

1 CITY OF PORTLAND
2 PUBLIC MEETING
3 COMMUNITY DEVELOPMENT COMMITTEE
4 Continuation of Review of Maine State Pier Proposals
5 June 27, 2007
6 5:00 p.m.

7 APPEARANCES:

8 JAMES CLOUTIER, Chair
9 JILL DUSON, Councilor
10 KEVIN DONOGHUE, Councilor
11 DAVID MARSHALL, Councilor
12 BILL NEEDELMAN, Senior Planner
13 ALEX JAEGERMAN, Planning Division Director
14 LEE URBAN, Planning and Development Department Director
15 MARY COSTIGAN, Associate Corporate Counsel
16 ELLEN SANBORN, Assistant Director of Finance
17 CARRIE MARSH, Urban Designer
18 JOE CUETARA, Moors & Cabot, Inc.
19 BOB BALDACCI, Vice President for Development, Ocean
20 Properties
21 TOM WALSH, Ocean Properties LTD Chairman
22 KEVIN MAHANEY, President, Olympia Companies
23 ALAN HOLT, Holt & Lachman Architects
24 PETER O'DONNELL, Resident of Portland
25 HAROLD PACHIOS, Portland Attorney
LAURA BALLADUR, Resident of Portland
RANDOLPH LAMATTINA, Resident of Scarborough
JIM MacADAM, Portland Attorney
STEVE GRISWOLD, Resident of Portland
MARK HALL, Resident of Peaks Island
HENRY MYERS, Resident of Peaks Island
HILARY BASSETT, Executive Director of Greater Portland
Landmarks
ART BANNISTER, Resident of Cape Elizabeth
FRED BRANCATO, Resident of Portland
JEFFREY GRINVALSKY, Resident of Portland
JOHN HANSON, Maine State Building and Construction Trades
Council
LEONARD W. CUMMINGS, SR., Resident of Portland
DAVID GRONDIN, Resident of Portland
MARTY COYLE, Resident of Scarborough
VINNY O'MALLEY, Resident of Portland
JOHN LEAVITT, Resident of Saco
TONY DONOVAN, Resident of Portland

1 PATRICK BANKS, Resident of Portland
2 DEBBIE KHADRAOUI, Resident of Portland
3 KEVIN MOQUIN, Resident of Portland
4 JOHN EVANS, Resident of New Sharon
5 JAIME PARKER, Resident of Portland
6 NICHOLAS WALSH, Portland Attorney
7 ED PALMER, Resident of Scarborough
8 DON NAZAROFF, Resident of Greene
9 ELIZBETH TRICE, Resident of Portland
10 SUSAN DAVIS, Resident of Portland
11 RON WARD, Resident of Portland
12 STEVEN SCHARF, Resident of Portland

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PROCEEDINGS

MR. JAMES CLOUTIER, CHAIR: Maybe we can come to order here? And thank you all very much for coming. This is our final public hearing, and we've got a somewhat expanded agenda, and so maybe we'll just get started. Just to review the agenda quickly, we have some final or the latest staff summaries of what's happened, a quick review of financial information from our consultant, and then we have received some submissions from the applicants lately. We'll ask them -- afford them each a maximum of 30 minutes to make presentations on that. And then we will continue with our final public comment session.

I've been asked, and I will try to remember to remind you again, after you speak to us tonight, glad to have you do that, but if you could just exit in that direction, and

1 there's a woman with -- with high-technology earphones on,
2 and she's trying to write down your name. So she would be
3 glad to check at what she guessed it was with what it
4 actually is, so if you could just go over there and speak
5 with her after you speak with us.

6 Then we will have a quick discussion about what we're
7 going to do next, followed by an executive session with
8 our financial consultant. Those of you that don't know,
9 executive sessions are -- are related to confidential
10 information, so they're held outside of the -- the
11 opportunity of the public to observe.

12 So that's what we will be trying to accomplish
13 tonight. And again, welcome to everybody. We are joined
14 tonight by Councilor Duson, Councilor Donoghue, Councilor
15 Marshall. And we would be pleased, I guess, to get
16 started with Bill Needelman. Bill? Thanks.

17 MR. BILL NEEDELMAN: Thank you, Chair Cloutier. With
18 regards to the -- excuse me while I get the microphone
19 figured out -- with regards to the two proposals that are
20 in front of the CDC this evening, both -- both proposals
21 have come forward with additional material for this
22 meeting for evaluation by the CDC, and those have been
23 provided both at the counter here and for those of you who
24 got it ahead of time; I hope everybody has got it. The
25 staff review of this process has essentially gone by the

1 criteria -- criteria that were established in the RFP, and
2 we've taken that and worked it into an evaluative matrix
3 that's also provided at the side of the room, and it's the
4 multi-colored chart. I think at the last meeting, I went
5 over -- two meetings ago, went over the use of the chart
6 and the details of it, and if anybody has any questions,
7 I'd be happy to answer questions with regards to how the
8 chart is structured.

9 And I'm going to concentrate just a few -- a couple
10 minutes here to talk about how the -- the changes and the
11 materials are reflected in this updated document, just for
12 people's information if they are looking at it. New
13 information that's in the document is included in blue
14 text. We would anticipate that at the end of the CDC's
15 process, once a recommendation is in hand, that the chart
16 would be greatly simplified and would convert to a single-
17 color text for presentation to the full Council. But as
18 it is, we have gone through a color coding, just to be
19 able to track the process through time and to keep track
20 of the new information as it's been provided to the CDC.

21 Staff had asked a number of questions of both
22 applicants, and a number of questions were raised at the
23 last meeting with regards to the Ocean Properties project.
24 There were questions with regards to the appearance and
25 function of the proposed 99-car parking garage, as well as

1 architectural details for the buildings in general, and
2 they have provided some additional information for that,
3 which is not reflected in the review chart. In general,
4 the -- the Ocean Properties proposal has changed to
5 reflect permitting constraints established by the Maine
6 Department of Environmental Protection, and they were
7 described at the last meeting. The new information that
8 was provided by Ocean Properties regarding the 99-car
9 parking garage is included in their update dated June
10 22nd. They do show a section drawing where that 99-car
11 parking garage would be able to accommodate two floors of
12 parking, as well as the Green roof. We would probably
13 need to see that in greater detail to make sure that it is
14 going to be functional, but they did provide that
15 information.

16 The -- with regards to the Olympia Companies, they
17 have provided additional information, essentially saying
18 that if they were to provide a new proposal to meet the
19 DEP criteria, that it would be possible, but it would
20 require a significant change in the program layout as
21 presented in the previous meetings. They provided
22 material at the -- just as of the writing of the memo that
23 went out on last Friday, and I'm sure that they would be
24 happy to describe how that new layout would look and how
25 it would reflect environmental permitting constraints.

1 With regards to some of the programmatic areas, and
2 I'd just like to hit on the highlights and would be happy
3 to answer any questions, there was a considerable amount
4 of discussion through this process on traffic and parking
5 and the location of parking. As I stated before, the
6 Ocean Properties project has provided additional
7 information on one -- one element of their parking, the
8 99-car parking garage. They're also proposing a 318-car
9 parking garage underneath the property, and -- but that
10 was not going to provide enough parking to satisfy the
11 entirety of their demand as they presented it. They have
12 provided additional information in the June 22nd document,
13 which states that they would be looking at some degree of
14 off-site parking, including shuttled parking from
15 facilities that they own in the area. And I'm sure that
16 they will be describing that in their presentation.

17 The Olympia Companies proposal is also looking
18 entirely at off-site parking, and the staff asked -- is
19 looking for confirmation that if there are going to be
20 parking spaces taken in existing garages that are
21 currently under control of the Olympia Companies, we'd
22 want to make sure that that did not come at the expense of
23 previously approved site plans, which Olympia has in the
24 area. We know that they've been required by the Planning
25 Board to -- to hold parking for new -- new projects in the

1 area of the Eastern Waterfront, and those requirements
2 remain valid for those other projects. So it's important
3 to understand that if there is going to be parking
4 established for the Maine State Pier project, that all the
5 site plans under Olympia's control in the area remain
6 whole through this permitting process.

7 There are a number of zoning issues that have been
8 addressed with the new proposals, and it appears as though
9 the 36-foot rule, the setback from the pier edge, has been
10 addressed by both projects, and it appears as though both
11 projects are looking to -- have looked to satisfy the city
12 and its requirement that 50 percent of the ground floor of
13 these proposals is marine related or a marine use, as
14 established in the zoning. There is some question -- it
15 could probably be asked of both parties with regards to
16 how certain uses are measured or established as either
17 marine use or not marine use. The Ocean Properties
18 fish/farm co-op is one element where the non-marine-
19 related retail that would be included in that may not be
20 applicable to the -- the marine-related use requirement.
21 Likewise, with any sort of non-marine parking that would
22 be included in the 99-car lot, how that relates to both
23 zoning and Maine DEP requirements would need to be
24 established in the future.

25

1 Finally, there have not -- we did not do a detailed
2 architectural analysis of both projects, given the late
3 arrival. We have -- with new information, we weren't able
4 to do the guideline-by-guideline analysis of the Ocean
5 Properties proposal as it came in relatively late. We had
6 previously done a relatively detailed review, according to
7 the Eastern Waterfront design guidelines. If the CDC
8 would want to have that prior to their recommendations, we
9 certainly can make sure we have enough information and
10 provide that architectural review for a future meeting, or
11 can provide it to the full Council if there were to be a
12 recommendation prior to that review taking place.

13 Thank you very much. I'm happy to answer any
14 questions.

15 CHAIR: Anybody have any questions? Okay. Thanks,
16 Bill. And next, Mr. Cuetara from -- just to kind of -- to
17 refresh us on the -- on the financial findings and bring
18 them as current as circumstances permit.

19 MR. JOE CUETARA: Thank you, Chairman Cloutier. The
20 copy of my notes is available. It's on the city's
21 website, but if I could just highlight some of the areas
22 to put it on the floor.

23 We met with the parties. I asked for additional
24 information on various meetings in March that helped
25 ultimately to create an initial report to the CDC. There

1 was a bit of need for conjecture, and as I stated, that
2 didn't provide my comfort level because we want to form
3 opinions without conjecture and with experience and with
4 the evidence of proof. We invited, after the April 25th
5 meeting, and I received responses from both parties,
6 clarifying comments on what my observations were in an
7 effort to give each person a chance to identify what they
8 meant or what I misconstrued. However, even at that
9 point, there was still a gap where I felt an ideal
10 comparison existed that could be narrowed. There were
11 still some outstanding queries, and there were several
12 elements of the proposal that we discussed within city
13 staff and myself that were not desirable to the city at
14 this point.

15 So we met with each party, one on June 14th, the
16 other June 19th, to have a roundtable discussion of the
17 various aspects of what we'd like to do to provide a
18 quantitative analysis that made sense and could compare
19 apples to apples. In that meeting with both parties, we
20 indicated that at this time, a TIF would not likely be
21 considered by the city as part of the project, and so we
22 would ask them to review the financial projections without
23 a TIF bond that would ostensibly be paying for the
24 infrastructure improvements to the platform of the pier.
25 We'd indicated to both parties that a period of up to 99

1 years lease would be acceptable for analysis comparison,
2 but I made it clear, or I intended to make it clear, I'm
3 not negotiating. That's not my prerogative. But for
4 analysis purposes, that was a period of time that we felt
5 would work to put people on all fours. That the city may
6 consider renegotiation at the term of a lease, again part
7 of the negotiation with the city directly, but for this
8 analysis, let's assume they would. However, the city was
9 not interested in purchasing the leasehold improvement
10 property at the termination, should a renegotiation not
11 happen. That we indicated that the developer is to pay
12 for the repair/rehab of the pier, there was certain
13 discussion of what is the pier. Unless we be confused,
14 the pier is underneath the carpet of the buildings. You
15 have pier down to ocean floor, and that's what we're
16 talking about when we talk about the pier itself, and that
17 that would be considered a leasehold improvement, both the
18 rehabilitation and the ongoing maintenance of the lessee.
19 That the city was asked, the developers, to consider
20 annual lease payments to the city for the use of that
21 platform that had been rehabilitated. And then in terms
22 of -- and it's an often-asked question, what does the city
23 get out of this, what would they project would be the
24 taxable assessed value of the project, let's say,
25 hypothetically, a 97 or a hundred million dollar project.

1 Carve out -- my words -- those areas that are not taxable,
2 the platform of the pier for one, that would ostensibly be
3 an \$18 million improvement, and other public properties,
4 and try to identify on a model I provided both with the
5 same assumptions, what the tax revenue that the city could
6 conceivably receive.

7 On page -- or the back side of my little notes here,
8 and I'll go item one to one, both parties agree not to
9 request a TIF in terms of their revised proposals. Ocean
10 Properties stayed at a period of 99 years for the term of
11 their lease. Olympia Companies maintained their 75-year
12 period of time. The Ocean Properties requested the right
13 to renegotiate for another 99 years at the end of the
14 first period. The Olympia Companies also asked for a
15 right to renegotiate, and that if the city and the
16 developer couldn't develop a consensus at that point in
17 time, that the city would, in fact, pay \$1, a nominal, for
18 -- at the termination of the lease. Item four, that the
19 pier improvements was stated after our June 22nd meeting -
20 - pardon me, after our June 22 deadline, with Ocean
21 Properties to have leasehold improvements estimated about
22 \$18 million. It wasn't specifically identified in my last
23 communication with the Olympia Companies, but going back
24 to page 38 of the RFP, not surprising, we see another \$18
25 million, so we're on all fours there. Item five, that the

1 Ocean Properties had indicated a -- a lease -- initial
2 lease payment of \$100,000 for ten years, which would then
3 accelerate by a certain factor each decade thereon for the
4 99 years. There was some confusion on my part, that I
5 understand has been clarified, that there was additional
6 utility savings to the city's imputed or ongoing
7 maintenance to the city, a value of let's say \$400,000,
8 that -- and I'll let -- may I speak about that now -- that
9 at this time would essentially be a 400-plus-\$100,000
10 lease payment to the city, which is \$500,000. On the
11 Olympia Companies proposal, they had indicated a \$300,000
12 lease payment, plus a two percent acceleration, and they
13 were silent on the maintenance, but that's also
14 negotiation. But pier five -- item five, these are my
15 written ideas, my written observations, and with that new
16 information.

17 Finally, the tax revenue, that the Ocean Properties
18 at my request indicated, of a \$100 million project,
19 approximately 45.6 million of it would, in fact, be
20 taxable assessed value. And the way I got the 45.6, of
21 course, is taking the amount of tax revenue, divide by the
22 mill rate equals 45.6 million, which is probably darn
23 close, so that their tax revenue would be \$744,000 in the
24 first year. Going beyond that, I think looking year to
25 year, the first year, puts us on all fours again. The

1 Olympia Companies had indicated that the entire project of
2 \$97 million would be subject to taxes, and so therefore,
3 they imputed 1,585,000 would be the tax revenue.

4 In terms of discussion, in the Ocean Properties
5 response, they had talked about the savings of the
6 operational cost utilities. This is primarily offset by
7 revenues, and I won't get in great detail unless you
8 desire, but the city receives offsetting revenues for the
9 expenses thereon, somewhat budget neutral. The city will
10 still be liable in any case for debt service payments,
11 which are not diminutous, but they're out there, and
12 therefore, any savings as presented to us with Ocean
13 Properties, we deem as neutral at best. And the
14 misunderstanding was the \$400,000 that I carved out of
15 that that you saw in that schedule that, in fact, provides
16 a net benefit to the city of \$500,000 there.

17 That the ongoing maintenance for the pier, Ocean
18 Properties had indicated \$575,000 for the first ten years,
19 and then -- pardon me, well, we'll skip -- that becomes
20 moot because of the discussion we just had. It's
21 interesting in reading the June 22nd response that's on
22 the city's website from Ocean Properties, as they spoke to
23 the -- outside the scope of the project, but they would be
24 interested in getting rid of redundancies and funding the
25 construction of pier two, berths two and three. And I had

1 put the first year financial benefit to the city was
2 \$844,000. That's now understated by \$400,000, so it's a
3 1,200,000.

4 In terms of the Olympia Companies, we had some
5 concerns as to the legal structure, and they were
6 extremely responsive and very quick to come back to us
7 with a single entity LLC. One of the problems I had was
8 you had three different LLCs that were all bankruptcy
9 remote, and some of the legal and financial aspects
10 thereon indicated don't make your financial problems the
11 city's financial problems, and they were very quick to
12 come back and provide a structure, a legal structure, that
13 made us very comfortable.

14 The -- I had talked about in private -- in prior
15 meetings about the commitment letter. I've received two
16 commitment letters, one from Bank of America, that's
17 essentially the same as Ocean Properties, and therefore,
18 that puts it on an all-fours basis also, and a discussion
19 with the president of CitiBank North that, again, provided
20 comfort levels that we heretofore were not clear on. I'm
21 not saying we're uncomfortable, but we wanted to become
22 comfortable.

23 I -- and at some point, and of course, the proof will
24 be in the pudding when the Tax Assessor sees the property,
25 is that the nontaxed property didn't appear to be carved

1 out, notwithstanding the \$18 million pier improvement,
2 which brings the 97 down to 89 million. So perhaps the
3 taxable assessed value is overstated. Enough information
4 is here for you to draw your own conclusions.

