

AGENDA
REGULAR CITY COUNCIL MEETING
SEPTEMBER 5, 2018

1. City Council Meeting Agenda

Documents:

[CITY COUNCIL MEETING AGENDA 2018-09-05.PDF](#)

2. City Council Meeting Agenda And Packet

Documents:

[CITY COUNCIL MEETING AGENDA AND PACKET 2018-09-05.PDF](#)

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR. (A/L)

AGENDA
REGULAR CITY COUNCIL MEETING
SEPTEMBER 5, 2018

The Portland City Council will hold a regular City Council Meeting at 5:30 p.m. in City Council Chambers, City Hall. The Honorable Ethan K. Strimling, Mayor, will preside.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

ANNOUNCEMENTS:

RECOGNITIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

(Tab 1) August 13, 2018 Draft 4:00 P.M. Special City Council Meeting Minutes
August 13, 2018 Draft 6:00 P.M. Regular City Council Meeting Minutes

PROCLAMATIONS:

Proc 6-18/19 Proclamation Honoring Officer Zachery Grass as Officer of the Month
(Tab 2) for July 2018 – Sponsored by Mayor Ethan K. Strimling.

APPOINTMENTS:

Order 55-18/19 Order Appointing Constables for 2018 Re: Department of Public
(Tab 3) Safety - Sponsored by Jon P. Jennings, City Manager.

This order appoints Raymond Emery, Ethan Park, Leopold Verve, and Matthew Payoczowski as constables for the Public Safety Department for the remainder of calendar year 2018.

Five affirmative votes are required for passage after public comment.

CONSENT ITEMS

Order 56-18/19 Order Approving Transfer of Funds Under 15 M.R.S. §§5824(3) and
(Tab 4) 5826(6) Re: Vincent Teruel– Sponsored by Jon P. Jennings, City
Manager.

This order authorizes the City Council to approve the transfer of \$1,803.00 in forfeited assets from the State of Maine to the City of Portland from the case of the State of Maine v. Vincent Teruel.

The money was seized during a drug investigation conducted by the M.D.E.A. in conjunction with the Portland Police Department. The money will be deposited into the Portland Police Department's drug investigation account. The money is used to offset the costs of drug investigations, such as drug analysis, drug purchases, covert surveillance, surveillance equipment, drug training and protective gear, such as body armor. The money may also be used to support the department's Law Enforcement Addiction Advocacy Program.

**Order 57-18/19
(Tab 5)**

Order Approving Transfer of Funds Under 15 M.R.S. §§5824(3) and 5826(6) Re: Dwayne Sanborn– Sponsored by Jon P. Jennings, City Manager.

This order authorizes the City Council to approve the transfer of \$829.00 in forfeited assets from the State of Maine to the City of Portland from the case of the State of Maine v. Dwayne Sanborn.

The money was seized during a drug investigation conducted by the M.D.E.A. in conjunction with the Portland Police Department. The money will be deposited into the Portland Police Department's drug investigation account. The money is used to offset the costs of drug investigations, such as drug analysis, drug purchases, covert surveillance, surveillance equipment, drug training and protective gear, such as body armor. The money may also be used to support the department's Law Enforcement Addiction Advocacy Program.

Five affirmative votes are required for passage of the Consent Calendar.

LICENSES:

**Order 58-18/19
(Tab 6)**

Order Granting Municipal Officers' Approval of The Public Works, LLC dba The Public Works. Application for a Class III & IV FSE with Entertainment with Dance and Outdoor Dining on Private Property at 52 Alder Street – Sponsored by Michael Russell, Director of Permitting and Inspections Department.

Application was filed on 8/9/2018. New City and State applications. Location was formerly Portland Public Works.

Five affirmative votes are required for passage after public comment.

**Order 59-18/19
(Tab 7)**

Order Granting Municipal Officers' Approval of Portland Donuts, Inc. dba Dunkin Donuts. Application for a Food Service Establishment with Preparation at 325 St. John Street for 24-Hour Service – Sponsored by Michael Russell, Director of Permitting and Inspections Department.

Application was filed on 8/13/2018. New City application. Location was formerly Lang's Express Chinese Restaurant.

Five affirmative votes are required for passage after public comment.

**Order 60-18/19
(Tab 8)**

Order Granting Definitive Brewing Company LLC dba dba Definitive Brewing Company. Application for Entertainment with Dance at 35 Industrial Way.

Application was filed on 8/13/2018. New City application. Applicant currently holds a Brewery License.

Five affirmative votes are required for passage after public comment.

BUDGET ITEMS:

COMMUNICATIONS:

**Com 3-18/19
(Tab 9)**

Communication Re: Selection of Architectural/Engineering Firm for Lyseth School – Sponsored by Councilor Justin Costa.

Consultant company Harriman Associates has been awarded the Architecture and Engineer Services Work required by the Portland Public Schools to begin the renovation of Lyseth Elementary School, to be paid for with bonds approved by Portland voters at the 2017 Referendum.

The Request for Bids was published by the School Department on May 7, 2018, and Harriman Associates won the bid. Renovation of the school is expected to begin in 2019, and the target completion date is August 15, 2020. Harriman Associates work will be a percentage of the cost of work of the new construction and the renovation, with a total not to exceed \$1,016,000.

As a Communication this item requires no public comment or formal Council action.

RESOLUTIONS:

UNFINISHED BUSINESS:

**Order 26-18/19
(Tab 10)**

Order Appropriating Home Investment Partnerships Program Funds in the Amount of \$300,000 to the Avesta Housing Development Corporation Re: 977 Brighton Avenue Apartments - Sponsored by the Housing Committee, Jill C. Duson, Chair.

The Housing Committee met on June 27, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage.

Avesta Housing Development Corporation (AHDC) is proposing to construct 40 1-bedroom units for seniors (55+) on a site they own located at 977 Brighton Avenue. The development will include:

977 Brighton Avenue		
1-Bedroom Units (40)	at or below 50% area median income	24
	at or below 60% area median income	10
	Market Rate	6
Total Units		40

Eight (8) units will have project based rental assistance. As stated in the developer’s application:

“The 0.73-acre site currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction. The project consists of one 4-story building, placed at the front of the property so as to create maximum active street frontage. There will also be a parking lot of 32 cars and an external gathering area or patio for residents. Vegetative screening will be used to create a level of privacy for residents.”

AHDC has requested two forms of financial assistance.

(1) HOME funds request: \$300,000, 0% interest rate loan, deferred for 30 years.

Total City HOME Investment of \$300,000/unit - \$7,500.

Total City HOME Investment of \$300,000/affordable unit = \$8,824.

(1) Affordable Housing Tax Increment Financing (AHTIF). The AHTIF request was presented as first read on the June 18 council agenda and as a second read with council action on the July 16 council agenda. If approved, the Affordable Housing TIF financing will be provided through a Credit Enhancement Agreement at 75% of the increased taxable value, currently estimated at a 30-year annual average of \$65,150, with an estimated total of \$1,954,486 in captured revenue returned to the developer to off-set project operating costs.

(2) The proposed project will be taxable with an estimated annual assessment of \$3,200,000 and estimated annual taxes of \$69,280.

(3) The remaining increased taxable value will be general fund revenue. TIF projections and proposed district map are included in the backup to this memo.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer is an experienced developer and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below.

The third party underwriting report makes the following recommendations:

Subject to availability of funding, a HOME loan in the amount of no more than \$300,000, at zero percent interest, deferred for 30 years.

The HOME Affordable Housing Development Application made funding available in the amount of \$1,080,174. The City received four applications requesting \$1,741,540 in funding.

The staff recommendation to the Housing Committee did not include HOME funding for the project at 977 Brighton Avenue. The staff recommendation to the Housing Committee included funding for Deering Place at an additional \$200,000, Front Street at \$510,174 and 178 Kennebec Street at \$370,000.

The Housing Committee voted to recommend HOME funding for Deering Place at an additional \$200,000, Front Street at \$580,174, 178 Kennebec Street at \$0 and 977 Brighton Avenue at \$300,000.

This item must be read on two separate days. It was given a first reading on July 16, 2018. At the August 13, 2018 Council meeting this item was postponed to this meeting. Five affirmative votes are required for passage after public comment.

**Order 27-18/19
(Tab 11)**

Order Appropriating Home Investment Partnership Program Funds in the Amount of \$580,174 to the Portland Housing Development Corporation Re: Front Street – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.

The Housing Committee met on June 27, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage.

Portland Housing Development Corporation is requesting HOME funding to assist in the re-development of affordable family rental housing on Front Street.

The developer is proposing to demolish and re-develop the existing 50 units of housing and add an additional 61 units of mixed-income rental housing.

The development will include:

Front Street		
1-Bedroom Units (29)	at or below 50% area median income	7
	at or below 50% area median income PBV	11
	Market Rate	11
2-Bedroom Units (38)	at or below 50% area median income	19
	at or below 50% area median income PBV	7
	Market Rate	12
3-Bedroom Units (27)	at or below 50% area median income	5
	at or below 50% area median income PBV	19
	at or below 60% area median income	3
4-Bedroom Units (13)	at or below 50% area median income PBV	13
5-Bedroom Units (4)	at or below 50% area median income PBV	4
Total Units		111

This project is seeking 4% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing. It will not proceed on the same timetable as the other three proposals who will be seeking 9% Low Income Housing Tax Credits. The developer has engaged in significant public outreach in the East Deering Neighborhood. A neighborhood meeting was held on November 7, 2017 and the Planning Board held a workshop on November 14, 2017. The Planning Department has made significant commitments to the neighborhood to ensure that the design of the project is contextual to the neighborhood. To ensure these commitments are met, staff is recommending funding for this project.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer is an experienced developer and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below.

The HOME Affordable Housing Development Application made funding available in the amount of \$1,080,174. The City received four applications requesting \$1,741,540 in funding.

The staff recommendation to the Housing Committee included HOME funding for Deering Place at an additional \$200,000, Front Street at \$510,174, 178 Kennebec Street at \$370,000 and 977 Brighton Avenue at \$0.

The Housing Committee voted to recommend HOME funding for Deering Place at an additional \$200,000, Front Street at \$580,174, 178 Kennebec Street at \$0 and 977 Brighton Avenue at \$300,000.

This item must be read on two separate days. It was given a first reading on July 16, 2018. At the August 13, 2018 Council meeting this item was postponed to this meeting. Five affirmative votes are required for passage after public comment.

**Order 50-18/19
(Tab 12)**

Order Approving Collective the Bargaining Agreement with the Firefighters Local 740, International Association of Firefighters – Sponsored by Jon P. Jennings, City Manager.

Staff has reached a tentative agreement with the Local 740, International Association of Firefighters on a successor one (1) year contract. The prior contract expired on December 31, 2017.

Local 740 have ratified the tentative agreement and the administration is seeking your support for the agreement. The tentative agreement is within guidance received from the Council.

The substantive changes to the expired collective bargaining agreement and the cost summary are included in the agenda backup.

This item must be read two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

**Order 51-18/19
(Tab 13)**

Order Approving a Three-Party Partnership Agreement between the City of Portland, Maine Department of Transportation, and Portland Area Comprehensive Transportation System Re: Brighton Avenue (Route 25) Multi-Modal Project – Sponsored by Jon P. Jennings, City Manager.

This project has been developed through the Portland Area Comprehensive Transportation System Complex Projects process. The scope of work is planned to include replacement of signal equipment at six intersections, including ramp and American Disabilities Act (ADA) modifications, bicycle detection and transit priority as needed, sidewalk rehabilitation to bring sidewalks into good condition and ADA compliance, and mill and fill paving, and provision of enhanced bicycle facilities along Route 25. Modifications in the Rosemont area as needed to support the proposed METRO Husky Line. The project includes elements of Preservation (roadway and sidewalks) and Modernization (traffic/pedestrian/transit priority signals, roadway/bikeway striping-pavement markings, transit stop upgrades, and achieving ADA compliance along Brighton Avenue).

Approving and signing this agreement would confirm the City's intent to undertake this project and pay 25% of the total project cost. The total estimated cost for preliminary engineering and Right-of-Way is \$195,000. The City's share would be \$48,750.

This item must be read on two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

**Order 52-18/19
(Tab 14)**

Order Approving the Allocation and Appropriation of \$300,000 from the Housing Trust Fund Re: Avesta Housing Development Corporation 977 Brighton Avenue Apartments – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.

The Housing Committee met on July 31, 2018 and voted 2-0 (Cook absent) to forward this item to the City Council with a recommendation for passage.

The Housing Trust fund is established by Section 14-489 of the City's Code of Ordinances. Section 14-489 (e) states that "the city council shall adopt a housing trust fund annual plan" and that the "housing committee of the city council or such other committee as the council shall designate shall conduct public hearings on the recommended plan and refer the matter to the council for action." The 2018 Annual Plan, which was adopted by the City Council on June 18, 2018 (Order 263-17/18), established the priorities in which the current balance of the Housing Trust Fund will be allocated.

With the appropriation approved by Order 49-18/19, the Housing Trust Fund balance is \$2,223,320.80.

A Notice of Funding Availability was published on June 29 and applications for Housing Trust Funds were accepted as of July 1. Three applications have been received as of Friday, July 27.

- (1) Portland Housing Authority Front Street, Request: \$1,435,174, less any HOME funding
 Justification:
 a) The PHA Front Street project is a priority under the 2018 Annual Plan
 b) Eligible Activity: new construction of affordable rental housing
 c) Utilizing multiple federal, state and local resources to fund the project
 d) Per unit contribution does not exceed \$15,000/unit
 e) 77% of units affordable to households at or below 50% of the area median income
- (2) Avesta 977 Brighton Avenue, Request \$300,000, less any HOME funding
 Justification:
 a) Eligible Activity: new construction of affordable rental housing
 b) Utilizing multiple federal, state and local resources to fund the project
 c) Per unit contribution does not exceed \$15,000/unit
 d) 60% of units affordable to households at or below 50% of the area median income
 e) The proposed use of City funds and the timing of the investment of City funds make this project better suited for Housing Trust Fund financing.
- (3) 178 Kennebec Street, Request \$370,000, less any HOME funding
 Justification:
 a) Eligible Activity: new construction of affordable rental housing
 b) Utilizing multiple federal, state and local resources to fund the project
 c) Per unit contribution does not exceed \$15,000/unit
 d) 35% of units affordable to households at or below 50% of the area median income

With the appropriation approved by Order 49-18/19, the funding scenario recommended by the Housing Committee at their July 31st meeting is:

HOUSING TRUST FUND \$2,223,320 (including portion of 0 Hancock St. Proceeds)				
	Applicant Request	HOME Recommendations	HTF Recommendations*	Balance Remaining of Applicants Request
PHA Front Street	\$1,435,174	\$510,174	\$925,000	\$0
178 Kennebec Street	\$370,000	\$370,000	\$0	\$0
977 Brighton Avenue	\$300,000	\$0	\$300,000	\$0
Total	\$2,105,174	\$880,174	\$1,225,000	\$0

***Maintains \$500,000 minimum balance; \$498,320 of HTF unallocated**

In addition, staff requests the ability to make adjustments to the allocation amounts as long as it is within 10% of the Committee approved allocation.

This item must be read on two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

**Order 53-18/19
(Tab 15)**

Order Approving the Allocation and Appropriation of \$925,000 from the Housing Trust Fund Re: Portland Housing Development Corporation Front Street – Sponsored by the Housing Committee, Councilor Jill Duson, Chair.

The Housing Committee met on July 31, 2018 and voted 2-0 (Cook absent) to forward this item to the City Council with a recommendation for passage.

This item is a companion order to Order 52-18/19 above.

The order authorizes financial assistance in an amount up to \$925,000 in Housing Trust Funds to the Portland Housing Development Corporation Project called Front Street.

This item must be read on two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

6:00 P.M. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS:

**Order 54-18/19
(Tab 16)**

Amendment to Portland City Code Re: Housekeeping Amendments in Chapters 2 and 30 – Sponsored by Jon P. Jennings, City Manager.

This amendment corrects inconsistencies or changed terms in the City Code. While reviewing the City Code business licensing fees this year, a transfer fee for taxi licenses was found that should be increased to the same amount as the issuance and administrative fee charged for renewal business license applications, which is \$35.00.

In addition, the term Deputy City Manager has been changed to Assistant City Manager, and another amendment updates the City Code to reflect that.

This item must be read on two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

ORDERS:

**Order 61-18/19
(Tab 17)**

Order of Discontinuance of a Public Way along a Portion of Portland Pier – Sponsored by the Economic Development Committee, Councilor Justin Costa, Chair.

The Economic Development Committee met on June 19, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage. Following the statutorily described process for public right of way discontinuance, the Council voted on July 16 to propose the discontinuance.

On August 13 the Council held the statutorily required public hearing on the proposal. A final decision and vote by the Council is now in order as it will have been more than 10 days since the public hearing. If the Council approves the discontinuance, a Certificate of Discontinuance signed by the Clerk and documenting the discontinuance will be recorded in the Cumberland County Registry of Deeds.

The abutting property owner has been noticed (there is only one at 50 Portland Pier) and the discontinuance has been posted in the City Clerk's office.

The Department of Economic Development, the Facilities Division, and the Department of Public Works recommend that the City Council vote to approve the discontinuance of a portion of public right of way at the southerly end of Portland Pier. The portion of right of way proposed for discontinuance serves only a single property, 60 Portland Pier, Portland Pier Holdings, LLC. All private properties on Portland Pier, including 60 Portland Pier, will continue to have access from a public right of way and public access rights are to remain in effect for both commercial fishing and pedestrian use of the pier.

City staff and the Economic Development Committee recommend the discontinuance to promote private investment and maintenance of currently degraded pier infrastructure. Only with immediate and continued investment will public and fishing access be retained on the subject portion of right of way.

The subject portion of right of way is occupied by a pile-supported pier structure over submerged lands owned by the State of Maine. Following the proposed discontinuance, the City-owned portion of pier described will transfer to the surrounding property owner, Portland Pier Holdings, LLC. subject to the limits and requirements of the State Submerged Lands program.

Portland Pier Holdings, LLC. at 60 Portland Pier is amenable to the discontinuance and has agreed to waive damages and has further agreed to conduct immediate necessary repairs to the pier to promote continued public and fishing access.

Five affirmative votes are required for passage after public comment.

**Order 62-18/19
(Tab 18)**

Order Authorizing Purchase and Sale Agreement with Stephen Robbins for Property in Oat Nuts Park and Placing that Land in the Portland Land Bank – Sponsored by the Landbank Commission, Patrizia Bailey, Chair.

The Land Bank Commission met on August 9, 2018 and voted to unanimously to forward this item to the City Council with a recommendation for passage.

The Land Bank Commission is recommending the acquisition and Land Bank designation of the following vacant properties, in the Oat Nuts Park area, for the following reasons:

Parcels 393-A-33 to 37 are located on the backside of Oat Nuts Park (owned by the City) along a drainage divide between the Park and the residences at Whitehead Circle and are contiguous with both Oat Nuts Park and the Presumpscot River Preserve. Given the steep terrain, drainage course flowing to the Presumpscot River, and CMP right of way, these lots are landlocked and undevelopable.

Their acquisition will help to preserve the integrity of the drainage course, protect water quality in the River, provide a wooded buffer between the park and adjacent residences, and generally enhance the quality of these very popular open spaces.

Parcels 393-B-3-4-33-34 are located and landlocked within Oat Nuts Park. These lightly wooded lots, including areas of mapped wetlands, are located just off of the popular walking trail between Summit Street and the Presumpscot River Preserve. Acquisition of these lots will help to protect wetlands associated with a tributary stream flowing to the Presumpscot River and will provide the City with clear title to this land within the Park. These parcels are located in a Resource Protection Zone (RPZ).

The cost of these property acquisitions is \$6,385 to be paid for with Land Bank Funds, along with all closing costs. It is noted the appraised value of these properties is \$8,700.

In summary, City staff conducted a housing suitability analysis and determined the referenced properties are landlocked with no public street frontage nor access to public utilities so this land is not buildable. In addition, a limited environmental assessment showed no environmental issues.

Five affirmative votes are required for passage after public comment.

**Order 63-18/19
(Tab 19)**

Order Approving Purchase and Sale Agreement with Robert Cott for Property in Redlon Area and Placing that Land in the Portland Land Bank – Sponsored by the Land Bank Commission – Patrizia Bailey, Chair.

The Land Bank Commission met on August 9, 2018 and voted unanimously to forward this item to the City Council for a recommendation for approval.

