



Maine Real Estate &  
Development Association

# Voter Action Guide

## 2020 Portland Ballot

### NO on Questions C, D, and E





## Questions C, D, and E Generally

- We supports policies **to advance smart growth, affordable housing, and collaborative solutions to climate change.** We do not support Questions C, D, and E on the Portland ballot because they will not help solve any of those problems – despite what the proponents claim.
- These initiatives were written in a vacuum by a special interest group seeking to advance its agenda. **They were not developed with any public process, no public hearing, and no broad stakeholder input. If enacted, they cannot be changed by the City Council for five years.**
- These proposals ignore real implications to Portland’s housing market, including the construction of hundreds of units of affordable housing set to come online in the next one to two years that will not be built if this proposal is passed. Our City Council has been and is capable of taking action to solve Portland’s housing crisis in a way that works for Portland. These proposals undermine that work.
- The process was bad, the policies are badly conceived, and the proposals are badly written.



## Question C: “Local Green New Deal”

### A Bad Deal for Portland

- Question C will expand Portland’s inclusionary zoning ordinance. Question C will **require 25% of units to be affordable housing** (up from the current 10%) and increase the in-lieu fee requirement from **\$106k per unit to \$150k per unit**. Question C will lower the income eligibility threshold from 100% of area median income (AMI) to 80% of AMI, which will make it harder for working class families to afford these units.
- Question C will **drive up the cost of construction**. It will mandate certain wage and labor standards and impose vague and confusing energy efficient building practices. Question C threatens to **kill the development of hundreds of units of affordable and workforce housing that are currently in the pipeline** and set to come online in the next 3-5 years. Question C also threatens the development of **nearly a thousand units of market rate housing**. Portland needs more housing supply to alleviate the crunch, but Question C will stop the City’s progress. If Question C is enacted, the overall cost of developing in Portland will be prohibitive.
- **Question C will not lead to more energy efficient building practices**. In fact, the language of the proposal references energy efficiency codes and standards that do not currently exist under Maine law. This will create a compliance nightmare for developers, further driving up the cost of construction.
- Question C will put important municipal projects at risk. Portland voters recently approved a bond to make needed improvements to some of its schools. **If enacted, Question C would dramatically increase the cost of these school renovation projects and put their completion at risk.**



### Question D: Rent Control... Again

- Portland voters rejected rent control in 2017 because it was bad for Portland then—it is still bad for Portland now. Rent control freezes rent, but it will also **freeze Portland's progress** toward creating more housing and improving aging housing stock. Solving Portland's housing crisis will take cooperation, innovation, and thoughtful implementation of public policy. Question D will only make rental conditions worse.
- Question D will establish an annual “base rent.” The initial “**base rent**” will be **the rent for a unit as of June 1, 2020**, regardless of any changes in the rental agreement since that time. **Question D will limit increases to the base rent to the rate of inflation. Rent increases for new tenants will be capped at 5%, and under no circumstances can a landlord increase the rent on a unit more than 10% in a year.**
- Question D will also establish a rent board, **which could be comprised solely of tenants**. The board will be tasked with considering appeals for rental increases and grievances from tenants. Question D provides no parameters or guidelines for the board's decision-making process, meaning it will be **arbitrary and discretionary**.
- A contributing factor to Portland's housing crisis is the age and habitability of its housing stock. Under Question D, landlords seeking to make improvements to their property must make those improvements before seeking approval from the board, **giving them no guarantee a return on investment**. This incentivizes condo conversion and will further contribute to the shortage of Portland's available housing.
- Question D will also force renters and landlords to live with bad acting tenants for three months before their tenancy can be terminated. The only way for a landlord to end a tenancy earlier than 90 days will be to buy out the tenant for a steep fee: 60-89 days' notice: \$500; 30-59 days' notice: \$1,000.



## Question E: Attack on AirBnB

- Question E is an extreme and unnecessary measure. Portland already regulates STR's by capping the total number of units at 400 and requiring annual registration.
- Question E will **ban all non owner-occupied short-term rentals** (STR), commonly known as AirBnB's. Under Question E, an accessory dwelling unit such as an in-law apartment will not be eligible for STR. The only exception is for STR's on the islands. Question E will also increase the annual registration fee per unit from **\$100 to \$1,000 per unit** (\$400 on the islands).
- The proponents of this measure insist that eliminating STR's will cause 400 units of long-term rental housing to come back on the market. There is no basis for this belief—most STR hosts are not interested in becoming long-term rental landlords (particularly if rent control is also enacted). Question E will **incentivize condo conversion** and sale of those units—again further contributing to the shortage of Portland's available housing.
- Question E will **remove a source of income** for Portland homeowners at a time when they can least afford it.



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## How Can You Help?

- Donate!** We cannot defeat these proposals without your financial support.

Checks can be made payable to **“Building a Better Portland”** and mailed to: 306 Congress St., Ste. 9, Portland, ME 04101 OR you can donate on the **website** at <https://www.buildingabetterportland.com/>.

- Write a letter to the editor or talk to us about sharing your story as an op-ed.** If you’re interested, contact Alex Price at [aprice@pierceatwood.com](mailto:aprice@pierceatwood.com).

**Visit our website and share our social media.** Visit us at [BuildingaBetterPortland.com](http://BuildingaBetterPortland.com) or on Facebook @Building a Better Portland.

- Talk to your friends, family, and neighbors who are Portland voters.** They trust you and want to hear about the issues you care about.

- Participate in upcoming events to support the campaigns!** We’ll keep you posted when we have scheduled events that can safely take place at this challenging time.