5 Another aspect, and this is something we've talked
6 about in -- in various staff and CDC meetings, is the
7 parking garage aspect that the Ocean -- Olympia Companies
8 was -- had indicated they'd provide parking, but there was
9 a friction between net new spaces or merely taking
10 existing spaces and -- and reallocating them, and the \$13
11 million of assessed value thereon also. And so the
12 Olympia Companies has indicated a parking garage. I put
13 on-site with question marks because it's not clear to me
14 where that footprint would be, but the implication I get
15 is in that new parking -- \$13 million parking garage.

16 And so the first year financial benefit to the city,
17 as represented by the data we have, is 1,885,000 and,
18 again, subject to a carve-out of -- of nontaxable
19 property. That's where we're at in terms of having some
20 actual comparisons that have some meat to them.

21 CHAIR: Okay. Anyone have any questions? Mr.
22 Donoghue?

23 COUNCILOR KEVIN DONOGHUE: Thank you. Mr. Cuetara,
24 when -- when calculating the total tax revenue for each
25

1 proposal, is structured parking counted as part of that
2 value?

3 MR. CUETARA: We -- we don't know, but -- in terms of
4 the \$97 million total?

5 COUNCILOR DONOGHUE: On -- well, on the Olympia side,
6 yes, and the -- on the Ocean Properties side, as well. In
7 either case, how is -- is structured parking, known of and
8 not known of, counted as taxable value in these -- in
9 these counts, in these estimates here?

10 MR. CUETARA: It would be owned by the developer.

11 MS. ELLEN SANBORN: (inaudible)

12 MR. CUETARA: Well, as Ellen has stated, the \$97
13 million includes the entire development, which is the \$13
14 million. Therefore, it would be included in the assessed
15 value.

16 COUNCILOR DONOGHUE: Okay.

17 MS. ELLEN SANBORN: Ocean Properties I'm not sure
18 (inaudible) If the value of the --

19 MR. CUETARA: Is the \$13 million parking garage part
20 of your \$45 million of -- of --

21 MR. BOB BALDACCI: Yeah. Let -- let me explain the
22 basis of the assessment. The assessment --

23 COURT REPORTER: Microphone, please.

24 MR. BALDACCI: Yeah. Bob Baldacci, Vice President
25 for Ocean Properties. We actually spoke to the assessor.

1 Rich Ade, who is our Chief Financial Officer and Senior VP
2 at Ocean Properties, spent some time with the assessor
3 here in Portland to go through the elements of the
4 project, including parking, including the hotel and office
5 space, and -- and that's exactly how we came up with the
6 number. We didn't pull it out of the air. We're talking
7 -- we're talking about a \$100 million investment here,
8 Joe, as you well know. But we went through each element
9 with the assessor, and we used the number he gave us. So
10 that's how we came up with it, whereas I know the -- I
11 don't believe the Olympia group went through the same
12 exercise, so thank you. Does that -- does that answer --
13 does that answer your question?

14 MS. SANBORN: (inaudible) included in the 45.6?

15 MR. BALDACCI: Yes.

16 COUNCILOR DONOGHUE: And how much of -- what is the
17 value of the -- it's said to be \$13 million in the Olympia
18 proposal. What's the value of the structured parking in
19 the Ocean Properties proposal? So I can know how much
20 parking's playing a role in determining value.

21 CHAIR: Do you have that, Joe? Either Joe or Ellen,
22 do you know or --

23 MR. TOM WALSH: The value of parking is about 20,000,
24 20 to \$25,000 a space for above-ground parking, about 45
25 to \$55,000 for the parking that's underground. So the

1 total value for the parking is going to be way over \$20
2 million.

3 COUNCILOR DONOGHUE: Okay. Thank you. That answers
4 my question.

5 MR. WALSH: Yeah.

6 COUNCILOR DONOGHUE: About a \$20 million value for
7 the parking aspect on the Ocean side, and about a \$13
8 million value for the parking aspect on the Olympia side.
9 That's my question. Thank you.

10 CHAIR: Can I -- can I just ask as a follow-up, if
11 anyone here knows on the Ocean Properties side, was the
12 pier for -- the projected pier for the tugboats and -- and
13 excursion, do you happen to remember what the -- what
14 values were --

15 MR. BALDACCI: \$4 million for the tugboat pier.

16 CHAIR: Councilor Duson, did you have a question?

17 COUNCILOR JILL DUSON: I don't.

18 CHAIR: Oh, I'm sorry. Councilor Marshall, anything?

19 COUNCILOR DAVID MARSHALL: Yeah. I just wanted a
20 brief clarification from Olympia Companies because on here
21 it says the pier improvements that was not specifically
22 identified in the last communication, but the RFP
23 identified the 18 million. Can we just confirm that it's
24 as the original proposal?

25

1 MR. KEVIN MAHANEY: That's the same as our original
2 proposal. And also, on the clarification for maintenance,
3 in our original proposal, it was that we were going to be
4 responsible for all maintenance, so I think Mr. Cuetara,
5 along the same lines as Ocean Properties, the \$575,000, we
6 did not change that, nor indicate any intention to change
7 that. So I don't know whether that's on all fours, as
8 well, if you have not included that in ours, because the
9 ongoing maintenance was included in our original proposal,
10 and so that now matches up with what Ocean Properties has
11 now changed to.

12 MR. CUETARA: Yeah, there's a different -- yeah,
13 there's a difference between -- there -- there are two
14 aspects in the Ocean Properties schedule. Bear with me.
15 And I believe these are public record, aren't they?

16 MS. SANBORN: Yes (inaudible)

17 Mr. CUETARA: Yeah. What Ocean Properties had
18 presented was a land lease for the first ten years,
19 \$100,000 a year, plus a cost savings from existing
20 operating costs, now that's operational maintenance of the
21 \$400,000. Those have been included to be equal to
22 \$500,000 of lease -- operational maintenance lease. The
23 ongoing pier maintenance, as is similar now to your
24 proposal, Kevin, is an additional \$475,000 on that. And
25 that's actually a neutral cost to the city. That's a

1 leasehold improvement. It's not a benefit to the city
2 other than maintaining the property. But the 400-plus-100
3 \$500,000 plus 475 of maintenance is equivalent to the pier
4 improvement, the annual lease payments of \$300,000 a year,
5 plus whatever your maintenance is, which is undefined.

6 CHAIR: All right. So I'm pretty sure we would want
7 to end up with a -- with a -- with a finance chart and
8 some footnotes on -- on this as we go along, at least,
9 that summarizes what -- what was just discussed. And in
10 addition, I'm pretty sure we want to have a -- we want to
11 have the assessor review both of the current proposals,
12 and if there is an assessment basis, which is
13 substantially different than the valuation placed on these
14 by the applicants, then -- then, you know, we need to
15 understand what those differences are and how they
16 function through on the finances of the project. Does
17 that make sense?

18 MR. CUETARA: Yeah.

19 CHAIR: Rick Blackburn got anything else to do today?
20 No, probably not. Anything else?

21 COUNCILOR DUSON: I just want -- I just want to be
22 sure I understand. Olympia Properties is confirming that
23 you're expecting that all of the property would be
24 taxable?

25

1 MR. MAHANEY: All the property improvements that we
2 have gone through, and based on our meetings historically
3 with the assessor's office, everything that Mr. Cuetara
4 had specifically said, above -- below the carpet and what
5 we've done is, we believe, having to pay taxes, and
6 significant taxes, as the third largest taxpayer in the
7 city, that we believe that that's an accurate number.

8 CHAIR: Okay. I guess the point is whether it's up,
9 down, or indifferent, we need to have it on the same
10 basis, and we'll -- we'll -- it's not beyond the wits of
11 our -- of our team to get it to that point.

12 COUNCILOR DUSON: So that means we'll tax them for
13 the 100 million?

14 CHAIR: I'm very much in favor of the Mahaney
15 assessment basis. Yes.

16 UNKNOWN: I don't know (inaudible)

17 COUNCILOR DUSON: He's not smiling.

18 CHAIR: Okay. The next thing we want to do is hear
19 from -- from the applicants. We have -- I don't remember
20 whose turn it is to go first, but it's going to be
21 Olympia's anyway, for -- for a couple of reasons, one of
22 which is that they -- they had some new data that they
23 presented recently, and the other is that they actually
24 have -- at least some of their management team has better
25 places to be and better things to do than here tonight.

1 So we're -- we're going to let them go ahead first. So we
2 want to limit it to about a half an hour, and -- and then
3 Ocean Properties, as is our custom, will have a half an
4 hour to make whatever presentation they want to make. And
5 then we will get to public hearings, and to the extent
6 that -- that we -- that the applicants dial back their
7 half hour presentation, then we'll get to that sooner.

8 Mr. Holt, always a pleasure to see you.

9 MR. ALAN HOLT: Good to see you, Chairman Cloutier,
10 Councilors Duson, Donoghue. Good to see you, my District
11 Councilor, Mr. Marshall, people here, and city staff. I
12 should clarify that the -- the better things that Sasa
13 Cook has to do tonight is his wife's going to be
14 delivering a baby sometime in the next 12 to 24 hours, so
15 -- so we all think that's a pretty good excuse to let him
16 off a little early this evening.

17 Kevin wanted me to begin this evening, which is an
18 honor. I'm Alan Holt. I'm a principal of Holt & Lachman
19 Architects, and I had the pleasure of being part of the
20 Olympia team. When Kevin called me back in October and
21 said, you know, I want to go after this. I've got two
22 months. And -- and, of course, we've talked about the
23 process that -- that he -- that he used, and let's see, my
24 remote doesn't reach this far, so I'll have Barry hit a
25 button over here. And -- and I just wanted to take a

1 little time to review something that's in our original
2 proposal. In our original proposal, we have about 30
3 pages that documents what we call the focus group
4 charrette process that we went through. And we just
5 wanted to speak to the issue of flexibility because, as
6 you know, we've talked about this before, this plan really
7 came from 12 citizens of Portland that the Olympia Company
8 recruited, community leaders all, with a broad
9 representation of Portland involvement and a history of
10 civic activity, 12 Portland consultants, architects,
11 engineers. And over the course of 18 hours of interactive
12 meetings, those people came together four different
13 occasions, to create a plan. And Kevin said at the get-
14 go, you know, it has to make financial sense, and -- but I
15 want you to develop the plan.

16 I just want to review some of the things that we
17 looked at in this flexible process. This is a plan that
18 came out of early December, and if we hit another button
19 there, Barry, we can zero in, and you can see this plan
20 has a parking garage with the Green roof on it and a
21 tugboat pier. You'll go next. We also looked at an
22 option B. If you'll zoom in on option B, you'll see this
23 has a parking garage across from the existing Casco Bay
24 garage, and it connects with an overhang. And if you go
25 to the next one and you zoom in on option C, this is a

1 three-story parking garage bookended by office buildings,
2 right on Commercial Street. You know, there was a lot of
3 flexibility at the get-go, looking at parking solutions,
4 and what came out of that was unanimous, after about eight
5 hours of interactive meetings, rejection by the people and
6 by the consultants, that it didn't really make sense and
7 it wasn't in keeping with the Eastern Waterfront design
8 guidelines.

9 Now, one of the early things that came out was the
10 notion that the blue shed building, that we would build
11 within the footprint of it, and this is December; that it
12 would be three stories tall; it would be office with
13 water-dependent; and that we would create a tower with a
14 hotel above an office building. And if you zoom in, one
15 of the sketches from that early charrette, this is the
16 three-story blue shed building with water-dependent uses
17 downstairs, offices upstairs, within the 45-foot height
18 limit, offices on Commercial Street, hotel on top,
19 restaurant on top of that, Green roofs, and so forth and
20 so on. And actually, out of the early charrette, it
21 seemed that a few things came out. After eight hours of
22 being locked in the room together over -- over the course
23 of three days, there was a hundred percent agreement,
24 after looking at all kinds of flexible options, that all
25 of the options that put parking on the waterfront, up,

1 down, and underground, were bad ideas, and that it was
2 better that -- and the instruction was, put your money
3 into a twenty-first-century parking solution.

4 The other thing that came out of eight hours of --
5 behind closed doors of interactive meetings over three
6 days was that the park had to be significant; it had to be
7 on the corner of Franklin and Commercial; and it was
8 essential. And there was a lot of interest in exploring
9 this idea of working within the 45-foot height limit of
10 the blue shed building and putting a tower on Commercial
11 Street. And so the folks gave the instructions to the
12 architecture team, go away and explore that, and let's
13 come back next week and look at it. So the architecture
14 team did that. You can see this is what that looked like
15 after the architects went away and worked two days around
16 the clock to come up with a plan with an office below, a -
17 - a hotel above, the park. Barry, if you'll hit the next
18 button, you can start to see the 45-foot-high shed
19 building there. And you go back out on the end -- Barry -
20 - and you can see this. And as a matter of fact, after
21 looking at that and spending another three or four hours
22 in an afternoon looking at that, the team decided that
23 that was not a good idea, either. So as a matter of fact,
24 there was a lot of options looked at in December from the
25 people and from the -- and from the consultants. And

1 after this 18 hours of interactive meetings, there was
2 unanimous agreement about the park location; unanimous
3 agreement that parking does not belong on the waterfront;
4 unanimous rejection of the tower solution. People said
5 strongly that buildings on Commercial Street needed to
6 respect the 60, 65-foot historic street wall of Commercial
7 Street, and unanimous agreement at the end of all of that
8 that the hotel belonged across from the Casco Bay Ferries.

9 So it just goes to say that in this one example only,
10 Olympia demonstrated a tremendous amount of flexibility by
11 listening to people, testing alternatives, and finding
12 solutions. And they did that in October and January, in
13 order to come up with a proposal. And I'm going to have
14 Barry just go to the animation one more time and just
15 minimize that, and the animation is ready to maximize.
16 And so the solution again, the four-story office building
17 -- and just double-click on that anywhere on the screen --
18 had to do with the office building on Commercial Street;
19 the two-acre park; the hotel that is narrow and leaves
20 plenty of room for a large pedestrian connection and
21 improvements to the Casco Bay ferry queuing; keeping
22 traffic out of the queuing area; the pedestrian-scaled
23 village at the end, that provides retail opportunities and
24 destinations, as well as 50 percent marine floor support.
25 Coming up over, that -- that the view down India Street

1 was maintained wide; that the office building curves back,
2 creating this generous view corridor out to the bay from
3 all over that intersection; that the building is
4 responsive to the environment by having the solar
5 orientation and the light wall that brings light down in
6 there; that the buildings are built to the street from the
7 get-go, as required by the Eastern Waterfront Master Plan;
8 and ultimately, that this vision included a commitment to
9 invest \$18 million in the pier in our original proposal,
10 building the park in the original proposal, and doing
11 everything environmentally sensitive in the original
12 proposal. Just one example, how we were flexible and
13 explored many options, and we did so before the RFP
14 deadline.

15 I want to turn it over to Kevin Mahaney at this point
16 to talk about some other issues.

17 COUNCILOR DUSON: May I, Mr. Chair, just so people
18 don't misread my body language. I get motion sick
19 watching that. There are certain movies I can't watch.
20 It's not your project.

21 MR. MAHANEY: I hate to admit it, I get sea sick, as
22 well, even though I've spent all that time on the water.
23 The one thing we wanted to talk about is our -- is our
24 predictability as a development team, our certainty in the
25 development team, and why choosing the Olympia team is

1 significantly less risky because you know what you're
2 going to get. Specifically, over the last decade, we've
3 been in front of the Council numerous times with the
4 projects we've brought forward. We've worked with city
5 staff for the last decade. And I want to use some
6 examples of why we are flexible, we do listen, and why we
7 end up with terrific projects that get built.

8 If you take a look specifically at Massachusetts
9 Avenue where we built the new building where the
10 DoubleTree is, Massachusetts Avenue was the second highest
11 rated accident site with Congress Street in the State of
12 Maine. What we did is we ended up working with city
13 staff, going to the state, working with neighbors to
14 contribute land and buying land, and readjusted the
15 entrance to our site. It wasn't in our economic best
16 interest to do so, but we did it because it made for
17 better development and a better community. We were able
18 to put a third lane in there. We were able to put a light
19 in there. We were able to acquire the land to have the
20 slip lane to go onto 295, and we did that hand-in-hand
21 with the city, going to the state, and the adjacent
22 property owners to accomplish that.

23 Franklin Arterial, in the development of both the
24 Hilton Garden Inn and 280 Fore Street, is another
25 significant advantage of us working hand-in-hand with the

1 city to accomplish specific goals that benefited the
2 citizens, that worked within the city guidelines to take
3 and develop a great area for the city. Specifically, when
4 you used to come down on Franklin Arterial, there was a
5 slip lane left over from the awful '60s urban development
6 where people would come barreling down Franklin, and you'd
7 make a right-hand turn in the slip lane. We, together
8 with the city -- we brought the city a plan that
9 eliminated the slip lane, created a pedestrian reservoir
10 that slowed traffic down, created a place where
11 pedestrians could gather to safely cross, and we went to
12 the State of Maine, and we said, we would like you to take
13 and donate that land to the city, and then we will
14 purchase it from the city to eliminate that. What we were
15 able to do is take and significantly reduce the speed of
16 the traffic. We were able to take and narrow that access
17 so the city can now cross -- go across Franklin Arterial.
18 And the state was willing to donate that to the city, but
19 we spent three days up there with city staff, taking --
20 working together to come up with an innovative solution to
21 make this a better area.

