at the time of initial sale of the units than initial sale prices will be used to determine the appropriate share of costs. Affordable Units' tax assessments by the Town will take into consideration the Unit's restrictions and assess the Unit's value accordingly. Voting rights within the association will be no more or less than one vote per unit and will not be based on the value of paid fees or other metric as allowable by state law.

Condominium/HOA fees for Affordable Units may not increase more than 10% in a single year or 25% in any three year period without a supermajority vote gaining 100% support of the association.

The Town shall have a right of first refusal if a Affordable Unit is forced to sell due to increased fees or has become delinquent in its payments and is in risk of foreclosure or any other legal threats to the Unit's affordability restrictions. The Town shall also have the option of using Town funds to support Affordable Units facing large special assessments that may pose a risk to the Affordable Household's ability to maintain their unit's affordability.

Right of First Refusal

The Town of Yarmouth shall have the right of first refusal to purchase any Affordable Unit that is in jeopardy of losing its affordability restrictions due to foreclosure, delinquency of condominium fee payments, or any other cause outside of the agreed upon term of restriction. The Town's Right of First Refusal is not intended to infringe upon the ability of a mortgage lender to recapture any money owed by the Affordable Unit's Owner. The intent is to ensure affordability of the unit for Eligible Households.

Phasing

Projects shall not be segmented or phased to avoid compliance with these provisions. In cases where

projects are completed in phases, Affordable Units shall be provided in proportion to the development of market rate units per phase unless otherwise permitted by the Planning Authority.

Integration of Units

Affordable Units are encouraged to be integrated with the rest of the development, should use a common entrance if applicable, and should provide no indications from common areas that these units are Affordable Housing Units.

Interior Standards

The design, quality, and materials of Affordable Units interiors need not be the same as market rate units. However, the Affordable Units may not be strategically designed to avoid offering basic amenities similar to what are included in the market rate units such as the following:

Kitchen

Refrigerator
Stove or separate cook top and oven
Sink Disposal
Cabinets
Range Hood
Microwave (if provided in market rate units)
Washer Dryer (if provided in market rate units)
Countertop: Minimum Counter Space not including sink and stove
Studio – 4 linear feet 1BR – 6 linear feet 2BR – 8 linear feet 3BR – 10 linear feet

Bathroom

Sink
Shower
Toilet
Shower Curtain Rod or Shower Door
Medicine Cabinet with Mirror or other storage space with a separate mirror

Flooring

All living space and storage areas shall have a finished floor. The Affordable Units should have the same or comparable floor finishes to the market rate units. However, in order to promote respiratory health, living and dining areas and at least one bedroom should have a surface other than carpet.

Closets

All units shall have adequate storage (including common space storage if provided to the market rate units)
All bedrooms shall have at least one closet including at least one closet for a studio
All closets shall have a shelf and pole

Affordable Housing Agreement

The buyer of each Affordable Unit will be required to sign and record in the Cumberland County Registry of Deeds an Affordable Housing Agreement (AHA) with the Town and to include the affordability restrictions as a covenant to the project's deed. The Affordable Housing Agreement shall be referenced directly in the property's deed unless prohibited by federal, state, or local law. In order to guarantee

affordability, this recorded covenant will limit increases in sales price according to the calculation defined by the Town and the Eligible Household requirements as they relate to increases in median income. It will limit the incomes of subsequent buyers to the same income limits initially applied. It will also provide a right of first refusal and other purchase rights to the Town or its designee (e.g. another Eligible Household, or a nonprofit corporation).

At the time of sale, the Affordable Unit must be the Eligible Household's primary residence. The Unit may not be rented out for short or long term periods to other households.

Minimum Term of Affordability

The term of affordability for the required Affordable Units shall be 99 years.

Household Preference

Household preference for Affordable Units shall be given, to the extent permitted under law to Eligible Households, in the following order:

- 1) First Time Homebuyer
- 2) Current residents of the Town
- 3) Previous residents of the Town who were displaced within the last 12 months prior to the Affordable Unit becoming available
- 4) Persons employed full time by the Town
- 5) All others

The applicant for housing will be responsible for documenting their preferred status under any of the above noted categories. Documentation may include confirmed leases, bank statements, utility bills, voter registration, tax returns, insurance statements, and other reasonable documents as requested by the Town or Owner to demonstrate preferred status. The Town or Owner may request more than one form of documentation.

Household preference does not preclude Owners from selling to non-preferred applicants assuming applicants meet the necessary eligibility requirements and there are more Affordable Units available than eligible preferred applicants. Other preference categories may be added to specific projects or to the Town's standards at a later date as appropriate.

If the development is only required to have one Affordable Unit, there shall be no preference.

Marketing / Selection Process

Unless otherwise agreed to with the Town, the following system will be followed. At least 30 days prior to initial marketing, the Owner shall provide written notice to the Town of the expected start of marketing process and occupancy dates of the designated Affordable Units. The Owner will place an advertisement, approved by the Town, in one or more newspapers designated by the Town. Interested parties will be given sufficient time to request and return a preliminary application. The Owner will inform the Town of any interest from Eligible Households that it receives. From the beginning of the marketing process the Town will have the opportunity to list the property on its website for a minimum of 30 days to solicit interest from potential Eligible Households. The Town will forward any inquiries to the Owner or their designated representative. The Owner should also reach out to local groups and non-profits who may have connections to interested Eligible Households.

The Owner shall acknowledge in writing the household income limits and max sale price restrictions on the unit to any potential buyers interested in the property prior to finalizing a Purchase and Sale Agreement. At a minimum, this shall include providing prospective buyers with the associated household income limits of 120% AMI in any listing and providing written documentation at any open house or showing stating that this unit carries with it income, maximum sale price and other restrictions.

In each instance that an Owner intends to effect a sale, transfer or disposition of the Property to a third party, prior to listing the property for sale or entering into a purchase and sale agreement, or otherwise taking any steps to consummate the sale of the property, an owner shall first give the Town written notice of such intent (the "Notice of Intent") addressed to the Town's Director of Planning & Development. The Town shall make the final determination whether or not a potential buyer is qualified, selection preference guidelines have been followed, and the maximum allowable sales price as determined in accordance with the calculation parameters determined by the Town.

The Owner shall collect all necessary supporting documents for the Town's final approval. The Town will, at a minimum, monitor the process and review buyer qualifications, but may work collaboratively with Developers and Owners on marketing, selection, qualification, and orientation. All determinations regarding eligibility and sale price are subject to review and final approval by the Town.

First Time Homebuyers

Eligible Households will be considered first time homebuyers if the following criteria are met:

1. None of the parties within the household have had an ownership interest in their home within the last three years;
2. A single parent who has owned a residence while married but no longer holds a financial interest in the home; or

Eligibility for First Time Homebuyer status will be limited to a one time only occurrence per household.

First time homebuyer must provide documentation showing that all relevant applicants within a household have completed a homebuyer education course prior to a Purchase and Sale agreement being signed and before the Town may approve the household as being eligible to purchase the Affordable Unit.

Enforcement

The Owner will be required to record the AHA and conditions contained therein and shall file a copy of the recorded Agreement which copy shows the usual recording date, with the Cumberland County Registry of Deeds. In the case of off-site Affordable Units, the Owner shall record the AHA in the chain of title for both properties. No occupancy permit shall be issued until complete certified copies of the AHA with any attachment thereto with the recording date(s) noted thereon, are filed with the County and suitable evidence provided to the Town.

Without limitation on any other rights of the Town, in the event there is a violation of any conditions contained within the AHA, the Town may take any one or combination of the following steps to ensure compliance and these enforcement provisions shall be expressly authorized by and contained within the AHA:

- Revocation or the Project's approval, Building Permit, or Certificate of Occupancy;

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In the case of a subdivision where the subdivider plans to sell the lots to a third-party, the applicant should identify the designated affordable housing unit on the plan. The applicant and the Town will enter into an agreed upon Affordable Housing Agreement (AHA) before the lot is conveyed. The agreement will outline the details of the affordability restrictions placed on the Affordable unit and will be filed as covenant to the property's deed with the Cumberland County Registry of Deeds. When the new owner applies for the building permit, the lot will already contain the deed restriction. The building permit should not be issued without evidence the restriction/agreement is in place. ¶

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To ensure the affordable unit is not completed last, or not at all, the Planning Board shall require the affordable unit to be built as part of the first 50% of the development. Once 50% of the building permits for the project have been issued, no further permits are issued for any market rate homes until the permit for the affordable unit is applied for and issued. If the affordable building permit expires, no further permits for the market rate units should be issued. ¶

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- Modification of the AHA;
- Injunctive relief to enforce the terms of the AHA;
- Any and all legal expenses incurred by the Town or aggrieved tenant(s); and
- A cash payment, as provided for in the Zoning Ordinance related to fee-in lieu payments, prorated to the number of required affordable units, made to the Town if the Owner is unable to provide Affordable Units for occupancy as described in the AHA.
- Payment of money damages to the Town in an amount at least equal to and as much as double the difference in value of the maximum allowable sale price and the actual sale price.