It has been a goal of the Land Bank Commission to protect open space in the Redlon area of Portland where green space is a “park desert” (i.e., more than one-half mile to nearest park or trail), identified by 2014 Open Space Vision Plan as a priority area for open space/park/trail development along with environmental preservation.

Robert Cott is a real estate owner of a single-family home abutting the Redlon area. Mr. Cott has agreed to sell for \$1.00 a portion of his vacant land property, approximately 11,000 sq. ft., which abuts the Redlon area, all as more set forth in the Purchase and Sale Agreement signed by Mr. Cott and included in the Council packet.

Five affirmative votes are required for passage after public comment.

**Order 64-18/19
(Tab 20)**

Order Accepting Ice Pond Drive as a City Way – Sponsored by Jon P. Jennings, City Manager.

The Old Barn Estates subdivision was approved by the Planning Board in April 2013. That subdivision approval contemplated the construction of “Ice Pond Drive” by the developer with the intent that it would be accepted as a public street by the City. The developer has now completed construction of Ice Pond Drive to City standards and provided the City with a deed conveying the street in fee simple. Public Works recommends that the City accept the street.

Five affirmative votes are required for passage after public comment.

**Order 65-18/19
(Tab 21)**

Order Accepting and Appropriating the Federal Emergency Management Agency Grant of \$681,819.00 for a New Fire Truck – Sponsored by Jon P. Jennings, City Manager.

The City Council is asked to accept and appropriate a \$681,819 federal grant from the Federal Emergency Management Agency, awarded to the Portland Fire Department for the purchase of a new fire truck. The Fire Department applied for the federal grant called Assistance to Firefighters Grant in Fiscal Year 2017 for financial assistance in purchasing a new Heavy Rescue Fire truck. The Fire Department was notified that it had been awarded the grant on August 10, 2018. There is a local contribution or match of 10% or \$68,181.

The Fire Chief, on behalf of the City of Portland, has 30 days to accept or decline the grant. Emergency passage is requested due to the 30 day acceptance period from August 10, 2018.

This order must be read on two separate days. This is its first reading. The City Manager and staff are recommending that the second reading be waived and the order be passed as an emergency in order to allow this Order to be approved at this meeting.

Seven affirmative votes are required to waive the second reading and for passage as an emergency. Public comment will be taken before the Council acts on the order.

**Order 66-18/19
(Tab 22)**

Order Appropriating Home Investment Partnerships Program Funds in the Amount of \$370,000 to Maine Workforce Housing Re: 178 Kennebec Street – Sponsored by Councilor Jill C. Duson.

Maine Workforce Housing is proposing to construct 51 units for households aged 55 plus. The development will include 46 1-bedroom units (13 affordable at or below 50% of the area median income, 22 affordable at or below 60% of the area median income, 11 market rate units) and 5 efficiency units (3 affordable at or below 50% of the area median income, 2 affordable at or below 60% of the area median income).

178 Kennebec Street		
Efficiency		
Units (5)	at or below 40% area median income	0
	at or below 50% area median income	3
	at or below 60% area median income	2
	Market Rate	0
1-Bedroom		
Units (46)	at or below 40% area median income	0
	at or below 50% area median income	13
	at or below 60% area median income	22
	Market Rate	11
Total Units		51

As stated in the developer’s application, the project:

“...includes ground-level retail and/or artist studio space with 46 units of housing on the upper floors. The housing will be rental; all 1-bedroom units, set aside for households whose head of household is aged 55+.

“We expect the income mix targeted for this development will be 22% market rate, and 78% affordable (aimed at those at or below 60% of the area median income), creating economic diversity both in the building and in the neighborhood.”

The developer has requested two forms of financial assistance.

- (1) HOME funds request: \$370,000, 0% interest rate loan, deferred for 30 years.

Total City HOME Investment of \$370,000/unit - \$7,255.

Total City HOME Investment of \$370,000/affordable unit = \$9,250.

- (2) Tax Increment Financing request: The Affordable Housing TIF financing will be provided through a Credit Enhancement Agreement approved at the July 16 City Council Meeting.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer has consistently been successful in obtaining financing for similar projects.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below.

The third party underwriting report makes the following recommendations:

Subject to availability of funding, a HOME loan in the amount of no more than \$370,000, at zero percent interest, deferred for 30 years.

This item must be read on two separate days. This is its first reading. Staff is requesting that the second reading be waived in order to allow this Order to be approved at this meeting. Seven votes are required to waive the second reading. If the Council waives the second reading, it will take public comment prior to Council action on the item. Five votes will be required to approve the order.

AMENDMENTS:

**Order 67-18/19
(Tab 23)**

Amendment to Portland City Code Chapter 6 Re: Short Terms Rentals – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.

The Housing Committee met on July 31, 2018 and voted unanimously (2-0, Cook absent) to forward this item to the City Council with a recommendation for passage.

Chapter 6, Article VI of the City Code governs the registration of both long term and short term rentals, and § 6-151(a)(1) requires that rental units must be registered and renewed annually.

The ordinance imposes a cap on mainland, non-owner occupied short term rental units, limiting the number of registered units in the City to 300. Section 6-154 describes the allocation of registrations for non-owner occupied mainland short-term rental units as on a “first come, first registered basis,” but also provides that “The City Manager or his or her designee may institute a lottery process at his or her discretion.”

The proposed amendment to § 6-154 adds an “automatic right to renew” for registered mainland, non-owner occupied short term rental units that renew prior to January 1. It also clarifies that the lottery process will only be used to choose applicants off a waitlist once the 300 cap is met. If an existing registration is not renewed by January 1, the applicant would forfeit his or her automatic right to renew. However, registration would still be available if the 300 cap had not been met or if the application was chosen off the waitlist.

If the non-owner occupied mainland short-term rental unit registrations are not automatically renewed, there is the possibility, as the short-term rental industry grows, that valid registered units may not receive renewal under the current first-come, first-registered process or under the lottery process. This change gives owners certainty about their ability to continue operating, so long as they renew in a timely fashion.

This item must be read on two separate days. This is its first reading.

**Order 68-18/19
(Tab 24)**

Amendment to Zoning Map, B-6 Building Height Overlay and Building Envelopes Map Re: 100 Fore Street – Sponsored by the Planning Board, Sean Dundon, Chair.

The Planning Board met on August 14, 2018 and voted 5-0 (Austin Smith absent, Lisa Whited recused) to forward this item to the City Council with a recommendation for passage.

The applicant, 100 Fore Street LLC, has applied for a zoning map amendment to allow for building heights up to 55 feet in order to support a mixed-use site containing structured parking wrapped by office and retail uses. On August 14, 2018, the Planning Board voted to recommend a zoning map amendment to the *B-6 Building Height Overlay & Building Envelopes* map (Height Overlay), changing maximum heights for 100 Fore Street, as well as additional changes for clarity and in response to changed conditions in the area since the Overlay has been implemented. Changes proposed to the Height Overlay include the following, limited to the building envelope where 100 Fore Street is located: a proposal to allow building heights of 45 feet with extensions to 55 feet; height to be measured from average grade rather than from the floodplain; height limits of 35’ for a depth of 40’ near Fore Street (currently 35’ for a depth of 100’); change to the remainder of the single parcel with the floodplain measurement requirement to 45ft maximum height from average grade.

Changes that impact the full Height Overlay include: removal of the westernmost building envelope, which is now superseded by the India Street Form Based Code; no-build areas replaced with view protection splays and street extension areas; and reduction of a 65 ft. maximum height building envelope with 35 ft. maximum height.

This item must be read on two separate days. This is its first reading.

**Order 69-18/19
(Tab 25)**

Amendment to the Portland City Code Chapter 17 Re: Moratorium on Medical Marijuana Retail Stores, Medical Marijuana Testing Facilities, and Medical Marijuana Manufacturing Facilities - Sponsored by Jon P. Jennings, City Manager.

This agenda item proposes a temporary moratorium on new marijuana caregiver retail stores, manufacturing facilities, and testing facilities to give the City time to implement zoning, licensing, and other regulatory ordinances to minimize any potential adverse impacts from their operation in the City. This moratorium will not impact legally existing caregiver operations in the City.

This item must be read on two separate days. This is its first reading.

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR. (A/L)

AGENDA
REGULAR CITY COUNCIL MEETING
SEPTEMBER 5, 2018

The Portland City Council will hold a regular City Council Meeting at 5:30 p.m. in City Council Chambers, City Hall. The Honorable Ethan K. Strimling, Mayor, will preside.

PLEDGE OF ALLEGIANCE:

ROLL CALL:

ANNOUNCEMENTS:

RECOGNITIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

(Tab 1) August 13, 2018 Draft 4:00 P.M. Special City Council Meeting Minutes
August 13, 2018 Draft 6:00 P.M. Regular City Council Meeting Minutes

PROCLAMATIONS:

Proc 6-18/19 Proclamation Honoring Officer Zachery Grass as Officer of the Month
(Tab 2) for July 2018 – Sponsored by Mayor Ethan K. Strimling.

APPOINTMENTS:

Order 55-18/19 Order Appointing Constables for 2018 Re: Department of Public
(Tab 3) Safety - Sponsored by Jon P. Jennings, City Manager.

This order appoints Raymond Emery, Ethan Park, Leopold Verve, and Matthew Payoczkowski as constables for the Public Safety Department for the remainder of calendar year 2018.

Five affirmative votes are required for passage after public comment.

CONSENT ITEMS

Order 56-18/19 Order Approving Transfer of Funds Under 15 M.R.S. §§5824(3) and
(Tab 4) 5826(6) Re: Vincent Teruel– Sponsored by Jon P. Jennings, City
Manager.

This order authorizes the City Council to approve the transfer of \$1,803.00 in forfeited assets from the State of Maine to the City of Portland from the case of the State of Maine v. Vincent Teruel.

The money was seized during a drug investigation conducted by the M.D.E.A. in conjunction with the Portland Police Department. The money will be deposited into the Portland Police Department's drug investigation account. The money is used to offset the costs of drug investigations, such as drug analysis, drug purchases, covert surveillance, surveillance equipment, drug training and protective gear, such as body armor. The money may also be used to support the department's Law Enforcement Addiction Advocacy Program.

**Order 57-18/19
(Tab 5)**

Order Approving Transfer of Funds Under 15 M.R.S. §§5824(3) and 5826(6) Re: Dwayne Sanborn– Sponsored by Jon P. Jennings, City Manager.

This order authorizes the City Council to approve the transfer of \$829.00 in forfeited assets from the State of Maine to the City of Portland from the case of the State of Maine v. Dwayne Sanborn.

The money was seized during a drug investigation conducted by the M.D.E.A. in conjunction with the Portland Police Department. The money will be deposited into the Portland Police Department's drug investigation account. The money is used to offset the costs of drug investigations, such as drug analysis, drug purchases, covert surveillance, surveillance equipment, drug training and protective gear, such as body armor. The money may also be used to support the department's Law Enforcement Addiction Advocacy Program.

Five affirmative votes are required for passage of the Consent Calendar.

LICENSES:

**Order 58-18/19
(Tab 6)**

Order Granting Municipal Officers' Approval of The Public Works, LLC dba The Public Works. Application for a Class III & IV FSE with Entertainment with Dance and Outdoor Dining on Private Property at 52 Alder Street – Sponsored by Michael Russell, Director of Permitting and Inspections Department.

Application was filed on 8/9/2018. New City and State applications. Location was formerly Portland Public Works.

Five affirmative votes are required for passage after public comment.

**Order 59-18/19
(Tab 7)**

Order Granting Municipal Officers' Approval of Portland Donuts, Inc. dba Dunkin Donuts. Application for a Food Service Establishment with Preparation at 325 St. John Street for 24-Hour Service – Sponsored by Michael Russell, Director of Permitting and Inspections Department.

Application was filed on 8/13/2018. New City application. Location was formerly Lang's Express Chinese Restaurant.

Five affirmative votes are required for passage after public comment.

**Order 60-18/19
(Tab 8)**

Order Granting Definitive Brewing Company LLC dba dba Definitive Brewing Company. Application for Entertainment with Dance at 35 Industrial Way.

Application was filed on 8/13/2018. New City application. Applicant currently holds a Brewery License.

Five affirmative votes are required for passage after public comment.

BUDGET ITEMS:

COMMUNICATIONS:

**Com 3-18/19
(Tab 9)**

Communication Re: Selection of Architectural/Engineering Firm for Lyseth School – Sponsored by Councilor Justin Costa.

Consultant company Harriman Associates has been awarded the Architecture and Engineer Services Work required by the Portland Public Schools to begin the renovation of Lyseth Elementary School, to be paid for with bonds approved by Portland voters at the 2017 Referendum.

The Request for Bids was published by the School Department on May 7, 2018, and Harriman Associates won the bid. Renovation of the school is expected to begin in 2019, and the target completion date is August 15, 2020. Harriman Associates work will be a percentage of the cost of work of the new construction and the renovation, with a total not to exceed \$1,016,000.

As a Communication this item requires no public comment or formal Council action.

RESOLUTIONS:

UNFINISHED BUSINESS:

**Order 26-18/19
(Tab 10)**

Order Appropriating Home Investment Partnerships Program Funds in the Amount of \$300,000 to the Avesta Housing Development Corporation Re: 977 Brighton Avenue Apartments - Sponsored by the Housing Committee, Jill C. Duson, Chair.

The Housing Committee met on June 27, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage.

Avesta Housing Development Corporation (AHDC) is proposing to construct 40 1-bedroom units for seniors (55+) on a site they own located at 977 Brighton Avenue. The development will include:

977 Brighton Avenue		
1-Bedroom Units (40)	at or below 50% area median income	24
	at or below 60% area median income	10
	Market Rate	6
Total Units		40

Eight (8) units will have project based rental assistance. As stated in the developer’s application:

“The 0.73-acre site currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction. The project consists of one 4-story building, placed at the front of the property so as to create maximum active street frontage. There will also be a parking lot of 32 cars and an external gathering area or patio for residents. Vegetative screening will be used to create a level of privacy for residents.”

AHDC has requested two forms of financial assistance.

(1) HOME funds request: \$300,000, 0% interest rate loan, deferred for 30 years.

Total City HOME Investment of \$300,000/unit - \$7,500.

Total City HOME Investment of \$300,000/affordable unit = \$8,824.

(1) Affordable Housing Tax Increment Financing (AHTIF). The AHTIF request was presented as first read on the June 18 council agenda and as a second read with council action on the July 16 council agenda. If approved, the Affordable Housing TIF financing will be provided through a Credit Enhancement Agreement at 75% of the increased taxable value, currently estimated at a 30-year annual average of \$65,150, with an estimated total of \$1,954,486 in captured revenue returned to the developer to off-set project operating costs.

(2) The proposed project will be taxable with an estimated annual assessment of \$3,200,000 and estimated annual taxes of \$69,280.

(3) The remaining increased taxable value will be general fund revenue. TIF projections and proposed district map are included in the backup to this memo.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer is an experienced developer and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below.

The third party underwriting report makes the following recommendations:

Subject to availability of funding, a HOME loan in the amount of no more than \$300,000, at zero percent interest, deferred for 30 years.

The HOME Affordable Housing Development Application made funding available in the amount of \$1,080,174. The City received four applications requesting \$1,741,540 in funding.

The staff recommendation to the Housing Committee did not include HOME funding for the project at 977 Brighton Avenue. The staff recommendation to the Housing Committee included funding for Deering Place at an additional \$200,000, Front Street at \$510,174 and 178 Kennebec Street at \$370,000.

The Housing Committee voted to recommend HOME funding for Deering Place at an additional \$200,000, Front Street at \$580,174, 178 Kennebec Street at \$0 and 977 Brighton Avenue at \$300,000.

This item must be read on two separate days. It was given a first reading on July 16, 2018. At the August 13, 2018 Council meeting this item was postponed to this meeting. Five affirmative votes are required for passage after public comment.

**Order 27-18/19
(Tab 11)**

Order Appropriating Home Investment Partnership Program Funds in the Amount of \$580,174 to the Portland Housing Development Corporation Re: Front Street – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.

The Housing Committee met on June 27, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage.

Portland Housing Development Corporation is requesting HOME funding to assist in the re-development of affordable family rental housing on Front Street.

The developer is proposing to demolish and re-develop the existing 50 units of housing and add an additional 61 units of mixed-income rental housing.

The development will include:

Front Street		
1-Bedroom Units (29)	at or below 50% area median income	7
	at or below 50% area median income PBV	11
	Market Rate	11
2-Bedroom Units (38)	at or below 50% area median income	19
	at or below 50% area median income PBV	7
	Market Rate	12
3-Bedroom Units (27)	at or below 50% area median income	5
	at or below 50% area median income PBV	19
	at or below 60% area median income	3
4-Bedroom Units (13)	at or below 50% area median income PBV	13
5-Bedroom Units (4)	at or below 50% area median income PBV	4
Total Units		111

This project is seeking 4% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing. It will not proceed on the same timetable as the other three proposals who will be seeking 9% Low Income Housing Tax Credits. The developer has engaged in significant public outreach in the East Deering Neighborhood. A neighborhood meeting was held on November 7, 2017 and the Planning Board held a workshop on November 14, 2017. The Planning Department has made significant commitments to the neighborhood to ensure that the design of the project is contextual to the neighborhood. To ensure these commitments are met, staff is recommending funding for this project.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer is an experienced developer and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below.

The HOME Affordable Housing Development Application made funding available in the amount of \$1,080,174. The City received four applications requesting \$1,741,540 in funding.

The staff recommendation to the Housing Committee included HOME funding for Deering Place at an additional \$200,000, Front Street at \$510,174, 178 Kennebec Street at \$370,000 and 977 Brighton Avenue at \$0.

The Housing Committee voted to recommend HOME funding for Deering Place at an additional \$200,000, Front Street at \$580,174, 178 Kennebec Street at \$0 and 977 Brighton Avenue at \$300,000.

This item must be read on two separate days. It was given a first reading on July 16, 2018. At the August 13, 2018 Council meeting this item was postponed to this meeting. Five affirmative votes are required for passage after public comment.

**Order 50-18/19
(Tab 12)**

Order Approving Collective the Bargaining Agreement with the Firefighters Local 740, International Association of Firefighters – Sponsored by Jon P. Jennings, City Manager.

Staff has reached a tentative agreement with the Local 740, International Association of Firefighters on a successor one (1) year contract. The prior contract expired on December 31, 2017.

Local 740 have ratified the tentative agreement and the administration is seeking your support for the agreement. The tentative agreement is within guidance received from the Council.

The substantive changes to the expired collective bargaining agreement and the cost summary are included in the agenda backup.

This item must be read two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

**Order 51-18/19
(Tab 13)**

Order Approving a Three-Party Partnership Agreement between the City of Portland, Maine Department of Transportation, and Portland Area Comprehensive Transportation System Re: Brighton Avenue (Route 25) Multi-Modal Project – Sponsored by Jon P. Jennings, City Manager.

This project has been developed through the Portland Area Comprehensive Transportation System Complex Projects process.

The scope of work is planned to include replacement of signal equipment at six intersections, including ramp and American Disabilities Act (ADA) modifications, bicycle detection and transit priority as needed, sidewalk rehabilitation to bring sidewalks into good condition and ADA compliance, and mill and fill paving, and provision of enhanced bicycle facilities along Route 25. Modifications in the Rosemont area as needed to support the proposed METRO Husky Line. The project includes elements of Preservation (roadway and sidewalks) and Modernization (traffic/pedestrian/transit priority signals, roadway/bikeway striping-pavement markings, transit stop upgrades, and achieving ADA compliance along Brighton Avenue).

Approving and signing this agreement would confirm the City's intent to undertake this project and pay 25% of the total project cost. The total estimated cost for preliminary engineering and Right-of-Way is \$195,000. The City's share would be \$48,750.

This item must be read on two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

**Order 52-18/19
(Tab 14)**

Order Approving the Allocation and Appropriation of \$300,000 from the Housing Trust Fund Re: Avesta Housing Development Corporation 977 Brighton Avenue Apartments – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.

The Housing Committee met on July 31, 2018 and voted 2-0 (Cook absent) to forward this item to the City Council with a recommendation for passage.

The Housing Trust fund is established by Section 14-489 of the City's Code of Ordinances. Section 14-489 (e) states that "the city council shall adopt a housing trust fund annual plan" and that the "housing committee of the city council or such other committee as the council shall designate shall conduct public hearings on the recommended plan and refer the matter to the council for action." The 2018 Annual Plan, which was adopted by the City Council on June 18, 2018 (Order 263-17/18), established the priorities in which the current balance of the Housing Trust Fund will be allocated.