22 Another example, and specifically when you talk about
23 NRPA, in the interpretation of what is best for the city
24 under the Eastern Waterfront guidelines that we
25 specifically followed, the direction that we were

1 specifically following from our -- our focus group in
2 developing our hotel location's pedestrian access, is that
3 our interpretation of where the city wanted these
4 buildings built are specifically to the lot line. It's an
5 important access for both the city to have the Hilton
6 Garden Inn and the 280 Fore Street and other buildings
7 built to the lot line is to create a sense of urban.
8 However, because Franklin is a state road, it was in
9 direct conflict with what the state wanted, which was to
10 be set back 20 feet. So what we did is we went, once
11 again with city staff hand-in-hand, up to the state house,
12 and we worked with city staff to get an interpretation
13 that let us build within the city's needs, the city's
14 guidelines, and the city's zoning application in order to
15 build something that was in direct conflict with the state
16 interpretation.

17 Another specific example of working with the Council
18 and being successful developing here in the city, showing
19 our flexibility is there was some concern about the modern
20 look of the Hilton Garden Inn with the titanium panels,
21 and there was specific concern on the Council that they
22 would like to have a brick building there. And so we went
23 back, redesigned our building in brick, and in fact, at
24 the request of one of the Council members, we brought in
25 an actual sample of the brick and promised to build it of

1 that brick. I believe that brick is still in the Planning
2 and Zoning Department as an example of people working
3 together well with the city.

4 Another example of being -- and my final example of
5 being sensitive to the needs of the city is the
6 development that's currently under construction on the
7 corner of Fore Street and Customs House. We owned a piece
8 of land that, if built to the property line, would have
9 significantly obscured the view of the beautiful Customs
10 House that exists on Fore Street. So the city staff had
11 asked us specifically, would we take and give the city
12 part of our land so we can move our building back so the
13 view of Customs House would be unobstructed coming down
14 the walkway, coming down Franklin looking to the right.
15 Would we give up some of our buildable space in order to
16 save that view corridor? And that's exactly what we did,
17 is we gave the city that land, moved our building, made it
18 smaller than it was originally designed, in order to
19 protect that view corridor.

20 We have a history of working well with the city, so
21 as far as flexibility, as far as certainty, that's an
22 important part of it. If you want one -- another example
23 of why you should choose us as your developers is our
24 fundamental belief that we have world-class people here in
25 Portland. Rumor has it we've spent over \$600,000 on this

1 proposal so far, and the money was spent in Portland. If
2 you want to know who you're going to be looking at and
3 negotiating with in understanding the process, you're
4 going to be looking at Winton. You're going to be looking
5 at Barry. Where's Barry? Barry -- you're familiar with
6 Barry. You're going to -- you're going to be working with
7 Tom Gorrill. You're going to be working with people who
8 every meeting are coming up and presenting with you. They
9 work on other projects. They have a history. They have
10 your confidence. At least, I believe they have your
11 confidence. They certainly have my confidence. We
12 believe that Portland people, a Portland developer and a
13 Portland team, can successfully develop this pier. I
14 think we've been very successful. If you just walk
15 outside, something that's two-thirds bigger than this
16 facility changed the face of Portland, downtown Portland,
17 on this corner, that we worked successfully with Portland,
18 both the Council, getting things changed, with the Council
19 and the team going -- with the city staff going to the
20 state to get state interpretations changed to things that
21 are better for Portland, using Portland architects on our
22 project, using both union labor and nonunion labor to
23 build our projects. And we're Portland based. We started
24 in Portland with two people. We now employ over 200
25 people in Portland, you know, and we're growing. We're

1 very proud of our Portland heritage. And if you want to
2 take risk out of this project, look to the people that
3 have been successful developing here in Portland.

4 I think at the end of the day when you look, we have
5 a better plan. That's something that I've been very, very
6 proud of is walking down the street, going to all the
7 community meetings. And I really take a great degree of -
8 - of -- I would have to say a compliment from Ocean
9 working so diligently to compete with our original
10 February 22nd plan. There are specific -- specific things
11 that, if not for the great job that our team had done,
12 there wouldn't be a two-acre park on both proposals, our
13 February 22nd proposal and their original proposal here,
14 because we provided leadership, we provided direction that
15 would help this process going forward. Our idea of the
16 park is the idea that stuck in both proposals, from our
17 leadership. Fix the pier, up front. We've been in
18 Portland long enough to know, and I've been in front of
19 Councilor Cloutier to know, that we were going to fix that
20 darn pier up front, so that's what we put in our February
21 22nd proposal. We're glad to see that in the final
22 proposal, Ocean is going to do the same thing that we said
23 that we were going to do and what we understood almost six
24 months ago.

25

1 Parking solutions, we came up with something
2 different. We didn't say we were going to build parking
3 garages on the pier. We already knew that that would be a
4 nonstarter in Portland because we're from Portland. We
5 met with Portland citizens. We knew that that wasn't
6 going to work, so we came up with an innovative parking
7 plan and transportation plan that included public
8 transportation. We think people can walk. However, when
9 we actually met with the city, we were disappointed to
10 understand that the \$13 million that we put towards that
11 solution would not be counted as a financial benefit to
12 the city, unless it was specifically taxable, and I think
13 that's something that you should go back and review
14 because I think public transportation and a commitment to
15 public transportation is something that should be
16 recognized as a financial commitment to the city and not
17 just building parking garages.

18 I think if you look at Green design, from day one,
19 we've had Green design, sustainable design, in our
20 project, and I take it as a huge compliment that Ocean has
21 gone back from having no Green design in their original
22 proposal to having a significant commitment to Green
23 design. And if not for our leadership in that first
24 proposal, making that one of the key rings that we hung
25 our hat on, you would not see it in both proposals today.

1 Once again, that's leadership up front, knowing what the
2 city wants, being able to predict what would be successful
3 here, and doing that in advance and understanding it.

4 And I think finally, if you look at the financial
5 commitment that we made on February 22nd, it was
6 significant. We didn't start and try to lowball you up
7 front. We came up with a significant financial commitment
8 up front, that even today is almost double what Ocean
9 Properties is offering. We understood, having negotiated
10 with the city before, where we believed we would end up,
11 so we thought we'd start there to begin with. We came up
12 with a fair plan for the city, day one. And if you choose
13 us, that commitment to fairness, that commitment to
14 working with the city, to listening to the citizens, is
15 something that Olympia won't start to do or promise to do,
16 that's something that Olympia will continue to do, the
17 same thing we've been doing for the last ten years. So
18 when you look at Winton, when you look at Barry, Tom
19 Gorrill, myself, the people that have invested in this
20 city for the last decade, the people who are headquartered
21 here in the city, who support its institutions, something
22 that Councilor Cloutier has alluded to on numerous
23 occasions that Portland people, Portland based, are the
24 ones that we should really be supporting going forward.
25 So it's something that I'm very, very proud of.

1 And with that, I'd like to play the animation one
2 more time, and I want people to think about a day like
3 today -- that's all right, you don't have to look -- a day
4 like today, walking down instead of into this building,
5 walking along the park, walking beside the hotel under the
6 Green space where there's plenty of room for parking,
7 taking after this meeting, strolling down to the market
8 down there or to one of the restaurants or cafés, going
9 down and enjoying the cruise ships, taking a ride on the
10 schooner, meeting at Compass Park, fishing off the end.
11 You know, you think about what a place this could be for
12 Portland. Approaching it from the water, you know, you
13 have a great vista of historic buildings, not 95-foot new
14 skyscrapers taking and obliterating the skyline. Stairs
15 going down so kids can go dip their water in. You can put
16 your kayak in. You know, buildings that are of scale,
17 that don't dominate the area; brick pavers on the
18 sidewalks, something that's recognizable; something -- a
19 context that fits within the existing city. And then, at
20 the end of the day, every day, we are the port city. When
21 you come down, all the citizens have a beautiful
22 connection to the water that belongs to the citizens
23 forever. Go out on the park with your family. Go out
24 with your friends, visitors that come down. This is what
25

1 Portland is about, is this experiencing our wonderful
2 city.

3 So, thank you very much.

4 CHAIR: Thank you.

5 MR. BALDACCI: Good evening. Chairman Cloutier,
6 Councilors Duson and Donoghue, and Councilor Marshall, my
7 name is Bob Baldacci, Vice President for Ocean Properties,
8 Ltd. I am a Portland resident. Most -- I -- I didn't
9 realize we needed to give our geographic background, as
10 well, but many of the -- the people on our team are Maine
11 people. Certainly you know the two principals, Tom Walsh
12 and Senator Mitchell, and their deep Maine roots. So
13 although you weren't born in Portland, Tommy, or -- or
14 Senator Mitchell, hopefully you won't hold that against
15 us. But, anyway, we're very proud to be here, and -- and
16 we have our development team here, as well, and we'd like
17 to express our thanks to your committee for supporting a
18 process that encourages public participation and an
19 opportunity to ensure that whatever team is selected, that
20 their concept plan meets federal and state regulatory
21 requirements and represents the best possible project for
22 the citizens of Portland. That's what this process is all
23 about. At least, that's how we interpret it.

24 We're proud of the process we went through in
25 developing the plan before you tonight. It reflects a

1 significant commitment on our part to design a project
2 that meets Army Corps of Engineering, Environmental
3 Protection Agency, State DEP requirements. It also takes
4 into account the ideas, suggestions, and concerns we've
5 heard over the past several months from members of the
6 general public. The result is a plan that offers over
7 seven acres -- the site itself is seven acres, and we're
8 creating an additional seven acres of unique and
9 accessible public open space for Portland residents and
10 visitors. And you can see the boards off to my left, and
11 I know you've seen the proposal before and encourage you
12 to take a look at it again. Underground, on-site parking
13 at -- at a cost, as Mr. Walsh pointed out, a significant
14 cost of between 40 and \$50,000 a space. State-of-the-art
15 environmental LEED design. Thank you. My cell phone?
16 No. Kevin, is that your cell phone? Tell Mr. Mahaney to
17 shut his cell phone off.

18 The elements -- the elements of our project haven't
19 changed at all since day one. We're offering a
20 significant commitment to develop marine uses, including
21 high-speed ferry service connecting Portland to
22 communities up and down the Maine coast, whale watching,
23 marine tours, full-service cruise port; the creation of
24 over 500 jobs with our project, nearly 60 full-time jobs
25 created by marine businesses and related services offered

1 by Ocean Properties alone, that's a significant
2 commitment; a guarantee to repair and maintain the Maine
3 State Pier at no cost to Portland taxpayers; a financial
4 plan that proposes no city subsidy with a hundred percent
5 of all taxes returned to the city general fund. And I
6 appreciate Mr. Cuetara's comments and Ellen Sanborn's
7 comments, just in terms of how we characterize our lease
8 cost, and I think you did a good job of explaining where
9 we are with that.

10 But I -- I want to just briefly highlight the issue
11 of bank letters of reference. Olympia has one. We had
12 one in our proposal. I -- I'd like to present to you a
13 clarification of the letter, just to demonstrate that
14 there is no bank that can fully guarantee the financing of
15 a project today without seeing plans, without going
16 through approvals. And -- and let me just leave this with
17 you. And it is for that reason, committee members, that
18 we made the commitment, up front. We have the funds
19 available to provide a hundred million dollars up front to
20 guarantee to the city, with our own funds, either in the
21 form of a letter of credit or actual escrow of funds, that
22 the money is there to complete the project that we say
23 we're going to complete, without any bank financing. And
24 we think that that's significant. So I wanted to clarify
25 that.

1 Development of a first-class, full-service hotel and
2 class A office space, and I'd like to refer you very
3 briefly to the boards on the left here because one of the
4 issues that hasn't been talked about at all through this
5 process is quality, the quality of the respective
6 developments. You've got one team that proposes a hotel
7 about 60 feet wide. And we -- Mr. Walsh actually did an
8 analysis of that, taking out common areas and how big the
9 rooms would be, and we actually show a board -- and
10 Mitchell, where is that board showing the room? Okay. We
11 had a large board, but this -- this -- this is our room
12 size, which actually is twice the size of -- of the
13 competing proposal. And, in fact, when you look at room
14 sizes -- thank you, Dennis -- that's -- that's the typical
15 room size. It's about twice the size of -- of the
16 competitor's proposal. And if you look at design
17 standards for full-service -- and they -- they promote it
18 as a full-service, five-star hotel, that the rooms really
19 wouldn't even qualify for a Day's Inn, frankly, and we've
20 got the Day's Inn standards to back that up. Our
21 objective is to develop a facility with that kind of
22 quality, which we've done throughout North America, and --
23 and have it truly be a full-service hotel. And I think
24 that that's critically important.

25

1 And this is all -- I mean, we can talk and talk and
2 talk, but this is all backed by a developer with a proven
3 track record and experience with every aspect of this RFP
4 criteria to ensure that this project can and will be
5 built. And I'd like to go through again exactly what the
6 requirements were for that February 22nd submission, and I
7 think it's important, because we clearly demonstrated, in
8 spite of what you've heard, that we've met and exceeded
9 those requirements, and continue to do so. There were
10 nine minimal requirements that developers needed to
11 address in their proposals, seven content requirements,
12 and seven selection criteria. Now, the minimum
13 requirements are the following, and I think they bear
14 repeating.

15 Number one: Ability to preserve and maximize
16 deepwater berthing access. Now, since day one, this has
17 been and continues to be our number one priority. This is
18 the Maine State Pier. Let's not forget that. And we are
19 the one company proposing to bring actual marine-related
20 businesses to the pier, high-speed ferry service, tours,
21 cruise port. We'll preserve and maximize deepwater
22 berthing, and create over, with that business, about 20
23 full-time jobs and 60 part-time jobs, marine-related jobs,
24 as well as the addition of a new \$4 million tugboat pier.

25

1 The second point, minimum requirement: Impact on
2 queuing for Ocean Gateway. Well, with the inclusion of
3 land on Commercial Street for the development, queuing is
4 a critical issue. We've provided a queuing plan to
5 accommodate Ocean Gateway, and are confident that given
6 our working relationship with Bay Ferries, a mutually
7 agreeable queuing arrangement can and will be resolved.

8 Number three: Ability to satisfy regulatory
9 requirements. This is in your minimum requirements, and
10 here there is a real difference between the two proposals.
11 Keep in mind this is a minimum requirement. The plan
12 before you has been revised in direct response to federal
13 and state regulatory requirements. This was not a pipe
14 dream or something that we wanted to do to compete, or --
15 this -- this was a direct response to our meetings with
16 the Army Corps of Engineers on issues like fill, what --
17 filling for nonmarine uses, and the DEP with respect to
18 nonmarine uses on the pier. And we've also received
19 letters of support, which were included in our submission
20 on June 22 from Casco Bay Island Transit District, the
21 Metro, and other local review agencies.

22 Financial ability, number four, to undertake the
23 project, this is a minimum requirement. Again, we offer a
24 clear difference between the two proposals. We have the
25 experience and the financial capacity to undertake this

1 project. We've done projects of this similar size and
2 scope. We're doing projects all over North America right
3 now. With our commitment to establish an escrow or letter
4 of credit for the full cost of the project up front, we
5 think we've exceeded that requirement.

6 Accommodations for Bay Ferries: We are providing
7 space and office and warehouse. We've done -- did that --
8 have done that since day one.

9 The tugboat fleet: We actually have a letter from
10 Brian Fournier, confirming the support for the
11 construction of the separate tugboat pier.

12 Integration with Casco Bay Island Transit District:
13 Pat is here, Pat Christian, who has worked with us on
14 that. We've got a letter of support for what we've
15 proposed.

16 Number eight, preservation and enhancement of public
17 access to the water: Again, that's a strong point we
18 offer. We offer over seven acres of open space and direct
19 access to the water for a variety of uses. Free lobster
20 boat access: There was a story recently -- I think we
21 forwarded it to you -- in Bar Harbor in terms of what
22 we're doing for the lobster boat fleet there, providing
23 free access. We're going to do the same thing here in
24 Portland, as well as a whole host of other things.

25

1 And finally, preservation and relocation of utilities
2 that serve Ocean Gateway, and we will have utilities at
3 the site, and we've certainly demonstrated that. So in
4 each and every instance, we meet or exceed these
5 requirements.

6 And now, the seven content requirements included an
7 outline of the proposed use, the minimum requirements
8 noted above, examples of projects of similar size and
9 scope, including public/private partnerships that we've
10 actually completed. And again, this is one where we've
11 distinguished ourselves because we have been working with
12 the City of Montreal and Del Ray Beach, Palm Beach and
13 Hollywood Beach, among others, on public/private
14 partnerships. So we're proud of what we've presented in
15 our submission on February 22nd, as well as expected
16 capital investment, timeframe, and financial capability.
17 The design was a part of it, but not -- it -- it was not
18 what -- what some people would like you to think. And I
19 think that that bears repeating.

20 Finally, with respect to the seven selection
21 criteria, the criteria that you will use to -- to weigh
22 each proposal, let me just highlight those issues -- items
23 briefly. Number one: Meeting the goals of the policy
24 statement, and if you recall, Senator Mitchell, when he
25 was here, highlighted -- and he's highlighted on several

1 occasions, the number one priority of this process, and he
2 quoted, quote, the Maine State Pier is an anchor of the
3 Portland waterfront. Functionally the thousand-foot berth
4 on the eastern pier edge provides an irreplaceable landing
5 for ocean-going vessels to access the City of Portland and
6 the State of Maine and the New England region. And he
7 goes on to say, or your policy statement goes on to say,
8 the preservation of the deepwater berthing utility and
9 full use of these unique resources are the highest
10 priorities for future re-use and redevelopment of the
11 Maine State Pier, end of quote. That's your number one
12 priority, and that's where we stand out. For Ocean
13 Properties, this has been and will continue to be our
14 number one priority, a commitment to develop and operate a
15 full range of marine services, including the first ever
16 Maine high-speed coastal ferry system, separates us from
17 anybody else proposing development options for this
18 property.