The Owner may request a certificate from the Town stating that the Owner is in compliance with the terms and conditions of the AHA, or stating non-compliance and the actions necessary to come into compliance. The Town will execute and deliver such certificate within thirty (30) business days or receipt of a written request for such a certificate.

Alternative Compliance – Cash Payment in Lieu of Affordable Units

The payment is the same for rental and homeownership projects. The fee for Affordable Units not provided shall be \$150,000 per unit, adjusted by the cost of living identified in the most recent six-month Consumer Price Index for All Urban Consumers (Northeast, All Cities, All Items, Not Seasonally Adjusted) as released by the U.S. Bureau of Labor Statistics upon the date of submission for a final plan approval, but never less than \$150,000.

For projects that are building more than one building in phases, the fee-in lieu payment shall be paid proportionally to the project's phasing. The fee is calculated up to one-tenth of a fractional unit. For example, if a project is proposing 25 units and prefers to pay the fee for all units the Developer would be required to pay 2.5 times the current rate as established by the Town.

All money shall be due prior to the issuance of a Certificate of Occupancy or another payment method approved by the Town.

Alternative Compliance – Offsite Units

A Developer may choose to satisfy the Affordable Unit requirements by providing these units off-site through the construction of new units, the restriction of existing market rate units, or the conversion of non-residential uses. In addition to the foregoing, all off-site units shall be consistent with the following provisions:

1. Be comparable or larger unit bedroom sizes to the average unit created on-site, same amenities provided whether in the unit or on the property, same income level served, and term of affordability is the same as would have been provided through on-site compliance;
2. If rehabilitation of existing units, a partnership with an experienced affordable housing developer with rehabilitation experience acceptable to the Director of Planning & Development.

The Developer shall determine the intent for full or partial off-site placement of Affordable Units prior to a project's approval by the City. The City shall not accept off-site units that are run-down or show signs of substantial wear and deterioration. This includes heating systems, appliances, plumbing, roofing, siding, flooring, common areas, windows, landscaping/hardscape, electrical wiring and fixtures, kitchen/bath countertops, fixtures, and cabinets, bath/shower, or other typical elements of a unit or building that are nearing the end of their expected life cycle and may soon need replacement or maintenance. If other amenities such as air conditioning, dishwasher or washer and dryer are provided

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for the new market rate units than comparable amenities shall be provided for the off-site Affordable Units.

Off-site units shall be delivered safe in accordance with all federal, state and local environmental regulations pertaining to lead paint, asbestos, mold, radon, and any other hazardous conditions common to residential structures. All reasonable tests, including but not limited to lead paint tests and radon tests shall be completed prior to the sale or lease of a unit.

The total required number of Affordable Units off-site will be based on the total number of units created within a project. Similar to the calculation for providing on-site Affordable Units the requirement will round down to the nearest whole number if the fraction is less than 0.5. If the inclusionary obligation results in a fractional unit or 0.5 or more, then the fractional unit obligation would be provided in the form of a proportional fee-in-lieu or rounding up to the nearest whole number. For example, a project creating 26 units of on-site market rate housing would be required to provide two (2) off-site Affordable Units and a fractional obligation of 60% as a fee-in-lieu, or three (3) off-site Affordable Units.

The Certificate of Occupancy for any off-site units must be received prior to the Certificate of Occupancy for any on-site units.

Financing

Affordable Units shall not have a mortgage on a unit that contains the following:

1. A pre-pay penalty or a balloon payment
2. A reverse mortgage
3. An adjustable rate mortgage (ARM)
4. A co-signer
5. An interest only loan
6. The loan to value ratio exceeds 95% of the maximum allowable purchase price

Appeals

A Developer or Owner or Tenant may appeal to the General Board of Appeals if they believe that Town misinterpreted the Zoning Ordinance or any subsequent agreements restricting the Affordable Units. All such appeals shall be made in writing and include a description of the Town action which is being appealed and the grounds for the appeal per Town of Yarmouth Ordinance Chapter 203.

Non-Eligibility/Disqualification

No employee, agent, stockholder, officer, director, servant, or family member of the Owner or its Management Company, or its employees, agents, or servants thereof, related either by blood, marriage, or operation of law may qualify for an Affordable Unit or receive any benefit related in any way to the administration or compliance with the AHA conditions contained therein.

Waiver

The Town reserves the right to waive or amend portions of these guidelines on a case by case basis where an Owner is able to sufficiently demonstrate that the need for a waiver is due to the unique circumstances of the property (e.g. in order to make Affordable Units similar in design or size to market rate units) or due to unique physical constraints of the property. The applicant shall bear the burden of presenting substantial evidence to support the grant of a waiver from any portion of these guidelines.

Waivers shall not be granted that will have the effect of removing or reducing the minimum of 10% of the total units proposed as Affordable Units available, altering the income limits on eligible households, increasing the maximum allowable sale price or rental rate, or decreasing any fee owed outside of what is stipulated in the above guidelines.

Waivers shall be determined by the Town's Planning Authority. Owners may appeal the Planning Authority's decision regarding waivers to the General Board of Appeals. All such appeals shall be made in writing and include a description of the Town action which is being appealed and the grounds for the appeal per Town of Yarmouth Ordinance Chapter 203.

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Inclusionary Zoning Implementation Guidelines for Developers of Rental Housing

Applicability

The Town of Yarmouth Zoning Ordinance requires that development projects creating ten (10) or more net new dwelling units for rent through new construction, substantial rehabilitation of existing structures, adaptive reuse or conversion of a non-residential use to residential use, or any combination of these elements set aside a portion of the project as Affordable Housing. This provision does not apply to projects that have received Final Subdivision Approval and Final Development Plan Approval prior to October 1, 2022.

Affordable Housing Minimum

At least ten percent (10%) of the units in the development shall meet the definition of Affordable Rental Unit. Where the required number of units results in a fraction of less than 0.5, the required number of onsite units is rounded down to the nearest whole number. Where the required number of units results in a fraction of 0.5 or more, the development project shall have the option of paying a partial fee-in-lieu for the fractional value or rounding the number of onsite units up to the nearest whole number.

The fractional unit obligation of 0.5 or more can be provided in the form of a proportional fee-in-lieu. If a Developer prefers to pay a fee-in lieu of each Affordable Unit, than the obligation will be calculated on a fractional value to one tenth. For example, a 19-unit project that provides one Affordable Unit would also pay 90% of the fee-in-lieu, or two (2) Affordable Units would be required. For example, a project creating 26 units of housing would be required to provide two (2) Affordable Units and a fractional obligation of 60% as a fee-in-lieu, or three (3) Affordable Units. If the Developer instead prefers to pay the fee-in lieu of providing Affordable Units, the Developer would be required to pay 2.6 times the current rate as established by the Town.

Developers of such units are encouraged to provide Affordable Units on-site. However, in accordance with Chapter 701 Article II.DD, developers may choose alternative compliance as discussed below.

Household Income Limits

Affordable Rental Units will be restricted to households at or below 80% of the area median income (AMI). The Town will reference Area Median Income figures published annually by HUD for the Portland, ME, HUD Fair Market Rent Area, adjusted for household size or other income limits as deemed reasonable by the Town. If at a time in the future HUD no longer provides these annual figures, the Town will identify another similar method of determining income guidelines for affordability.

Eligibility of Households for Affordable Rental Units

At the time the lease is finalized, a tenant must be a member(s) of an Eligible Household as defined in the Town's Zoning Ordinance. The Household must occupy the Affordable Rental Unit (Affordable Unit) as its primary residence.

Household size/composition upon the unit's rental should be appropriate to the size of the unit as outlined in the charts below. For the qualification of households by unit size, the head of the household and spouse/partner are assumed to share a bedroom. Two children, whose ages are not excessively

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disparate, may share a bedroom. Legal custody is required for households including one or more minor children. A household that consists of a pregnant woman will be treated as a two people for income and household size determinations. On average, there will be no fewer than one, nor more than two persons per bedroom.

The Town will consider households eligible based on their gross income. The Town will use a process similar to what HUD recommends for the HOME program to determine gross income or another method as deemed reasonable by the Town. The Owner or their representative will collect and compile all of the relevant paperwork needed to assess a household’s eligibility.

Verification will require sufficient proof of household size and income in the form of official tax statements, W-2 forms, pay stubs, credit reports, bank statements, birth certificates, and any other reasonable documents requested by the Town or Owner to aid in their efforts to verify whether or not a household is eligible. The Town may request additional information as needed. The Town shall have the final approval of whether or not a household meets the income or size requirements of each Affordable Unit prior to the signing of the lease.