With the appropriation approved by Order 49-18/19, the Housing Trust Fund balance is \$2,223,320.80.

A Notice of Funding Availability was published on June 29 and applications for Housing Trust Funds were accepted as of July 1. Three applications have been received as of Friday, July 27.

- (1) Portland Housing Authority Front Street, Request: \$1,435,174, less any HOME funding
 Justification:
 a) The PHA Front Street project is a priority under the 2018 Annual Plan
 b) Eligible Activity: new construction of affordable rental housing
 c) Utilizing multiple federal, state and local resources to fund the project
 d) Per unit contribution does not exceed \$15,000/unit
 e) 77% of units affordable to households at or below 50% of the area median income
- (2) Avesta 977 Brighton Avenue, Request \$300,000, less any HOME funding
 Justification:
 a) Eligible Activity: new construction of affordable rental housing
 b) Utilizing multiple federal, state and local resources to fund the project
 c) Per unit contribution does not exceed \$15,000/unit
 d) 60% of units affordable to households at or below 50% of the area median income
 e) The proposed use of City funds and the timing of the investment of City funds make this project better suited for Housing Trust Fund financing.
- (3) 178 Kennebec Street, Request \$370,000, less any HOME funding
 Justification:
 a) Eligible Activity: new construction of affordable rental housing
 b) Utilizing multiple federal, state and local resources to fund the project
 c) Per unit contribution does not exceed \$15,000/unit
 d) 35% of units affordable to households at or below 50% of the area median income

With the appropriation approved by Order 49-18/19, the funding scenario recommended by the Housing Committee at their July 31st meeting is:

HOUSING TRUST FUND \$2,223,320 (including portion of 0 Hancock St. Proceeds)				
	Applicant Request	HOME Recommendations	HTF Recommendations*	Balance Remaining of Applicants Request
PHA Front Street	\$1,435,174	\$510,174	\$925,000	\$0
178 Kennebec Street	\$370,000	\$370,000	\$0	\$0
977 Brighton Avenue	\$300,000	\$0	\$300,000	\$0
Total	\$2,105,174	\$880,174	\$1,225,000	\$0

***Maintains \$500,000 minimum balance; \$498,320 of HTF unallocated**

In addition, staff requests the ability to make adjustments to the allocation amounts as long as it is within 10% of the Committee approved allocation.

This item must be read on two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

**Order 53-18/19
(Tab 15)**

Order Approving the Allocation and Appropriation of \$925,000 from the Housing Trust Fund Re: Portland Housing Development Corporation Front Street – Sponsored by the Housing Committee, Councilor Jill Duson, Chair.

The Housing Committee met on July 31, 2018 and voted 2-0 (Cook absent) to forward this item to the City Council with a recommendation for passage.

This item is a companion order to Order 52-18/19 above.

The order authorizes financial assistance in an amount up to \$925,000 in Housing Trust Funds to the Portland Housing Development Corporation Project called Front Street.

This item must be read on two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

6:00 P.M. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS:

**Order 54-18/19
(Tab 16)**

Amendment to Portland City Code Re: Housekeeping Amendments in Chapters 2 and 30 – Sponsored by Jon P. Jennings, City Manager.

This amendment corrects inconsistencies or changed terms in the City Code. While reviewing the City Code business licensing fees this year, a transfer fee for taxi licenses was found that should be increased to the same amount as the issuance and administrative fee charged for renewal business license applications, which is \$35.00.

In addition, the term Deputy City Manager has been changed to Assistant City Manager, and another amendment updates the City Code to reflect that.

This item must be read on two separate days. It was given a first reading on August 13, 2018. Five affirmative votes are required for passage after public comment.

ORDERS:

**Order 61-18/19
(Tab 17)**

Order of Discontinuance of a Public Way along a Portion of Portland Pier – Sponsored by the Economic Development Committee, Councilor Justin Costa, Chair.

The Economic Development Committee met on June 19, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage. Following the statutorily described process for public right of way discontinuance, the Council voted on July 16 to propose the discontinuance.

On August 13 the Council held the statutorily required public hearing on the proposal. A final decision and vote by the Council is now in order as it will have been more than 10 days since the public hearing. If the Council approves the discontinuance, a Certificate of Discontinuance signed by the Clerk and documenting the discontinuance will be recorded in the Cumberland County Registry of Deeds.

The abutting property owner has been noticed (there is only one at 50 Portland Pier) and the discontinuance has been posted in the City Clerk's office.

The Department of Economic Development, the Facilities Division, and the Department of Public Works recommend that the City Council vote to approve the discontinuance of a portion of public right of way at the southerly end of Portland Pier. The portion of right of way proposed for discontinuance serves only a single property, 60 Portland Pier, Portland Pier Holdings, LLC. All private properties on Portland Pier, including 60 Portland Pier, will continue to have access from a public right of way and public access rights are to remain in effect for both commercial fishing and pedestrian use of the pier.

City staff and the Economic Development Committee recommend the discontinuance to promote private investment and maintenance of currently degraded pier infrastructure. Only with immediate and continued investment will public and fishing access be retained on the subject portion of right of way.

The subject portion of right of way is occupied by a pile-supported pier structure over submerged lands owned by the State of Maine. Following the proposed discontinuance, the City-owned portion of pier described will transfer to the surrounding property owner, Portland Pier Holdings, LLC. subject to the limits and requirements of the State Submerged Lands program.

Portland Pier Holdings, LLC. at 60 Portland Pier is amenable to the discontinuance and has agreed to waive damages and has further agreed to conduct immediate necessary repairs to the pier to promote continued public and fishing access.

Five affirmative votes are required for passage after public comment.

**Order 62-18/19
(Tab 18)**

Order Authorizing Purchase and Sale Agreement with Stephen Robbins for Property in Oat Nuts Park and Placing that Land in the Portland Land Bank – Sponsored by the Landbank Commission, Patrizia Bailey, Chair.

The Land Bank Commission met on August 9, 2018 and voted to unanimously to forward this item to the City Council with a recommendation for passage.

The Land Bank Commission is recommending the acquisition and Land Bank designation of the following vacant properties, in the Oat Nuts Park area, for the following reasons:

Parcels 393-A-33 to 37 are located on the backside of Oat Nuts Park (owned by the City) along a drainage divide between the Park and the residences at Whitehead Circle and are contiguous with both Oat Nuts Park and the Presumpscot River Preserve. Given the steep terrain, drainage course flowing to the Presumpscot River, and CMP right of way, these lots are landlocked and undevelopable.

Their acquisition will help to preserve the integrity of the drainage course, protect water quality in the River, provide a wooded buffer between the park and adjacent residences, and generally enhance the quality of these very popular open spaces.

Parcels 393-B-3-4-33-34 are located and landlocked within Oat Nuts Park. These lightly wooded lots, including areas of mapped wetlands, are located just off of the popular walking trail between Summit Street and the Presumpscot River Preserve. Acquisition of these lots will help to protect wetlands associated with a tributary stream flowing to the Presumpscot River and will provide the City with clear title to this land within the Park. These parcels are located in a Resource Protection Zone (RPZ).

The cost of these property acquisitions is \$6,385 to be paid for with Land Bank Funds, along with all closing costs. It is noted the appraised value of these properties is \$8,700.

In summary, City staff conducted a housing suitability analysis and determined the referenced properties are landlocked with no public street frontage nor access to public utilities so this land is not buildable. In addition, a limited environmental assessment showed no environmental issues.

Five affirmative votes are required for passage after public comment.

**Order 63-18/19
(Tab 19)**

Order Approving Purchase and Sale Agreement with Robert Cott for Property in Redlon Area and Placing that Land in the Portland Land Bank – Sponsored by the Land Bank Commission – Patrizia Bailey, Chair.

The Land Bank Commission met on August 9, 2018 and voted unanimously to forward this item to the City Council for a recommendation for approval.

It has been a goal of the Land Bank Commission to protect open space in the Redlon area of Portland where green space is a “park desert” (i.e., more than one-half mile to nearest park or trail), identified by 2014 Open Space Vision Plan as a priority area for open space/park/trail development along with environmental preservation.

Robert Cott is a real estate owner of a single-family home abutting the Redlon area. Mr. Cott has agreed to sell for \$1.00 a portion of his vacant land property, approximately 11,000 sq. ft., which abuts the Redlon area, all as more set forth in the Purchase and Sale Agreement signed by Mr. Cott and included in the Council packet.

Five affirmative votes are required for passage after public comment.

**Order 64-18/19
(Tab 20)**

Order Accepting Ice Pond Drive as a City Way – Sponsored by Jon P. Jennings, City Manager.

The Old Barn Estates subdivision was approved by the Planning Board in April 2013. That subdivision approval contemplated the construction of “Ice Pond Drive” by the developer with the intent that it would be accepted as a public street by the City. The developer has now completed construction of Ice Pond Drive to City standards and provided the City with a deed conveying the street in fee simple. Public Works recommends that the City accept the street.

Five affirmative votes are required for passage after public comment.

**Order 65-18/19
(Tab 21)**

Order Accepting and Appropriating the Federal Emergency Management Agency Grant of \$681,819.00 for a New Fire Truck – Sponsored by Jon P. Jennings, City Manager.

The City Council is asked to accept and appropriate a \$681,819 federal grant from the Federal Emergency Management Agency, awarded to the Portland Fire Department for the purchase of a new fire truck. The Fire Department applied for the federal grant called Assistance to Firefighters Grant in Fiscal Year 2017 for financial assistance in purchasing a new Heavy Rescue Fire truck. The Fire Department was notified that it had been awarded the grant on August 10, 2018. There is a local contribution or match of 10% or \$68,181.

The Fire Chief, on behalf of the City of Portland, has 30 days to accept or decline the grant. Emergency passage is requested due to the 30 day acceptance period from August 10, 2018.

This order must be read on two separate days. This is its first reading. The City Manager and staff are recommending that the second reading be waived and the order be passed as an emergency in order to allow this Order to be approved at this meeting.

Seven affirmative votes are required to waive the second reading and for passage as an emergency. Public comment will be taken before the Council acts on the order.

**Order 66-18/19
(Tab 22)**

Order Appropriating Home Investment Partnerships Program Funds in the Amount of \$370,000 to Maine Workforce Housing Re: 178 Kennebec Street – Sponsored by Councilor Jill C. Duson.

Maine Workforce Housing is proposing to construct 51 units for households aged 55 plus. The development will include 46 1-bedroom units (13 affordable at or below 50% of the area median income, 22 affordable at or below 60% of the area median income, 11 market rate units) and 5 efficiency units (3 affordable at or below 50% of the area median income, 2 affordable at or below 60% of the area median income).

178 Kennebec Street		
Efficiency		
Units (5)	at or below 40% area median income	0
	at or below 50% area median income	3
	at or below 60% area median income	2
	Market Rate	0
1-Bedroom		
Units (46)	at or below 40% area median income	0
	at or below 50% area median income	13
	at or below 60% area median income	22
	Market Rate	11
Total Units		51

As stated in the developer’s application, the project:

“...includes ground-level retail and/or artist studio space with 46 units of housing on the upper floors. The housing will be rental; all 1-bedroom units, set aside for households whose head of household is aged 55+.

“We expect the income mix targeted for this development will be 22% market rate, and 78% affordable (aimed at those at or below 60% of the area median income), creating economic diversity both in the building and in the neighborhood.”

The developer has requested two forms of financial assistance.

- (1) HOME funds request: \$370,000, 0% interest rate loan, deferred for 30 years.

Total City HOME Investment of \$370,000/unit - \$7,255.

Total City HOME Investment of \$370,000/affordable unit = \$9,250.

- (2) Tax Increment Financing request: The Affordable Housing TIF financing will be provided through a Credit Enhancement Agreement approved at the July 16 City Council Meeting.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer has consistently been successful in obtaining financing for similar projects.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below.

The third party underwriting report makes the following recommendations:

Subject to availability of funding, a HOME loan in the amount of no more than \$370,000, at zero percent interest, deferred for 30 years.

This item must be read on two separate days. This is its first reading. Staff is requesting that the second reading be waived in order to allow this Order to be approved at this meeting. Seven votes are required to waive the second reading. If the Council waives the second reading, it will take public comment prior to Council action on the item. Five votes will be required to approve the order.

AMENDMENTS:

**Order 67-18/19
(Tab 23)**

Amendment to Portland City Code Chapter 6 Re: Short Terms Rentals – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.

The Housing Committee met on July 31, 2018 and voted unanimously (2-0, Cook absent) to forward this item to the City Council with a recommendation for passage.

Chapter 6, Article VI of the City Code governs the registration of both long term and short term rentals, and § 6-151(a)(1) requires that rental units must be registered and renewed annually.

The ordinance imposes a cap on mainland, non-owner occupied short term rental units, limiting the number of registered units in the City to 300. Section 6-154 describes the allocation of registrations for non-owner occupied mainland short-term rental units as on a “first come, first registered basis,” but also provides that “The City Manager or his or her designee may institute a lottery process at his or her discretion.”

The proposed amendment to § 6-154 adds an “automatic right to renew” for registered mainland, non-owner occupied short term rental units that renew prior to January 1. It also clarifies that the lottery process will only be used to choose applicants off a waitlist once the 300 cap is met. If an existing registration is not renewed by January 1, the applicant would forfeit his or her automatic right to renew. However, registration would still be available if the 300 cap had not been met or if the application was chosen off the waitlist.

If the non-owner occupied mainland short-term rental unit registrations are not automatically renewed, there is the possibility, as the short-term rental industry grows, that valid registered units may not receive renewal under the current first-come, first-registered process or under the lottery process. This change gives owners certainty about their ability to continue operating, so long as they renew in a timely fashion.

This item must be read on two separate days. This is its first reading.

**Order 68-18/19
(Tab 24)**

Amendment to Zoning Map, B-6 Building Height Overlay and Building Envelopes Map Re: 100 Fore Street – Sponsored by the Planning Board, Sean Dundon, Chair.

The Planning Board met on August 14, 2018 and voted 5-0 (Austin Smith absent, Lisa Whited recused) to forward this item to the City Council with a recommendation for passage.

The applicant, 100 Fore Street LLC, has applied for a zoning map amendment to allow for building heights up to 55 feet in order to support a mixed-use site containing structured parking wrapped by office and retail uses. On August 14, 2018, the Planning Board voted to recommend a zoning map amendment to the *B-6 Building Height Overlay & Building Envelopes* map (Height Overlay), changing maximum heights for 100 Fore Street, as well as additional changes for clarity and in response to changed conditions in the area since the Overlay has been implemented. Changes proposed to the Height Overlay include the following, limited to the building envelope where 100 Fore Street is located: a proposal to allow building heights of 45 feet with extensions to 55 feet; height to be measured from average grade rather than from the floodplain; height limits of 35’ for a depth of 40’ near Fore Street (currently 35’ for a depth of 100’); change to the remainder of the single parcel with the floodplain measurement requirement to 45ft maximum height from average grade.

Changes that impact the full Height Overlay include: removal of the westernmost building envelope, which is now superseded by the India Street Form Based Code; no-build areas replaced with view protection splays and street extension areas; and reduction of a 65 ft. maximum height building envelope with 35 ft. maximum height.

This item must be read on two separate days. This is its first reading.

**Order 69-18/19
(Tab 25)**

Amendment to the Portland City Code Chapter 17 Re: Moratorium on Medical Marijuana Retail Stores, Medical Marijuana Testing Facilities, and Medical Marijuana Manufacturing Facilities - Sponsored by Jon P. Jennings, City Manager.

This agenda item proposes a temporary moratorium on new marijuana caregiver retail stores, manufacturing facilities, and testing facilities to give the City time to implement zoning, licensing, and other regulatory ordinances to minimize any potential adverse impacts from their operation in the City. This moratorium will not impact legally existing caregiver operations in the City.

This item must be read on two separate days. This is its first reading.

Tab 1-18/19

IN COUNCIL A SPECIAL MEETING AUGUST 13, 2018 VOL.134 PAGE 12

ROLL CALL: Mayor Pro Tem, Nicholas Mavodones, Jr. called the meeting to order at 4:00 P.M. (Councilor Costa arrived during Proclamation 2 Mayor Strimling arrived during Proclamation 4, and Councilor Batson arrived during Order 41).

ANNOUNCEMENTS:

RECOGNITIONS:

APPROVAL OF MINUTES OF PREVIOUS MINUTES:

PROCLAMATIONS:

- Proc 2-18/19** Proclamation Honoring Meagan Letellier, Fire Department, as Employee of the Month for June 2018 – Sponsored by Mayor Ethan K. Strimling.

- Proc 3-18/19** Proclamation Honoring Lori Cordeiro, Health and Human Services Department, Barron Center as Employee of the Month for July 2018 – Sponsored by Mayor Ethan K. Strimling.

- Proc 4-18/19** Proclamation Honoring Evidence Technician Christopher Stearns as Police Officer of the Month for June 2018 – Sponsored by Mayor Ethan K. Strimling.

APPOINTMENTS:

CONSENT ITEMS:

- Order 33-18/19** Order Declaring September 21, 2018 the Muscular Dystrophy Association Boots, Brews, and Bites Festival – Sponsored by Jon P. Jennings, City Manager.

- Order 34-18/19** Order Declaring September 22, 2018 the Maine State Firefighters and Portland Fire Department 250th Anniversary Parade Festival – Sponsored by Jon P. Jennings, City Manager.

- Order 35-18/19** Order Declaring September 30, 2018 the 27th Annual Maine Marathon, Half Marathon and Relay Festival – Sponsored by Jon P. Jennings, City Manager.

- Order 36-18/19** Order Approving Transfer of Firearm Under 15 M.R.S. §§5824(3) and 5826(6) Re: Nicholas Owen Dimott – Sponsored by Jon P. Jennings, City Manager.

IN COUNCIL A SPECIAL MEETING AUGUST 13, 2018 VOL.134 PAGE 13

Order 37-18/19 **Order Approving Transfer of Funds Under 15 M.R.S. §§5824(3) and 5826(6) Re: Elijah Casey – Sponsored by Jon P. Jennings, City Manager.**

Order 38-18/19 **Order Approving Transfer of Funds Under 15 M.R.S. §§5824(3) and 5826(6) Re: John Davis – Sponsored by Jon P. Jennings, City Manager.**

Order 39-18/19 **Order Approving Transfer of Funds Under 15 M.R.S. §§5824(3) and 5826(6) Re: Richard Martel – Sponsored by Jon P. Jennings, City Manager.**

Order 40-18/19 **Order Approving Transfer of Funds Under 15 M.R.S. §§5824(3) and 5826(6) Re: Theotis James Leonard – Sponsored by Jon P. Jennings, City Manager.**

Motion was made by Councilor Ray and seconded by Councilor Thibodeau for passage of the Consent Items. Passage 8-0.

Order 41-18/19 **Order Granting Municipal Officers' Approval of Tangible Alchemy dba Urban Farm Fermentory. Renewal application for an Entertainment with Dance at 200 Anderson Street – Sponsored by Michael Russell, Director of Permitting and Inspections.**

Motion was made by Councilor Ray and seconded by Councilor Duson for passage. Passage 9-0.

Order 42-18/19 **Order Granting Municipal Officers' Approval of LB Kitchen, LLC dba LB Kitchen. Application for Outdoor Dining on Private Property at 249 Congress Street – Sponsored by Michael Russell, Director of Permitting and Inspections.**

Motion was made by Councilor Ray and seconded by Councilor Thibodeau for passage. Passage 9-0.

Order 43-18/19 **Order Granting Municipal Officers' Approval of LB Kitchen, LLC dba LB Kitchen LLC. Application for a Class III & IV FSE at 231 York Street – Sponsored by Michael Russell, Director of Permitting and Inspections.**

Motion was made by Councilor Batson and seconded by Councilor Costa for passage. Passage 9-0.

IN COUNCIL A SPECIAL MEETING AUGUST 13, 2018 VOL.134 PAGE 14

Order 44-18/19 **Order Granting Municipal Officers' Approval of Crunchy Poke LLC dba Crunchy Poke. Application for a Class I FSE at 426 Fore Street – Sponsored by Michael Russell, Director of Permitting and Inspections.**

Motion was made by Councilor Batson and seconded by Councilor Costa for passage. Passage 9-0.