19 Number two: Consistency with the Eastern Waterfront
20 design guidelines. Now, the plan before you meets and in
21 several key areas exceeds the Eastern Waterfront design
22 guidelines with our Green design. Some of the elements
23 include buildings defining Commercial Street, and our new
24 plan demonstrates that. Integrated parking and shuttle
25 service that we're offering, creation and protection of

1 view corridors, creation of open space, access to water,
2 signature architecture and civic space defining the
3 Eastern Waterfront as a unique place, we think --
4 thankfully, with the input from this -- from the city,
5 from -- from the general public, and from the regulatory
6 agencies, that we have a plan that we're very, very proud
7 of. And that's really the -- the reason for this process.

8 Three: Public access to the water. Again, seven
9 acres of public access. And the RFP asked for specific
10 focus on the southern end of the pier for public access,
11 and look at the two different proposals in that regard.
12 Our waterfront parks and open space, as well as our
13 commitment to preserve and enhance Compass Park, meet and
14 exceed that criteria.

15 Number four: Contributes to the viability of
16 existing and potential water-dependent uses. Again,
17 another emphasis on water-dependent uses, and this is an
18 area where we separate ourselves from the competition.
19 Ferry service, marine tours, cruise port, that's -- that
20 represents actually an investment on our part of about \$50
21 million, the ferry service alone. The cost is not
22 reflected in the bricks and mortar budget for our project.
23 Rather, it reflects the cost of vessels and manpower that
24 we currently have with our operations in Florida to bring
25 to Portland, Maine.

1 Five: Impact on surrounding properties. We're
2 negotiating a cooperative market agreement with Bay
3 Ferries, operators of the Cat, and I know Harold Pachios
4 is here, who represents Bay Ferries, and -- and we --
5 we've got a -- we've had a long-term relationship with Bay
6 Ferries with our operations in Bar Harbor. And we
7 continue to meet with retailers -- several of them are in
8 the room tonight -- and businesses in the Old Port, and
9 other property owners within the vicinity of the Maine
10 State Pier project. Our focus is not to duplicate retail
11 development that already exists in the Old Port, but to
12 enhance and complement the best that Portland has to
13 offer.

14 Six: Financial plan, and again, we have the funds
15 available to develop this project.

16 Seven was the financial offer, and we -- we offer the
17 city a true win-win proposal, where -- whereby we assume a
18 hundred percent of the ongoing costs of operation, \$18
19 million upfront investment to upgrade the pier and open
20 space, no subsidy or incentive from the City of Portland.
21 And we're using, with our tax estimates -- again, this is
22 a direct result of conversations that we've had with the
23 assessor here in terms of the full value of the project,
24 but they're -- they're looking at an assessment, and --

25

1 and our numbers are what they are, and we're -- and we're
2 proud of that fact.

3 The fact is -- the fact is, we have -- in every
4 respect, we've tried to do what this City Council has
5 asked us to do. At the outset, the Council enacted a zone
6 change for the Maine State Pier, which prohibited hotels
7 on the pier. As you know, our plans have always provided
8 for a hotel on Commercial Street, not on the Maine State
9 Pier. In addition, the City Council RFP did not include
10 the area of Compass Park. Rather, the RFP specifically
11 states and encourages developers to propose upgrades and
12 enhancements to the park, but retain it for public access.
13 That's what your RFP says, and that's what we've done.

14 So as we proceed forward with this process, you can
15 be assured we will continue to work hard to meet your
16 goals and objectives in a true partnership with the City
17 of Portland. And I -- and I was very sorry to see with
18 the submission -- and I -- and I have a copy of it here,
19 and I'm sure you've all read it, from the Olympia
20 Companies, dated June 22nd, which basically says that if
21 Ocean Properties is selected, that legal action may -- may
22 commence. And I -- and that's not the kind of approach
23 that we think this process is designed to promote. So I
24 hope that that's not the case, and -- but our -- our
25 intent is to develop a strong partnership, and we think

1 we've tried to do that through this process and working
2 closely with the city. And it's unfortunate, also, that
3 our competitor, for whatever reason, has chosen to
4 castigate members of this committee, individual
5 councilors, and our company for allowing changes to our
6 plan. The fact is, both companies, both companies,
7 Olympia and Ocean Properties, were given the same
8 opportunity to revise plans submitted on February 22 and
9 provide new information to this committee. Indeed, during
10 this process, Olympia has made some changes to their plan,
11 adding parking spaces at the Casco Bay terminal, setting
12 back its pier development, among other changes, and
13 tonight they present an alternative plan, obviously, we
14 think, largely in an effort to support the original plan,
15 which clearly does not meet federal and state
16 environmental regulations.

17 I know this committee and this Council can see this
18 for what it really is, and I don't want to comment any
19 further on that, again, except to say this is not what
20 this process is designed to accomplish. Chairman Cloutier
21 was clear at the outset when he outlined how this RFP
22 process would work. He specifically referred to it as
23 conceptual in scope. Look at the minimum requirements,
24 look at the content requirements, and look at the
25 selection criteria. We were encouraged to seek public

1 input and meet with permitting agencies at all levels of
2 government and not rely simply on a small, handpicked
3 group of people. This committee could and would accept
4 new information and revisions as necessary, and it's
5 stated in the RFP. Clearly, the federal Army Corps, DEP
6 rules on Natural Resource Protection Act permitting, would
7 disallow nearly 90 percent of the Olympia plan, and that
8 should prompt some level of response, and much earlier in
9 the process. When we were told that our office building
10 and other nonmarine uses on the pier would not be allowed,
11 given their interpretation of the rules, we made the
12 decision to revise our plans so they do, in fact, meet
13 federal and state requirements.

14 We believe that this Council and Portland residents
15 deserve to know what changes, if any, the developer is
16 prepared to make prior to a selection, not after a
17 selection is made. That is exactly what this process is
18 designed to accomplish. Tonight you now know how each
19 developer will respond to federal and state regulations
20 and the concerns of the general public. One developer
21 argues for litigation against federal and state agencies
22 and years of delay, frankly, and the other developer has
23 made a sincere and conscious decision to present a plan
24 that can actually get permitted and built. So let's sweep
25 away the smoke and the mirrors here, which are being

1 thrown your way and in the way of the general public, and
2 look at the facts. We have met in full the requirements
3 set forth in your RFP and have before you a plan that can
4 meet federal and state regulations, a financial package
5 that's real, that ensures a hundred percent of all taxes
6 being returned to the city, \$18 million investment in
7 city-owned pier and open space, 500 jobs for Maine
8 residents, and many of those people are in this room,
9 several of whom -- not all 500, but a few of those people
10 here are -- who are interested in working again here in
11 Maine, all backed by a developer with the money and
12 experience to successfully build and operate this project.
13 We think the choice is clear for this Council and for this
14 city. Does the Council want to spend hundreds of
15 thousands of dollars in litigation costs and many years
16 trying to overturn federal and state environmental policy
17 for one developer, or work with Ocean Properties, Tom
18 Walsh, Senator George Mitchell, a proven and experienced
19 development team, for a plan that represents the highest
20 and best use of this precious waterfront site within a
21 timeframe that ensures a revitalized pier, no further
22 drain on city taxpayers, because each day that goes by is
23 more money out of the general fund, new jobs, new tax
24 revenue, and a project that this city can be proud of?

25

1 And with that, I would urge you to recommend with
2 pride and confidence to the full City Council the
3 selection of Ocean Properties as the developer. And I
4 thank you for your time. I would like to ask my associate
5 -- well, Tom --

6 MR. WALSH: First, I want to say one thing.

7 MR. BALDACCI: You want -- Mr. Walsh wants to say one
8 thing, and then Peter O'Donnell. Thank you very much.

9 CHAIR: Thank you. It looks like there's about seven
10 minutes left, or eight.

11 MR. WALSH: Thank you very much for the opportunity
12 to speak here. I just want to make one quick statement.
13 The taxes are going to be set by the Tax Assessor of this
14 town. We're going to have to pay, Mr. Mahaney's going to
15 have to pay, and you don't have to pay a cent more than
16 what he asks you. So that is -- that is not an issue at
17 all. It shouldn't -- shouldn't be considered here.

18 And I just want to show you one thing that perhaps
19 Bob didn't explain good enough.

20 MR. BALDACCI: Really?

21 MR. WALSH: This is -- this is a typical room that we
22 have.

23 CHAIR: Mr. Walsh, can you grab the mic there?

24 MR. WALSH: Oh, yeah. This is a typical room that we
25 have. It's 52 feet long. This -- this room would

1 actually replace two rooms in the proposed hotel that they
2 have. It's a giant difference in the quality of -- of
3 what's going to happen. And as far as the Tax Assessor's
4 concerned, this would provide much more money than a room
5 that is half that big.

6 CHAIR: Thank you. Mr. O'Donnell?

7 MR. PETER O'DONNELL: Mr. Chairman and Councilors, my
8 name is Peter O'Donnell. I am from Portland. I've been
9 around for a while. I will -- am a supporter of Ocean
10 Properties, and I will be throughout this process, if the
11 Council does choose them. I want to thank you all for the
12 time that you've put into this important policy issue.
13 We're aware that there are still meetings to come, and the
14 process as it goes forward will allow for us to continue
15 to listen to the public about the Maine State Pier. The
16 process that you set forward from the beginning allowed
17 for more public dialogue, and during this time we went out
18 and continued to gather more input. And what we present
19 to you reflects a better project as a result of that
20 input.

21 I'd like to summarize our process for seeking citizen
22 input, but first let me say that in the earliest part of
23 this process, we heard much from the Olympia group about
24 their process. They strategically trumpeted the process,
25 but what they did not talk about was that the ten to 12

1 people that they chose were selected, were not randomly
2 selected, but were selected by the developer. They were
3 invited to private meetings, not advertised to the public.

4 That ten people from one group could decide the
5 future of Portland's waterfront to us never made sense,
6 and we did things differently. Before we presented our
7 initial proposal to you, we talked to over 80 people, up
8 and down the waterfront and throughout the city. Many of
9 them are here tonight. We listened to their input, and we
10 put that into our first plan.

11 I want to let you know that we have heard tonight
12 that there is an alternative plan from the Olympia group.
13 They would suggest -- they suggest that they would put a
14 hundred-foot hotel on the waterfront. Tom Walsh has spent
15 hundreds of thousands of dollars in design, and he can
16 tell you with great affirmation that you do not need such
17 a huge, massive building on the waterfront in Portland
18 that would take away the views of Portland citizens
19 forever. We would never suggest that. I don't think the
20 people of Portland would accept it.

21 Before Ocean Properties made our submission, we
22 talked to people, and since then we've attended over 12
23 forums, and some of these forums we have coordinated
24 ourselves. They took place both on and off the peninsula.
25 The forums gave us time to listen, and in most cases

1 incorporate this input into our present plan. While your
2 city staff were hard at work preparing for these meetings,
3 we took the time to go out and talk to people and listen,
4 and -- and listen to what they had to say. I have learned
5 that politics is very often about extremes. It's quite
6 common to see people involved in a political debate
7 categorize, demonize, and generalize. I know some would
8 like to make this all about democratic politics and would
9 try to make it look like this is all about political
10 connections. I guess when you have someone as well known
11 as George Mitchell on the team, it's natural for somebody
12 to try to boil this down to a simple issue.

13 But this is not a simple issue. This is about the
14 future of Portland and its waterfront. Let me suggest the
15 reason why Ocean Properties is interested in this project.
16 Tom Walsh and George Mitchell are good friends. They want
17 to do a big project for and with Portland. They want to
18 do something that reflects their pride in coming from
19 Maine and something that reflects well for them in the
20 city. You have a difficult decision to make. We would
21 ask that when you make your thoughtful decisions about
22 this process and this project that you look to past
23 performance. Tom Walsh has developed projects like this
24 throughout the country. George Mitchell has made both
25 international and national history in many ways. Both of

1 them have the financial resources to do this project. The
2 project they propose will provide hundreds of new jobs, a
3 ferry service to other parts of Maine, more cruise ship
4 business for the port, new tax dollars, new commerce, and
5 more public access. It is a project that offers so much
6 to our community in jobs, alternative transportation, and
7 increased tax dollars. If chosen, we will work with you
8 to make this project one that makes all of Portland proud
9 and one that they can enjoy for many years. Thank you
10 very much.

11 CHAIR: Thank you. And that, I think, concludes our
12 presentations. Thank you both. We're going to take a
13 five-minute break, and then we're going to start the --
14 the public hearing.

15 (A short break was taken.)

16 CHAIR: Maybe we can come back to order? Okay. So
17 we're very glad to have public comment. As in the past,
18 we were very glad to have it in -- in a variety of forms,
19 including -- most -- many of the seats will have had this
20 -- hopefully a little sheet of paper that asks for you to
21 fill it out and drop it in the box. If you don't find
22 one, they're available over here on the -- on the side.
23 That's a very efficient way to make public comment. Those
24 who come to the mic, we're glad to have you here for a
25 couple of minutes of comment. We have some rules.

1 There's no booing. There's no clapping, no personal
2 attacks, that kind of thing. And a reminder, and for
3 those who weren't in the room at the time, we have someone
4 recording this, and she takes down your name as she hears
5 it, but she asks that you go over and visit with her after
6 you finish your remarks so that she can see how well she
7 did in -- in writing down your name for posterity.

8 So we're pleased to open it for public comment, and
9 glad to see Mr. Pachios in the room.

10 MR. HAROLD PACHIOS: Mr. Chairman and members of the
11 CDC, my name is Harold Pachios, P A C H I O S. I'm a
12 lawyer in Portland. I'm representing no one here but
13 myself.

14 I am an owner of real estate, along with my sister,
15 quite a bit of square footage in downtown Portland. I've
16 been observing what's happened on this peninsula for close
17 to 70 years. I'll be 71 years old in two weeks, and I
18 started coming downtown when I was 3 years old. So I've
19 been around Portland a very long time. It has ebbed and
20 it has flowed, and it has ebbed several times. And it's
21 not easy to have a successful development in Portland,
22 Maine. We love the city. I love it. But it is not easy.
23 So I want to urge the CDC and the Council as a whole to
24 focus on the real important issue, which is when this
25 process is over and it's all done and five years from now,

1 this particular Council will be accountable for what's on
2 this site. That is a very, very difficult job. The
3 pictures will have changed. These projects -- I'm a
4 lawyer. I've done a lot of project work. We all know,
5 everybody who's been involved in a project in the State of
6 Maine, lawyers know, that once you get into the permitting
7 process, it changes. So what is -- whoever wins this
8 contest and what they build will not look precisely like
9 what you see. There is a very difficult permitting
10 process with a lot of give and take to go through.

11 So the pictures are great. Concepts are great.
12 Execution, execution, execution are the keys to the
13 success of this project for the citizens of this city.
14 And the Council is the steward of not only the process,
15 but they're the people we're counting on to make sure that
16 five years, six years from now, what's built is something
17 that we can be proud of, and beyond that, sustainable.
18 Economic sustainability is the key for anything that we do
19 in the City of Portland, and over the years, we have done
20 some things that look good but were not economically
21 sustainable. So I urge the CDC and the Council as a whole
22 to work real hard on focusing on sustainability and the
23 end result. Thank you very much.

24 CHAIR: Who's next?

25

1 MS. LAURA BALLADUR: Councilors, my name is Laura
2 Ballardur. I have been a Maine resident for the past four
3 years, the last two-and-a-half here in Portland. Before
4 here I lived in Durham, North Carolina, Santa Barbara,
5 central Washington State, but I was not born in the U.S.
6 I was born and raised in Europe in a dense, urban city
7 where, like just about every European town, residents
8 enjoyed the benefits of an excellent transportation
9 system. I love Portland. It has such potential to become
10 a great urban city. But I don't think Portland is that
11 city, not quite yet. An ineffective transit system only
12 deepens our reliance on cars, and this, despite Portland's
13 own comprehensive plan, and I quote, ensure that future
14 growth does not foster auto dependency. And this is from
15 the first bullet point under Portland's transportation
16 policy. Promote a pedestrian-oriented downtown center,
17 with a higher proportion of commuters relying on transit,
18 shuttle lots, and other alternatives to private automobile
19 use in the heart of the city. New development shall be
20 pedestrian oriented and accessible. Strive for innovation
21 and bold initiatives that increase the livability and
22 quality of life in Portland. Strengthen alternative
23 transportation options in order to create an accessible
24 city that promotes ease of movement for all citizens, and
25 so on.

1 The Maine State Pier does not exist in a vacuum.
2 This development is first and foremost a project at the
3 core of Portland's transportation infrastructure. In the
4 summer, this pier is the first stop for millions of
5 travelers without cars who then flood the Old Port, and I
6 go back to the comprehensive plan. The Ocean Gateway
7 facility should be a model of multi-modal transportation.
8 Pedestrians, bicyclists, car-free vacationers, transit
9 users, and other non-car travelers should be provided with
10 first-quality access to the facility and accommodation for
11 their transportation needs. This pier is where marine
12 transportation should meet an excellent transit system.
13 As such, it is incumbent upon the CDC to recommend the
14 plan that best matches Portland's comprehensive plan and
15 specifically its transportation policies.