The chart below indicates the minimum household size for each unit type based on bedroom count.

| | Studio/One-Bed | Two-Bed | Three-Bed | Four-Bed |
|-----------------------------------|----------------|---------|-----------|----------|
| Minimum Household Size By Bedroom | 1 | 2 | 3 | 4 |

Affordable Units will also be subject to maximum household sizes based on bedroom counts. The following chart outlines the maximum persons allowable per bedroom assuming the occupants meet all other requirements related to qualifications for determining a household such as age of children sharing bedrooms.

| | Studio/One-Bed | Two-Bed | Three-Bed | Four-Bed |
|-----------------------------------|----------------|---------|-----------|----------|
| Maximum Household Size By Bedroom | 2 | 4 | 6 | 8 |

Eligible Households may not qualify if at the time of application any member of the household owns residential real estate.

The Town reserves the right to perform an asset test to help determine a household’s income. This may include making certain assumptions about the average returns that would be reasonable to expect from certain investments including stocks, bonds, annuities, mutual funds, dividends, trusts, money market accounts, certificates of deposit (CD’s) or other financial instruments. The Town may request documentation for the three most recent years to help determine a household’s income.

The Town reserves the right to place an asset limitation test for eligibility.

If owners find it difficult to rent an Affordable Unit to an Eligible Household who meets the established minimum size requirements, they may ask for approval in writing from the Town to rent the unit in this singular instance to an Eligible Household smaller than the minimum household size described herein. Reasonable marketing efforts to find Eligible Households of a qualified size should be taken for at least 30 days prior to the Town granting a household minimum size waiver. The waiver is only for a single applicant and that household's recertification. Rent shall be calculated based on this smaller household size. Once the Affordable Unit is vacant, minimum household sizes shall apply to future tenants. The Town shall determine if the efforts of the owner to rent the unit to an appropriately sized household have been reasonable. Under no circumstances will households be allowed to exceed the maximum household size.

Primary Residence

At the time of occupancy, the Affordable Unit must be the Eligible Household's primary residence. The Unit may not be rented out for short- or long-term periods to other households.

A household must notify the Town if it is absent from the Affordable Unit for 30 days in any 45-day period. If the Household is absent from the Unit for a period exceeding 60 days in one consecutive 365 day period for reasons other than work obligations, health, or emergency reasons than the Household's eligibility will be terminated and their lease shall not be renewed.

Where absences in excess of the above limitation are caused by work obligations, or health reasons or other emergency, the Town may require verification of the reasons for the tenants' absence.

Households must comply with such requests for verification work, health, or emergency reasons or their lease will not be renewed. For the purposes of this section, incarceration does not constitute a health or other emergency justifying prolonged absence from the home.

Determination of Affordable Monthly Rent

Affordable Rental Units will be restricted to households with income at or below 80% of the Area Median Income (AMI). When determining income eligibility, the Town will reference income limits and/or in the AMI figures published annually by HUD for the [Portland, ME, HUD Fair Market Rent Area](#). If at a time in the future HUD no longer provides these annual figures, the Town will identify another similar method of determining income guidelines for affordability.

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To maintain consistency of Affordable Units within the Town, rents will be based on the minimum household size per bedroom rather than the income level of a particular applicant. For example, the minimum household size for a two-bedroom Affordable Unit is two (2) persons. The income of a two (2) person household will be used to calculate the maximum allowable monthly rent but a family of four (4) would still be eligible to live in the unit assuming they meet the income restrictions for a four (4) person household. To calculate the maximum allowable rent of an Affordable Unit, the Town will take 30% gross income per month of the minimum household size allowed per bedroom less utilities. By factoring utilities, the formula accounts the maximum amount an Eligible Household could afford to devote to housing related expenses. The formula to calculate maximum allowable Affordable Rents is as follows:

$$0.30 \times (\text{annual income based on minimum household size} / 12) \text{ less utilities} = \text{Affordable Rent}$$

Owners may choose to include some or all utilities within the total rent. Utilities that effect rent

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calculations include electricity, heat, hot water, cooking energy, sewer, water, and trash collection. For all utilities listed that are not included by the Owner in the rent, the Town shall make reasonable assumptions based on a Unit's bedroom count as to the monthly cost of each utility. To determine what is reasonable the Town may utilize the figures estimated by HUD and distributed through the Maine State Housing Authority annually for similar utility allowances based on a unit's bedroom count. The Town shall reserve the right to determine a different metric should these figures from HUD at any point be unavailable or a better metric be determined.

The Owner may request first, last, and security deposit from applicants. These three expenses shall not exceed the value of one month of rent and together shall not exceed three months of rent.

Households may choose to pay for on-site parking but shall not be required to pay separately for this amenity. If the Owner requires a parking spot(s) be leased with the Affordable Unit and charges a separate fee than parking may be counted similarly to the utilities above and shall be subtracted from housing related expenses for calculating the maximum allowable rent.

Owners may rent to household's utilizing other rental subsidies such as vouchers, but never shall the total rent paid be in excess of the allowable Affordable Unit rent for a determined bedroom size.

Phasing

Projects shall not be segmented or phased to avoid compliance with these provisions. In cases where projects are completed in phases, Affordable Units shall be provided in proportion to the development of market rate units per phase unless otherwise permitted by the Planning Authority.

Integration of Units

Affordable Units must be integrated with the rest of the development, should use a common entrance if applicable, and should provide no indications from common areas that these units are Affordable Housing Units.

Interior Standards

The design, quality, and materials of Affordable Units interiors need not be the same as market rate units. However, the Affordable Units may not be strategically designed to avoid offering basic amenities similar to what are included in the market rate units such as the following:

Kitchen

Refrigerator
Stove or separate cook top and oven
Sink Disposal
Cabinets
Range Hood
Microwave (if provided in market rate units)
Washer Dryer (if provided in market rate units)
Countertop: Minimum Counter Space not including sink and stove Studio – 4 linear feet
1BR – 6 linear feet 2BR – 8 linear feet 3BR – 10 linear feet

Bathroom

Sink

Shower
Toilet
Shower Curtain Rod or Shower Door
Medicine Cabinet with Mirror or other storage space with a separate mirror

Flooring

All living space and storage areas shall have a finished floor. The Affordable Units should have the same or comparable floor finishes to the market rate units. However, in order to promote respiratory health, living and dining areas and at least one bedroom should have a surface other than carpet.

Closets

All units shall have adequate storage (including common space storage if provided to the market rate units)

All bedrooms shall have at least one closet including at least one closet for a studio

All closets shall have a shelf and pole

Affordable Housing Agreement

The Owner will be required to sign and record in the Cumberland County Registry of Deeds an Affordable Housing Agreement (AHA) with the Town and to include the affordability restrictions as a covenant in the project's deed(s). The Affordable Housing Agreement shall be referenced directly in the property's deed unless prohibited by federal, state, or local law. In order to guarantee affordability, this recorded covenant will limit increases in rent according to the calculation defined by the Town and the Eligible Household requirements as they relate to increases in median income. It will limit the incomes of subsequent tenants to the same income limits initially applied.

Minimum Term of Affordability

The term of affordability for the required Affordable Units shall be 99 years.

Dwelling units created or redeveloped by non-profit educational institutions for use as housing exclusively for enrolled students of educational institutions shall not be subject to the set aside requirements. If the units are no longer used exclusively by enrolled students, the building will be required to meet the affordable housing standards set forth in the Zoning Ordinance.

Household Preference

Household preference for Affordable Units shall be given, to the extent permitted under law to Eligible Households, in the following order:

- 1) Current residents of the Town
- 2) Previous residents of the Town who were displaced within the last 12 months prior to the Affordable Unit becoming available
- 3) Persons employed full time by the Town
- 4) All others

The applicant for housing will be responsible for documenting their preferred status under any of the above noted categories. Documentation may include confirmed leases, bank statements, utility bills, voter registration, tax returns, insurance statements, and other reasonable documents as requested by the Town or Owner to demonstrate preferred status. The Town or Owner may request more than one

form of documentation.

Household preference does not preclude Owners from renting to non-preferred applicants assuming applicants meet the necessary eligibility requirements and there are more Affordable Units available than eligible preferred applicants. Other preference categories may be added to specific projects or to the Town's standards at a later date as appropriate.

If the development is only required to have one Affordable Unit, there shall be no preference.

Marketing / Selection Process

In each instance that an Owner intends to rent an Affordable Unit, prior to listing the property for rent or renewing a lease, an owner shall first give the Town written notice of such intent (the "Notice of Intent") addressed to the Town's Director of Planning & Development. The Town shall make the final determination whether or not a potential household is qualified as well as the maximum allowable rental price as determined in accordance with the calculation parameters determined by the Town.

Unless otherwise agreed to with the Town, the following system will be followed. The Owner will place an advertisement, approved by the Town, in one or more newspapers designated by the Town.

Interested parties will be given sufficient time to request and return a preliminary application. The Town shall have the opportunity to list the property on its website for a minimum of 60 days for initial occupancy and 30 days for subsequent rentals during the marketing process to solicit interest from potential Eligible Households. The Town will forward any inquiries to the Owner or their designated representative.

The Owner shall collect all necessary supporting documents for the Town's final approval. The Town will, at a minimum, monitor the process and review buyer qualifications, but may work collaboratively with Owners on marketing, selection, qualification, and orientation. All determinations regarding eligibility and rental amount are subject to review and final approval by the Town.