Order 45-18/19 **Order Granting Municipal Officers' Approval of Illmadic, LLC dba Illmadic. Application for Outdoor Dining on Private Property at 41 Fox Street – Sponsored by Michael Russell, Director of Permitting and Inspections.**

Councilor Thibodeau recused himself; he is working directly with the applicant.

Motion was made by Councilor Batson and seconded by Councilor Ray to postpone Order 45 to the 6:00 P.M. meeting. Passage 8-0. (Thibodeau recused).

Motion was made by Councilor Duson and seconded by Councilor Ray to reconsider the vote. Passage 8-0 (Thibodeau recused).

Motion was made by Councilor Ray and seconded by Councilor Batson to allow a second public comment. Passage 8-0 (Thibodeau recused).

Motion was made by Councilor Ray and seconded by Councilor Batson for passage. Passage 8-0 (Thibodeau recused).

Order 46-18/19 **Order Granting Municipal Officers' Approval of Genova & Co. dba Solo Italiano. Application for a Class I FSE with Entertainment without Dance and Outdoor Dining on Public Property at 100 Commercial Street – Sponsored by Michael Russell, Director of Permitting and Inspections.**

Motion was made by Councilor Batson and seconded by Councilor Costa for passage. Passage 9-0.

BUDGET ITEMS:
COMMUNICATIONS:

Com 2-18/18 **Communication Re: Board of Harbor Commissioners Revised Rules Sections 21.1 Definitions and 21.5 Special Mooring Agreement – Sponsored by Jon P. Jennings, City Manager.**

RESOLUTIONS:

UNFINISHED BUSINESS:

Order 20-18/19 Order Appropriating \$130,000 for Middle School Math Curriculum Expansion and Materials for the Portland Public Schools – Sponsored by the Finance Committee, Councilor Nicholas M. Mavodones, Jr., Chair.

It was given a first reading on July 16, 2018.

Motion was made by Councilor Costa and seconded by Councilor Ray for passage. Passage 7-0 (Strimling, Ali out).

Order 21-18/19 Order Approving Three-Party Agreement between Portland, Portland Area Comprehensive Transportation System and Maine Department of Transportation Re: Allen Avenue between Pennell Avenue and Yale Street - Sponsored by Jon P. Jennings, City Manager.

It was given a first reading on July 16, 2018.

Motion was made by Councilor Duson and seconded by Councilor Ray for passage. Passage 7-0 (Strimling, Ali out).

Order 22-18/19 Order Approving the Acceptance and Appropriation of Brownfields Cleanup Fund Grant – Sponsored by Jon P. Jennings, City Manager.

It was given a first reading on July 16, 2018.

Motion was made by Councilor Cook and seconded by Councilor Ray for passage. Passage 9-0.

Order 23-18/19 Traffic Schedule Amendment Re: Unrestricted to Metered Parking on India and Fore Streets – Sponsored by Jon P. Jennings City Manager.

It was given a first reading on July 16, 2018.

Motion was made by Councilor Ray and seconded by Councilor Duson to amend Order 23 by adding “four metered parking spaces, two (2) for 15 minute parking and two (2) for two hour parking on the West side of India Street. Passage 9-0.

Motion was made by Councilor Cook and seconded by Councilor Duson for passage as amended. Passage 9-0.

IN COUNCIL A SPECIAL MEETING AUGUST 13, 2018 VOL.134 PAGE 16

Order 24-18/19 **Traffic Schedule Amendment Re: Unrestricted Parking to No Parking Portions of Washington and Allen Avenues – Sponsored by Jon P. Jennings, City Manager.**

It was given a first reading on July 16, 2018.
Motion was made by Councilor Duson and seconded by Councilor Cook for passage. Passage 9-0.

Order 25-18/19 **Order Appropriating Home Investment Partnerships Program Funds in the Amount of \$200,000 to the Avesta Housing Development Corporation Re: Deering Place – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.**

It was given a first reading on July 16, 2018.
Motion was made by Councilor Duson and seconded by Councilor Ali for passage. Passage 9-0.

Order 26-18/19 **Order Appropriating Home Investment Partnerships Program Funds in the Amount of \$300,000 to the Avesta Housing Development Corporation Re: 977 Brighton Avenue Apartments - Sponsored by the Housing Committee, Jill C. Duson, Chair.**

It was given a first reading on July 16, 2018.
Motion was made by Councilor Duson and seconded by Councilor Ray to postpone Order 26 to September 5, 2018. Passage 9-0.

Order 27-18/19 **Order Appropriating Home Investment Partnership Program Funds in the Amount of \$580,174 to the Portland Housing Development Corporation Re: Front Street – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.**

It was given a first reading on July 16, 2018.
Motion was made by Councilor Duson and seconded by Councilor Ray to postpone Order 27 to September 5, 2018. Passage 9-0.

Order 30-18/19 **Amendment Zoning Map Re: 1000, 1002/1004, and 1020 Congress Street – Sponsored by the Planning Board, Sean Dundon, Chair.**

It was given a first reading on July 16, 2018
Motion was made by Councilor Cook and seconded by Councilor Ray for passage. Passage 9-0.

IN COUNCIL A SPECIAL MEETING AUGUST 13, 2018 VOL.134 PAGE 17

Order 31-18/19 **Amendment to Chapter 24 Sewers Re: Industrial Pretreatment Program Transfer to Portland Water District – Sponsored by Danielle West-Chuhta, Corporation Counsel.**

It was given a first reading on July 16, 2018
Motion was made by Councilor Duson and seconded by Councilor Thibodeau for passage. Passage 9-0.

Order 32-18/19 **Amendment to Portland City Code Chapter 6 Re: Rental Housing Advisory Committee – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.**

It was given a first reading on July 16, 2018.
Motion was made by Councilor Duson and seconded by Councilor Ali for passage. Passage 9-0.

ORDERS:

Order 47-18/19 **Public Hearing Re: Order of Discontinuance of a Public Way along a Portion of Portland Pier - Sponsored by the Economic Development Committee, Councilor Justin Costa, Chair.**

Order 48-18/19 **Order Changing Polling Place for District 1 Precinct 3 from the St. Christopher's Catholic Church to the Peaks Island Kennedy & Carter Family Community Center – Sponsored by Katherine L. Jones, City Clerk.**

Motion was made by Councilor Ray and seconded by Councilor Thibodeau for passage. Passage 9-0.

Order 49-18/19 **Order Appropriating \$2,110,000 from the Sale of City-Owned 0 Hancock Street - Sponsored by the Finance Committee. Councilor Nicholas M. Mavodones, Jr., Chair.**

This is its first reading.

Motion was made by Councilor Cook and seconded by Councilor Duson for passage. Passage 9-0, 6:13 P.M.

A TRUE COPY.

Katherine L. Jones, City Clerk

IN COUNCIL A REGULAR MEETING AUGUST 13, 2018 VOL.134 PAGE 18

ROLL CALL: Mayor Strimling called the meeting to order at 6:30 P.M. (Councilor Ali and Councilor Cook arrived during Public Comment.

ANNOUNCEMENTS:

RECOGNITIONS:

APPROVAL OF MINUTES OF PREVIOUS MEETING:

Motion was made by Councilor Ray and seconded by Councilor Costa for passage of the July 16, 2018 afternoon and evening minutes. Passage 7-0. (Ali, Cook out).

PROCLAMATIONS:

**Proc 5-18/19 2018 Shinagawa – Ku & Portland Sister City Sports Exchange
– Sponsored by Mayor Ethan K. Strimling.**

APPOINTMENTS:

CONSENT ITEMS:

RESOLUTIONS:

UNFINISHED BUSINESS:

**Order 28-18/19 Order Placing Charter Amendment on November 6, 2018, Municipal
Ballot Re: 42-Day Finance Reports Required for Municipal Candidates
– Sponsored by Councilor Belinda Ray.**

It was given a first reading on July 16, 2018

Motion was made by Mayor Strimling and seconded by Councilor Mavodones to table Order 28, after the public comment on Order 29.

Councilor Ray called the question and was seconded by Councilor Costa. Motion failed 1-8 (Duson, Mavodones, Cook, Ali, Costa, Ray, Thibodeau, Batson).

Motion was made by Councilor Ray and seconded by Councilor Thibodeau for passage. Passage 8-1(Cook).

Motion was made by Mayor Strimling and seconded by Councilor Ray to suspend the rules to commence after 10:00 P.M. Passage 9-0.

IN COUNCIL A REGULAR MEETING AUGUST 13, 2018 VOL.134 PAGE 19

Order 29-18/19 **Order Placing Charter Amendment on November 6, 2018, Municipal Ballot Re: Immigrant Voting – Sponsored by Councilor Pious Ali and Mayor Ethan K. Strimling.**

It was given a first reading on July 16, 2018.

Motion was made by Councilor Ali and seconded by Mayor Strimling to refer Order 29 to the Legislative Committee. Passage 9-0.

Order 49-17/18 **Order Appropriating \$2.11 Million of 0 Hancock Street Sale Proceeds - Sponsored by the Finance Committee. Councilor Nicholas M. Mavodones, Chair.**

It was given a first reading at today's 4:00 p.m. Council meeting.

Motion was made by Councilor Mavodones and seconded by Councilor Costa for passage. Passage 9-0.

ORDERS:

Order 50-18/19 **Order Approving Collective the Bargaining Agreement with the Firefighters Local 740, International Association of Firefighters – Sponsored by Jon P. Jennings, City Manager.**

This is its first reading.

Order 51-18/19 **Order Approving a Three-Party Partnership Agreement between the City of Portland, Maine Department of Transportation, and Portland Area Comprehensive Transportation System Re: Brighton Avenue (Route 25) Multi-Modal Project – Sponsored by Jon P. Jennings, City Manager.**

This is its first reading.

IN COUNCIL A REGULAR MEETING AUGUST 13, 2018 VOL.134 PAGE 20

Order 52-18/19 **Order Approving the Allocation and Appropriation of \$300,000 from the Housing Trust Fund Re: Avesta Housing Development Corporation 977 Brighton Avenue Apartments – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.**

This is its first reading.

Order 53-18/19

Order Approving the Allocation and Appropriation of \$925,000 from the Housing Trust Fund Re: Portland Housing Development Corporation Front Street – Sponsored by the Housing Committee, Concilor Jill Duson, Chair.

This is its first reading.

AMENDMENTS:

Order 54-18/19

Amendment to Portland City Code Re: Housekeeping Amendments in Chapters 2 and 30 – Sponsored by Danielle West-Chuhta, Corporation.

This is its first reading.

Motion was made by Councilor Costa and seconded by Councilor Batson to adjourn. Passage 9-0, 11:25 P.M.

A TRUE COPY.

Katherine L. Jones, City Clerk

Proc 6-18119
Tab 2 9-5-18

PROCLAMATION

HONORING OFFICER ZACHERY GRASS

WHEREAS, **Officer Grass** joined the department in 2014 as an experienced correctional officer. He currently works overnight patrol and is an active member of the department's social media and recruitment team, helping police recruits navigate the hiring process and connecting with potential candidates.

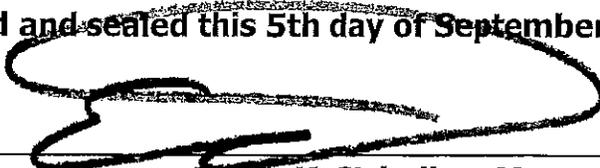
WHEREAS, **Officer Grass** was the first responding officer to a recent call for shots fired in the Bayside area. Officer Grass was working patrol nearby when he saw an altercation and heard a single shot. Without hesitation, Officer Grass immediately rushed towards the gunfire and located the victim. Officer Grass administered valuable aid as well as directing additional responding officers, and

WHEREAS, **Officer Grass** delivers exceptional work product when he arrives for duty each day. He is motivated, productive and maintains a high level of field interactions with the public, and

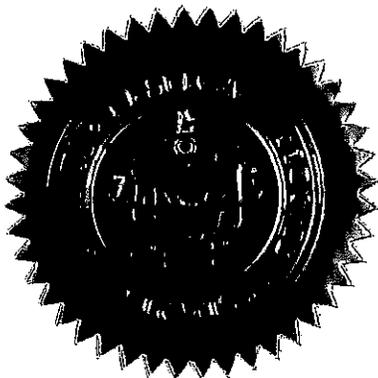
WHEREAS, **Officer Grass** is commended for his exemplary performance and clear commitment to a higher standard of public service and public safety.

NOW, THEREFORE, BE IT RESOLVED, THAT I, Ethan K. Strimling, Mayor of the City of Portland, Maine, and the members of the Portland City Council do hereby proclaim honor and recognition to **Officer Zachery Grass** as **Officer of the Month for July 2018.**

Signed and sealed this 5th day of September 2018



Ethan K. Strimling, Mayor
City of Portland, Maine



*Order 55-18/19
Tab 3 9-5-18*

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY M. COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPOINTING CONSTABLES FOR 2018
RE: DEPARTMENT OF PUBLIC SAFETY**

ORDERED, that Raymond Emery, Ethan Park, Leopold Verve, Matthew Payoczkowski, Cadets for the Department of Public Safety, are hereby appointed as constables for the remainder of calendar year 2018; and

BE IT FURTHER ORDERED, that these appointments shall be effective from the effective date of this order until 12:00 midnight, December 31, 2018;

BE IT FURTHER ORDERED, that these appointments are pursuant to Sections 20-19 and 20-19.5, Portland City Code, and none of the constables are allowed to carry a firearm, concealed or unconcealed, in the performance of duties, or to make arrests; and

BE IT FURTHER ORDERED, that these appointments are enacted as an Emergency, pursuant to Article II, Section 11 of the Portland City Charter, in order to make them effective immediately and allow the appointees to start working as constables.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English,
Danielle West-Chuhta, Deivy Periana

FROM: Richard Bianculli, Neighborhood Prosecutor, Police Department

DATE: August 14, 2018

SUBJECT: Constable Status for Police Cadets

SPONSOR:

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading _____ **Final Action** September 5, 2018

Can action be taken at a later date: ___ Yes ___ X No (If no why not?) Time is of the essence as these cadets have been hired and will be required to enforce ordinance requirements throughout the City.

PRESENTATION: (List the presenter(s), type and length of presentation)

I. ONE SENTENCE SUMMARY

The Police Department requests the swearing in of four (4) police cadets as constables for the City of Portland.

II. AGENDA DESCRIPTION

The Police Department requests the swearing in of four (4) police cadets as constables for the City of Portland. The individuals are:

Raymond Emery
Ethan Park
Leopold Verve
Matthew Payoczkowski

III. BACKGROUND

Portland Downtown supports the cadet program which is supervised by the Community Policing Division of the Police Department. Several cadets are assigned to the Downtown area to enforce municipal ordinances, address quality of life issues, and develop positive relationships with the public and local business owners.

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED

Police cadets are assigned to enforce municipal ordinances and address quality of life issues.

V. FINANCIAL IMPACT

There is no financial impact.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

N/A

VII. RECOMMENDATION

The Police Department recommends that the above-mentioned individuals be sworn as constables for the City of Portland.

VIII. LIST ATTACHMENTS

N/A

PLEASE REMEMBER THAT BACKUP ITEMS HAVE TO BE SINGLE SIDED.

Prepared by: Richard Bianculli, Neighborhood Prosecutor

Date: August 14, 2018.

Order 56-18/19
Tab 4 9-5-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPROVING TRANSFER OF FUNDS
UNDER
15 M.R.S. §§ 5824(3) and 5826(6)
RE: VINCENT TERUEL**

ORDERED, that the City Council hereby accepts \$1,803.00 in forfeited assets in the case of State of Maine vs. Vincent Teruel from the State of Maine to the City of Portland, pursuant to 15 M.R.S. § 5824(3) and § 5826(6) and as provided in the attached "Approval of Transfer."

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English, Danielle West-Chuhta,
Deivy Periana,

FROM: Vernon W. Malloch, Interim Chief of Police

DATE: August 3, 2018

SUBJECT: Approval of Transfer

SPONSOR: Police Department

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading _____ next available _____ Final Action _____

Can action be taken at a later date: Yes No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)

- I. **ONE SENTENCE SUMMARY:** The State requires Council approval of the transfer of forfeited cash to the Portland Police Department. (See attached approval form)
- II. **AGENDA DESCRIPTION** State v. Vincent Teruel CR-18-2586 and one thousand eight hundred and three dollars (\$1,803.00 US Currency)
- III. **BACKGROUND:** The State Forfeiture Statute, 15 M.R.S.A. § 5824 (3) and § 5826(6), requires that before any forfeitable item may be transferred to a State agency, County or municipality, the legislative body of that entity must publicly vote to accept the item.
- IV. **INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED:** Funds may be transferred to the Portland Police Department for deposit in the drug investigations account.
- V. **FINANCIAL IMPACT:** The money is used to offset the costs of drug investigations, such as drug analysis, drug purchases, covert surveillance, surveillance equipment, drug training and protective gear, such as body armor.
- VI. **STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION**
- VII. **RECOMMENDATION**
- VIII. **LIST ATTACHMENTS**

PLEASE REMEMBER THAT BACKUP ITEMS HAVE TO BE SINGLE SIDED.

Prepared by: Catherine Hooper

Date: August 3, 2018

JANET T. MILLS
ATTORNEY GENERAL



REGIONAL OFFICES
84 HARLOW ST. 2ND FLOOR
BANGOR, MAINE 04401
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FAX: (207) 941-3075

415 CONGRESS ST., STE. 301
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FAX: (207) 822-0259

14 ACCESS HIGHWAY, STE. 1
CARIBOU, MAINE 04736
TEL: (207) 496-3792
FAX: (207) 496-3291

TEL: (207) 626-8800
TTY USERS CALL MAINE RELAY 711

STATE OF MAINE
OFFICE OF THE ATTORNEY GENERAL
6 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0006

July 31, 2018

Portland Police Department
Chief Michael Sauschuck
109 Middle Street
Portland, ME 04101

RE: State of Maine vs. Vincent Teruel
Cumberland County Unified Criminal Court Doc. No. CR-18-2586
Criminal Forfeiture
Required Vote of Municipal Officers/Approval of Transfer of Forfeiture Assets

Dear Chief Sauschuck:

Enclosed please find a draft Approval form for submission to the municipal officers.

Please inform the municipal officers that:

A. 15 M.R.S.A. §5824(3) requires that, before any forfeitable item may be transferred to a State Agency, County or Municipality, the municipal legislative body must publicly vote to accept the item(s) **if subsequently ordered forfeited by the Court;**

B. Under Rules issued by the Department of the Attorney General, a public vote must be made on each forfeiture "approval" and a "continuing resolution" of approval cannot be accepted;

C. As with all forfeitures, an approval of a transfer by the municipal legislative body does not guarantee either that the Defendant(s) *In Rem* will in fact be forfeited or, if forfeited, that the Court will order the item(s) transferred to the approving Department, Agency, County or Municipality. The municipal legislative body's approval only signifies that, if the Defendant(s) *In Rem* are in fact ordered forfeited and, if the Attorney General and the Court agree to a transfer of all or part of the Defendant(s) *In Rem* to a Department, Agency, County or Municipality based upon the "substantial contribution" of that Department, Agency, County or Municipality, then that entity is in fact, willing to accept the Defendant(s) *In Rem* or portions thereof. In order to streamline what is otherwise a cumbersome forfeiture process, it is our practice to seek State, county or

municipal approval in anticipation of the final order of forfeiture. However, final forfeiture is not guaranteed and both the municipal legislative body and the law enforcement agency involved are **cautioned** that they **should not encumber** funds or property until a Final Order granting them lawful title to the property is delivered to them;

D. Under the provisions of the Forfeiture Statute, if the municipal legislative body fails to approve a transfer in a timely manner, any forfeited items shall be transferred to the State of Maine General Fund.

Assuming your municipal legislative body does grant its approval, kindly see to it that the accompanying form is signed by the appropriate person and is "embossed" with the seal of the municipality. Then, please return the **original** to me for filing, and retain a copy for your records.

My sincere thanks for your attention to this matter. Should you have any questions, please do not hesitate to contact me.

Sincerely,



Johanna Gauvreau
Assistant Attorney General
CRIMINAL DIVISION

Enclosure

**STATE OF MAINE
Cumberland, SS**

**UNIFIED CRIMINAL DOCKET
Criminal Action
Docket No. CR-18-1996**

State of Maine

v.