16 A couple of weeks ago there was a lot of talk about
17 flexibility. The Olympia Company has allocated \$13
18 million to a transportation/parking plan defined in broad
19 strokes, and besides having shown, in my opinion, a plan
20 with superior design for that location and a deep
21 commitment to Portland's residents, the Olympia Company
22 offers the greatest flexibility with regards to the
23 project's core function, which is transportation. The
24 possibilities are endless and exciting. Develop the
25 shuttle system alluded to in Portland's comprehensive

1 plan. Connect the Maine State Pier with existing parking
2 lots. Integrate a shuttle system with Portland's Metro,
3 and improve our transit system, which so far does nothing
4 to wean us from our dependence on cars.

5 Now, I'm confident that all of us here today can
6 agree on the value of alternative means of transportation:
7 Environmental, urban, economic, health, social, and
8 finally political. This word was used at the last
9 meeting. Yes, your recommendation is a political
10 decision. Environmental policies are fast becoming key
11 political platforms, regardless of party lines. In
12 today's political climate, it would be political
13 shortsightedness to select a plan that only deepens our
14 reliance on cars.

15 Will this committee recommend yet another parking
16 garage for a transportation project of monumental
17 proportions, or will this committee be political savvy and
18 recommend a plan which, as stated in Portland's own goals
19 and policies for the future, strives for innovation and a
20 bold initiative that increases the livability and quality
21 of life in Portland, the plan which does not foster auto
22 dependency? I urge the Council to recommend Olympia's
23 plan. Its allocated 13 million allows the flexibility to
24 best match Portland's own transportation policies and to
25 usher Portland into the twenty-first century. Put

1 Portland on the map of those great urban cities that
2 recognize the enormous value of alternative means of
3 transportation. Thank you.

4 CHAIR: Thank you. Laura, could you give us -- make
5 sure she gets your name, all right? Good evening.

6 MR. RANDOLPH LAMATTINA: Good evening, ladies and
7 gentlemen, Mr. Chairman, members of the Board. My name is
8 Randolph Lamattina, and I am a Maine resident. I've been
9 a Maine resident for 11-and-a-half years. I started up
10 here in Maine as a contractor with National Semiconductor
11 as the Risk Manager for the Amalgamated Insurance Group.
12 And when I started to hear about this proposal, I started
13 to come to the meetings, and to be honest with you, I
14 didn't really have an option of who built it. I wanted to
15 hear for myself who had the best plan. And in my career
16 as a Risk Manager, we used to ask ourselves at AIG about
17 the what-ifs. And in every case, in every meeting that
18 I've heard here on the what-ifs, the only one that seems
19 to have a plan is Ocean Properties. What if this happens,
20 Ocean Properties will stand behind their commitment. What
21 if that happens, Ocean Properties will stand behind their
22 commitment. The DEP, Ocean Properties will stand behind
23 their commitment.

24 And then I started to look at both Olympia and Ocean
25 Properties, and as I looked at Ocean Properties, I saw

1 that they are proven winners in the hospitality business,
2 in the development business, and in the people business.
3 And to be a proven winner, you have to work closely with
4 administrations. And for my part as a Maine resident, I
5 would have to stand behind Ocean Properties, and I ask
6 you, members of the Board, to do the same. Thank you.

7 CHAIR: Thank you very much. We're just going to --
8 if people just want to kind of wander towards the --
9 towards the front, maybe we can share the queue, one, two,
10 three, one, two, three, as we go along, if people want to
11 do that. Hi.

12 MR. JIM MacADAM: Good evening, Chairman Cloutier and
13 members of the committee. My name is Jim MacAdam, that's
14 M A C, capital A D A M. As the owner of the building
15 located at 208 Fore Street, which directly overlooks
16 whatever is going to be constructed here, I have three
17 interests: One as a taxpayer, two as a property owner,
18 and three as somebody whose office is in that building
19 that is going to overlook whatever gets built here.

20 As far as my interest as a taxpayer, I believe that
21 the Ocean Properties project will best serve the needs of
22 the people of Portland and will best maximize economic
23 development of that site. The Ocean Properties group has
24 committed to hiring the residents and the -- of the State
25 -- of the State of Maine and of Portland, whereas while

1 the speaker for Olympia has suggested that they have a
2 relationship with the unions, their reputation is the
3 opposite. As a former union boilermaker, which I was
4 before I became an attorney 25 years ago, I believe in
5 unions. Just as the members of the Council represent the
6 people of Portland, unions represent the working people.

7 As a property owner and someone that's going to be
8 looking at whatever is built, I also believe that the
9 Ocean Properties project is the best. The Hilton Garden,
10 if that's an example of what Olympia has built, it's an
11 eyesore. For six months, I looked at it, and I was
12 waiting for them to take the tin foil off the top of it.
13 Everybody that sees it says the same thing. So, again, I
14 hope you'll approve the Ocean Properties project. Thank
15 you.

16 CHAIR: Thank you. Yes, sir?

17 MR. STEVE GRISWOLD: Good evening. My name is Steve
18 Griswold. I'm a resident at 301 Chandler's Wharf and
19 received my abutter's notice, albeit a bit late, but -- so
20 I'm here as an abutter. And unfortunately I may fail the
21 litmus test because I didn't start in Maine until I was
22 six years old, so -- although the Portland paper did refer
23 to me not too long ago as a Maine resident, so if that
24 made me one, then I'm going to accept it. But you'll be
25 certainly glad to know, and I want to thank Chairman

1 Cloutier and members of the committee, this is a tough,
2 tough job. And unfortunately -- or the good news is,
3 there are no legal summons here at the podium ready to
4 hand to you, and unfortunately, neither of these people
5 have left some scattered millions sitting behind the
6 podium here, either. All right? So there is -- there is
7 both good news and bad news.

8 I -- I rise tonight not to support or to not support
9 either of the developers. All right? I think that
10 there's a tremendous amount of work that's gone on here,
11 and for you folks to have to be in judgment of this, as
12 I've sat on your side of the table, it is tough. And I do
13 not underestimate your job. So what I offer tonight, I
14 think, is some thoughts about -- we have two great
15 proposals, let's face it, and Portland will be a winner
16 with either of the proposals that may actually happen.
17 And I think the may actually happen talks about process.
18 All right? And there's been a lot of talk about process,
19 and you know, should one group get to put another thing in
20 and the other group, you know, change it, and all this.
21 I'm going to talk about process in a different way, and
22 not on this subject.

23 When Councilors Cloutier and Donoghue talked with the
24 Bollard Newspaper, they confirmed, all right, that the
25 company's legal history and record of dealings with other

1 municipalities will be taken into consideration as part of
2 the evaluation process. This is potentially the real
3 differentiator in which proposal you might want to think
4 about recommending. And I say this because I think there
5 -- it's not just about the money. All right? It is about
6 the -- the ethics and the integrity of people behind that.
7 I hear in the process that Mr. Mahaney, all right, who is,
8 I think, back there listening, but he's had a crane in the
9 sky for several years here, and we know him here in
10 Portland. But what do we know about him in other
11 communities? What has been the process there? Has he
12 been appropriate here and inappropriate elsewhere? What
13 do we really know? I know the website posted a few things
14 yesterday and talked about litigation. Well, there's a
15 lot more to the background of developers than just
16 litigation, obviously. I look over at the Ocean side,
17 what's not to feel good? All right? We've got a --
18 literally a living institution in the State of Maine in
19 Senator Mitchell. We've got, you know, Bob Baldacci, who
20 is from one of the foremost families in the State of
21 Maine, well respected. All right? But the underlying
22 developer is Ocean Properties. It's not those two
23 gentlemen, either. What has Ocean done in other
24 communities? What do community politicians, leaders, all
25 right, members of councils, what do they say about these

1 two entities? And -- because that drives to the real, I
2 guess, underpinnings of is this going to happen the way
3 you folks hope that it will. What is the real track
4 record, and what was the process in other communities?
5 That's a part of what I know you're looking at in the RFP.
6 You know, I am looking personally as, you know, again, as
7 an abutter, at how that record is going to be developed.
8 I've submitted a letter tonight to get into the record
9 that, you know, tries to underscore some of these points.

10 Harold Pachios, and it is -- it's like a war of the
11 worlds up here, but Harold Pachios is, you know, another
12 old -- old hand here in -- in Portland, and he talks about
13 execution. Execution. That's what I'm talking about. So
14 what has been their execution in other developments in
15 other areas? I think you need to know that, and
16 potentially that may be the real differentiator here. So
17 thanks for listening to me and my few thoughts, and God,
18 good luck.

19 CHAIR: Thank you very much. And you spell your name
20 G R I S W O L D, or however it's spelled on your letter,
21 right? Thanks. Who's next? Go ahead.

22 MR. MARK HALL: I am Mark Hall. I live on Peaks
23 Island. I've been in Portland for 22 years, 23 years. I
24 work all over the city. Have to go past this on a daily
25 basis. This building isn't the prettiest thing to look

1 at. It's been part of Portland forever. It does have a
2 very useful purpose. It's the last -- pretty much the
3 last remaining piece of waterfront on the city that could
4 be either a cruise ship terminal, someplace for somebody
5 to fix boats, someplace for -- something to do -- somebody
6 to do something other than what it's going to get locked
7 into. You guys -- in numerous trips to City Council, I
8 think I've said it before, and I'll say it again, you guys
9 are going to leave a legacy. Ganley had the ball field.
10 Baxter's got a boulevard. You know, there's --
11 everybody's come up with legacies that they've left. The
12 City of Boston has the Big Dig. Nobody wants to -- nobody
13 wants to put their name on it. They still don't want to
14 put their name on it, but everybody that made the millions
15 over the years, they just kind of shrunk into the
16 background and says, oh, it wasn't me. Well, I sit back
17 and I just kind of look at this from an objective
18 viewpoint.

19 We wanted to leave Peaks -- we wanted to leave
20 Portland because of a tax issue. Supposedly this is going
21 to generate taxes. By the time that gentleman got done
22 with the numbers, I thought you guys were doing the
23 numbers. Okay? It's a shell game. There's no winning.
24 There's no losing. I don't -- I don't think there'll ever
25 be a benefit to the City of Portland tax wise.

1 Will this last? Will it make money? Who's going to
2 get stuck with it, if for some reason the cruise ship
3 business drops dead, you know, if Portland becomes a
4 nondestination? It really isn't a destination. It's a
5 cold place. People stop here for a day, they come off
6 that boat, they won't go to Steven Dimillo's because they
7 can go back on the boat and have a nice huge meal.
8 They'll walk down the street, go to L.L. Bean's, go to
9 Kennebunk. It's not really a big destination. Ask Steve,
10 and ask some of the other people that are -- it's not a
11 huge destination.

12 The working waterfront issue, there isn't a bit of
13 working waterfront left here in town. There isn't -- I
14 mean, I.M.P. Fish Gear pulled out because they'd had
15 enough. How much is it going to cost to put, how much per
16 square foot, to have a waterfront-related retail store on
17 this pier? There ain't going to be anybody able to afford
18 it. It just isn't going to happen. I think it's a great
19 idea to save the pier. I think it's a great idea to do
20 something, but the City of Portland's got to get a grip on
21 how far they want to go with this. We've got -- on one
22 side of the aisle here we've got an awful lot of union
23 labor standing behind Mr. Baldacci and his group of
24 people. I -- I -- I venture to guess -- I'd like to see
25 how much union labor -- how much nonunion labor they

1 support. I'm nonunion. I just got done doing the
2 demolition work on Fore Street, where Shipyard Brewery is,
3 where the parking garage is going. We almost lost the job
4 because it had to go union. I pay taxes in Portland.
5 I've been in Portland for 25 years. I employ five people.
6 I almost lost the job because somebody slid an all-union
7 work clause in, right at the very end. When the -- when
8 it came time to hire contractors, they had to bring in
9 out-of-state union contractors because they couldn't reach
10 an agreement with the one contractor here in town, H.B.
11 Fleming. Very capable of doing pile driving over there.
12 Would have loved to have done it, but they could not reach
13 an agreement. Shaw Brothers, very -- you know, do an
14 awful lot of work. They always bail the city out when it
15 comes time for snow. They got the job, the earthwork job,
16 at the last possible minute because a union contractor,
17 out of state, couldn't quite get the numbers right.

18 I'm not saying union, nonunion. I'm just saying,
19 let's support the people of Maine. Let's support the
20 people here that support this city. Let's look at this
21 really objectively. It's -- it started to turn -- it
22 seemed like we were in court for a minute there with Mr.
23 Baldacci speaking. I mean, there's just too many lawyers
24 in this room. It's just getting a little bit crazy. You
25 guys have got to go answer to the rest of the Council, but

1 objectively, you've got to deal with the rest of us for a
2 couple more years. You know, the -- supposedly City
3 Council decisions don't last after you guys leave. This
4 one does. This is a binding problem, and it could be a
5 binding -- you know, it's -- it's something that's -- like
6 I say, you know, Ganley got a plaque on the -- I think
7 he's still got a plaque down on Hadlock. I mean, you guys
8 can have a plaque on the front of this, if you want, or
9 you can take it with you when you leave. I just -- I
10 think that the thought needs to be into this a lot more
11 than what's going into it. I don't think it needs to be
12 just smack, it's done.

13 CHAIR: Thank you.

14 MR. HALL: Thank you.

15 CHAIR: Yes, sir?

16 MR. HENRY MYERS: My name is Henry Myers. I'm a
17 resident of Peaks Island. I'm here to express concern at
18 the lack of attention paid to the fact that Casco Bay
19 Lines users are being asked to subsidize this project, the
20 payment of costs associated with an exacerbation of the
21 already difficult parking situation in the vicinity of the
22 Casco Bay Lines terminal. Casco Bay Lines users will pay
23 a tax in terms of increased parking costs, decrease of
24 parking availability, and inconveniences associated with
25

1 an increased distance between parking and the CBL
2 terminal.

3 During the Peaks Island secession discussion, it was
4 repeatedly argued that the city can be relied upon to act
5 in a responsible manner with respect to the needs and
6 concerns of Peaks Island citizens. But the city has -- to
7 date, has not done so in its consideration of the Maine
8 State Pier project. Were the city to fulfill its
9 responsibility to island residents, it would, along with
10 stating its selection of a pier developer, issue findings
11 on the impacts of the project upon Casco Bay Lines users,
12 with respect to the parking cost, parking availability,
13 inconveniences associated with greater distances and the
14 CBL terminal, and the impact of an exacerbation of the
15 parking problem upon island property values.

16 CHAIR: Thank you. Mr. Myers, could you be sure to
17 check with our recorder that she's got your name spelled
18 correctly and all that? Thank you. Hilary?

19 MS. HILARY BASSETT: Hi, I'm Hilary Bassett. I'm
20 Executive Director of Greater Portland Landmarks, and I'd
21 like to thank all the councilors for the opportunity to
22 make another public comment today. Greater Portland
23 Landmarks has -- has been at all of the sessions presented
24 by the CDC, and we always appreciate the opportunity to --
25

1 you have given us to share our views, and I'll make it
2 short today.

3 We are here before you to urge you to seek the
4 highest possible quality in design and materials and in
5 aspirations for the redevelopment of the Maine State Pier.
6 City leadership in the past has provided us with amazing
7 public amenities. For example, early on city leaders
8 decided to purchase and make publicly accessible the
9 extraordinary parklands at both the eastern and western
10 edges of the peninsula and along the Back Cove. Now,
11 those spaces are enjoyed by a broad range of citizens for
12 walking, recreation, picnics, and enjoying being in the
13 outdoors. Just imagine how different Portland would be if
14 those parks were fenced off and limited for private
15 benefit.

16 As a public resource, the Maine State Pier
17 redevelopment presents the city with a tremendous
18 challenge, as it seeks to balance the needs of the working
19 waterfront, private developers, and members of the
20 community. We urge you to reach for the highest
21 aspirations, just as our civic leaders did to establish
22 our park system in the past. This includes working with
23 regulators to achieve the goals that will best serve the
24 city and the community. Extensive access to the public --
25 public access to the water, architecture that is of the

1 highest quality and compatible with the great historic
2 buildings nearby, human-scale development, and creative
3 and alternative solutions to take parking away from the
4 waterfront are critical to the success of the
5 redevelopment of the Maine State Pier.

6 Of the projects presented on February 22nd, we
7 endorse the Olympia proposal for its overall concept, its
8 engagement of top Portland architects, and its
9 architectural quality and design approach. I'd like to
10 thank you for your time and consideration.

11 CHAIR: Thank you. Yes, sir?

12 MR. ART BANNISTER: Good evening. My name is Art
13 Bannister. I am a resident of Cape Elizabeth, and a
14 business -- ex-business owner of Portland, and a property
15 owner. I happen to own the building where The Finest Kind
16 is, which is 9 Commercial Street, which is directly across
17 the street from the State Pier. Fifteen years ago, when I
18 bought the building, I had a dream. The dream was someday
19 I'm going to build a condo there and have a beautiful view
20 of the harbor. Well, obviously, I think that dream is now
21 down the drain. However, I do support a hundred percent
22 the development of the Maine State Pier. And I support
23 the architecture, potential architecture, of that
24 particular area, and if I'm going to have a condo on 9
25

1 Commercial Street, and I do not want to look out at an
2 aluminum foil building.

3 And we -- someone was talking earlier about quality.
4 And I have not a total understanding of what goes on
5 between the -- the two developers. I am going by my
6 instincts, and my instincts tell me, without any question
7 whatsoever, that Ocean Properties is by far the higher
8 quality developers. I expect them to build something that
9 will fit the signature piece of property and the very
10 precious piece of property that is. And they, I think,
11 will have the integrity and the quality of -- of -- of the
12 quality in their mind to build something that will be of
13 quality. And I look at what the other people have done,
14 and there are like three recent developments on Commercial
15 Street: The Ciancette building, which I think is very
16 classy and very beautiful; the Blake building, which is
17 probably the ugliest building on Commercial Street; and
18 then you have the aluminum foil building, which was nicely
19 described as the titanium building. Well, it is -- it is
20 ugly. And I'm afraid that things come in three, and that
21 you will find on the Maine State Pier the possibility of
22 an ugly structure that 50 years from now, or five years
23 from now, is just going to be terrible. And I don't want
24 to live with that. And I've retired. I had The Finest
25 Kind. I've owned a business for 28 years, and I sold out

1 three years ago, and my wife and I are planning to move to
2 Portland. And the last thing I want to see on Commercial
3 Street is another ugly building. And I'm afraid that that
4 could happen.