Maintenance of a Waiting List

The Owner is encouraged to maintain a waiting list of Eligible Households by preferred status who have filed an application or a letter and who meet the qualifications defined herein. Such applications should include the following in order to classify the applicant: the ages, genders, and relationships of household members, gross household income, and information related to preferred status and household eligibility. It is understood that it is the responsibility of the applicant to update information, which will affect their income, household eligibility, or preferred status, and that it is not the responsibility of the Owner to verify actual status until a unit becomes available. Final approval of Eligible Households, Affordable Units, and maximum allowable rent will be decided by the Town.

Leases

All leases will be a year in length with the rent consistent throughout the term of the lease. The maximum rent allowable will be determined at initial application and during any recertification process prior to the renewal of a lease. Tenant leases for Affordable Units shall include the method for updating rents set forth in these guidelines and as a condition of continued eligibility, obligate the household to report all information required by these guidelines, including providing copies of applications, recertifications, and supporting documentation used by administrators of rental subsidies and the Town.

The lease shall also include the method and implications of the recertification process for Affordable Units as outlined in these guidelines. Eligible Households renting affordable units will be recertified annually with final approval from the Town before renewing a lease.

Tenant leases shall include the method for updating of rents set forth in these guidelines and, as a condition to continued eligibility, obligate the household to report all information required by the guidelines, including providing copies of applications, recertifications, and supporting documentation used by administrators of rental subsidies. The Owner shall enforce the lease, if necessary to the point of terminating Eligible Household status, requiring market rents, and initiating and prosecuting eviction proceedings against renters of affordable units who do not report as required or whose eligibility lapses.

“Floating” Affordable Units

Prior to the Project’s approval, the Owner and Town shall agree to the distribution, size, and bedroom type of the Affordable Units in order to include these details in the Affordable Housing Agreement (AHA). Owners are encouraged to distribute Affordable Units equally throughout the project.

Designated Affordable Units within any development may be “floating” i.e. changed by substitution, that is, the designation of a unit as affordable does not necessarily stay with the same unit over the life of the development. The Project shall maintain the required number of bedrooms and Affordable Units as outlined in the AHA and may only switch which unit is reserved as a Affordable Unit with Town approval following certain recertification situations as described in greater detail below.

Recertification of Affordable Units

Prior to the renewal of an Affordable Unit’s lease, the tenant shall recertify that their household meets the eligibility and household size requirements for the unit. The same process and documentation will occur as with the initial lease up of the Unit. Unless the Owner can substantiate claims that the tenant has violated terms of the lease or is refusing to adequately comply with the recertification process, no other households may be considered to lease the Affordable Unit unless the current tenant chooses not to renew their lease. The Owner or their representative shall collect and compile the necessary recertification documentation. The Town shall have the right of final approval. The Owner or their representative shall maintain records of the recertification process as described in greater detail in the Administration & Record Keeping section below.

Loss of Household Eligibility

A unit shall lose its designation as an Affordable Unit when it no longer houses an Eligible Household. This will occur upon two consecutive recertifications wherein a once Eligible Household’s income is greater than the allowed AMI and is no longer considered eligible. The recertification of all applicants may be subject to final approval from the Town. In this scenario, an Owner may, with 90 days’ notice, charge Market Rent. The tenant is then eligible for continued occupancy in the particular unit for one additional year following the date of the most recent recertification. After any adjustment in accordance with the above, the next available appropriate unit should be rented to an Eligible Household, so as to restore and maintain the unit size, type, and mix originally intended. The Town shall have final approval that any substitute unit is appropriate for satisfying the requirements intended for Affordable Units within the Project as defined within the AHA.

If no suitable alternative unit becomes available to rent as an Affordable Unit within a year of the former Eligible Household now paying Market Rent than the Owner shall not renew the former Eligible

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Household's lease and shall return the unit to its use as an Affordable Unit for Eligible Households. The Owner shall cooperate with the Town and with any documentation that it deems necessary to approve the substitute Affordable Unit or Eligible Household.

In the case where the tenant has been accepted as a market rate tenant, the Owner shall pay to the Town's Housing Trust the cash value of the difference between the maximum allowable Affordable rent and the market rent until such time as another unit has been approved by the Town as an acceptable substitute Affordable Unit and occupied by an Eligible Household. Occupancy during this transition period by an over-income household will not constitute default under the conditions set forth in the AHA.

Household Failure to Participate in Recertification

A household is considered to have failed to participate in the recertification process after not sufficiently responding to three written requests by the Owner or Town within a 60-day period. Tenants may not be asked to participate in a recertification process more than one time per 365 day period. The Town shall have final approval in regards to whether sufficient evidence has been provided to substantiate a household's failure to participate in the recertification process.

Eviction

Assuming the lease meets all federal, state, and local requirements, nothing in these guidelines are meant to restrict the right of the Owner to evict any tenant who fails to participate in the recertification process or breaches the lease with the Owner in any way. In no case shall the Owner be required to support an overall higher level of subsidy than intended by the initial distribution as outlined in the AHA. Any and all costs associated with said enforcement or eviction shall be borne by the Owner.

Enforcement

The Owner will be required to record the AHA and conditions contained therein and shall file a copy of the recorded Agreement which copy shows the usual recording date, with the Cumberland County Registry of Deeds. No occupancy permit shall be issued until complete certified copies of the AHA with any attachment thereto and with the recording date(s) noted thereon, are filed with the County and suitable evidence provided to the Town.

Without limitation on any other rights of the Town, in the event there is a violation of any conditions contained within the AHA, the Town may take any one or combination of the following steps to ensure compliance and these enforcement provisions shall be expressly authorized by and contained within the AHA:

- Revocation or the Project's approval, Building Permit, or Certificate of Occupancy;
- Modification of the AHA;
- Injunctive relief to enforce the terms of the AHA;
- Payment of money damages to the Town in an amount at least equal to and as much as double the required rent and the rent being charged for the period of non-compliance;
- Any and all legal expenses incurred by the Town or aggrieved tenant(s); and
- A cash payment, as provided for in the Zoning Ordinance related to payment-in-lieu payments, pro-rated to the number of required affordable units, made to the Town if the Owner is unable to provide Affordable Units for occupancy as described in the AHA.

The Owner may request a certificate from the Town stating that the Owner is in compliance with the

terms and conditions of the AHA, or stating non-compliance and the actions necessary to come into compliance. The Town will execute and deliver such certificate within thirty (30) business days or receipt of a written request for such a certificate. Certificates of compliance shall not be required for the leasing of any Affordable Units.

Administration & Record Keeping

The Eligible Household's application, recertification forms and documentation, and any third party verifications must be maintained by the Owner throughout the Eligible Household's occupancy and for a period of at least seven (7) years thereafter. These records must be available to the Town within ten (10) business days if requested. Applications and waiting lists shall also be kept on file for a period of at least seven (7) years or some other period of time if deemed reasonable by the Town.

The Owner will file an annual report to the Town within 60 days of the end of each calendar year providing information related to Affordable Unit vacancies, waitlists, household turnover, household size, household income, market rate rents, recertifications, and any other relevant information.

Alternative Compliance – Cash Payment in Lieu of Affordable Units

The payment is the same for rental and homeownership projects. The fee for Affordable Units not provided shall be \$150,000 per unit, adjusted by the cost of living identified in the most recent six-month Consumer Price Index for All Urban Consumers (Northeast, All Cities, All Items, Not Seasonally Adjusted) as released by the U.S. Bureau of Labor Statistics upon the date of submission for a final plan approval, but never less than \$150,000.

For projects that are building more than one building in phases, the fee- in lieu payment shall be paid proportionally to the project's phasing. The fee is calculated up to one-tenth of a fractional unit. For example, if a project is proposing 25 units and prefers to pay the fee for all units the Developer would be required to pay 2.5 times the current rate as established by the Town.

All money shall be due prior to the issuance of a Certificate of Occupancy or another payment method approved by the Town.

Alternative Compliance – Offsite Units

A Developer may choose to satisfy the Affordable Unit requirements by providing these units off-site through the construction of new units, the restriction of existing market rate units, or the conversion of non-residential uses. In addition to the foregoing, all off-site units shall be consistent with the following provisions:

1. Be comparable or larger unit bedroom sizes to the average unit created on-site, same amenities provided whether in the unit or on the property, same income level served, and term of affordability is the same as would have been provided through on-site compliance;
2. If rehabilitation of existing units, a partnership with an experienced affordable housing developer with rehabilitation experience acceptable to the Director of Planning & Development.

The Developer shall determine the intent for full or partial off-site placement of Affordable Units prior to a project's approval by the City. The City shall not accept off-site units that are run-down or show signs of substantial wear and deterioration. This includes heating systems, appliances, plumbing, roofing, siding, flooring, common areas, windows, landscaping/hardscape, electrical wiring and fixtures, kitchen/bath countertops, fixtures, and cabinets, bath/shower, or other typical elements of a unit or

Deleted: Cash Payment In Lieu of Affordable Units¶

Developers of such units are encouraged to provide Affordable Units on-site. However, in accordance with Chapter 701 Article II.DD, developers may choose to make a cash contribution to Yarmouth's Housing Trust Fund.¶

building that are nearing the end of their expected life cycle and may soon need replacement or maintenance. If other amenities such as air conditioning, dishwasher or washer and dryer are provided for the new market rate units than comparable amenities shall be provided for the off-site Affordable Units.