**Dwayne Sanborn,
Defendant**

}
}
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}
}
}
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}
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}

**City of Portland
Approval of Transfer
15 M.R.S. §5824(3)
and §5826(6)**

AND
\$829.00 U.S. CURRENCY
DEFENDANT IN REM

NOW COMES the City of Portland, Maine, by and through its legislative body, the City Council, and does hereby grant approval pursuant to Section 5824(3) and Section 5826(6) of Title 15 of the Maine Revised Statutes, to the transfer of any portion of the above captioned Defendant *In Rem*, namely \$829.00 U.S. Currency, on grounds that the City of Portland Police Department did make a substantial contribution to the investigation of this or a related criminal case.

WHEREFORE, the Portland City Council does hereby approve of the transfer of the Defendant(s) *In Rem*, to the City of Portland, Maine pursuant to 15 M.R.S. §5824(3) and §5826(6) on September 5, 2018.

Dated: _____

Mayor

(Impress Legislative Body Seal Here)

Order 57-18/19
Tab 5 9-5-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

ORDER APPROVING TRANSFER OF FUNDS
UNDER
15 M.R.S. §§ 5824(3) and 5826(6)
RE: DWAYNE SANBORN

ORDERED, that the City Council hereby accepts \$829.00 in forfeited assets in the case of State of Maine vs. Dwayne Sanborn from the State of Maine to the City of Portland, pursuant to 15 M.R.S. § 5824(3) and § 5826(6) and as provided in the attached "Approval of Transfer."

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English, Danielle West-Chuhta,
Deivy Periana,

FROM: Vernon W. Malloch, Interim Chief of Police

DATE: August 3, 2018

SUBJECT: Approval of Transfer

SPONSOR: Police Department

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading _____ **next available** _____ **Final Action** _____

Can action be taken at a later date: **Yes** **No (If no why not?)**

PRESENTATION: (List the presenter(s), type and length of presentation)

- I. **ONE SENTENCE SUMMARY:** The State requires Council approval of the transfer of forfeited cash to the Portland Police Department. (See attached approval form)
- II. **AGENDA DESCRIPTION** *State v. Dwayne Sanborn CR-18-1996 and eight hundred twenty-nine dollars (\$829.00 US Currency)*
- III. **BACKGROUND:** The State Forfeiture Statute, 15 M.R.S.A. § 5824 (3) and § 5826(6), requires that before any forfeitable item may be transferred to a State agency, County or municipality, the legislative body of that entity must publicly vote to accept the item.
- IV. **INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED:** Funds may be transferred to the Portland Police Department for deposit in the drug investigations account.
- V. **FINANCIAL IMPACT:** The money is used to offset the costs of drug investigations, such as drug analysis, drug purchases, covert surveillance, surveillance equipment, drug training and protective gear, such as body armor.
- VI. **STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION**
- VII. **RECOMMENDATION**
- VIII. **LIST ATTACHMENTS**

PLEASE REMEMBER THAT BACKUP ITEMS HAVE TO BE SINGLE SIDED.

Prepared by: Catherine Hooper
Date: August 3, 2018

JANET T. MILLS
ATTORNEY GENERAL



STATE OF MAINE
OFFICE OF THE ATTORNEY GENERAL
6 STATE HOUSE STATION
AUGUSTA, MAINE 04333-0006

REGIONAL OFFICES
84 HARLOW ST. 2ND FLOOR
BANGOR, MAINE 04401
TEL: (207) 941-3070
FAX: (207) 941-3075

415 CONGRESS ST., STE. 301
PORTLAND, MAINE 04101
TEL: (207) 822-0260
FAX: (207) 822-0259

14 ACCESS HIGHWAY, STE. 1
CARIBOU, MAINE 04736
TEL: (207) 496-3792
FAX: (207) 496-3291

TEL: (207) 626-8800
TTY USERS CALL MAINE RELAY 711

July 30, 2018

Portland Police Department
Chief Michael Sauschuck
109 Middle Street
Portland, ME 04101

RE: State of Maine vs. Dwayne Sanborn
Cumberland County Unified Criminal Court Doc. No. CR-18-1996
Criminal Forfeiture
Required Vote of Municipal Officers/Approval of Transfer of Forfeiture Assets

Dear Chief Sauschuck:

Enclosed please find a draft Approval form for submission to the municipal officers.

Please inform the municipal officers that:

A. 15 M.R.S.A. §5824(3) requires that, before any forfeitable item may be transferred to a State Agency, County or Municipality, the municipal legislative body must publicly vote to accept the item(s) **if subsequently ordered forfeited by the Court;**

B. Under Rules issued by the Department of the Attorney General, a public vote must be made on each forfeiture "approval" and a "continuing resolution" of approval cannot be accepted;

C. As with all forfeitures, an approval of a transfer by the municipal legislative body does not guarantee either that the Defendant(s) *In Rem* will in fact be forfeited or, if forfeited, that the Court will order the item(s) transferred to the approving Department, Agency, County or Municipality. The municipal legislative body's approval only signifies that, if the Defendant(s) *In Rem* are in fact ordered forfeited and, if the Attorney General and the Court agree to a transfer of all or part of the Defendant(s) *In Rem* to a Department, Agency, County or Municipality based upon the "substantial contribution" of that Department, Agency, County or Municipality, then that entity is in fact, willing to accept the Defendant(s) *In Rem* or portions thereof. In order to streamline what is otherwise a cumbersome forfeiture process, it is our practice to seek State, county or

municipal approval in anticipation of the final order of forfeiture. However, final forfeiture is not guaranteed and both the municipal legislative body and the law enforcement agency involved are **cautioned** that they **should not encumber** funds or property until a Final Order granting them lawful title to the property is delivered to them;

D. Under the provisions of the Forfeiture Statute, if the municipal legislative body fails to approve a transfer in a timely manner, any forfeited items shall be transferred to the State of Maine General Fund.

Assuming your municipal legislative body does grant its approval, kindly see to it that the accompanying form is signed by the appropriate person and is "embossed" with the seal of the municipality. Then, please return the **original** to me for filing, and retain a copy for your records.

My sincere thanks for your attention to this matter. Should you have any questions, please do not hesitate to contact me.

Sincerely,



Joanna Gauvreau
Assistant Attorney General
CRIMINAL DIVISION

Enclosure

STATE OF MAINE
Cumberland, SS

UNIFIED CRIMINAL DOCKET
Criminal Action
Docket No. CR-18-2586

State of Maine

v.

Vincent Teruel,
Defendant

}
}
}
}
}
}
}
}
}

City of Portland
Approval of Transfer
15 M.R.S. §5824(3)
and §5826(6)

AND
\$1,803.00 U.S. CURRENCY
DEFENDANT IN REM

NOW COMES the City of Portland, Maine, by and through its legislative body, the City Council, and does hereby grant approval pursuant to Section 5824(3) and Section 5826(6) of Title 15 of the Maine Revised Statutes, to the transfer of any portion of the above captioned Defendant *In Rem*, namely \$1,803.00 U.S. Currency, on grounds that the City of Portland Police Department did make a substantial contribution to the investigation of this or a related criminal case.

WHEREFORE, the Portland City Council does hereby approve of the transfer of the Defendant(s) *In Rem*, to the City of Portland, Maine pursuant to 15 M.R.S. §5824(3) and §5826(6) on September 5, 2018.

Dated: _____

Mayor

(Impress Legislative Body Seal Here)

*Order 58-18/19
Tab 6 9-5-18*

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

KIMBERLY M. COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

ORDER
GRANTING MUNICIPAL OFFICERS'
APPROVAL OF:

The Public Works, LLC dba The Public Works. Application for a Class III & IV FSE with Entertainment with Dance and Outdoor Dining on Private Property at 52 Alder Street.



Robert Barrett
Maureen Littlefield
The Public Works
52 Alder Street, Portland 04101

August 8, 2018

Mayor Strimling & Councilors
City of Portland
389 Congress Street
Portland, ME 04101

Dear Mayor Strimling & Portland City Councilors,

This letter of intent is to secure a Class III and IV liquor license for beer and wine in order to offer bar service in our event space located at 52 Alder Street.

The Public Works is a new multi-faceted cooperative business venture dedicated to the innovation in shared creative and professional spaces, as well as, an event space. We are writing this letter of intent to secure a Class III and IV liquor license for the event space. The space has a modern-industrial vibe indoor space and an attached outdoor patio space.

We are excited to be a part of Portland's Bayside neighborhood.

Sincerely,

Robert Barrett
Owner & CEO

Maureen Littlefield
Dir. of Operations & Business Development

Portland, Maine



Yes. Life's good here.

Permitting and Inspections Department
 Michael A. Russell, MS, Director
 389 Congress St. Room 307 • Portland, ME 04101 • (207) 874-8557
www.portlandmaine.gov

Application for Food Service Establishment with Alcoholic Beverages License

Business Information			
Business Name (d/b/a):	The Public Works	Phone:	207 210 3401
Location Address:	52 Alder Street, Portland	Zip:	04101
If new, what was formerly at this location:	The Portland Public Works		
Mailing Address:	36 Union Wharf, Portland	Zip:	04101
Contact Person:	Maureen Littlefield	Phone:	207 210 3401
Contact Person Email:	maureen@thepublicworks.me		
Manager of Establishment:	Maureen Littlefield	Date of Birth:	11.9.1988
Owner of Premises (Landlord):	HAL, LLC		
Address of Premises Owner:	65 Handover St. Portland	Zip:	04101

Sole Proprietor/Partnership Information (If Corporation, leave blank)

Name of Owner(s)	Date of Birth	Residence Address

Corporate/LLC/Non-Profit Organization Applicants (If Sole Proprietor or Partnership, leave blank)

Corporate Name		Corporate Mailing Address	
The Public Works, LLC		52 Alder St. Portland	
		Zip:	04101
Contact Person:	Maureen Littlefield	Phone:	207 210 3401
Principal Officers	Title	Date of Birth	Residence Address
Robert Barrett	Owner	11.13.1982	3 Sweetsir Rd, Cape Elizabeth 04107

About Your Establishment

Class of Liquor License:	CLASS III + IV	
Type of food served:	Bar Snacks + hot dogs	
Please circle all that will be served:	<input checked="" type="checkbox"/> Beer <input checked="" type="checkbox"/> Wine <input type="checkbox"/> Liquor	
Projected percentage of sales:	Generated from Food: 10% 10%	Generated from Alcohol: 90%
Hours & days of operation:	9-5 + Event Rental Based	

QUESTIONS	Y/N
Will full-course meals, only capable of consumption with the use of tableware, be served the entire time the establishment is open?	<input checked="" type="radio"/> Y <input type="radio"/> N
If No, please explain: Event Based Bar Rental with light Bar Snacks	
Is the establishment less than 300 feet from a school, dormitory, church or parish house, or similar establishment?	<input checked="" type="radio"/> Y <input type="radio"/> N
If yes, give the distance:	
Will you have entertainment on the premises? (If yes, a Supplemental Application for Dancing & Entertainment is required.)	<input checked="" type="radio"/> Y <input type="radio"/> N
Will you permit dancing on the premises?	<input checked="" type="radio"/> Y <input type="radio"/> N
Will you permit dancing after 1:00 a.m.?	<input checked="" type="radio"/> Y <input type="radio"/> N
Will you have outside dining? (If yes, an Outdoor Dining Application is required)	<input checked="" type="radio"/> Y <input type="radio"/> N
If yes, will the outside dining be on PUBLIC or PRIVATE property (circle one). PRIVATE	
Will you have any amusement devices (pinball, video games, juke box)?	<input checked="" type="radio"/> Y <input type="radio"/> N
If yes, please list: # of pinball machines: _____ # of amusements: _____ # of pool tables: _____	
What is your targeted opening date?	9/18/18
Does the issuance of this license directly or indirectly benefit any City employee(s)?	<input checked="" type="radio"/> Y <input type="radio"/> N
If Yes, list name(s) of employee(s) and department(s):	
Have any of the applicants, including the corporation (if applicable), ever held a business license with the City of Portland?	<input checked="" type="radio"/> Y <input type="radio"/> N
If Yes, please list business name(s) and location(s):	
Is any principal officer under the age of 21?	<input checked="" type="radio"/> Y <input type="radio"/> N
Have applicant, partners, associates, or corporate officers ever been arrested, indicted, or convicted for any violation of law?	<input checked="" type="radio"/> Y <input type="radio"/> N
If Yes, please explain:	

I, Maurice Littlefield do hereby swear and affirm that every employee in my establishment that serves alcohol to the public has attended server training, or will attend server training within 90 days of their hire. I also understand that at any time the City license administrator can, upon request, require me to produce Server Training certificates for each employee that serves alcohol to the public in my establishment. Failure to meet the training requirement imposed by section 15-41 may result in the denial of a liquor license pursuant to 28-A M.R.S.A. § 653 (2) (G).

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto. I/We, hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We, hereby waive any rights to privacy with respect thereto.

Signature Maurice Littlefield Title Div. Operations + Business Development Date 8.8.18

For more information about Liquor Licenses, see Portland City Code Chapter 15 at www.portlandmaine.gov and M.R.S.A. Title 28-A at www.maine.gov.

Portland, Maine



Yes. Life's good here.

Permitting and Inspections Department
Michael A. Russell, MS, Director

389 Congress St. Room 307 • Portland, ME 04101 • (207) 874-8557

www.portlandmaine.gov

Supplemental Application for Dancing and Entertainment License

License accompanies a City of Portland Food Service Establishment or Food Service Establishment with Alcohol license.

<input type="checkbox"/> Entertainment without Dancing: \$295	<input checked="" type="checkbox"/> Entertainment with Dancing: \$529	<input type="checkbox"/> After-Hours (1 a.m. to 3 a.m.): \$595
---	---	--

Business Information			
Business Name (d/b/a):	The Public Works	Phone:	207 210 3401
Location Address:	52 Alder Street, Portland	Zip:	04101

About Your Establishment

Describe in detail the type and nature of the business and proposed entertainment: The Public Works will offer Event space for rent by individuals and companies. The entertainment portion will be decided by renters with approval by US.	
Will music be electric, acoustical, or both? (Circle)	
Will amplification be used?	Y/N
If yes, where and at what level? 300 W	
Will music be played (Circle all that apply): <u>inside</u> <u>outside</u>	
Will you permit dancing on the premises?	Y/N
Will you permit dancing after 1:00 a.m.?	Y/N
What is the distance to the nearest residential dwelling unit both inside and outside the building from where the entertainment will take place?	300'
What is your targeted opening date?	9/18/18
Does the issuance of this license directly or indirectly benefit any City employee(s)?	Y/N
If Yes, list name(s) of employee(s) and department(s):	

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above license and further agrees that any misstatement of material fact may result in refusal of license or revocation, if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto.

I/ We hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/ We hereby waive any rights to privacy with respect thereto.

Signature Clarett P. McField Title Director of Operations Date 8.8.18
+ Business Development
 For more information, refer to the City Code of Ordinance: Chapter 4 Amusements, at www.portlandmaine.gov

Portland, Maine



Yes. Life's good here.

Permitting and Inspections Department
 Michael A. Russell, MS, Director
 389 Congress St. Room 307 • Portland, ME 04101 • (207) 874-8557
www.portlandmaine.gov

**Outdoor Dining Permit on Private Property
 Supplemental Application**

License accompanies a City of Portland Food Service Establishment or Food Service Establishment with Liquor License
 Valid April 1-November 15

Outdoor Dining on Private Property \$125.00 Legal Advertisement Deposit \$100.00

Business Information			
Business Name (d/b/a):	Public Works	Phone:	207 210 3401
Location Address:	52 Alder Street, Portland	Zip:	04101
Mailing Address:	36 Union Wharf Portland	Zip:	04101
Contact Person:	Maureen Littlefield	Phone:	207 210 3401
Contact Person Email:	maureen@thepublicworks.me		
Manager of Establishment:	Maureen Littlefield	Date of Birth:	11.9.1988
		Phone:	207 210 3401
Owner of Premises (Landlord):	HAL, LLC		
Address of Premises Owner:	65 Hanover St. Portland	Zip:	04101

Owner Information

Corporate Name		Corporate Mailing Address	
The Public Works	52 Alder Street	Zip:	04101
Contact Person:	Maureen Littlefield	Phone:	207 210 3401
Principal Officers	Title	Date of Birth	Residence Address
Robert Barrett	Owner	11.13.82	3 Sweetsir Rd. Cape Elizabeth, ME 04107

About Your Establishment

Class of License:	III + IV
Type of food served:	Bar Snacks + hot dogs
Please circle all that will be served:	<input checked="" type="checkbox"/> Beer <input checked="" type="checkbox"/> Wine <input type="checkbox"/> Liquor
Hours & days of operation:	9-5 and Event Rental based
Number of Tables	4
Number of Chairs	12

Design and Construction

- If you are building a structure or adding impervious surface for the outdoor dining area please contact the Permitting and Inspections Department for permitting requirements at permitting@portlandmaine.gov or 874-8703.

Maintenance and Operations

- Outdoor dining components must be within the permitted area and allow safe passage of pedestrian traffic. Failure to comply may result in a revocation of the permit.
- No food shall be prepared in the designated outdoor dining area.
- Outdoor dining areas must meet ADA regulations and accessible seating is required.

I/We fully understand that the City of Portland, its agents, officers and employees accept no responsibility and will not be liable for any injury, harm or damage to my/our person or property arising out of the establishment's occupancy of the sidewalk or park space. To the fullest extent permitted by law, I/We do hereby agree to assume all risk of injury, harm or damage to my/our person or property (including but not limited to all risk of injury, harm or damage to my/our property cause by the negligence of the City of Portland, its agents, officers or employees) arising out of the establishment's occupancy of the sidewalk or park space. I/We hereby agree, to the fullest extent permitted by law, to defend, indemnify and hold harmless the City of Portland, its agents, officers and employees, from and against all claims, damages, losses and expenses, just or unjust, including, but not limited to costs of defense and attorney's fees, arising out of the establishment's occupancy of the sidewalk or park space, provided that any such claims, damage, loss or expense (1) is attributable to bodily injury, sickness, disease, or death, or to injury to or destruction of tangible property including the loss of use there from, and (2) is caused in whole or in part by any negligent act or omission of the establishment, anyone directly or indirectly employed by it, or anyone for whose act it may be liable.

Signature Murphy Hillefield Title Dir. of Operations Date 8.8.18
+ business development

For Administrative Use Only

Amount: _____	Request Date /	Approval	Notes: _____
Date Paid: _____	FD: _____	/	_____
CC _____ CA _____ CK _____	Health: _____	/	_____
	PD: _____	/	_____
Amount: _____	PR: _____	/	_____
Date Paid: _____	Treasury: _____	/	_____
CC _____ CA _____ CK _____	Zoning: _____	/	_____

BUREAU OF ALCOHOL BEVERAGES AND LOTTERY OPERATIONS
DIVISION OF LIQUOR LICENSING AND ENFORCEMENT
 8 STATE HOUSE STATION, AUGUSTA, ME 04333-0008
 10 WATER STREET, HALLOWELL, ME 04347
 TEL: (207) 624-7220 FAX: (207) 287-3434
 EMAIL INQUIRIES: MAINELIQUOR@MAINE.GOV

DIVISION USE ONLY	
License No:	
Class:	By:
Deposit Date:	
Amt. Deposited:	
Cash Ck Mo:	

NEW application: Yes No

PRESENT LICENSE EXPIRES _____

INDICATE TYPE OF PRIVILEGE: MALT VINOUS SPIRITUOUS

INDICATE TYPE OF LICENSE:

- RESTAURANT (Class I,II,III,IV) RESTAURANT/LOUNGE (Class XI) CLASS A LOUNGE (Class X)
 HOTEL (Class I,II,III,IV) HOTEL, FOOD OPTIONAL (Class I-A) BED & BREAKFAST (Class V)
 CLUB w/o Catering (Class V) CLUB with CATERING (Class I) GOLF COURSE (Class I,II,III,IV)
 TAVERN (Class IV) QUALIFIED CATERING OTHER: _____

REFER TO PAGE 3 FOR FEE SCHEDULE

ALL QUESTIONS MUST BE ANSWERED IN FULL

Corporation Name: <i>The Public Works, LLC</i>		Business Name (D/B/A) <i>The Public Works</i>	
APPLICANT(S) –(Sole Proprietor)	DOB:	Physical Location: <i>52 Alder Street</i>	
	DOB:	City/Town <i>Portland</i>	State <i>ME</i>
Address		Zip Code <i>04101</i>	
City/Town	State	Zip Code	
Mailing Address <i>36 Union Wharf</i>		City/Town <i>Portland</i>	State <i>ME</i>
City/Town	State	Zip Code	
Telephone Number	Fax Number	Business Telephone Number <i>207-210-3401</i>	Fax Number
Federal I.D. # <i>83-0563267</i>	Seller Certificate #: or Sales Tax #: <i>1193026</i>		
Email Address: Please Print <i>Mawreen@thepublicworks.me</i>	Website: <i>ThePublicWorks.me</i>		

If business is NEW or under new ownership, indicate starting date: 9/13/18 (open)

Requested inspection date: _____ Business hours: 9-5pm

- If premise is a Hotel or Bed & Breakfast, indicate number of rooms available for transient guests: _____
- State amount of gross income from period of last license: ROOMS \$ _____ FOOD \$ _____ LIQUOR \$ _____
- Is applicant a corporation, limited liability company or limited partnership? YES NO
If Yes, please complete the Corporate Information required for Business Entities who are licensees.
- Do you own or have any interest in any another Maine Liquor License? Yes No
If yes, please list License Number, Name, and physical location of any other Maine Liquor Licenses.