5 CHAIR: Thank you very much. And yes, sir? Welcome
6 back.

7 MR. FRED BRANCATO: Thank you. Thank you. I want to
8 thank you again for the opportunity to present some of my
9 observations. My name is Fred Brancato, and I am a
10 resident of Portland. I live on Munjoy Hill. And after
11 listening to the proposals from each of the companies,
12 both last February and again today, I favor clearly the
13 one that is Olympia's proposal, and I do so for the
14 following reasons.

15 I have three key concerns as a resident of Portland.
16 One has to do with space, the other has to do with
17 architecture, and the other has to do with traffic. And
18 we shape these things, and then, of course, they in turn
19 shape us, and they influence very much how people
20 interface with one another and their environment. And all
21 of these factors come to play when we talk about
22 community, and I'm most concerned about Portland as a
23 town, as a city, and as a community.

24 With regard to Olympia's proposal and the use of --
25 of space, I found their park, you know, in its design very

1 much for use, use by people very much in the community.
2 It's welcoming with its broad vistas of the ocean, and
3 also the -- the access that you see from India Street is -
4 - is very strong for me. And so I find it very inviting
5 for use by people. And it's also, again, something that I
6 think relates and supports the sense of community. And it
7 also builds on the strength of Portland, which is ocean,
8 water, waterfront.

9 The second thing is the buildings themselves. I like
10 the curve and the sweep, which seems to be integrated into
11 just the use of the park. There's something about the
12 lines and the way it's designed that would invite me in,
13 and I think invite others in for use in that space. And
14 there's great accessibility to the water, again, itself
15 within -- within the park.

16 With regard to the parking issue, I am most concerned
17 about traffic, and I very much like Olympia's approach,
18 which goes beyond building more parking lots, but more
19 looking at other ways. And I do feel that walking, as
20 opposed to a lot of congestion with cars, is again, very
21 conducive to community and people interfacing and being
22 there. So I very much support that approach that's there.

23 Also, it would seem to me that there's a very
24 different -- very great difference in approach between
25 Ocean Properties and Olympia. And I think this is

1 captured very much by Ocean's emphasis on a full-service
2 hotel with rooms twice the size of what Olympia's would
3 be. It would seem that there are values here that are
4 being shown. I find that Olympia's orientation in their
5 presentation and in their design seems to favor the people
6 of Portland and a sense of community, whereas I find the
7 emphasis and the orientation that you see in Olympia
8 favoring more -- did I say -- I'm sorry, Ocean favoring
9 more the tourist trade and secondarily the citizens of
10 Portland. So there's a huge difference I see in the
11 presentations and in the design and orientation. And
12 again, as a citizen of Portland, I favor very much the one
13 that supports community and builds on the strengths of
14 Portland, its people, and its access to the ocean, which I
15 think their proposal does.

16 And in the end, I would hope, again, that the process
17 that you use is one that -- that's -- that's very
18 objective, uses objective criteria, in making your
19 judgment. And I wish you lots of luck on that. Thank you
20 very much.

21 CHAIR: Thank you.

22 MR. JEFFREY GRINVALSKY: Hello. My name is Jeffrey
23 Grinvalsky, a new Portland resident. I recently have
24 bought a house here. And I'm here to support Ocean
25 Properties for some key reasons. I work and live in the

1 City of Portland. I hope to continue to work and live in
2 the City of Portland, as well as I feel that they have the
3 financial means to make a great project happen. I feel
4 like they've hit all corners of this project, which as a
5 builder, know how these projects can go. So between that
6 and the technical expertise that they can provide, as well
7 as keeping local craftsmen and residents working, who make
8 living wages with benefits and things that we all need,
9 and -- which is unlike some projects that are going on in
10 this city now that I'm aware of where these needs are not
11 met. So I would like to see as many projects as possible
12 go that route. Thank you.

13 CHAIR: Thank you. We're going to go in the middle,
14 Mr. Cummings.

15 MR. JOHN HANSON: Thank you very much, Mr. Chairman,
16 distinguished and honorable members of the CDC and the --
17 and the Portland City Council. My name is John Hanson. I
18 have had the opportunity to speak before, so this will be
19 exceedingly brief. But some suggestions have been made
20 here earlier this evening, and I just wanted to reiterate
21 and underscore for all of our benefit the fact that the
22 Maine State Building and Construction Trades Council,
23 which I am representing this evening, was approached by
24 Ocean Properties sometime ago, and the question was this:
25 What do we need to do to ensure that we utilize to the

1 greatest possible extent the labor in the Portland and the
2 immediately surrounding area and certainly within the
3 State of Maine, in any case? And to that purpose, we
4 determine that clearly there is no question in our minds
5 that Ocean Properties was already committing to a precept
6 that was included in the Portland City Council sometime
7 ago on another project, in which the Council passed
8 language that said on any project that involves the city
9 in any way, we need to assure that there's value not only
10 when the project is completed, but while the project is
11 under construction. And I'm here to tell you, I do not
12 know, and there have been no commitments made as to
13 whether this project will go union or not union, but I can
14 say it is abundantly clear that there is a commitment on
15 the part of Senator Mitchell, on the part of the
16 principals of Ocean Properties, including Mr. Baldacci and
17 Mr. Walsh, that they want to see the fullest utilization
18 of Maine people. They know only too well what we all
19 know, and that is too many construction workers have to
20 work out of state while their families are back here.
21 They are committed to utilizing Maine workers for Maine
22 projects. And I just think that that's a very critical
23 issue, and I appreciate the opportunity to address it
24 again. Thank you.

25 CHAIR: Thank you. Mr. Cummings?

1 MR. LEONARD W. CUMMINGS, SR.: Councilors, friends,
2 my name is Leonard W. Cummings. I live at 75 Dennett
3 Street here in Portland. I spoke of this before, and I'd
4 like to kind of just restate it again. I was born here,
5 raised here, worked here, and I retired here. I heard a
6 young man just a few minutes ago talk about walking up and
7 down Congress Street. I think I saw him. I think I
8 remember those days. I've been here a long time, and I
9 recognize a couple of proposals, which are very, very
10 good. One is better than the other in my opinion. What
11 makes it better? Well, first of all, the people involved,
12 they're from Maine. And I have learned through the years
13 that when somebody from Maine tells you something, you can
14 count on it. What makes this so different? Well, look at
15 its background. Where did it come from, what's it done,
16 the money it's raised, the money it participates with, and
17 the money it says it will do, the money it says it will
18 put up front, the money it says that won't come from a
19 bank. We'll put this up tomorrow if we had to, and we
20 don't have to ask anybody else about it.

21 I was kind of surprised a couple weeks ago when I
22 came here. I think the question was then, and I guess it
23 still could be now, is how quickly could you adapt, or
24 would you adapt to any changes. And one side had a strong
25 yes. There was no quibbling. There's nothing to doubt.

1 The other side, well, maybe. Maybe. But I just happened
2 to pick up a letter here today, and it's dated June the
3 22nd, and a couple of things that I read in there that I
4 thought was quite interesting. First of all, it said we
5 do not believe that the DEP's current interpretation of
6 the NRPA is correct. And maybe somebody could help me
7 with those abbreviations, but DEP, I believe is
8 Environmental Protection Agency, something like that. And
9 then the other one, I'm not sure of the other one. But I
10 -- I don't think that's so important. I guess what I'm
11 trying to say is, take a look at the companies. I was
12 disturbed after I read this letter. I couldn't believe
13 it. First of all, I know the jobs that are created by
14 Ocean Properties. It's for the people of Maine by the
15 people of Maine. They've done work all across the
16 country. What a reputation for Maine. Count on a winner.
17 I couldn't believe it. Couldn't believe it.

18 The organization -- I don't want to talk about them.
19 I really don't. But I couldn't believe it after going
20 through this -- this paper here that they had, first of
21 all, to recognize 12 people from Portland, the Portland
22 area, that are involved in this project, and you don't
23 have a minority representative on your group. I'm
24 shocked. I am shocked. I don't want to go that way, but
25 I come to you three weeks ago. Like I said, I probably

1 represent one of the oldest African American families in
2 this city. Been here a long time. My wife's family's
3 been here since the late 1700's or so. I'm shocked to
4 find out that the -- the Olympia's has 12 people that are
5 represented here in the City of Portland that have done
6 work for the City of Portland. That's what really shocks
7 me, that they have done work for the City of Portland.
8 Then I'll go directly -- a couple of other things before I
9 go there.

10 I just want to check over my notes. There was one --
11 a couple of things that happened. The \$18 million, the
12 money that's going to be set up for the pier, that money's
13 here now. You don't have to worry about it. Mr. Walsh
14 said so. But now I'll go to the -- I guess it's on page -
15 - one of the pages here in this letter dated June the
16 22nd, and it says, from the 12 people that participate in
17 the economy of the City of Portland, that derive money
18 from the City of Portland. And if I'm incorrect, I hope
19 somebody will straighten me out. It says here in the
20 letter, I don't even know what page it is, but let me try
21 to read this to you. It said, if the city were to award
22 Ocean Properties the bid based on their modified
23 submissions, Olympia would likely win an appeal of the
24 decision in court based on well-established legal
25 precedent. Come on, these people worked for the City of

1 Portland. The City of Portland, the people have done
2 enough. We've gone through enough. We want tax relief,
3 not -- not added burdens. Don't threaten the City
4 Council. Don't threaten the councilors. I know most of
5 you here. All right? Nobody included me. Thank you for
6 giving me the opportunity to stand up and say some -- a
7 few words. Thank you.

8 CHAIR: Thank you.

9 MR. DAVID GRONDIN: Can you hear me? Okay. My name
10 is David Grondin. I live at 804 Congress Street. First
11 of all, I'd like to begin, originally I'm from Bangor,
12 Maine, and then I had to move to Florida to get a job.
13 I'm proud to say I'm a graduate of the University of South
14 Florida, and I lived in St. Petersburg, Florida. Our
15 number one tourist attraction in St. Petersburg, Florida
16 is the pier. The Maine State Pier is a really, really
17 good idea.

18 The problem I see here tonight is we're kind of in
19 the middle of a feud, so I'm going to make it real simple.
20 I'm a carpenter. I work for the carpenters' union because
21 they pay and they educate and it's a safe job. Everyone
22 in my family is carpenters. Mr. Walsh here has a very
23 good reputation. He comes through. He pays. His
24 projects are good, and they're good buildings. That's why
25

1 I'm here tonight to let you know that he's a good builder.
2 Thank you.

3 CHAIR: Thank you. Did you want to say something,
4 sir?

5 MR. MARTY COYLE: Yes, I would. Thank you. Good
6 evening, Councilors and city people. My name is Marty
7 Coyle, and I just moved to the area about a year ago. I
8 moved here and bought my first house, and the reason I was
9 able to buy my first house is because of the wages that I
10 received due to being a union carpenter. You know, I went
11 through a four-year formal apprenticeship, as well as --
12 you know, my grandfather, as well, you know, he was a --
13 he was a union carpenter, too, and you know, raised my
14 whole -- my -- my mom and her sisters on a union salary
15 and instilled those beliefs in me. And when I was 19, I
16 joined the carpenters' union. And I would just like to
17 say that, you know, hearing this gentleman speak that has
18 a nonunion company, I'd like to hear some of his workers
19 get up here and say the same thing that he said because I
20 guarantee you that they're renting. They're struggling.
21 They're in credit card debt. They owe the IRS money
22 because of the 1099s that he gives them, and they can't
23 pay their bills. Okay? Because the honest, decent,
24 livable wages that we receive are able to make us live
25 like decent human beings.

1 And I'd just like to say, you know, some examples of
2 projects that -- that workerman's classification and
3 undocumented workers, it's like in a lot of other projects
4 going on in the area, are just really kind of bringing the
5 market down, and the quality of workmanship is very
6 inferior. And I think it's just blatant tax and insurance
7 fraud. And I can't see why anyone would let something
8 like that happen.

9 Ocean Properties has agreed to talk with us about
10 using, you know, reputable, responsible contractors that
11 don't use independent and misclassified workers, so I
12 think that you should choose somebody like this as opposed
13 to somebody that's going to sue you if you don't use them.
14 Come on. Hey. Thank you.

15 CHAIR: Thank you. Just -- not really a comment on
16 the last speaker or any speaker before, we do have rules
17 about what we're willing to impute to other people here,
18 and we want to be sure you're pretty calm about that and
19 restrained. So I didn't take the previous comments to
20 suggest anything about the business practices of the man
21 that had previously spoken. Mr. O'Malley? Thank you.

22 MR. VINCENT O'MALLEY: Chairman Cloutier and
23 Councilors, it's always a pleasure to see you up here.
24 You do have, obviously -- this has been a difficult
25

1 process, to say the least, and I continue to admire your
2 ability to just keep putting up with this.

3 I just want to put my bona fides out there. You
4 know, I found this T-shirt. It says Support Portland's
5 Working Waterfront. Now, this is a classic, and I know
6 it's a classic because it goes back to 1987. There are
7 some of us in the room that remember that far, some of us
8 that have pants that are that old. But -- and -- and you
9 can tell it was '87 because this T-shirt was actually made
10 in the USA, so that's another --

11 My first job as a -- that I actually got a paycheck
12 was at Maine Fisheries at Holyoke Wharf. I think I got 65
13 cents an hour cutting off the heads of whiting. That's
14 when there were a lot of whiting shops, and (inaudible)
15 there was (inaudible). I could go on and on telling you
16 all the piers coming down, working your way west to east,
17 but I won't bore you with the detail. I fished off these
18 piers. (inaudible) swordfishing forays. I got sworn into
19 my local union in the basement of this hall. My father's
20 first job after he came here from Ireland was on this
21 pier. He worked here for 50 years as a longshoreman. It
22 -- the wages and conditions -- those jobs made the middle
23 class, as far as I'm concerned, in this city, people on
24 the railroad, people on the utilities.

25

1 And so my concern -- I listen -- I understand -- I
2 love this city. I've lived here all my life. I
3 understand about the quality of the city. I've been
4 traveling. I've seen -- and I appreciate the effort that
5 has been put into these proposals. But this proposal is
6 not going to -- it's not going to answer the -- the
7 traffic problems and some of the architectural problems
8 and some of the site problems that we're going to have in
9 the City -- in the City of Portland. I mean, these came
10 here. They've -- we've been having those for a long time.
11 And so this project is not necessarily going to answer
12 those. But what this project to me means is jobs. That's
13 the bottom line for me because the only way that people
14 are going to be able to enjoy this city is they're going
15 to be able to work there and enjoy the fruits of this
16 city. And that's why I don't think there's any -- I don't
17 think there's any quibbling on my behalf between Ocean
18 Properties and Olympia. Absolutely, the track record, the
19 bona fides that they've talked about, the ferry --

20 I was talking to a friend of mine who ships out -- he
21 works on the tugboats in -- off of Staten Island, and he's
22 just so excited. He'd love to be able to come back here
23 and go to work. And so when he hears talk about
24 development, about marine development, about real marine
25 development -- because I've seen -- I've been here for all

1 of it. I've seen the -- I've seen the promises of tens of
2 thousands of jobs. I've seen the developers. We had a
3 saying on the waterfront we used to say, when you see the
4 ship come around Bug Light, then you know it's time to
5 shape up and go to work. So I've seen an awful lot of
6 people come and go in front of this city. These people
7 are the real deal. You know, after this tonight, I'm
8 probably going to go down to Hadlock Field and watch the
9 Sea Dogs. There's hopefully -- and I'll be quiet. I'll -
10 - I'll try to be brief, so we can all get out and enjoy
11 that. It's a real jewel here, as people have referred to
12 it.

13 But you know, when I want to see a major league game,
14 I go to Fenway. You know? And that's really the analogy
15 that I make in these proposals. And I'm not casting any
16 dispersions on Olympia. But there's no doubt about it.
17 There's a major league developer here, who's going to put
18 a major league proposal -- has put a major league proposal
19 forward. And the city will become a -- will again
20 continue to be a major league city if they adopt the Ocean
21 Properties. Thank you very much.

22 MR. JOHN LEAVITT: Good evening. My name is John
23 Leavitt. I'm the Business Manager for the carpenters'
24 union here in Maine, based right out of Portland. I -- I
25 have not had the pleasure of working for Olympia. I have

1 had the pleasure of working with Ocean Properties, and
2 come out successful on both parties, I believe. That's
3 why I'm here to speak in favor of Ocean Properties. Their
4 experience, qualifications in developing projects such as
5 this speaks for itself, and -- rather than sort of an
6 unproven track record. The design of mixed-use
7 development in making a modern -- this into a modern
8 working waterfront, I believe, is -- is going to really
9 help the city's look. You know, it's -- the city's doing
10 -- going under some major changes right now, and I think
11 this will really bring the -- the waterfront is what
12 people come here to see. There's cruise ships coming in.
13 I think a nice hotel and possibly an office building would
14 help the tourist attractions, too.