Off-site units shall be delivered safe in accordance with all federal, state and local environmental regulations pertaining to lead paint, asbestos, mold, radon, and any other hazardous conditions common to residential structures. All reasonable tests, including but not limited to lead paint tests and radon tests shall be completed prior to the sale or lease of a unit.

The total required number of Affordable Units off-site will be based on the total number of units created within a project. Similar to the calculation for providing on-site Affordable Units the requirement will round down to the nearest whole number if the fraction is less than 0.5. If the inclusionary obligation results in a fractional unit or 0.5 or more, then the fractional unit obligation would be provided in the form of a proportional fee-in-lieu or rounding up to the nearest whole number. For example, a project creating 26 units of on-site market rate housing would be required to provide two (2) off-site Affordable Units and a fractional obligation of 60% as a fee-in-lieu, or three (3) off-site Affordable Units.

The Certificate of Occupancy for any off-site units must be received prior to the Certificate of Occupancy for any on-site units.

Appeals

A Developer or Owner or Tenant may appeal to the General Board of Appeals if they believe that Town misinterpreted the Zoning Ordinance or any subsequent agreements restricting the Affordable Units. All such appeals shall be made in writing and include a description of the Town action which is being appealed and the grounds for the appeal per Town of Yarmouth Ordinance Chapter 203.

Non-Eligibility/Disqualification

No employee, agent, stockholder, officer, director, servant, or family member of the Owner or its Management Company, or its employees, agents, or servants thereof, related either by blood, marriage, or operation of law may qualify for an Affordable Unit or receive any benefit related in any way to the administration or compliance with the AHA conditions contained therein.

Waiver

The Town reserves the right to waive or amend portions of these guidelines on a case by case basis where an Owner is able to sufficiently demonstrate that the need for a waiver is due to the unique circumstances of the property (e.g. in order to make Affordable Units similar in design or size to market rate units) or due to unique physical constraints of the property. The applicant shall bear the burden of presenting substantial evidence to support the grant of a waiver from any portion of these guidelines.

Waivers shall not be granted that will have the effect of removing or reducing the minimum of 10% of the total units proposed as Affordable Units available, altering the income limits on eligible households, increasing the maximum allowable sale price or rental rate, or decreasing any fee owed outside of what is stipulated in the above guidelines.

Waivers shall be determined by the Town's Planning Authority. Owners may appeal the Planning Authority's decision regarding waivers to the General Board of Appeals. All such appeals shall be made in

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writing and include a description of the Town action which is being appealed and the grounds for the appeal per Town of Yarmouth Ordinance Chapter 203.

DRAFT

Maine Voices: Time for Yarmouth to move ahead with inclusionary zoning

pressherald.com/2023/01/18/maine-voices-time-for-yarmouth-to-move-ahead-with-inclusionary-zoning/

By Deborah Keefe

January 18, 2023

After 30 years of calling for affordable housing in its Comprehensive Plan, the town of Yarmouth is finally poised to take action. Yarmouth's Affordable Housing Committee has recommended passage of an inclusionary zoning ordinance that would require new residential developments to include affordable units. Inclusionary zoning (or inclusionary housing as it is often called) is only one part of a comprehensive strategy to create housing for moderate- and lower-income families. Inclusionary zoning can help to mitigate the effect of years of exclusionary zoning and market pressures that have pushed the median price of a home in Yarmouth to over \$600,000 – out of reach for most of the town's workforce.

The proposed Yarmouth inclusionary zoning ordinance requires developers of new or extensively rehabbed housing to allocate 10% of units as affordable to people who earn 60%-120% of the area median income, so \$55,000-\$110,000. Rental developments of 10 or more units and ownership developments of five or more units would be subject to the new ordinance. Here, "affordable" is a technical term meaning monthly housing costs may not exceed 30% of the owners' or renters' gross monthly income. Developers are able to offset the costs of this set aside through a combination of incentives such as density bonuses, reduced parking requirements and relaxed height and lot size restrictions. The town could also consider offering an expedited permitting process or reduced fees. As an alternative, a developer could pay a fee in lieu of \$150,000 per affordable unit required but not built. That fee would then be added to a designated fund to support additional efforts to create affordable housing.



Yarmouth's Affordable Housing Committee is holding a listening session about inclusionary zoning on Jan. 24 from 6 to 7 p.m. at the Log Cabin. *Andrii Yalanskyi/Shutterstock.com*

ABOUT THE AUTHOR

Deborah Keefe is a resident of Yarmouth and recently completed a term on the town's Affordable Housing Committee.

There are many advantages to inclusionary zoning. It is predictable – developers will know ahead of time what is expected of them and can figure costs accordingly. It is flexible – allowing extra incentives depending on location and the number of units being set aside. It results in affordable housing being built throughout the town. It won't cause clusters of lower-

cost housing. Instead, affordable housing is dispersed wherever development occurs. Additionally, affordable units built through inclusionary zoning are required to be indistinguishable from other units in the same development. This economic integration has been shown to equalize opportunity for all residents.

Some people may say that inclusionary zoning doesn't produce enough affordable housing to solve the problem. Yet, as of 2016, more than 1,300 inclusionary zoning policies throughout the U.S. had generated more than 170,000 affordable housing units. Additionally, inclusionary zoning is only one part of a broad affordable housing strategy that the Yarmouth Affordable Housing Committee is considering, including tax incentives and credits, zoning changes, subsidies, land banks and more. In Maine, L.D. 2003 is soon to take effect throughout the state, and will allow for increased density wherever residential development is permitted. But history has shown us that without a mandate requiring some percentage of that development to be affordable, it won't happen. In Yarmouth, there have been several homeownership developments that promised affordable housing, but abandoned that promise when "the numbers didn't work."

It is also claimed that inclusionary zoning depresses development and increases housing costs. There is no evidence that this is true. In fact, academic studies of many inclusionary zoning programs nationwide have concluded that Inclusionary zoning laws do not slow development and have minimal, if any, impact on housing prices. Locally, the city of Portland had success with inclusionary zoning until the percentage of affordable units required was raised from 10% to 25%. And in spite of that increase, the Press Herald recently reported that local developers plan to build 800 residential units within the city, 25% of which would be affordable. In a market as strong as the Portland area, there is no doubt that inclusionary zoning can work. In any case, a town can't time its policies to the market. Inclusionary zoning is a valuable policy to have on the books, ready to be applied.

The time to take action on the affordable housing crisis is now. Yarmouth's Affordable Housing Committee is holding a listening session about inclusionary zoning on Jan. 24 from 6 to 7 p.m. at the Log Cabin. In March, the Yarmouth Planning Board will consider whether to recommend the proposed inclusionary zoning ordinance to the Yarmouth Town Council. I urge them to do so. Inclusionary zoning is a logical and effective first step to take. Yarmouth can't afford to wait any longer.

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[Maine Voices: In housing as elsewhere, central planning is no substitute for local control](#)
[Next »](#)

[Maine Voices: Free repair and replacement are available to Maine consumers; here's how](#)

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February 2, 2023

News of Falmouth, Cumberland, North Yarmouth, Yarmouth, Freeport and Chebeague

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Vol. 36, No. 5

the Northern FORECASTER

Yarmouth moves forward with plan that requires new affordable housing

By Sydney Richelieu

A healthy town has economic diversity and it is nearly impossible for Yarmouth to remain healthy without affordable housing, according to chairperson of the town's Affordable Housing Committee, Meghan Casey.

"It hurts everybody if we can't have an economically diverse population in Yarmouth," Casey said last week at a public session on a proposed ordinance designed to promote the growth of affordable housing.

As drafted by the committee and town Director of Planning and Development Erin Zwirko, the ordinance would require developers of larger housing developments and apartment complexes to make at least 10% of those units affordable for those earning 80% or less of the area median income. In Yarmouth, the median income is \$112,700 according to the U.S. Department of Housing and Urban Development.

"It is a new type of ordinance for the town," Zwirko said. "The town of Yarmouth does not (now) mandate affordable units within development projects, so there will be a little bit of getting used to should the ordinance be adopted."

Inclusionary zoning is relatively new to the state of Maine, though it has been implemented in towns across the United States for about 30 years.

Yarmouth is in particular need of the zoning because the once multi-generational town is moving toward being a town solely for wealthy, Casey said.

"It's very difficult to move into Yarmouth, whether you want to own or rent a home," she said. "The average price to buy a home in the last year was \$600,000, which is out of reach of almost every working class or even middle class family in America."

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Housing

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Some residents at the listening session Jan. 24 said they were concerned that inclusionary zoning might raise the purchase price of homes to buy in the area.

