

Grant, donation help ‘improbable’ Portland affordable housing project move forward

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By STAFF REPORT

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Progress continues on Community Housing of Maine’s “improbable” Middle Street project, which would provide a new living option in the heart of Portland for residents over 55, and would add 50 units to the city’s supply of affordable rental housing.

At its most recent meeting, the Portland City Council voted to fully fund the project’s Community Development Block Grant application. In addition, the project recently received a donation of land valued at nearly \$500,000 from billionaire philanthropist Donald Sussman, according to a news release.



When Community Housing first entered into discussions with the city of Portland over the idea of turning what was the Portland Police Department parking lot into affordable housing, everyone knew space would be tight, it said, but city staff took a collaborative approach and were willing to work toward making it happen.

During initial planning and design meetings with the project team and the city, it became evident that there were even more challenges that would make erecting a building “improbable,” according to Community Housing.

It reached out to Sussman, who owns the adjacent and undeveloped property at 160 Newbury Street, to seek a small easement that would have slightly improved the feasibility of the project. Sussman considered the request and asked how a donation of the land, rather than just a small easement, would impact the project, it said.

Upon learning such a donation would make the project far more viable and the development less dense for its future residents, Community Housing said he gladly agreed to donate the land.

“Affordable housing is in short supply in Portland – and all across Maine – so I’m pleased to have the opportunity to support such an important project that will make our community stronger and more vibrant,” said Sussman, founder and chief investment

officer of Paloma Partners, in the release. “I look forward to seeing the finished project and I’m proud that we can play a small part in its success on behalf of the residents of Portland and the seniors who will call Middle Street home.”

Sussman is the former owner of the Portland Press Herald.

With a nonprofit housing developer at the helm, cooperative support and grant funding secured from the city of Portland, Section 8 vouchers awarded from Portland Housing Authority, and now the donation of a key parcel of land, the Middle Street project is an example of a successful a public-private partnership from which the entire city will benefit, according to Community Housing.

“When we approached Donald Sussman, he immediately saw the challenges we were facing and the complexity of developing the property on the Middle Street parcel, and he saw how his land could change the equation for us,” said Brian Kilgallen, Development Officer at Community Housing. “In order to preserve the unit count needed for the project to remain viable, we would have had to go up seven stories, and build a much less efficient building. It was not ideal for anyone involved. Donald’s generous gift was a game changer. This will now be an extremely efficient 5- to 6-story building.”

It said the project would add much-needed, quality affordable housing units for people over 55 to Portland’s housing stock, helping the city remain a place in which people can live, work and thrive.

“We couldn’t be more thrilled,” said Cullen Ryan, executive director of Community Housing, in the release. “Everyone involved with the Middle Street project is extremely excited and thankful for this incredible generosity. We look forward to our continued work with the neighborhood, the community, the city of Portland, and all the project partners to develop high-quality, affordable rental housing. This will allow many people to have a wonderful place to live.”