15 What I'd like to -- I'd just like -- I've spoken
16 before on this, and I won't -- I won't be long. What I --
17 what I'm really here for is I just want to read something
18 that was in the Sunday Boston Globe relating to Ocean
19 Properties. Advocates for fishermen say towns should
20 recognize the value of their presence, which adds
21 character and attracts visitors. The perspective was not
22 lost on the developer of the upscale Harborside Hotel and
23 the marina in Bar Harbor, who brought the last privately -
24 - who bought the last privately owned fishing dock in the
25 harbor. Instead of evicting the fishermen, the hotel has

1 preserved their access to the pier and sandy beach nearby
2 where the repair -- where they repair boats. Guests are
3 fascinated by the scene, said Eben Salvatore, director of
4 -- director of operations for the resort. They're hard-
5 working guys, and they've always respect -- they're very
6 respectful of how they act toward our customers who are
7 right above them. Salvatore grew up in the town. He said
8 it feels good when you can run a nice piece of property,
9 at the same time help people feed their families.

10 As people have stated before, Ocean Properties has
11 agreed to hire responsible contractors, who hire
12 employees, who provide benefits for their -- for their
13 employees rather than other -- other business practices
14 that have gone in the past. And like I say, we have a
15 past history with these -- this developer, and I hope to
16 continue on with them. That's why I hope that you go with
17 Ocean Properties. Thank you.

18 CHAIR: Thank you.

19 MR. TONY DONOVAN: Councilors, staff, residents, Tony
20 Donovan. I live on 27 Riverview Street in Portland. Just
21 a couple things. Geez, I just heard a good term, modern
22 working waterfront. I like that. The -- many of you in
23 this room know, I mean, this was -- was a great working
24 waterfront, but it really isn't anymore. A lot of my
25 friends made their living here. I -- you know, I -- my

1 first job was actually lumping fish for Reggie Lamb over
2 there. I got a paycheck down there, too. One of my best
3 buddies caught the -- a flight yesterday for his three-
4 month stint in Alaska. The working waterfront isn't here
5 anymore, unfortunately. I just liked that term, modern
6 working waterfront.

7 But I'm here for a couple of items. Let's see, one
8 is criticism, one's compliments. One is -- well, I'll
9 start out with a compliment -- is I want to thank the
10 people who -- with the Ocean Properties, and of course,
11 some Portland residents, who organized the meetings around
12 the neighborhoods. I was able to go. My neighbors were
13 able to go at Deering High School a couple weeks ago. I
14 brought my daughter and a few other people, and it was a
15 very good and informational meeting. And they listened to
16 us, and I saw some of the results of our input in -- in
17 their proposals. I was not invited to attend the ten or
18 12 experts that the -- or individuals that Olympia put
19 into a room, and I did hear it said earlier, and I want to
20 repeat it again, that I believe most of those names have
21 been on the payroll or contracted to city staff. So they
22 know what to give city staff, maybe not what to give
23 residents of the City of Portland.

24 And I'll give you a quick example. I'll try to be
25 quick. It was in April two years ago when the 50 Sewall

1 Street project was going forward with the Olympia
2 investment group. I was involved with the neighborhood
3 group. It was -- we were called Friends of the Ballpark.
4 We were trying to get input in there because that is a
5 seriously deficient pedestrian access location to the City
6 of Portland, district three, by the way. Many of you may
7 know I have an interest in district three. However, we
8 were not listened to.

9 Maybe I jumped the gun a little bit. I was at a
10 meeting down at the bayside where the same traffic
11 engineer was working for the city, left the meeting when I
12 did to go down there and work for Olympia to make a
13 presentation about the traffic and pedestrian flows and
14 supposedly listen to us for the DoubleTree development of
15 the 50 Sewall Street. It was not resolved. There is no
16 bus stop there that is safe. There is no pedestrian
17 crossing there that is safe. I -- I trust the city's
18 going to address that soon, but the pedestrian access
19 issues and the safety issues where the transportation
20 center is and that Congress Street section is and the new
21 DoubleTree -- I mean, the new buildings are -- are -- have
22 not been resolved. That's my criticism.

23 Compliments, I don't want to repeat too much about
24 what I said last week, but it's about jobs, business
25 attraction. I heard some numbers thrown about about

1 direct tax benefits to the city. I'm looking into -- it
2 appears that Ocean Properties will not be paying an annual
3 benefit directly to the city as high as Olympia, and maybe
4 by twice -- half the amount. However, I think that we
5 should be talking about -- we should also be considering
6 what I would call multiplier effects of new jobs, indirect
7 benefits to the City of Portland. And this is not just
8 the construction jobs that you're hearing about tonight,
9 but long-term jobs. Ocean Properties is bringing a modern
10 working waterfront to the City of Portland. They're
11 bringing a new business in. I worked for the City of
12 Portland Economic Development. We tried hard to get
13 Microsoft to land in this town, really hard to get
14 Microsoft to land in this town. Well, you know what?
15 It's not Microsoft, but it is a new business, new jobs,
16 and new opportunity for a modern working waterfront. And
17 I am, in that respect, very much in support of the Ocean
18 Properties project. Thank you.

19 CHAIR: Thank you. Yes, sir?

20 MR. PATRICK BANKS: Hello. I am Patrick Banks, and I
21 am a Portland resident. And basically, I'm just concerned
22 that this whole process has been, well, frankly,
23 embarrassing. I'm not here to speak for or against either
24 proposal before us tonight, but it's just that -- it seems
25 like there's been a perception that it hasn't been fair,

1 and there's been favoritism. And, you know, I won't speak
2 to whether or not that's true or not, but the perception
3 is there. And whoever ends up being picked for
4 redeveloping the pier, after that happens, the city really
5 does need to look into its RFP process because it just --
6 it seems like it's -- it's a mess right now. And that is
7 really my biggest concern here tonight. So thank you very
8 much.

9 CHAIR: Thank you. Debbie?

10 MS. DEBBIE KHADRAOUI: Good evening, Councilors. I'm
11 Debbie Cumming Khadraoui of Portland. I was born here. I
12 feel like I have to give my credentials for being a
13 Portland resident, which is kind of weird, but -- so
14 anyway, I was born and raised here, and I -- I left
15 Portland for about 12 years and worked in Washington, and
16 then moved back to Portland. So I'm not 71 like Mr.
17 Pachios, but you can imagine that I've had a few years
18 here. And I, too, have watched Portland change, including
19 Congress Street. I am old enough, Mr. Cloutier, that I
20 remember Congress Street changing considerably.

21 I'm very excited about the possibilities down here on
22 the waterfront. I've been around the country and, indeed,
23 traveled internationally. I think this holds great
24 promise for the city from a cultural heritage perspective,
25 as well as the jobs, jobs, jobs. I feel like the guy

1 during the presidential election, Florida, Florida,
2 Florida. Well, it's jobs, jobs, jobs, and we have to
3 remember that.

4 And I also want to talk about education. I'm just
5 going to touch the bullets because I know you all know all
6 of this already. The education, our kids stand to benefit
7 tremendously from both what it is that we're displaying
8 now in terms of process, the good, the bad, the ugly, and
9 what they'll learn as they watch the city change. I said
10 to my daughter the other day, my God, you will not
11 recognize Portland in 30 years. It will change that much
12 just for her. So I'm -- I'm excited about the change.

13 The one thing I want to talk to you today, though,
14 about has very little to do with my professional self and
15 everything to do with me as a person, and that is quality.
16 We heard about quality from any number of different
17 facets, as far as the projects go. I just want to say
18 that when it comes to staying in a hotel -- and let's not
19 forget, this is what we're talking about -- it doesn't get
20 much better than the pictures we're looking at right
21 there. And I, for one, struggle sometimes, quite frankly,
22 with sending friends who travel here to Portland to a
23 hotel that I feel lives up to the standards that some of
24 the other hotels in other cities offer both its residents
25 and tourists. I think it's really important that Portland

1 put forward its best foot. And in this case, I feel like
2 it's Ocean Properties. Until tonight, I wasn't prepared
3 to endorse or support a project, but I -- I feel like
4 Ocean Properties has reached out to the community.

5 And -- and just for a second, I have to talk about
6 the use of this word community. It's like diversity.
7 They -- it -- it embraces a lot of different words. Well,
8 I have to say that when it comes to reaching out to the
9 community, Ocean Properties has gone far beyond anything I
10 expected them to do. I want to echo Tony's words when he
11 talked about process, and not feeling as though the
12 community is necessarily a part of the process, that
13 you've got contractors, consultants, lawyers, financiers,
14 everybody talking to the city, the city talking to them,
15 and then, oh yes, there's the residents. I think it's
16 really important that we remember that this is for the
17 people of Portland, both the residents and the people that
18 will come to visit and make judgments about our city.

19 I trust all of you to make the right decision, but I
20 -- I do hope that you take into consideration some of my
21 comments. Thank you.

22 CHAIR: Thank you. Yes, sir?

23 MR. KEVIN MOQUIN: Good evening. I'm Kevin Moquin.
24 My wife and I own our own home in the east end of
25 Portland. And, I think, in front of you you have two very

1 capable developers proposing very similar solutions to
2 this property. Both are going to employ Maine people and
3 Portland people in their construction, in their design, in
4 their operation once they are built. Both are going to
5 create jobs for Portland and for the State of Maine. Both
6 are going to preserve deepwater -- deepwater berthing and
7 foster marine uses.

8 We've got to look way down this list to find the
9 things that set one developer apart from the other. And I
10 think when you get to that difference, it's substantial.
11 I think only one developer has been inspired by Portland
12 as a unique place. I think only one developer began with
13 consideration of the people of Portland. And I wasn't
14 born in Maine, but I chose to live in Portland, and I
15 think that -- that has some pedigree, as well. I chose
16 this as my place to live because I love the City of
17 Portland. And there's only one proposal that I look at
18 and I could see reflections of the qualities that brought
19 me to this city, and that's the proposal in front of you
20 from Olympia Properties, and I ask that -- I recommend
21 that you endorse that proposal. Thank you.

22 CHAIR: Thank you. Yes, sir?

23 MR. JOHN EVANS: Good evening, and thank you for
24 taking the time to listen to me. My name is John Evans.
25 I'm a second-generation union ironworker. And I was very

1 hopeful that I wouldn't be speaking tonight, but I'd be
2 remiss if I didn't mention to you that my charter from my
3 old local, since there's a lot of union talk going on
4 here, Local 496, this June would have been 75 years out of
5 here, the City of Portland. I'm a 24-year member of the
6 ironworkers. My local now is Local 7. Local 7's out of
7 South Boston, Massachusetts, and it now encompasses Maine.
8 When I explained to my members what happened with this
9 merger, the bottom line is it's big business. And what
10 you -- what you folks have is big business, as well.

11 For a while there, I was hopeful this evening that
12 there's a project labor agreement after that first person
13 spoke. I'd be -- I just have to let you know that
14 probably there's 40 to 50 ironworkers working in your city
15 today that receive wages less than my benefit package,
16 substantially less than my benefit package. I'm here to
17 endorse Ocean Properties because I strongly feel that they
18 are my best opportunity for my contractors to provide work
19 for my members. Whichever developer is awarded this
20 project, I'm going to be there. I'm going to be there as
21 an agent, trying to put my men to work, or as an organizer
22 trying to organize the men working on that project. I
23 believe Ocean Properties is my best opportunity for my
24 people to go to work. It was often said, you guys have a
25 rough decision and a rough job ahead of you, and I know

1 you do day in and day out, but today was the first time I
2 heard about the letter about possible legal actions.
3 Today was also the first time I heard that this company
4 here would put a note for a hundred million dollars up. I
5 don't think it's a hard decision, not tonight. I strongly
6 urge you to recommend Ocean Properties for this project.
7 Thank you for your time.

8 MR. JAIME PARKER: Good evening, Jaime Parker, Munjoy
9 Hill Neighborhood Organization and Munjoy Hill resident.
10 I learned tonight that I was, I guess, a member of a
11 handpicked elite, which is something to my surprise,
12 simply because, you know, I -- I think I was a second
13 choice, actually. The President of the Neighborhood
14 Organization was -- was unavailable, so I -- I stood in
15 his place. And Olympia Properties may have been surprised
16 to find that I'm not actually in favor of large-scale mega
17 developments, so many of which have come down the pike
18 recently, nor do I necessarily think we need another hotel
19 in -- in town. That said, I think they did do a good job
20 of -- of covering a lot of my concerns, which really lie
21 in pedestrian access, public -- public space, access to
22 the waterfront.

23 My voice is shaking because it's cold, by the way, in
24 here. I'm dressed for summer, so -- but really, you know,
25 and so I do think Olympia did a better job, and it has a

1 better proposal. But my main concern is the
2 transportation issues that surround this project. To
3 spend 40-something dollars, \$40,000 per parking space to
4 bury cars underground on the Portland waterfront to me
5 seems absurd, to be frank. To spend anywhere near that
6 amount of money to -- to bring more cars and more traffic
7 down to the Portland waterfront does a disservice to the
8 people of Portland. We should be looking, as so many
9 other cities are, at other solutions to transportation
10 problems, not bringing more cars down to the waterfront.
11 It's in the master plan. It's in our transportation plan,
12 that we should be embracing other modes of transportation,
13 not encouraging more vehicles downtown. This money,
14 whichever proposal is selected, you know, I hear a lot of
15 figures, 10 million, 13 million, \$40,000-something a
16 space, it's a huge amount of money sitting there. That
17 could be used to put Portland in a category joining other
18 progressive cities around the country that are embracing
19 alternative transportation and not being beholden to, you
20 know -- sorry, I'm buzzing -- the interests of, you know,
21 the auto dominating the infrastructure that we've -- that
22 we've clung to for so long. It's time to embrace
23 something new, and put -- put this money into alternative
24 transportation. So whichever proposal is selected,
25 please, I urge the Council and the committee, to not

1 squander such a golden opportunity with the formulas of
2 the past, and embrace something new as far as
3 transportation goes. Thank you.

4 CHAIR: Thank you.

5 MR. NICHOLAS WALSH: Nico Walsh, attorney in
6 Portland, and a member of the Olympia team. A couple of
7 points. Ocean Properties has made the point, or -- or
8 argued that it learned from the public during the process
9 what it needed to know in order to change its plan, and I
10 -- I wonder about that claim on two points. Let me give
11 you two examples. One is view corridors. The -- the
12 original Ocean Properties plan pretty much completely
13 blocked off the view corridors from India Street, as well
14 as from Commercial Street. The Eastern Waterfront design
15 guidelines are quoted and referenced extensively in the
16 RFP document itself, and the Eastern Waterfront design
17 guidelines specifically call for the preservation and
18 enhancement of view corridors. Ocean Properties did not
19 need to hear from the public that view corridors are
20 essential and are meant to be preserved. It didn't need
21 to hear that. It was right in the RFP document itself,
22 which incorporated by reference the Eastern Waterfront
23 design guidelines.

24 The similar point can be made about parking. Ocean
25 Properties asserts that it learned from the people of

1 Portland or from the process what it needed to know in
2 order to change its approach to parking. Its approach
3 still is, to my mind, misguided by inviting an awful lot
4 of -- of cars onto this site, and particularly onto the
5 pier itself. It's -- it's covered the cars on the pier,
6 but still invited them. The Eastern Waterfront design
7 guidelines, which as anybody who's been involved in
8 waterfront planning in this city know, were the result of
9 dozens of meetings attended by hundreds of -- of -- of
10 well-meaning individuals. The Eastern Waterfront design
11 guidelines call for the absolute minimization of parking
12 on the waterfront. Parking on the waterfront is to be
13 avoided at all cost. And yet, the original Ocean
14 Properties submission had 80 or 90 spaces, uncovered,
15 directly on the Maine State Pier. Why did Ocean
16 Properties need to learn from the public that that type of
17 parking was to be avoided? It didn't need to. It could
18 have read the design guidelines. It must have read the
19 design guidelines, and it must have made a decision to
20 turn its back on the design guidelines with regard both to
21 parking and the view corridors.

22 Now, what does that tell us? It tells us a little
23 about the philosophy of Ocean Properties. Does Ocean
24 Properties truly embrace the design that it has right
25 here? I'm not sure that it does. Ocean Properties has

1 been on the ground in Portland for something like a year,
2 planning for this project. At the meeting in October,
3 when the discussion before the CDC was how long a response
4 period do we have for companies to respond to the RFP,
5 Ocean Properties pushed for 30 days, an unheard of short
6 deadline. It was ready. It was ready to submit at that
7 time. It was ready to submit. It had been on the ground
8 for a year. What did it submit? It submitted a project
9 that in important ways turned its back on the Eastern
10 Waterfront design guidelines, decided to disdain those
11 guidelines, the design -- the guidelines arrived at by the
12 citizens of Portland. Olympia Companies, on the other
13 hand, presented in its initial proposal, and continues to
14 present, a -- a project that is beautiful, that is
15 embraced by the public.

16 My point is this. At a given time -- well, Ocean --
17 Olympia Companies has really led the way, and I think even
18 Ocean Properties would be willing to admit, has shown --
19 that Olympia has shown Ocean Properties important design
20 elements that Ocean Properties has used to improve its
21 project, the park, etc. What happens when there's only
22 one developer? What happens when the city no longer has
23 two developers that are playing off each other and that
24 are forcing each other to achieve something great? What
25 happens when -- if -- if the city is developed -- is

1 negotiating only with Ocean Properties, and Ocean
2 Properties at that point holds the cards, the financial,
3 the contractual? Then the true philosophy of that
4 company's going to come through. And the true philosophy
5 of that company, of Ocean Properties, I would suggest, is
6 indicated in its February 22nd submission, that -- that
7 extraordinarily undistinguished submission that turned its
8 back on the design guidelines for the Eastern Waterfront.