"It has not been shown to raise the market price or average price of homes in the places where it has been implemented," Casey said.

The next step for the committee is to

would be subject to an inclusionary zoning ordinance, including offering flexibility on building height, parking space and the ability to add additional units. It will also take into account residents' concerns and questions, Zwirko said.

"We want to make sure that it's right and fits well with the community," she said.

The committee will take its proposal to the Yarmouth Planning Board March 8. If approved, it then will go to the Town Council for adoption.

Sydney Richelieu — (207) 689-2851

Erin Zwirko

From: Elizabeth Frazier <efrazier@PierceAtwood.com>
Sent: Wednesday, December 14, 2022 7:40 PM
To: abertocci@yarmouth.me.us; icromarty@yarmouth.me.us; mengel@yarmouth.me.us; hginsberg@yarmouth.me.us; jhansen@yarmouth.me.us; wholden@yarmouth.me.us; jking@yarmouth.me.us
Cc: Erin Zwirko
Subject: Inclusionary Zoning - Better Options Exist
Attachments: IZ White Paper.pdf; Inclusionary Zoning.pdf

Good evening,

On behalf of the Maine Real Estate and Development Association (MEREDA), I am pleased to send along two documents (attached) that address MEREDA’s experience with inclusionary zoning in Maine, housing advocate preferences for workforce affordable housing incentivization, and a broad overview of why inclusionary zoning will only exacerbate Maine’s dearth of housing.

We would be happy to talk about these reflections and to assist in any way possible with incentivizing responsible workforce housing development in Yarmouth.

Thank you for your time and have a wonderful evening and holiday season!

Elizabeth

| | | |
|--|---|---|
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Inclusionary Zoning Mandates – A Misguided Policy Solution to the Workforce Affordable Housing Crisis

MEREDA Public Policy and Local Issues Committees

Elizabeth Frazier

12.12.2022

Inclusionary Zoning as a Misguided Mandate for Workforce Affordable Housing Development

The following is an analysis of the components and impact of inclusionary zoning (IZ) mandates intended to create workforce affordable housing units. As a general matter, IZ requires a housing creator to subsidize a certain number of units to ensure that they are affordable to individuals making below a certain income threshold. This paper will discuss the potential for market disruption of each component of an IZ mandate and share how national and Maine based data highlight the negative unintended consequences of IZ – including decreased housing creation, exacerbating the missing middle, and discouraging small and local entrepreneurs.

Important Components of IZ Regulations

IZ as a mandate for workforce affordable housing development is a tool used by some towns and cities to increase the number of workforce affordable units in their region. The assumption behind IZ policies is that the private market would not otherwise have created the workforce affordable units. (Stacy, Morales-Burnett, Noble, Hodge & Komarek, *Inclusionary Zoning: How Different IZ Policies Affect Tenant, Landlord, and Developer Behaviors*, Urban Institute, July 2021, available at: <https://www.urban.org/research/publication/inclusionary-zoning-how-different-iz-policies-affect-tenant-landlord-and-developer-behaviors>). IZ shifts the burden of workforce affordable housing development from the public sector to the private sector. Research shows that this burden-shifting can negatively affect the supply of rental units overall by increasing the costs of development. *Id.*

An IZ mandate typically contains the following components:

- **Percentage of Units Affordable:** the mandated ratio of market rate to workforce affordable units for a multi-unit housing project.
- **Income Levels:** the income at which a workforce affordable unit is considered affordable – ranging anywhere from 60 to 220 percent of area median income (AMI).
- **In-lieu Fee:** a fee paid by the housing creator instead of building the mandated number of workforce affordable units. The fee's size is typically based on: the affordability gap (the difference in price/rent between market-rate and workforce affordable units); the production cost (the average cost of producing a workforce affordable unit); or indexed fees based on a project's characteristics.

Other components of an IZ mandate may include: off-site workforce affordable unit development; exemptions to residential building caps for workforce affordable units; period of time during which the units must continue to be offered as workforce affordable; types of housing effected (such as rental, owner-occupied, or both); type of development (new construction vs. renovation); and location of development (a zoning district or neighborhood in which the mandate does or does not apply). (*Id.*)

Programs must carefully balance the public interest in creating affordable housing with the private owner's need to profitably develop and operate their projects. (What are the Downsides?, InclusionaryHousing.org, available at: <https://inclusionaryhousing.org/inclusionary-housing-explained/what-are-the-downsides/>). The most important factors in determining feasibility of an IZ mandate are: the percentage of units that are required to be workforce affordable; the related income levels; and the in-lieu fees. These factors largely dictate whether housing will be created under an IZ mandate or whether the mandate will render the project infeasible due to cost.

Percentage of Units Required to be Workforce Affordable

IZ mandates require housing creators to subsidize a certain number of units in a multi-unit housing project to be available to an individual making incomes below a certain cap. The mandated number of units is typically represented as a percentage of the total units in the project. For example, a mandate may stipulate that at least 10% of all units in any project of 10 or more units must be workforce affordable.

Maximum Income Levels

IZ Mandates set income caps for individuals who would rent or purchase one of the workforce affordable units. Income caps can range from 80% of Area Median Income (AMI) to over 200% of AMI depending on regional demographics and the needs of the community.

To ensure IZ mandated units are targeted to be workforce affordable, the designated maximum income levels should exceed those designated for low-income affordable housing. Low-income eligibility typically ranges between 60 – 100% of AMI. The significant subsidy required for these units is subsidized by State and Federal tax credits like the Low-Income Housing Tax Credit (LIHTC). Workforce affordable housing income levels should be set at an income tier higher than low-income affordable housing.

In addition to meeting the goal of creating workforce affordable housing, well-designed income levels are important to ensuring the viability of any IZ policy. Workforce affordable housing units should require less subsidy than low-income affordable housing units. It is important that any IZ policy, as a significant market disruptor already, be carefully tailored and financially feasible to the housing creator. The greater the subsidy, the more challenging the finances.

In-Lieu Fees

The final component of an IZ mandate is a fee that the housing creator must pay in-lieu of building the workforce affordable units. The purpose of an in-lieu fee is to support the creation of other affordable housing projects by contributing to a housing fund, typically maintained by the town imposing the mandate.

In-lieu fees must bear a rationale relationship to the cost of construction of workforce affordable units. Additionally, an in-lieu fee should be reasonable such that, if the project is not financially feasible with the construction of the units, an in-lieu fee can be paid without killing the project.

Portland, National Statistics Demonstrate that Inclusionary Zoning Does Not Incentivize Housing Creation or Solve the Workforce Availability Problem

While inclusionary zoning is relatively new to Maine, it has been implemented for decades in California, New York, and other major metropolitan markets. By and large, both the national statistics and recent experience here in Maine demonstrate that inclusionary zoning: decreases housing construction, exacerbates the missing middle, and discourages small and local entrepreneurship.

Nationally, Inclusionary Zoning Has Decreased Housing Creation

Nationally, many scholarly and media articles have been written about the negative impacts of IZ. Below are a few highlights that illustrate how IZ can discourage development, leading to less housing creation and less affordability overall.

Economic theory and much empirical evidence suggest that they can distort housing markets, slowing down construction and driving up prices. It's possible that even for a city's lowest-income residents, the harmful effects of reduced construction could outweigh the direct effect of providing low-rent

apartments. Finally, IZ does little to help—and reductions in housing construction likely hurt—households that do not qualify for subsidized housing or win housing lotteries but are still burdened by housing costs. (Connor Harris, *The Exclusionary Effects of Inclusionary Zoning: Economic Theory and Empirical Research*, August 10, 2021, Manhattan-institute.org, available at: <https://www.manhattan-institute.org/exclusionary-effects-inclusionary-zoning-economic-theory-empirical-research>).

While inclusionary zoning potentially reduces access to market-rate housing, it typically provides very few units for a city's most vulnerable residents. Montgomery County, MD has the country's longest history with inclusionary zoning. After having been in effect for 40 years, the program has produced one below-market-rate unit per one hundred residents.

(Emily Hamilton, *Is Inclusionary Zoning Creating Less Affordable Housing?*, April 11, 2018, strongtowns.org, available at: <https://www.strongtowns.org/journal/2018/4/10/is-inclusionary-zoning-creating-less-affordable-housing>).

Because inclusionary zoning requirements essentially shift the cost of housing subsidies onto new development, they raise its cost, and likely reduce the number of units that get built—which tends to aggravate housing shortages and further accelerate prices.

(Joe Cortright, *The 0.1 Percent Solution: Inclusionary Zoning's Fatal Scale Problem*, CITYOBSERVATORY.ORG, available at: <https://cityobservatory.org/the-0-1-percent-solution-inclusionary-zonings-fatal-scale-problem/#:~:text=In%20addition%2C%20because%20inclusionary%20zoning,shortages%20and%20further%20accelerate%20prices>).