 License # Name of Business (Use an additional sheet(s) if necessary.)

 Physical Location City / Town

5. Do you permit dancing or entertainment on the licensed premises? YES NO

6. If manager is to be employed, give name: Maureen Littlefield

7. Business records are located at: _____

8. Is/are applicant(s) citizens of the United States? YES NO

9. Is/are applicant(s) residents of the State of Maine? YES NO

10. List name, date of birth, and place of birth for all applicants, managers, and bar managers. Give maiden name, if married:
Use a separate sheet of paper if necessary.

Name in Full (Print Clearly)	DOB	Place of Birth
Robert Schofield Barrett	11.13.1982	Portland, ME
Maureen Ellyse Littlefield (Mansmann)	11.9.1988	Durham, NC
Residence address on all of the above for previous 5 years (Limit answer to city & state)		
Portland, ME - Cape Elizabeth, ME - Robert		
Jacksonville, FL - N. Varmouth, ME - Freeport, ME - Maureen		

11. Has/have applicant(s) or manager ever been convicted of any violation of the law, other than minor traffic violations, of any State of the United States? YES NO

Name: _____ Date of Conviction: _____

Offense: _____ Location: _____

Disposition: _____ (use additional sheet(s) if necessary)

12. Will any law enforcement official benefit financially either directly or indirectly in your license, if issued?
Yes No If Yes, give name: _____

13. Has/have applicant(s) formerly held a Maine liquor license? YES NO

14. Does/do applicant(s) own the premises? Yes No If No give name and address of owner: _____

15. Describe in detail the premises to be licensed: (On Premise Diagram Required) Indoor and outdoor combineable event space. (Diagram attached)

16. Does/do applicant(s) have all the necessary permits required by the State Department of Human Services?
YES NO Applied for: _____

17. What is the distance from the premises to the NEAREST school, school dormitory, church, chapel or parish house, measured from the main entrance of the premises to the main entrance of the school, school dormitory, church, chapel or parish house by the ordinary course of travel? _____

Which of the above is nearest? _____

18. Have you received any assistance financially or otherwise (including any mortgages) from any source other than yourself in the establishment of your business? YES NO

If YES, give details: Bank Mortgage + loan

The Division of Liquor Licensing & Enforcement is hereby authorized to obtain and examine all books, records and tax returns pertaining to the business, for which this liquor license is requested, and also such books, records and returns during the year in which any liquor license is in effect.

NOTE: "I understand that false statements made on this form are punishable by law. Knowingly supplying false information on this form is a Class D offense under the Criminal Code, punishable by confinement of up to one year or by monetary fine of up to \$2,000 or both."

Dated at: Portland on 8/9, 20 18
Town/City, State Date

Please sign in blue ink

[Signature]
 Signature of Applicant or Corporate Officer(s)

[Signature]
 Signature of Applicant or Corporate Officer(s)

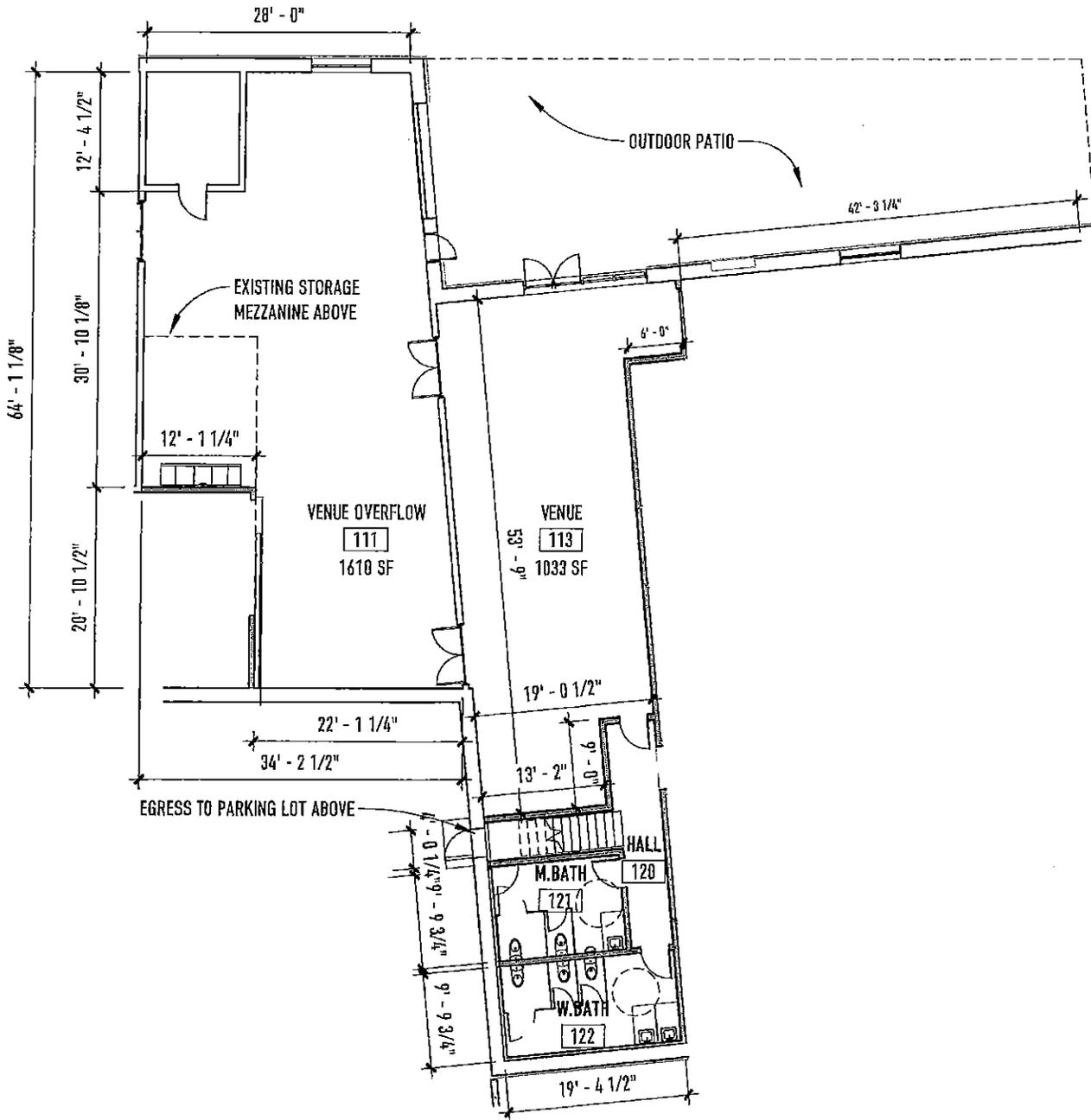
Robert Barrett
 Print Name

Maureen E. Littlefield
 Print Name

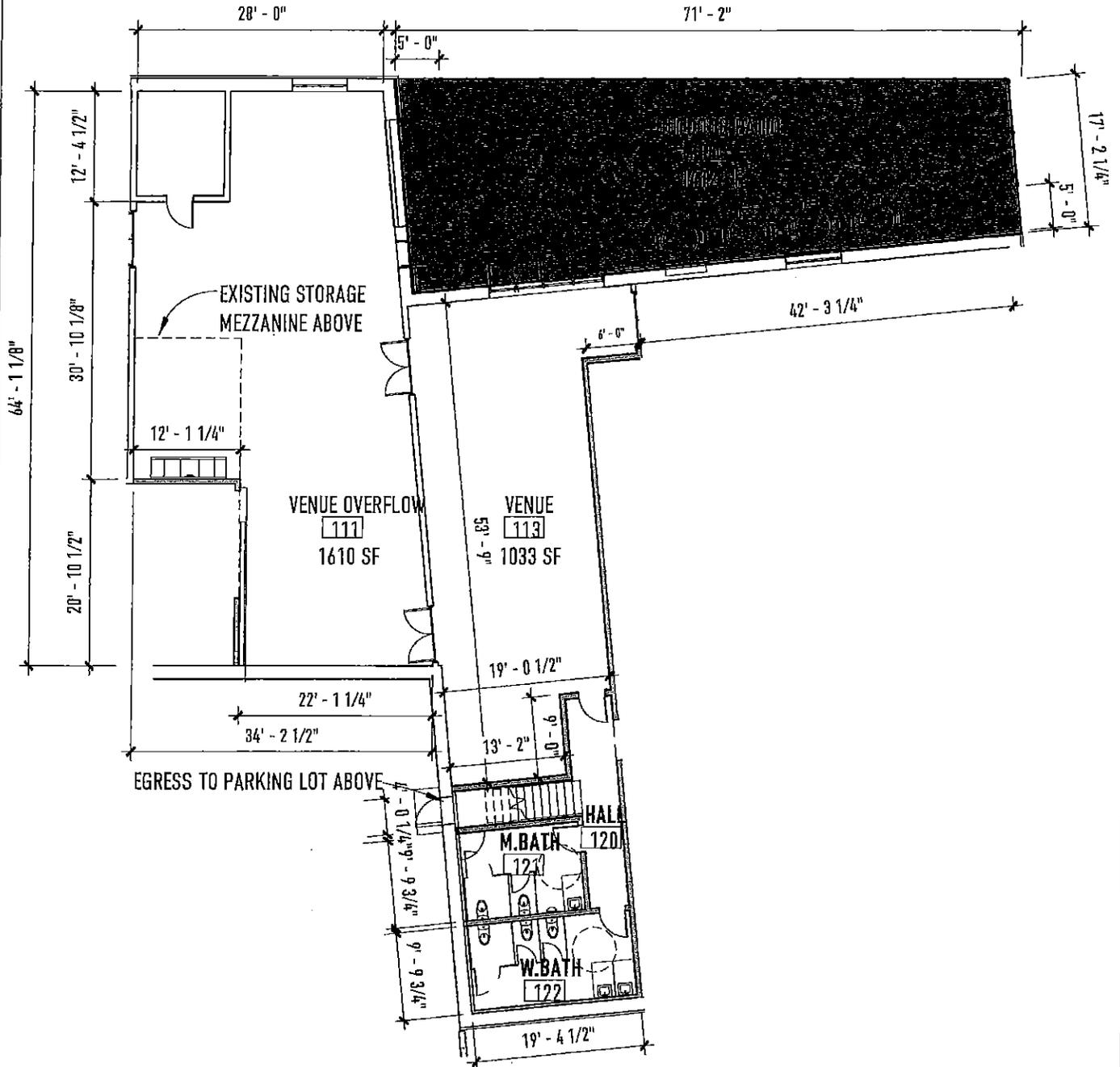
FEE SCHEDULE

FILING FEE: (must be included on all applications)	\$ 10.00
Class I Spirituous, Vinous and Malt	\$ 900.00
CLASS I: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Tennis Clubs; Vessels; Qualified Caterers; OTB.	
Class I-A Spirituous, Vinous and Malt, Optional Food (Hotels Only)	\$1,100.00
CLASS I-A: Hotels only that do not serve three meals a day.	
Class II Spirituous Only	\$ 550.00
CLASS II: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Tennis Clubs; and Vessels.	
Class III Vinous Only	\$ 220.00
CLASS III: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Tennis Clubs; Restaurants; Vessels; Pool Halls; and Bed and Breakfasts.	
Class IV Malt Liquor Only	\$ 220.00
CLASS IV: Airlines; Civic Auditoriums; Class A Restaurants; Clubs with catering privileges; Dining Cars; Golf Clubs; Hotels; Indoor Ice Skating Clubs; Indoor Tennis Clubs; Restaurants; Taverns; Pool Halls; and Bed and Breakfasts.	
Class V Spirituous, Vinous and Malt (Clubs without Catering, Bed & Breakfasts)	\$ 495.00
CLASS V: Clubs without catering privileges.	
Class X Spirituous, Vinous and Malt – Class A Lounge	\$2,200.00
CLASS X: Class A Lounge	
Class XI Spirituous, Vinous and Malt – Restaurant Lounge	\$1,500.00
CLASS XI: Restaurant/Lounge; and OTB.	

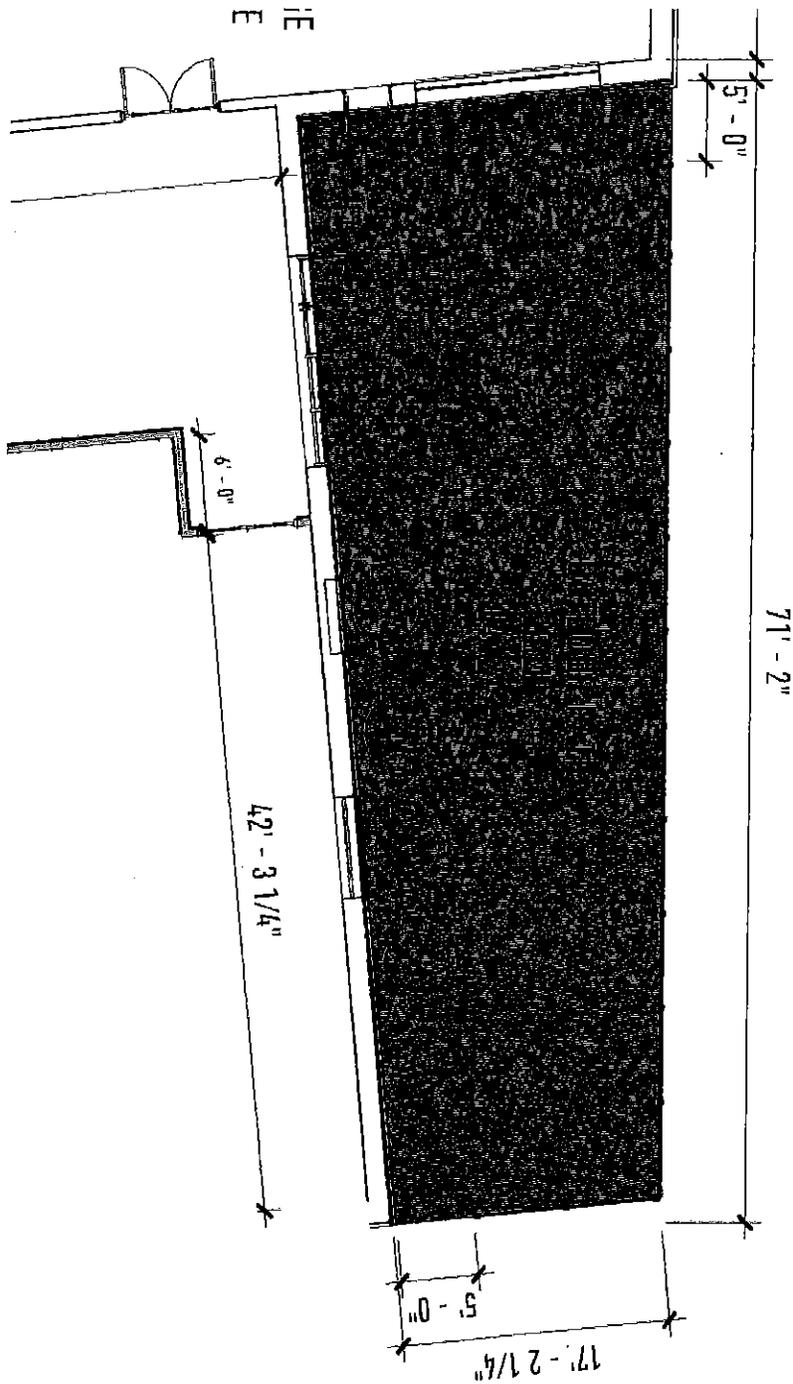
UNORGANIZED TERRITORIES \$10.00 filing fee shall be paid directly to County Treasurer. **All applicants in unorganized territories shall submit along with their application evidence of payment to the County Treasurer.**



1 FIRST FLOOR PLAN - VENUE
1/16" = 1'-0"



① FIRST FLOOR PLAN - VENUE
1/16" = 1'-0"



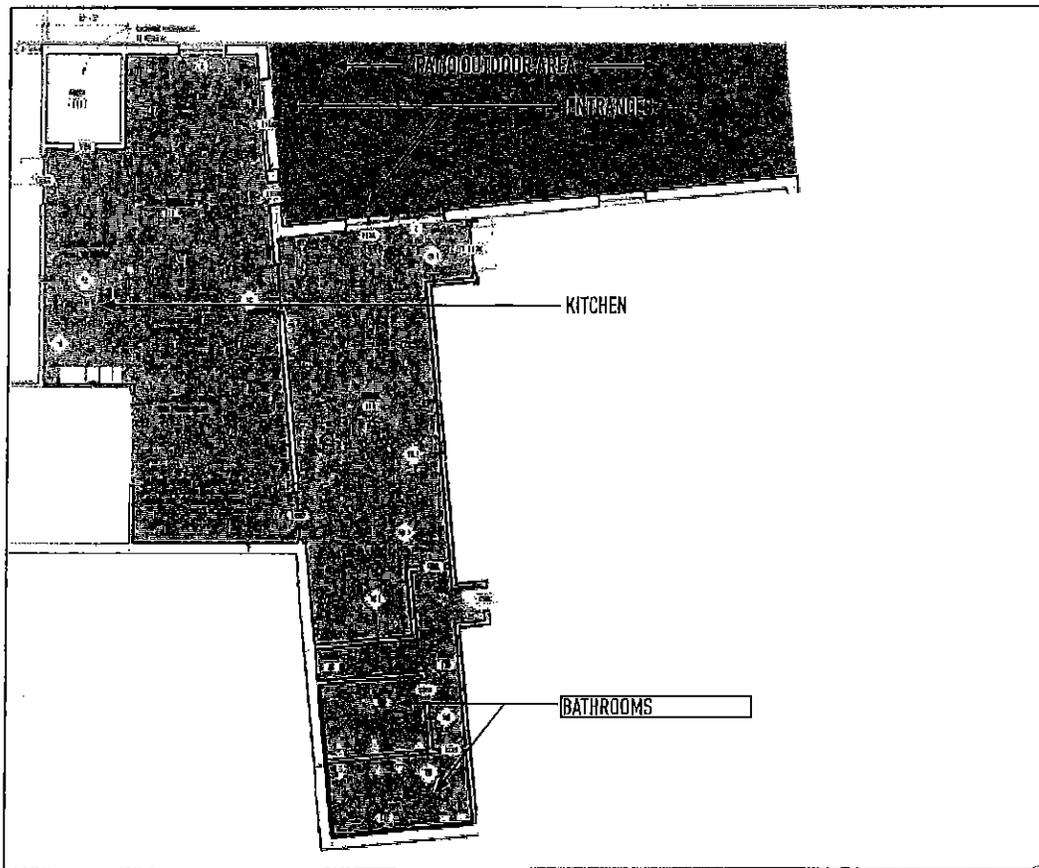
Bureau of Alcoholic Beverages and Lottery Operations
Division of Liquor Licensing & Enforcement
8 State House Station, Augusta, ME 04333-0008
10 Water Street, Hallowell, ME 04347
Tel: (207) 624-7220 Fax: (207) 287-3434
Email Inquiries: MaineLiquor@maine.gov

DIVISION USE ONLY	
<input type="checkbox"/>	Approved
<input type="checkbox"/>	Not Approved
BY:	

ON PREMISE DIAGRAM

In an effort to clearly define your license premise and the area that consumption and storage of liquor is allowed, The Division requires all applicants to submit a diagram of the premise to be licensed in addition to a completed license application.