9 An entirely separate point, and I may be wrong, but I
10 don't think Ocean -- Ocean Properties is an employer of
11 hundreds, and I suppose thousands, of people. And I don't
12 believe that in its fast ferry operation, it employs union
13 workers. Correct me if I'm wrong.

14 MR. T. WALSH: (inaudible)

15 MR. N. WALSH: Okay. I -- I don't believe that in
16 its hotels it uses union workers. And again, I may be
17 wrong, but my investigation suggests that. But that's
18 what I have to say, and I would invite the record to be
19 correct on that point, if -- if necessary.

20 MR. T. WALSH: His name's Walsh, but he's not related
21 to me.

22 CHAIR: Yes, sir?

23 MR. ED PALMER: Councilors, my name is Ed Palmer.
24 I'm a Scarborough resident. Since everybody likes to let
25 everyone know where they were born, I was born in Bangor,

1 Maine, and I'm proud to be a Maine citizen, and I'm proud
2 to be a Maine native.

3 It's very transparent who I'm here for. I spoke
4 before. Twenty-seven years that I've worked for Ocean
5 Properties. Mr. Walsh actually hired me as a manager
6 trainee in Del Ray Beach, Florida, in 1980. I just want -
7 - you know, it's -- it's stated that -- that I am very
8 appreciative to hear that there was some committee
9 activity in contacting current associates and employees of
10 Ocean Properties. Although I don't know exactly what was
11 said to you, I can tell you that we hire a lot of very
12 happy people. And it's a tough business, and I can tell
13 you that Ocean Properties will continue on as a great
14 employer, and I'm a proud employee. Thank you.

15 CHAIR: Yes, sir?

16 MR. DON NAZAROFF: Good evening, Chairman, CDC.
17 Hello, my name is Don Nazaroff. I'm the Business Agent
18 with the Sheet Metal Workers, Local 17. I'm a lifelong
19 resident of the State of Maine. I have many ties to the
20 City of Portland when it comes to family, and when it
21 comes to jobs, and when it comes to members who are in the
22 sheet metal workers. I believe, as it seems tonight,
23 there's a main concern about jobs, and sustainable jobs.
24 I believe our best chance for that to happen is with Ocean
25 Properties. I am very much in -- in support of their

1 plan, not only because of jobs, however. Parking, I
2 believe, parking has raised a major issue, and I believe
3 that they strike a balance with their plan between
4 pedestrian and vehicular traffic for the City of Lewiston.
5 I believe that they have out -- reached out to the public,
6 to the residents of Portland, in a -- in a tremendous
7 manner to -- to come up with the best plan for the
8 residents of Portland, for the residents of the State of
9 Maine.

10 So I would like to say that the best overall plan
11 from experience and from experience to commitment, that
12 will provide that execution word that I heard earlier
13 today, experience, experience, commitment, commitment will
14 provide the execution. I believe the best choice for
15 Portland and the residents of Maine, in general, is Ocean
16 Properties. Thank you very much.

17 CHAIR: How are you tonight?

18 MS. ELIZABETH TRICE: Hi. I'm Elizabeth Trice, 280
19 State Street, born and raised in Portland, and returned
20 after, I don't know, nine years of travel. I'm interested
21 primarily in the economic and social vitality issues
22 surrounding this and any development. And as far as I can
23 tell, you councilors have a couple of things to be looking
24 at here.

25

1 One is the cold economics of it, you know, what is
2 this going to bring in in tax money and what is the range
3 of risk on that? Second is, is it creating a vital
4 destination, both for tourists and locals, and is it
5 accessed easily by both? Third is the impact on the local
6 economy. And fourth is the vision for the future, because
7 you don't have very many opportunities like this one to
8 actually invest in the future of the city. So I think it
9 will make a large statement in terms of ethic and
10 lifestyle.

11 My main concern is auto dependence for a -- for a
12 number of reasons that you know. One is the -- getting
13 away from auto dependence gives us better social
14 interactions and safety on the streets. It's better for
15 our health. It creates more foot traffic for local
16 businesses. And if we don't have to own cars, it puts
17 more money in the pockets of our residents, especially
18 those who have less in the first place. And that's more
19 money that they can spend locally, and less likely to
20 drive to WalMart, as well. In addition, it increases
21 quality of life. You know, nationwide people are -- go on
22 vacation to places that are walkable, and people choose to
23 live in locations where they can walk.

24 I'm also concerned about the attention given to
25 parking, specifically because, as you know, parking takes

1 up as much space as living space for one person, can cost
2 about -- up to half what the cost of a living space for
3 one person can cost, and requirements for parking can
4 triple the costs of -- triple the -- the final cost of
5 housing that is built, making it less affordable, which is
6 a problem in our city.

7 As far as moving to other forms of transportation,
8 it's not going to happen unless the other forms of
9 transportation become more convenient and more mainstream.
10 And I don't think that's going to happen without major
11 policy changes and also major influxes of cash. And as
12 we've -- as you, as the housing committee know, developers
13 have talked and tried around this, but it's very hard for
14 one developer, even a conglomeration of developers, like
15 one -- when we were proposing that shuttle down at the
16 housing on Marginal Way, it's very difficult to get things
17 up and rolling. And this is an opportunity that you have
18 to get some transit up and rolling and move away from
19 bringing your car to the garage being the easiest thing to
20 do.

21 So I think that's a really important reason to go for
22 Olympia. Other than that, I don't have any preference
23 over the two projects, although I have to say the fact
24 that they took this and some other things into account
25 makes me think that they probably have the right 12 people

1 in the room, although I wish it had been -- you know, I
2 always want to be included in these things, but maybe next
3 time.

4 Second, I want to say, you know, with -- with any
5 changes that happen to Franklin Arterial, this is going to
6 be the largest infusion of cash that this city's probably
7 going to see in the next 50 years. I don't know, and this
8 is -- you know, and I'm going to be stuck with this stuff
9 in 20, 30, 40 years. So I'd like to see -- I'd like to
10 see you guys thinking about this and the Franklin Arterial
11 changes, whatever happens, as the opportunity to make this
12 leap that otherwise probably won't be possible. Thanks.

13 CHAIR: Thank you. Welcome, again.

14 MS. SUSAN DAVIS: My name is Susan Davis. I guess
15 I'd better give my credentials. I was -- I am a resident
16 of 158 Pearl Street. I was born in Lewiston, Maine.
17 Let's see, I'm also a good -- was a good personal friend
18 of Kevin Mahaney's parents, so I have some Mahaney
19 connections that are actually -- I don't have any
20 connections with Mr. Walsh and Baldacci, but I do with
21 Mahaney. I'm also here because I'm the Executive Director
22 of the Maine Narrow Gauge, and indeed, some of you see me
23 coming and you think, oh, here comes that lady again,
24 talking about the Maine Narrow Gauge.

25

1 And -- and I wasn't going to speak tonight because I
2 just didn't want to take a position one way or another as
3 a -- as a director of a -- of a nonprofit in -- in the
4 city. But there's been so much talk about transportation
5 here that I needed to point out to you that only one of
6 these two proposals includes the Maine Narrow Gauge, which
7 could be considered as a piece of transit in the transit
8 puzzle. Only one of these two proposals includes the
9 Maine Narrow Gauge in its initial February 22nd proposal,
10 and that's Ocean Properties. So there's an awful lot of
11 talk here about \$13 million invested in future
12 transportation issues. And, Kevin, we've talked about
13 this ourselves, you and I. But it's only Ocean Properties
14 that has us in there from the get-go. And if ever we are
15 to circle the peninsula, for example, we need to be in
16 that little one-block area between India and Franklin,
17 which is owned by the city. Thank you very much.

18 CHAIR: Thank you. Mr. Ward?

19 MR. RON WARD: I noted that query in your voice,
20 Chairman Cloutier, and in fact, I had not intended to
21 speak tonight, but I think that protocol of the team
22 members not speaking has been breached, and there's a
23 couple of things that need to be reflected on this record,
24 based on what was just testified to.

25

1 First of all, Ron Ward, resident of the City of
2 Portland, west end. Mr. Marshall is also my councilor.
3 I'll not take this opportunity to ask him about fixing my
4 sidewalks, but he -- he is my councilor. And I work about
5 a forward shot down the street on Commercial Street, my --
6 my business. I'm here, disclosure, proud member of the
7 Ocean Properties team. And what I want to -- to address
8 tonight is just two issues that I just heard.

9 First of all, let me mention to you my bona fides in
10 this capacity, and particularly with respect to my
11 citizens role in this. If you turn to the middle of your
12 RFP booklet, you'll see the list of the Waterfront
13 Development and Master Planning Committee. I was on that
14 committee, as was Chairman Cloutier and several other
15 people in this room. In fact, Chairman Cloutier and I
16 would probably reflect on that term of duty as most of our
17 adult lives. It seemed never to end, but it did end
18 eventually, and now here we are with respect to a
19 waterfront development.

20 CHAIR: (inaudible) never ended.

21 MR. WARD: And -- it -- sorry. Correct the record,
22 it has never ended, and we're still on -- and we are still
23 on that mission. But it's important for people to
24 understand what -- what really has happened here with
25 respect to two issues just mentioned. First of all, the

1 Ocean Properties team did not need to hear from the
2 community on the issues of view corridor and parking.
3 They talked about those from the outset. The Eastern
4 Waterfront design guidelines were known from the outset.
5 There was a decision from the outset to comply with those.
6 The two specific issues that were mentioned tonight are
7 view corridor. The original plan preserved view
8 corridors. The revised plan does an even better job of
9 preserving view corridors. To suggest that the view
10 corridors were blocked is just plain wrong.

11 With respect to parking, the reference has been made
12 that at all costs that parking is to be prohibited on the
13 Portland waterfront. That's not what the Eastern
14 Waterfront design guidelines say. In fact, your zoning
15 ordinance requires parking to be disclosed, and there is a
16 presumption in favor of on-site parking. What we have
17 done is to amend the parking to preserve the parking in
18 the best possible fashion, both with underground
19 facilities and with some off-site facilities eventually.
20 To say that we're not supposed to have any parking down
21 there is -- is not carried in any of the ordinances that
22 you're dealing with. And on that point, Chairman
23 Cloutier, you probably will remember the suggestion that
24 came forward before the committee that the Ocean Gateway
25 project have an underground parking garage, which was

1 dismissed because there was not nearly enough money in the
2 budget to do that. And what we've ended up with is the on
3 -- the surface parking with Ocean Gateway that is not our
4 intent. We're going to go on ahead and bury it at
5 significant expense and consider that a major contribution
6 to the -- to the waterfront.

7 That's all I'm going to say. The record needs to
8 reflect the true state of the facts and how we got there.
9 Thank you.

10 CHAIR: Thank you very much. Do we have anyone else
11 who wishes to speak tonight? The general public -- Mr.
12 Scharf?

13 MR. STEVEN SCHARF: Steven Scharf of Portland, Maine.
14 Two quick things. The Portland Pedestrian/Bike Advisory
15 Committee sent you a letter today that I don't know if you
16 all got. It went -- came by email, and unfortunately, it
17 didn't get sent to the city itself. It just got sent to
18 the three of you, and I didn't realize that until this --
19 late this afternoon. But --

20 CHAIR: Will you be sure to get a copy of that to
21 them --

22 MR. SCHARF: Yes.

23 CHAIR: -- so that it will get in the record?

24 MR. SCHARF: Yes.

25 CHAIR: Thanks.

1 MR. SCHARF: Specifically, the Portland
2 Bike/Pedestrian Advisory Committee did not endorse either
3 proposal, but merely suggested some of the general
4 comments actually heard by Laura Ballardur, who's not a
5 member of our committee, but basically her comments early
6 on, quite frankly, reflected much of what our conversation
7 has been on this matter. We haven't quite figured out how
8 she was able to ESP us -- ESP us to know what we thought,
9 but that's what they were, reflecting those, the comments
10 of her and Liz Trice, that we need to be concerned with
11 the traffic and pedestrian issues that are down there, and
12 we encourage that.

13 But what I also want to speak to you about is the
14 financial aspects of this proposal, of the two proposals,
15 something that very few people have talked about. And to
16 me, that needs to be the number one priority of
17 determining which developer you're going to go with. That
18 exact -- we've got seven acres of land here that's prime
19 real estate in the City of Portland, and we need to make
20 sure that we're getting the best dollar we can for it.
21 And it appears that the Olympia proposal, from all of what
22 I've heard of -- heard from the various pieces that I've
23 heard in the process, that the Olympia proposal is the
24 best dollar available for the City of Portland. And I
25

1 would like to encourage you to support the Olympia
2 proposal because that is the case. Thank you.

3 CHAIR: Anyone else? Well, then, thank you very
4 much. I'm declaring this closed. I was glad Mr. Ward
5 spoke because it reminded me that I wanted to again invite
6 Mr. Ward and Mr. Saxl to confer. This time I'm hoping
7 that we could have at least a description of some of the -
8 - what the parties believe to be the remaining pending
9 approval issues, and I'm sure that you're going to agree a
10 hundred percent on what those are. But in the event that
11 you don't, I would like to ask you both to -- to give us
12 something succinct and as complete as you can manage
13 succinctly on the permit issues that -- that have been
14 referred to.

15 MR. MICHAEL SAXL: For our own proposal?

16 CHAIR: For -- for your own proposal is fine. And if
17 you want to comment very briefly on the other applicant's,
18 you may. But please -- please concentrate on your own --
19 on your own -- I'm not going to call them problems --
20 opportunities, and -- and if you want to point out
21 something about the other side, as well, that's fine.
22 But, again, I have -- I believe I have over a foot of
23 written material. Some of it is very dense, and so it
24 would be very helpful if you could do this. I'm not going
25 to put a particular timeframe on this. The committee may

1 or may not decide when they want it, if they want it, but
2 I'm certain someone on the Council is going to want it.
3 So you want to maybe have that record ready for them to --
4 to be able to weigh. And if you can get it to us within -
5 - I think we'll probably be meeting again in a couple of
6 weeks so.

7 COUNCILOR DUSON: They're not listening.

8 CHAIR: Yeah. No, they're not listening. Why would
9 they? So -- okay. That -- that -- that then brings us to
10 next steps. We're scheduled to have an executive session
11 with our financial consultant on this after this. Those
12 of you thinking about the matter might glean that we,
13 therefore, probably are not going to take a vote on this
14 tonight. And so our next regular meeting is July 11th,
15 and so I would suggest that we would deliberate and vote
16 on it at that time. The committee has the option to do
17 anything it wants in relation to a recommendation. It can
18 recommend something. I think it is certain that the
19 committee, or -- or a substantial -- or -- or a majority
20 of the committee will want to try to integrate some of
21 this information for the Council's consideration. The
22 Council intends to deliberate on this matter through two
23 public workshops, at least, during July. Those normally
24 do not have a public comment component, but anyone who
25 wishes to communicate with the Council can always do so by

1 calling councilors on the phone. Our phone numbers are --
2 and addresses are on the website. The best, most
3 efficient way from experience is often simply to go on our
4 website and email to the councilors. They get email all
5 the time. The documents and a record of the testimony
6 that has been submitted here will be included in our
7 report, the staff report, that will be prepared for the --
8 for the Council's consideration. And there will be public
9 hearings, I would think at least one. The Council has a
10 similar format to what we use -- have used here. I would
11 -- but I would think that extended consideration from the
12 Council usually is not in the form of further Council
13 action, other than there might, for instance, be a third
14 workshop if some of the councilors that haven't been
15 following this process closely feel like they're still
16 swamped by information and want -- want better time to
17 digest it. But I think the Mayor has indicated that his
18 intention is to have this matter voted upon in August, and
19 originally had hoped to do it in July, but feels like the
20 -- the bulk of the information that needs to be
21 assimilated is too large for that. So we'll need at least
22 two workshops, and we may well have three.

23 Any other -- does that sound like next steps that the
24 committee can support? We'll deal with this on July 11th?

25 COUNCILOR DUSON: Uh-huh.

1 MR. GRISWOLD: Mr. Chairman, will this committee be
2 coming back in a public session this evening?

3 CHAIR: Just -- just for the purpose of adjourning.

4 MR. GRISWOLD: (inaudible)

5 CHAIR: Yeah. So -- no, we've -- we have a chat with
6 our finance wizard, and then we're going to go home, or
7 the Sea Dogs, whatever. So thank you all for coming.
8 And, please, anyone who -- who wants to, give us your
9 comments on a sheet of paper and drop them in the box, and
10 those, too, will be included in the public record.
11 Thanks.

12 (The hearing concluded at 8:24 p.m.)
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C E R T I F I C A T E

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I, Jeannette E. Beyler, a Notary Public in and for the State of Maine, hereby certify that the within-named deponent was sworn to testify the truth, the whole truth, and nothing but the truth, in the aforementioned cause of action.

I further certify that this deposition was electronically recorded by me and later reduced to print through transcription, and the foregoing is a full and true record of the testimony given by the deponent.

I further certify that I am a disinterested person in the event or outcome of the above-mentioned cause of action.

Any changes in form or substance which the witness has made has been entered upon the record by me.

IN WITNESS WHEREOF I subscribe my hand and affix my seal this xxth day of July 2007. Dated at Portland, Maine.

Notary Public

My Commission Expires
November 19, 2010