Portland Housing Creation Declined 81.6% Following 2020 IZ Adoption

These national experiences are playing out in Portland, which is the only town in Maine to have an IZ program that is more than a year old. In 2020, Portland adopted an inclusionary zoning policy that requires all multi-family projects of 10 or more units to include 25% of those units affordable at 80% of AMI, with an in-lieu fee of \$150,000, adjusted for inflation. For 2022 the in-lieu fee was \$162,339 per unit. *Inclusionary Zoning Fee: 2022, City of Portland Inclusionary Zoning*, PORTLANDMAINE.GOV, available at <https://content.civicplus.com/api/assets/0154f0a0-1814-4294-8e27-942bc520c00f?cache=1800>.

As discussed above, IZ requires the housing creator to subsidize the cost of the workforce affordable units. In Portland, maximum affordable rent must include electricity, heat, hot water, cooking energy, sewer, water, and trash collection.

In Portland, the current maximum affordable rents for workforce units at 80% of AMI are:

| One Bedroom | Two Bedroom | Three Bedroom | Four Bedroom | Five Bedroom | Six Bedroom |
|-------------|-------------|---------------|--------------|--------------|-------------|
| \$1,563.75 | \$1,787.50 | \$2,011.25 | \$2,233.75 | \$2,412.50 | \$2,591.25 |

The income limits for those 80% of AMI units are:

| | | | | | | |
|--|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 |
|--|---|---|---|---|---|---|

| | | | | | | |
|--|----------|----------|----------|----------|----------|-----------|
| Number of Individuals in Household | \$62,550 | \$71,500 | \$80,450 | \$89,350 | \$96,500 | \$103,650 |
|--|----------|----------|----------|----------|----------|-----------|

Workforce Housing, PORTLANDMAINE.GOV, available at: <https://www.portlandmaine.gov/1204/Workforce-Housing>.

The adoption of this IZ policy has had a deleterious effect on housing creation in Portland. In 2020, prior to the new IZ provision, 756 units were put on the books. Since passing the IZ provision, only 139 units have been put on the books across three projects—a decrease of 81.6%. *John Finegan, Multifamily: The Effects of Portland's Inclusionary Zoning*, BOULOS.COM, available at <https://boulos.com/multifamily-the-effects-of-portlands-inclusionary-zoning/>.

According to Dana Totman, president and CEO of Avesta Housing, the adoption of IZ policies threaten to further disrupt Maine's insufficient housing market. Totman has said that statewide, about 50% of his organization's properties are senior housing, while the rest area affordable housing units designed to function as a steppingstone property until individuals are able to get back on their feet financially and move on. *Sean Murphy, New Affordable Housing Rules Forcing Development Out of Portland*, spectrumlocalnews.com, available at <https://spectrumlocalnews.com/me/maine/news/2022/04/22/new-workforce-housing-rules-forcing-development-out-of-portland>. Low-income and workforce affordable properties rely on a robust housing market to ensure ongoing availability for new residents and to remain flexible for those who need it most.

Exacerbates Missing Middle, Discourages Small and Local Entrepreneurship in Housing Creation

In addition to stifling housing creation, Portland's IZ policies have mirrored national trends in other ways – namely, by exacerbating the missing middle and discouraging small and local entrepreneurship.

The missing middle refers to the population of people who most need housing creation right now – middle income earners who are ineligible for subsidies. IZ exacerbates the lack of housing for this population. For earners making even a dollar over the AMI limit, no opportunities will be available. To compound the problem, to pay for the workforce affordable units they're required to build, housing creators will be forced to drive up the cost of non-subsidized units.

Additionally, by adding substantial cost to the project, IZ discourages small and local entrepreneurs who don't have the deep pockets to cover the loss or the same variety of financing options available to large and out-of-state developers. IZ discourages local community members from creating housing in their town – something all housing advocates agree is critical to equity and attainability for renters and buyers.

Inclusionary Zoning/Workforce Affordable Housing

Alternatives to a Misguided Policy Solution to Maine's Workforce Housing Crisis

What is an Inclusionary Zoning/Workforce Affordable Housing Mandate?

Inclusionary Zoning (IZ) is a term that refers to a **Workforce Affordable** housing mandate by which **housing-creators must subsidize** the cost of certain new dwelling units as part of a housing creation project. These projects are not supported by state or federal subsidy, such as a low-income housing tax credit (LIHTC).



How Does it Work?

When a housing creator is creating a specific new number of dwelling units – for rent or for sale; the housing creator must carve out a specific percentage of those dwelling units; to be offered at a price subsidized by the housing creator, which is defined by ordinance as being affordable to an individual earning some percentage of the Area Median Income (AMI).

Example:



If more than 20 dwelling units are being created, at least 10% of those units must be made available, for rent or sale, at a price that is affordable to an individual earning not more than 120% of AMI.

What Better Alternatives Exist to Incentivize Workforce Affordable Housing?

New Housing Law Includes Incentives

Public Law
2021, Ch. 672

Effective July 1, 2023

- For designated growth areas, or areas serviced by public sewer or water, the new law provides **density bonus of 2 ½ times** the number of workforce affordable units that would otherwise be permitted.
 - ❖ Income limits at: 80% of AMI or 120% of AMI (to rent, or to own, respectively).
- Fewer required parking spaces per workforce affordable housing unit.

Your Town Can Act Sooner and Do More!

- **Implement** the law sooner!
- **Broaden income requirements to service more community members.**
- Allow more units on a lot; **create height exceptions**; lower setback, and frontage requirements; and fewer parking spaces per unit.

*30-A MRSA § 4364, enacted as [Public Law 2021, Chapter 672](#)

Other Tools to Incentivize Workforce Affordable Housing

❖ **Create an Affordable Housing Tax Increment Financing (ATIF) for the project.**

Partner with housing creators to provide Affordable Housing Tax Increment Financing (ATIF). MaineHousing can assist your town with establish an ATIF. Learn more about ATIFs [here](#).

❖ **Issue Municipal Bonds to Subsidize Workforce Affordable Units.**

As a public policy priority, consider issuing bond funds to subsidize the lower cost of workforce affordable units. This shifts the burden off of the housing creator and onto the community as a whole.

❖ **Establish a Local Land Bank.**

A new law enables towns to establish a land bank to purchase properties, rehabilitate them if necessary, and offer them for sale to developers, including housing creators. See 30-A MRSA § 5151 et. seq., enacted as Public Law 2021, Chapter 664.

❖ **Reduce Permitting, In-Lieu, and other Municipal Fees.**

Municipal and administrative costs and fees contribute to the overall expense of a project. When these costs are passed on to the end user, they substantially increase housing costs.

Why an IZ/Workforce Affordable Housing Mandate Is Not the Right Policy Solution

Discourages Housing Creation

- Lack of federal or state subsidy forces housing creators to subsidize workforce affordable units, penalizing those who step up to build housing for your community.

Exacerbates the Missing Middle

****Mandate favors some at the expense of others****

Example:

An IZ/Workforce Affordable housing mandate that requires that rental properties be made **affordable at 80%** of AMI substantially benefits anyone earning at or below 80% of AMI **at the expense of the person earning 81%** of AMI.

Discourages Small and Local Entrepreneurs

- Creates financing challenges; discourages community housing creation; shifts opportunities to out-of-state developers who can bear high costs and risks.

Erin Zwirko

From: Carrie Martin <cmartin@legacysir.com>
Sent: Monday, January 9, 2023 2:01 PM
To: Erin Zwirko
Subject: Affordable Housing Committee - IZ

Hi Erin,

I hope you had a nice holiday season. I want to pass along additional comments and questions as the Affordable Housing Committee (AHC) continues discussing Inclusionary Zoning (IZ). Please forward this email to the AHC.

It would be helpful if the AHC could provide answers to questions and requests for more information that were sent in as written public comment pertaining to IZ, in addition to those mentioned at the Planning Board (PB) meeting. Those who wrote in are citizens of or stakeholders in Yarmouth. It's important for the public to understand how the AHC envisions IZ working in Yarmouth. I hope this can be incorporated into the next listening session.

I want to make you aware that there are currently IZ units created under the 10% IZ ordinance in Portland that are having difficulty selling because the numbers do not work. Some of the IZ pricing is no better than current market rate units that don't have resale deed restrictions and some of the IZ allowable sale prices exceed MaineHousing pricing so there are no affordable housing programs with preferred interest rates or subsidies available to buyers. With no or limited subsidies available to help buyers of IZ units, the reality is the units are not affordable and the deed restrictions preventing property appreciation make them even less attractive. We do not want that same situation in Yarmouth, so it's important for the Town to understand the AHC's numbers (i.e. financial modeling, feasibility analysis, etc.) pertaining to proposed IZ.