Diagrams should be submitted on this form and should be as accurate as possible. Be sure to label the areas of your diagram including entrances, office area, kitchen, storage areas, dining rooms, lounges, function rooms, restrooms, decks and all areas that you are requesting approval from the Division for liquor consumption.





Division of Alcoholic Beverages and Lottery
Operations
Division of Liquor Licensing and Enforcement

**Corporate Information Required for
Business Entities Who Are Licensees**

For Office Use Only:	
License #:	_____
SOS Checked:	_____
100% Yes	<input type="checkbox"/> No <input type="checkbox"/>

Questions 1 to 4 must match information on file with the Maine Secretary of State's office. If you have questions regarding this information, please call the Secretary of State's office at (207) 624-7752.

Please clearly complete this form in its entirety.

- Exact legal name: Public Works, LLC
- Doing Business As, if any: The Public Works
- Date of filing with Secretary of State: April 2, 2018 State in which you are formed: Maine
- If not a Maine business entity, date on which you were authorized to transact business in the State of Maine:

- List the name and addresses for previous 5 years, birth dates, titles of officers, directors and list the percentage ownership: (attach additional sheets as needed)

NAME	ADDRESS (5 YEARS)	Date of Birth	TITLE	Ownership %
Robert Schofield Barrett	Portland, ME Cape Elizabeth, ME	11.13.1982	OWNER	100
Maureen Ellyse Littlefield (Mansmann)	Jacksonville, FL N. Yarmouth, ME Freeport, ME	11.9.1988	Director of Operations + Business Development	0

(Stock ownership in non-publicly traded companies must add up to 100%.)

- If Co-Op # of members: _____ (list primary officers in the above boxes)

7. Is any principal person involved with the entity a law enforcement official?

Yes No If Yes, Name: _____ Agency: _____

8. Has any principal person involved in the entity ever been convicted of any violation of the law, other than minor traffic violations, in the United States?

Yes No

9. If Yes to Question 8, please complete the following: (attached additional sheets as needed)

Name: _____

Date of Conviction: _____

Offense: _____

Location of Conviction: _____

Disposition: _____

Signature:



8/18/18

Signature of Duly Authorized Person

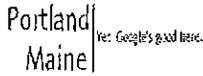
Date

ROBERT S. BARRETT

Print Name of Duly Authorized Person

Submit Completed Forms to:

Bureau of Alcoholic Beverages
Division of Liquor Licensing and Enforcement
8 State House Station, Augusta, Me 04333-0008 (Regular address)
10 Water Street, Hallowell, ME 04347 (Overnight address)
Telephone Inquiries: (207) 624-7220 Fax: (207) 287-3434
Email Inquiries: MaineLiquor@Maine.gov



Jessica Hanscombe <jhanscombe@portlandmaine.gov>

Re: The Public Works

Kevin Cashman <kevindo@portlandmaine.gov>

Tue, Aug 14, 2018 at 2:21 PM

To: Jessica Hanscombe <jhanscombe@portlandmaine.gov>

Cc: Benjamin Pearson <bnp@portlandmaine.gov>, Danielle Buck <dbuck@portlandmaine.gov>, David Petruccelli <petruccellid@portlandmaine.gov>, Eric Cobb <ecobb@portlandmaine.gov>, James Sweatt <js@portlandmaine.gov>, John Brennan <brennanj@portlandmaine.gov>, Katharine Cahoon <kcagoon@portlandmaine.gov>, Laurie Carlson <lac@portlandmaine.gov>, Scott Reynolds <sreynolds@portlandmaine.gov>, Tom Williams <tw@portlandmaine.gov>, Treasury Division <treasury@portlandmaine.gov>, Vernon Malloch <vwm@portlandmaine.gov>, Zoning <zoning@portlandmaine.gov>, Kerri Ouellette <kouellette@portlandmaine.gov>

PD has no objections.

Kevin C.

On Tue, Aug 14, 2018 at 10:22 AM, Jessica Hanscombe <jhanscombe@portlandmaine.gov> wrote:

Good Morning

Please see the attached application for The Public Works. This will be going before council on 9/5.

Please note with outdoor dining that their fence will be moveable.

Please advise. Thanks Jessica

Jessica Blais Hanscombe
Licensing and Registration Coordinator
389 Congress Street Room 307
Portland, Maine 04101
207-874-8783
jhanscombe@portlandmaine.gov

—
Lt. Kevin Cashman
Portland Police Department
Patrol Division
109 Middle St
Portland, Maine 04101
(O) 207-756-8294
kevindo@portlandmaine.gov
Hours - Saturday thru Tuesday (4pm-2am)



MAINE STATE BUREAU OF IDENTIFICATION
45 Commerce Drive, Suite 1 / STATE HOUSE STATION # 42
AUGUSTA, ME 04333
(207) 624-7240 (VOICE)

JESSICA HANSCOMBE
389 CONGRESS ST.
ROOM 307
PORTLAND, ME 04101

Transaction Response #: MIQ99D687614

Criminal History Record

Introduction

This criminal history record was produced in response to the following request (Produced on 2018-08-14) :

Inquiries Name(s) MAUREEN MANSMANN (1988-11-09)

NO MATCH WAS FOUND FOR YOUR REQUEST.



MAINE STATE BUREAU OF IDENTIFICATION
45 Commerce Drive, Suite 1 / STATE HOUSE STATION # 42
AUGUSTA, ME 04333
(207) 624-7240 (VOICE)

JESSICA HANSCOMBE
389 CONGRESS ST.
ROOM 307
PORTLAND, ME 04101

Transaction Response #: MIQ99D687612

Criminal History Record

Introduction

This criminal history record was produced in response to the following request (Produced on 2018-08-14) :

Inquiries Name(s) MAUREEN LITTLEFIELD (1988-11-09)

NO MATCH WAS FOUND FOR YOUR REQUEST.



MAINE STATE BUREAU OF IDENTIFICATION
45 Commerce Drive, Suite 1 / STATE HOUSE STATION # 42
AUGUSTA, ME 04333
(207) 624-7240 (VOICE)

JESSICA HANSCOMBE
389 CONGRESS ST.
ROOM 307
PORTLAND, ME 04101

Transaction Response #: MIQ99D687616

Criminal History Record

Introduction

This criminal history record was produced in response to the following request (Produced on 2018-08-14) :

Inquiries Name(s) ROBERT BARRETT (1982-11-13)

The information in this criminal history record is provided subject to the following caveats:

Important! When a criminal history record and juvenile crime information record check is processed by the State Bureau of Identification using personal identifiers such as name and date of birth, it is possible that the record supplied belongs to another person with the same or essentially similar name and date of birth. Confirmation that convictions relate to person whose record has been requested requires fingerprint comparison. If the information contained in this response will be used to disqualify an applicant for employment, housing, credit, or other benefits or programs, the person making the eligibility determination using this record should provide the applicant with an opportunity to complete or contest the accuracy of the criminal history information in the response. An individual may request amendment or correction of criminal history record information by a criminal justice agency pursuant to 16 M.R.S. section 709.

**THIS RESPONSE IS BEING PRODUCED FOR YOUR REQUEST SENT: 2018-08-14

This record, effective September 1, 2000, contains information relating to persons arrested as fugitives from justice, 15 M.R.S section 201.4 or arrested or charged with Maine crimes. It does not include former crimes no longer classified as criminal, or Class D and E crimes in Title 12 or Title 29-A, former Title 29, unless the crime is alcohol-related or drug-related 25 M.R.S. section 1541.4-A.A. For information regarding excluded Marine Resources crimes in Title 12, contact the Department of Marine Resources. For information regarding excluded Inland Fisheries and Wildlife crimes in Title 12, contact the Department of Inland Fisheries and Wildlife. For information relating to excluded crimes in Title 29-A former Title 29, contact the Secretary of State, Motor Vehicle Division. A list of former crimes is available from this Bureau.

THE FOLLOWING ATN(S) ARE UNSUPPORTED BY FINGERPRINTS IN STATE BUREAU OF IDENTIFICATION FILES: (548334A).

Identification

Subject Name/or potential Alias Name(s)

BARRETT, ROBERT

Subject Description (date information provided listed in parentheses)

State ID Number	DOC Number	
ME0125247	Unknown/NA	
Sex	Race	Skin Tone
Unknown/NA	Unknown/NA	Unknown/NA
Height	Weight	Date of Birth
Unknown/NA	Unknown/NA	1982-11-13
Hair Color	Eye Color	

Unknown/NA

Unknown/NA

Scars, Marks, and Tattoos

Unknown/NA

Place of Birth

Unknown/NA

Citizenship

Unknown/NA

ResidenceResidence as of
Address2007-05-15
72 WELLWOOD RD
PORTLAND, ME**Caution Information**

Firearms Disqualified

X - Unknown

Criminal History**Cycle 001****ATN/Tracking Number**

548334A

Earliest Event Date

2001-04-22

Arrest/Charge

(Cycle 001)

Arrest/Charge Date

2001-04-22

Arresting/Charging Agency

PORTLAND PD; ME0030500

Subject Name(s)

BARRETT, ROBERT

Arrest Type

Adult

Charge 1

Charge Number 548334A 001

Charge Tracking Number 548334A

Charge Case Number ME014481

Agency PORTLAND PD; ME0030500

Offense Date 2001-04-22

Charge Description OPERATING UNDER THE INFLUENCE (Charge Class D)

Statute 29-A MRSA SUBSECTION 2411(1)

State Sequence Code 1197

Severity Misdemeanor

Prosecutor Disposition

No data supplied

Court Disposition

(Cycle 001)

Court Case Number

CR 2001-03417

Court Agency

9TH DISTRICT COURT PORTLAND; ME003035J

Charge 1

Charge Number 548334A 001

Charge Tracking Number 548334A

Agency 9TH DISTRICT COURT PORTLAND; ME003035J

Offense Date 2001-04-22

Charge Description OPERATING UNDER THE INFLUENCE (Charge Class D)

Statute 29-A MRSA SUBSECTION 2411(1)

State Sequence Code 1197

Severity Misdemeanor

Disposition 2001-07-05; DISMISSED BY DA/AG - PLED OTHER CHARGE

Sentencing

No data supplied

Corrections

No data supplied

Index of Agencies

Agency	9TH DISTRICT COURT PORTLAND; ME003035J
Agency Telephone	207-822-4200
Address	205 NEWBURY ST PORTLAND, ME 04101

Agency	PORTLAND PD; ME0030500
Agency Telephone	207-874-8479
Address	109 MIDDLE ST PORTLAND, ME 04111

Portland, Maine



Yes. Life's good here.

Permitting and Inspections Department
Michael A. Russell, MS, Director

August 14, 2018

The Public Works LLC
36 Union Wharf
Portland ME 04101

Re: The Public Works, LLC dba The Public Works. Application for a Class III & IV FSE with Entertainment with Dance and Outdoor Dining on Private Property at 52 Adler Street.

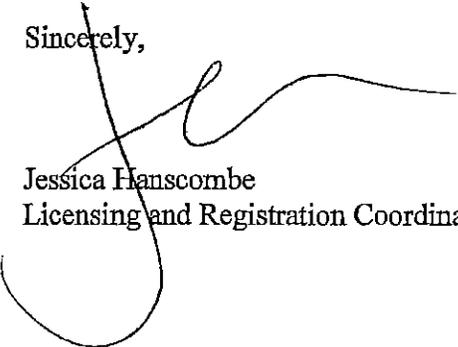
Dear Maureen Littlefield,

This letter shall serve as a reminder of the public hearing before the Portland City Council on **Wednesday September 5, 2018 at 5:30 p.m.**, for the review of application for a Class III & IV FSE with Entertainment with Dance and Outdoor Dining on Private Property at 52 Adler Street. The meeting will take place in Council Chambers on the 2nd floor of City Hall, 389 Congress Street, Portland, ME 04101.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or jhanscombe@portlandmaine.gov.

Sincerely,



Jessica Hanscombe
Licensing and Registration Coordinator

Legal Advertisement

**Notice of Public Hearing
City of Portland**

A Public Hearing will be held on September 5, 2018 at 5:30 P.M., in City Council Chambers, 389 Congress St, The Public Works, LLC dba The Public Works. Application for a Class III & IV FSE with Entertainment with Dance and Outdoor Dining on Private Property at 52 Adler Street. Sponsored by Michael Russell, Director of Permitting and Inspections.

Order 59-18/19
Tab 7 9-5-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

KIMBERLY M. COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

ORDER
GRANTING MUNICIPAL OFFICERS'
APPROVAL OF:

Portland Donuts, Inc. dba Dunkin Donuts. Application for a Food Service Establishment with Preparation at 325 St. John Street for 24 hour service.



Plymouth Engineering, Inc.

P.O. Box 46 - 30 Lower Detroit Road
Plymouth, Maine 04969
info@plymouthengineering.com
Tel: (207) 257-2071 fax: (207) 257-2130

August 8, 2018

City Council Members
City of Portland
389 Congress Street
Portland, ME 04101

**Extended Hours of Operation Request – Business License Application:
Dunkin' Donuts Restaurant, 325 St. John Street, Portland, Maine**

On behalf of the owner/applicant, Dunkin' Brands, Inc. and their Franchisee, we are pleased to present this letter in support of a request to the City Council to consider extending the hours of operation for the proposed Dunkin' Donuts Drive-Thru Restaurant at 325 St. John Street, Portland, Maine.

The applicant and their Franchisee currently operate a Dunkin' Donuts Drive-Thru restaurant at 327 St. John Street and are proposing to move the business to a new building on the adjacent lot located at 325 St. John Street. The current restaurant and drive-thru are open 24-hours a day, 7 days a week to offer baked goods and hot and cold beverages commonly served by a Dunkin' Donuts restaurant.

The applicant's proposal is currently under review by the Planning Department and Planning Board for a Level III Site Plan Application as well as a Conditional Use Application (for the Drive-Thru use) within the B-2 Zone. The current Land Use Code has the following description for a restaurant use within the "Permitted Uses" Table:

Restaurants, except that restaurants shall close for all purposes including the service of alcohol no later than 11:00 PM unless otherwise authorized by the City Council.

The applicant is applying for their business license early on in the review process to get the hours of operation defined for this project. The resulting definition will be presented to the Planning Board so they may include it in their findings of fact, when appropriate. The applicant is requesting that the City Council extend the hours of operation for this proposed use to 24-hours a day, 7 days a week. The basis for this request is included below:

The applicant and Franchisee currently operate a 24-hour, 7 days a week drive-thru restaurant and drive-thru on an adjacent parcel. The proposed use will have little to no new impact to the neighboring properties once it is constructed. Currently, vehicles using the drive-thru at 327 St. John Street enter the site via St. John Street and are required to exit the site via Valley Street. There are residential uses along Valley Street while the uses on St. John Street are business related. The proposed drive-thru at 325 St. John Street will require vehicles to exit the site via St. John Street, limiting the exposure to Valley Street. Landscaping and site grading will be installed such that headlights will be buffered from Valley Street while using the restaurant.

The Franchisee has indicated that approximately 6.6 percent of his current weekly sales come between the hours 11:00 PM and 4:00 AM and that the clientele is traditionally employees from area hospitals, police officers, fire fighters, EMT's, cab drivers and fishermen. If this business were to close at 11:00 PM it would negatively impact the clientele that have traditionally been patrons of the business because of the convenient hours of operation. Additionally, the loss of overnight revenue on top of other financial commitments associated with the new restaurant, would present a financial hardship for the Franchisee.

There is a similar restaurant and drive-thru use across the street from 327 and 325 St. John Street and their drive-thru window is advertised as being open from 5:00 AM to 4:00 AM each day. Since it is a

similar use that offers similar items for sale, one could conclude that these types of hours are not uncommon to the immediate area and could continue to be offered with little to no negative impacts on neighboring buildings.

Because of the current configuration and business model of the Dunkin' Donuts restaurant use, the similarity of uses in the immediate area, the availability to overnight patrons and proposed buffering of headlights from neighboring residential buildings, the applicant requests that the City Council authorize the proposed Dunkin' Donuts restaurant and drive-thru use at 325 St. John Street to be open 24-hours a day, 7 days a week.

We thank you for considering this request and we look forward to working the City Staff and Council members through this process. Please feel free to contact us with any questions.

Respectfully,
PLYMOUTH ENGINEERING, INC.

A handwritten signature in black ink, appearing to read "Jon H. Whitten, Jr.", written in a cursive style.

Jon H. Whitten, Jr., P.E.
Senior Project Manager



Planning & Urban Development Department

TO: Mayor Strimling and Members of the City Council

FROM: Stuart G. O'Brien, City Planning Director

DATE: August 13, 2018

SUBJECT: Zoning/Planning Context: Proposed hours of operation Dunkin Donut restaurant and drive-through 325 St John Street (new location) (to accompany Business License request for variation of hours)

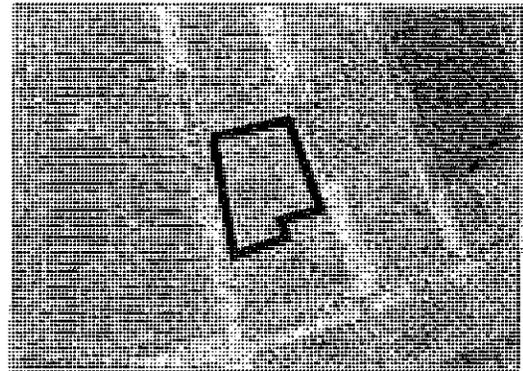
CC: Jon Jennings, City Manager; Jeff Levine, Planning and Urban Development Director

1. Introduction

Dunkin' Brands, Inc has requested site plan and conditional use approval for a new Dunkin Donuts restaurant, with a 2-lane drive-through, on the site next to the existing Dunkin' Donuts at 325 St John Street in the B2 zone (as shown below). The proposed site layout showing the location of the restaurant and the drive-through lanes, is attached as *Appendix 1*.

The project was considered at a Planning Board Workshop on 7.24.18 where the applicant indicated that they were seeking late night/overnight hours for both the restaurant and drive through. This request requires, under the B2 Zone text language, the approval of the City Council.

The purpose of this Memorandum is to set out the zoning/planning framework and clarify the current proposal and the surrounding land use context for the Council's information.



Zoning Context

2. Zoning Review Requirements

The B2 zone includes the following provisions which relate to the hours of operation of the proposed new Dunkin Donuts restaurant and drive-through:

- B2 Permitted Use Table (14-482): The restaurant must close at 11pm unless authorized by the City Council (interpreted to be through the business licensing process) - see extract below from the B2 Permitted Use Table in 14-282:

<p>Restaurants, except that restaurants shall close for all purposes including the service of alcohol no later than 11:00 p.m. unless otherwise authorized by the City Council.</p>

It should be noted that the McDonalds restaurant and drive through across the street is also in the B2 zone and its restaurant is required to close at 11pm, while the drive-through operates 24-hours a day. It is unclear how such an operation schedule was authorized. McDonalds was rebuilt in 2008 when the drive-through was not a conditional use under a previous version of the B-2. The existing Dunkin Donuts was also developed prior to these B2 zoning regulations.

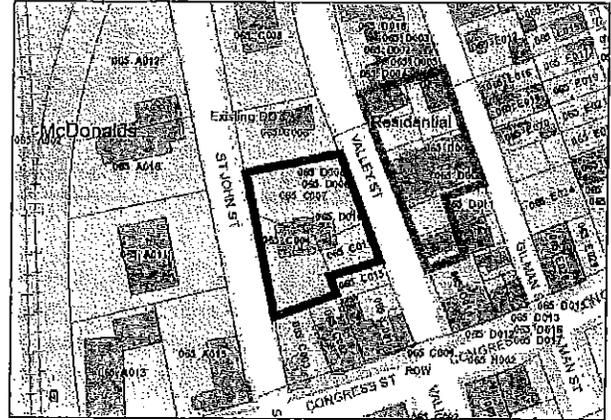
- B2 Permitted Use Table (14-482): "Drive-throughs associated with a permitted or conditional use" are a Conditional Use under the current zoning, which means that the Planning Board may consider the impacts of the drive-through hours.

3. Planning Board Review Requirements

Under the B2 Conditional Use review (14-483) the proximity to residential uses of the drive-through elements, including waiting vehicles, must meet specified standards. In this case the dimensional standards have been met, and the drive-through traffic exits onto St John Street. The Conditional Use provisions also include the following text that relates to the drive-through hours of operation:

f. Hours of Operation: The Board, as part of its review, may take into consideration the impact hours of operation may have on adjoining uses.