Meghan mentioned at the PB meeting that IZ is in other Towns in Maine. I am not aware of IZ in any other Town except for the City of Portland so I would ask the AHC to provide additional information. I know several Towns have considered IZ and consulted with experts to formulate housing studies showing how IZ might work in the Town, followed by lengthy community input and discussions. I think those Towns include Kittery, Bath, Brunswick, Bangor, Rockland and South Portland. My understanding is that none of them have incorporated IZ. Some of them specifically said IZ would not work in the Town based on the numbers in their studies as well as their own restrictive zoning. Many of those and other Towns have adopted a "*Declaration of*" or "*Resolution*" establishing goals for affordable housing, but not IZ. Brunswick has quickly established an *Affordable Housing Support Fund* and is requesting Town and State contributions totaling \$1 million to help incentivize and off-set the costs of building affordable housing units. They are looking at adding 500 housing units fairly quickly and have hired housing consultants to help figure out the best process forward for both market rate and affordable housing production. Rockland is in the midst of building 12 affordable housing units in conjunction with Habitat for Humanity.

I reviewed all the AHC meeting minutes again and found a reference in May of 2022 to a housing production goal of 386 units by 2025. Is 386 units by 2025 the AHC's housing production goal underlying the proposed IZ? Are there Town funds available now to incentivize affordable housing production and IZ? Who is going to manage the IZ units and oversee any right of first refusal and deed restrictions? How much will the management and enforcement of IZ units cost the Town?

I also reviewed the AHC's 1/14/22 Report again and it echoes many of the IZ concerns mentioned in recent public comments. What is the status of other concurrent work/recommendations mentioned in that Report and at recent meetings? Could the AHC update the public on these at the listening session? Amending the ADU Ordinance seems like a great idea which had public support at the PB meeting plus ADUs are addressed in LD

2003. Has the AHC considered how the new Sprinkler Ordinance is impacting ADUs and the primary dwelling unit? Has the AHC identified Town owned properties potentially available for affordable housing units? I was intermittently involved with the Steering Committee for the Community Center and we visited several Town owned properties for consideration that might be good options.

The National Association of Realtors has been instrumental in advocating for housing programs in the latest US Government spending bill. I suspect there may be funds available that Yarmouth could access to promote and incentivize affordable housing and possibly establish a fund similar to Brunswick. Here's a link to some of those funding sources: <https://www.nar.realtor/magazine/real-estate-news/economy/21-real-estate-wins-in-government-spending-package>.

There remains a serious supply and demand issue behind the nationwide housing crisis given the lack of housing production in recent years. Covid has made it so many people are staying in their homes and more people are aging in place. People continue to move to or stay in Maine and industry experts do not anticipate that to change especially with remote work. Given the need for additional housing units, it seems like funding for and goals around encouraging and incentivizing actual affordable housing production could get significant community support at this time.

I look forward to attending your listening session and hearing more information.

Carrie Martin, 316 East Main Street, Yarmouth

207-415-2504

TO: Erin Zwirko; cc Planning Board and Town Council

FROM: Members & Friends of First Universalist Church of Yarmouth

DATE: February 12, 2023

RE: Affordable Housing needed in Yarmouth ~ NOW is the time!

We are so grateful for the work of the Affordable Housing Committee and the Town of Yarmouth's interest in reviving this topic that's been a concern for at least 30 years, recognizing that healthy towns have economic diversity.

Our vision of Yarmouth for now and into the future aligns with the Committee's report:

A town with a wide diversity of ages, home styles, occupations, incomes, and a place where local kids can live after they finish school, a place where a couple can find a first home.

We support the Committee's proposal of an Inclusionary Zoning Ordinance as a small first step to introduce some affordable housing around town as small and large developments proceed.

Concurrently, other options should be explored building on proven models such as Bartlett Woods or the Habitat for Humanity public/private models, perhaps considering uses for properties owned by the Town. Such projects will not disperse affordable housing throughout Yarmouth, but it could relatively quickly offer something affordable in Yarmouth to build economic diversity.

We have the capacity to do this! We count on our leaders to make it happen!

Marge T. Trumb
18 Portland St.

Nancy Austin
813 E. Elm Street
Yarmouth, ME

M. Dale Shields
229 Oakwood Drive
Yarmouth, ME

Barbara White
75 Spring St.
Yarmouth, ME

Christine Hayashida
96 Kand Rd
Yarmouth, ME

Gwen Matthews
780 E. Main St.
Yarmouth, ME

Jon Williams
175 North Rd
North Yarmouth ME

Art + Penny Myles
1 Honeysuckle Way
Cumberland, ME.

Cheryl McGilvery
93 Newell Rd
Yarmouth ME
04096

TO: Erin Zwirko, Planning Board, and Town Council

DATE: February 12, 2023

RE: Affordable Housing in Yarmouth

Our vision of Yarmouth for now and into the future aligns with the Affordable Housing Committee's report:

A town with a wide diversity of ages, home styles, occupations, incomes, and a place where local kids can live after they finish school, a place where a couple can find a first home.

We support the Committee's proposal of an Inclusionary Zoning Ordinance as a small first step to introduce some affordable housing around town as small and large developments proceed, even as other AHC recommendations/options are explored.

Dear Friends,

I was involved in the first Affordable Housing Committee way back and the reasons for advancing this concept remain the same. We haven't built any affordable units since then - but now is the chance to change that.

A healthy community thrives when people of all ages and economic means can find a place. We are a better community when the teachers, policemen, municipal employees, nurses, retired folks and their children + grandchildren can afford to live here. We are a richer community when our talenting is truly out.

These changes won't happen by themselves. I am counting on the Town Council to take action that is more than lip service.

The proposed inclusionary zoning ordinance is thoughtful and good pricing for addressing an urgent need.

Thank you for doing the right thing. Ann Swardlick

TO: Erin Zwirko, Planning Board, and Town Council

DATE: February 12, 2023

RE: Affordable Housing in Yarmouth

Our vision of Yarmouth for now and into the future aligns with the Affordable Housing Committee's report:

A town with a wide diversity of ages, home styles, occupations, incomes, and a place where local kids can live after they finish school, a place where a couple can find a first home.

We support the Committee's proposal of an Inclusionary Zoning Ordinance as a small first step to introduce some affordable housing around town as small and large developments proceed, even as other AHC recommendations/options are explored.

I'm a social worker, and the greatest lesson I learned in my training is stability is the key to health. The greatest lesson I learned through my work is that housing is the key to stability. Stability cannot be confused with consistency. Living on the street, or in other people's homes, can be a constant pattern but it is not stable. People ~~are~~ live in a way that is contingent on the actions of others. Stability is the key to health because people can engage their higher level abilities to work on higher level goals, such as education or childcare, instead of warmth and food. Housing is the key to stability because people have a place to sleep, eat and work, and support others, such as children, to do the same. A room with a table bed is important. A refrigerator and stove are important. A room with a table ^{is} ~~are~~ important. And an address for the IRS and W2s is important. A bed to get well when a person is sick is important. Remember back to middle school and the "Health Triangle," with one side for "Physical," "Mental," and "social." Housing supports all these sides of health. Healthy people, healthy physically, mentally and socially, make a society great.

Thank You

Andrew Capone-Sprague

Erin Zwirko

From: Sue Ellen Bordwell
Sent: Sunday, February 12, 2023 6:21 PM
To: Heather Abbott; Randall Bates; Zoe Wolf; David Craig; Timothy Shannon; April Humphrey; Michelle Cromarty; Erin Zwirko
Cc: Nat Tupper
Subject: Affordable Housing in Yarmouth - it is a matter of housing justice

Honorable Yarmouth Council Members and Town Planner,

Normally you hear from me on issues for cyclists and pedestrians, but today I hope that you will hear my call for Yarmouth to take effective steps toward affordable housing in our community. You know the numbers - to buy or rent in Yarmouth (with a few rare exceptions), one needs an income not accessible to most.

Without affordable housing, we are complicit with other communities in forcing the less wealthy into locations inconvenient to their work, perhaps into less desirable school systems for their children, or areas with environmental challenges. Equally harmful, we are denying our children the opportunity to go to school and play with other children from a rich variety of cultures, religions, incomes and social challenges.

Creating conditions that support and result in affordable housing will mean that when Yarmouth says, "our latchstring is out", it is saying that "committed to justice, our latchstring is out".

Thank you for listening. I look forward to the Council's deliberation.

Sue Ellen Bordwell
3 Penny Royal Ct
Yarmouth

TO: Erin Zwirko, Yarmouth Planning Board, and Town Council

DATE: February 15, 2023

RE: Affordable Housing in Yarmouth

I attended the Affordable Housing Committee's listening/comment session last month and was pleased to hear the majority of people present understand the importance of providing affordable housing. They understand that a healthy community is a diverse community. One way Yarmouth can achieve this diversity is to offer housing for people from varied income brackets.

I support the inclusionary zoning, but it is just the beginning of what needs to happen. There were many good ideas mentioned during the session. One of them was to look at rehabilitation of existing housing stock, one was for the town to purchase (through grants, donations, etcetera) land on which to build low income housing, (or donate land they currently own). A neighborhood of tiny houses could be another possible solution.

A town with a wide diversity of ages, home styles, occupations, incomes and a place where local kids can live after they finish school, a place where a middle class couple can find a first home is where I want to live. Yarmouth has the capacity to do this!

Sincerely,

Barbara White
75 Spring Street
Yarmouth, ME 04096
207-460-6503