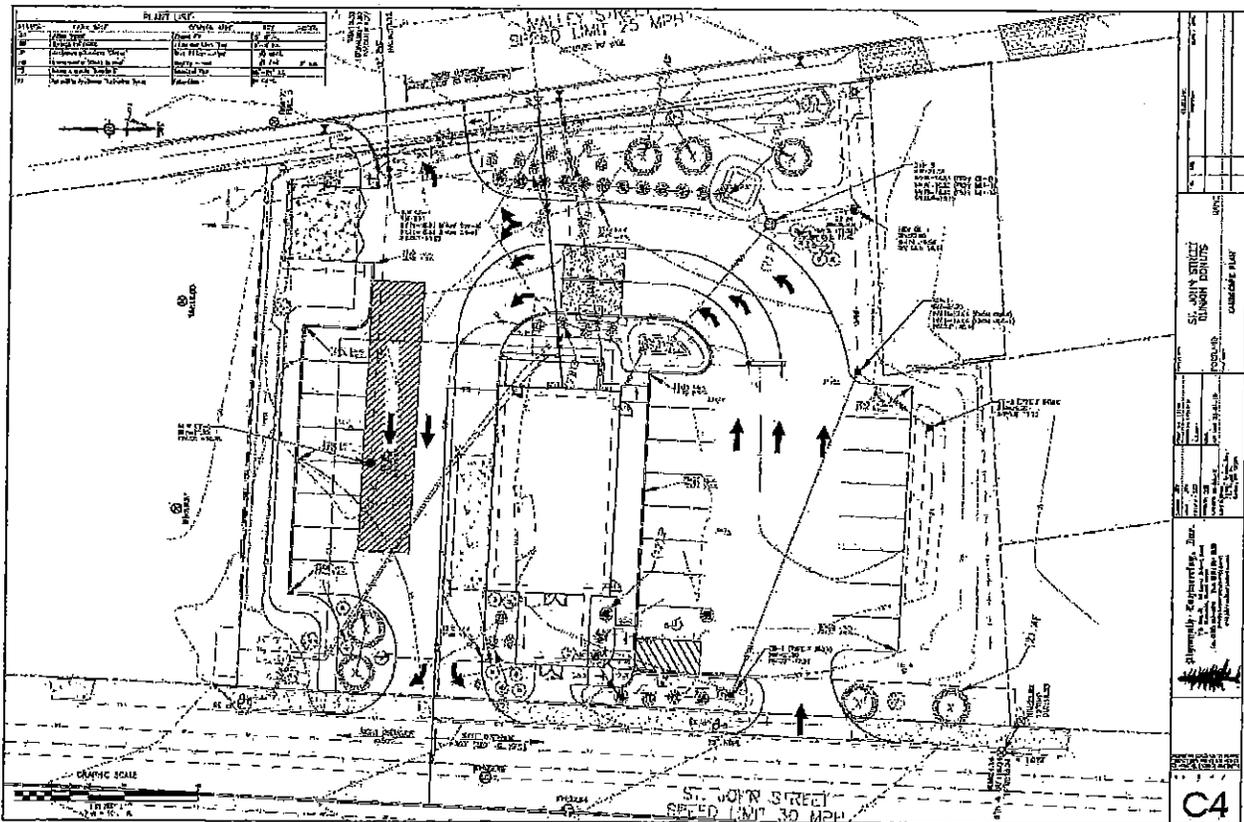
The proposed site for the new Dunkin Donuts abuts the R7 overlay zone as shown in the *Zoning Context* plan above, and the area encircled in green on the *Uses Context* plan (right) includes approximately 30 dwelling units, including some managed by the nearby Shalom House. Otherwise the uses around the proposed Dunkin Donuts are commercial, with the Inn at St John overlooking the site.



Uses Context

APPENDIX 1:

Proposed Site Plan new Dunkin Donuts at 325 St John Street



Portland, Maine



Yes. Life's good here.

Permitting and Inspections Department
Michael A. Russell, MS, Director

389 Congress St. Room 307 • Portland, ME 04101 • (207) 874-8557

www.portlandmaine.gov

Application for Food Service Establishment or Commissary Kitchen License
License expires annually on January 31st

<input checked="" type="checkbox"/> Application Fee: \$45	<input checked="" type="checkbox"/> FSE with Preparation or Commissary Kitchen License: \$459
<input checked="" type="checkbox"/> Health Inspection \$150.00	<input type="checkbox"/> FSE without Preparation License: \$181 <input type="checkbox"/> Beer & Wine Take-Out: \$415

Business Information	
Business Name (d/b/a):	Portland Donuts, Inc. d/b/a Dunkin Donuts Phone: 207-772-7561
Location Address:	325 St. John Street, Portland Zip: 04102
If new, what was formerly at this location:	Lang's Express Chinese Restaurant
Mailing Address:	325 St. John Street, Portland Zip: 04102
Contact Person:	David DaRosa Phone: 207-751-6622
Contact Person Email:	dkdarosa@comcast.net
Manager of Establishment:	David DaRosa Phone: 207-751-6622
Owner of Premises (Landlord):	Dunkin Brands, Inc.
Address of Premises Owner:	130 Royall Street, Canton, MA Zip: 02021

Sole Proprietor/Partnership Information (If Corporation, leave blank)

Name of Owner(s)	Date of Birth	Residence Address

Corporate/LLC/Non-Profit Organization Applicants (If Sole Proprietor or Partnership, leave blank)

Corporate Name		Corporate Mailing Address	
Portland Donuts, Inc.		104 Pleasant St., Suite 1, Brunswick, ME 04011	
Contact Person:	David DaRosa	Phone:	207-751-6622
Principal Officers	Title	Date of Birth	Residence Address
David DaRosa	President	11-05-1970	26 Tamarack Drive, Brunswick, ME 04011
Karen DaRosa	Treasurer	01-26-1970	26 Tamarack Drive, Brunswick, ME 04011

About Your Establishment

Type of Food Served (include a menu):	Coffee and Baked Goods
Hours & Days of Operation:	24/7

Certified Food Protection Manager Certificate number & expiration date: Tim Gray - 13243107/Exp - 02-04-2021
 If this has not yet been obtained, indicate that it is pending. Please have it ready for your health inspection.

QUESTION- For Food Service Establishments ONLY:	Yes/No
Will you have entertainment on the premises? (If yes, a Supplemental Application for Dancing & Entertainment is required.)	Y <input checked="" type="radio"/> N
Will you permit dancing on the premises?	Y <input checked="" type="radio"/> N
Will you permit dancing after 1:00 a.m.?	Y <input checked="" type="radio"/> N
Will you have outside dining? (If yes, an Outdoor Dining Application is required)	Y <input checked="" type="radio"/> N
If yes, will the outside dining be on PUBLIC or PRIVATE property (circle one).	Y <input type="radio"/> N <input checked="" type="radio"/>
Will you have any amusement devices (pinball, video games, jukebox)?	Y <input checked="" type="radio"/> N
If yes, please list the number of pinball machines: _____ amusements: _____ pool tables: _____	
What is your targeted opening date?	
Does the issuance of this license directly or indirectly benefit any City employee(s)?	Y <input checked="" type="radio"/> N
If Yes, list name(s) of employee(s) and department(s):	
Have any of the applicants, including the corporation (if applicable), ever held a business license with the City of Portland?	Y <input checked="" type="radio"/> N
If Yes, please list business name(s) and location(s): <u>Portland Donuts, Inc. @327 St. John Street,</u> <u>DKD Donuts, LLC@1412 Congress Street</u> <u>ND Donuts, LLC@554 Congress Street</u>	
Is any principal officer under the age of 18?	Y <input checked="" type="radio"/> N

For Community Kitchen Operators ONLY:
 It is your responsibility to maintain a schedule of users and assure sufficient time for cleaning and sanitizing between uses.

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above licensee and further agrees that any misstatement of material fact may result in refusal of license or revocation if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto. I/We, hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/We, hereby waive any rights to privacy with respect thereto.

Signature  Title President Date 08-13-18

For more information about Food Service Establishments and Community Kitchens, see Portland City Code Chapter 11 at:
www.portlandmaine.gov

For Administrative Use Only

Amount: _____		Request Date / Approval	Notes: _____
Date Paid: _____	FD: _____ / _____		
CC _____ CA _____ CK _____	Health: _____ / _____		
	PD: _____ / _____		
Amount: _____	PS: _____ / _____		
Date Paid: _____	Treasury: _____ / _____		
CC _____ CA _____ CK _____	Zoning: _____ / _____		

weekly

Hourly Sales Activity |

PC: 300407 - Portland, ME

Time Period Begins	Gross Sales	% Gross Sales	Net Reductions	Refunds	Net Sales	Trans Count	Avg Gross Sale	Avg Net Sale
12:00 AM	\$242.72	0.69%	\$0.29	\$0.00	\$242.43	66	\$3.68	\$3.67
1:00 AM	\$366.49	1.05%	\$3.70	\$0.00	\$362.79	69	\$5.31	\$5.26
2:00 AM	\$329.95	0.94%	\$0.23	\$0.00	\$329.72	75	\$4.40	\$4.40
3:00 AM	\$458.32	1.31%	\$6.96	\$0.00	\$451.36	104	\$4.41	\$4.34
4:00 AM	\$972.84	2.78%	\$10.00	\$0.00	\$962.84	216	\$4.50	\$4.46
5:00 AM	\$1,353.05	3.87%	\$7.88	\$2.75	\$1,342.42	310	\$4.38	\$4.33
6:00 AM	\$2,582.15	7.39%	\$29.25	\$2.15	\$2,550.75	534	\$4.84	\$4.78
7:00 AM	\$3,497.04	10.01%	\$58.79	\$10.07	\$3,428.18	718	\$4.88	\$4.77
8:00 AM	\$3,749.61	10.73%	\$69.46	\$0.00	\$3,680.15	706	\$5.31	\$5.21
9:00 AM	\$3,571.16	10.22%	\$41.05	\$7.14	\$3,522.97	660	\$5.43	\$5.34
10:00 AM	\$3,045.23	8.71%	\$56.12	\$0.00	\$2,989.11	548	\$5.56	\$5.45
11:00 AM	\$2,422.90	6.93%	\$23.15	\$0.00	\$2,399.75	460	\$5.27	\$5.22
12:00 PM	\$2,311.25	6.61%	\$29.52	\$0.00	\$2,281.73	471	\$4.91	\$4.84
1:00 PM	\$1,440.38	4.12%	\$23.34	\$2.79	\$1,414.25	321	\$4.50	\$4.41
2:00 PM	\$1,573.49	4.50%	\$34.38	\$16.95	\$1,522.16	345	\$4.59	\$4.41
3:00 PM	\$1,492.04	4.27%	\$13.32	\$0.00	\$1,478.72	339	\$4.40	\$4.36
4:00 PM	\$1,062.61	3.04%	\$11.15	\$1.55	\$1,049.91	254	\$4.20	\$4.13
5:00 PM	\$886.43	2.54%	\$32.24	\$0.00	\$854.19	216	\$4.10	\$3.95
6:00 PM	\$893.06	2.56%	\$31.54	\$0.00	\$861.52	237	\$3.77	\$3.64
7:00 PM	\$588.89	1.68%	\$8.99	\$0.00	\$579.90	136	\$4.33	\$4.26
8:00 PM	\$530.05	1.52%	\$11.54	\$2.75	\$515.76	127	\$4.21	\$4.06
9:00 PM	\$626.95	1.79%	\$6.03	\$0.75	\$620.17	151	\$4.18	\$4.11
10:00 PM	\$582.52	1.67%	\$5.50	\$3.89	\$573.13	146	\$4.02	\$3.93
11:00 PM	\$372.95	1.07%	\$2.72	\$0.00	\$370.23	93	\$4.01	\$3.98
Total	\$34,952.08	100.00%	\$517.15	\$50.79	\$34,384.14	7,302	\$4.80	\$4.71

2017 Annual Sales

PC: 300407 - Portland, ME

Hourly Sales Activity Rep

Time Period Begins	Gross Sales	% Gross Sales	Net Reductions	Refunds	Net Sales	Trans. Count	Avg. Gross Sale	Avg. Net Sale
12:00 AM	\$12,776.83	0.77%	\$170.62	\$17.94	\$12,588.27	3,362	\$3.80	\$3.74
1:00 AM	\$16,047.27	0.97%	\$183.69	\$5.45	\$15,858.13	3,772	\$4.26	\$4.20
2:00 AM	\$17,917.06	1.08%	\$402.29	\$10.34	\$17,504.43	4,099	\$4.37	\$4.27
3:00 AM	\$24,967.92	1.51%	\$506.76	\$30.69	\$24,430.47	6,008	\$4.16	\$4.07
4:00 AM	\$37,773.49	2.28%	\$593.51	\$51.55	\$37,128.43	8,825	\$4.29	\$4.21
5:00 AM	\$64,115.06	3.88%	\$1,245.45	\$956.25	\$61,913.36	14,973	\$4.32	\$4.14
6:00 AM	\$115,174.57	6.96%	\$2,821.57	\$633.62	\$111,719.38	25,572	\$4.51	\$4.37
7:00 AM	\$168,596.46	10.19%	\$4,401.17	\$204.58	\$163,990.71	34,620	\$4.88	\$4.74
8:00 AM	\$177,663.87	10.74%	\$4,494.03	\$287.43	\$172,882.41	34,986	\$5.09	\$4.94
9:00 AM	\$172,242.48	10.41%	\$3,643.31	\$244.56	\$168,354.61	33,552	\$5.14	\$5.02
10:00 AM	\$149,263.30	9.02%	\$3,230.15	\$314.91	\$145,718.24	29,756	\$5.03	\$4.90
11:00 AM	\$118,849.70	7.18%	\$2,845.41	\$770.37	\$115,233.92	24,247	\$4.92	\$4.75
12:00 PM	\$101,650.47	6.14%	\$2,529.28	\$418.13	\$98,703.06	22,360	\$4.56	\$4.41
1:00 PM	\$78,838.40	4.77%	\$2,147.32	\$398.57	\$76,292.51	18,282	\$4.33	\$4.17
2:00 PM	\$74,750.34	4.52%	\$2,026.62	\$133.04	\$72,590.68	18,445	\$4.06	\$3.94
3:00 PM	\$67,263.92	4.07%	\$1,740.10	\$102.26	\$65,421.56	16,913	\$3.98	\$3.87
4:00 PM	\$53,115.18	3.21%	\$1,379.41	\$88.21	\$51,647.56	13,536	\$3.93	\$3.82
5:00 PM	\$44,747.35	2.70%	\$1,117.45	\$66.87	\$43,563.03	11,426	\$3.92	\$3.81
6:00 PM	\$47,279.49	2.86%	\$1,095.00	\$207.95	\$45,976.54	12,173	\$3.89	\$3.78
7:00 PM	\$28,181.54	1.70%	\$597.31	\$50.80	\$27,533.43	7,302	\$3.86	\$3.77
8:00 PM	\$21,221.47	1.28%	\$394.31	\$37.89	\$20,789.27	5,440	\$3.91	\$3.82
9:00 PM	\$21,719.24	1.31%	\$514.26	\$63.70	\$21,141.28	5,872	\$3.71	\$3.60
10:00 PM	\$23,549.87	1.42%	\$457.54	\$23.83	\$23,068.50	6,251	\$3.77	\$3.69
11:00 PM	\$16,682.37	1.01%	\$366.64	\$7.08	\$16,308.65	4,382	\$3.81	\$3.72
Total	\$1,654,387.65	100.00%	\$38,903.20	\$5,126.02	\$1,610,358.43	366,154	\$4.53	\$4.40

8/15/2018

City of Portland Mail - Re: Dunkin Donuts

Portland
Maine | Yes. Google's good here.

Jessica Hanscombe <jhanscombe@portlandmaine.gov>

Re: Dunkin Donuts

Robert Martin <rmm@portlandmaine.gov>
To: Jessica Hanscombe <jhanscombe@portlandmaine.gov>

Wed, Aug 15, 2018 at 1:52 PM

Police have no objections

On Mon, Aug 13, 2018 at 4:11 PM Jessica Hanscombe <jhanscombe@portlandmaine.gov> wrote:
Good Afternoon

Please see the attached application. This will be going before council for approval of the hours. Please advise. Thanks Jessica

Jessica Blais Hanscombe
Licensing and Registration Coordinator
389 Congress Street Room 307
Portland, Maine 04101
207-874-8783
jhanscombe@portlandmaine.gov

Lieutenant Robert Martin
Portland Police Department
Criminal Investigation Division
109 Middle Street
Portland, Maine 04101

Office: (207) 874-8604
RMM@PortlandMaine.gov
Follow us @PolicePortland

Portland, Maine



Yes. Life's good here.

Permitting and Inspections Department
Michael A. Russell, MS, Director

August 14, 2018

Portland Donuts Inc
104 Pleasant Street Suite 1
Brunswick ME 04011

Re: Portland Donuts, Inc. dba Dunkin Donuts. Application for a Food Service Establishment with Preparation at 325 St. John Street for 24 hour service.

Dear David DaRosa,

This letter shall serve as a reminder of the public hearing before the Portland City Council on **Wednesday September 5, 2018 at 5:30 p.m.**, for the review of application for a Food Service Establishment with Preparation at 325 St. John Street for 24 hour service. The meeting will take place in Council Chambers on the 2nd floor of City Hall, 389 Congress Street, Portland, ME 04101.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or jhanscombe@portlandmaine.gov.

Sincerely,



Jessica Hanscombe
Licensing and Registration Coordinator

Legal Advertisement

**Notice of Public Hearing
City of Portland**

A Public Hearing will be held on September 5, 2018 at 5:30 P.M., in City Council Chambers, 389 Congress St, Portland Donuts, Inc. dba Dunkin Donuts. Application for a Food Service Establishment with Preparation at 325 St. John Street for 24 hour service. Sponsored by Michael Russell, Director of Permitting and Inspections.

Order 60-18/19
Feb 8 95-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

KIMBERLY M. COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

ORDER
GRANTING MUNICIPAL OFFICERS'
APPROVAL OF:

**Definitive Brewing Company LLC dba Definitive Brewing Company. Application for
Entertainment with Dance at 35 Industrial Way.**



Definitive Brewing Company, LLC

35 Industrial Way

Portland, ME 04103

Email: jroberts@definitivebrewing.com

August 3, 2018

Mayor and Members of the City Council of Portland, Maine

389 Congress Street

Portland, ME 04101

We are writing to let you know of our intent to add live entertainment to our existing taproom location. As we head into the months after the busy tourist season, we feel that it might be necessary to have the opportunity to conduct some live entertainment with dancing, up to once per week.

We look forward to discussing our plans with you and have been very happy with the startup of our company in this great city.

Thanks,

Josh Roberts

Founder / Chief Financial Officer

Definitive Brewing Company, LLC

207-441-4024

Portland, Maine



Yes. Life's good here.

Permitting and Inspections Department
Michael A. Russell, MS, Director

389 Congress St. Room 307 • Portland, ME 04101 • (207) 874-8557

www.portlandmaine.gov

Supplemental Application for Dancing and Entertainment License

License accompanies a City of Portland Food Service Establishment or Food Service Establishment with Alcohol License.

Entertainment without Dancing: \$295 Entertainment with Dancing: \$529 After-Hours (1 a.m. to 3 a.m.): \$595

Business Information			
Business Name (d/b/a):	Definitive Brewing Company, LLC	Phone:	207-446-4746
Location Address:	35 Industrial Way, Portland, ME	Zip:	04103

About Your Establishment

Describe in detail the type and nature of the business and proposed entertainment:	
Will music be electric, acoustical, or both? (Circle)	
Will amplification be used?	Y/N
If yes, where and at what level? <i>Inside or outside, normal performance levels</i>	
Will music be played (Circle all that apply): Inside Outside	
Will you permit dancing on the premises?	Y/N
Will you permit dancing after 1:00 a.m.?	Y/N
What is the distance to the nearest residential dwelling unit both inside and outside the building from where the entertainment will take place? <i>463 ft (828 Riverside St)</i>	
What is your targeted opening date? <i>Already open → 5/19/2018</i>	
Does the Issuance of this license directly or indirectly benefit any City employee(s)?	Y/N
If Yes, list name(s) of employee(s) and department(s):	

Applicant, by signature below, agrees to abide by all laws, orders, ordinances, rules and regulations governing the above license and further agrees that any misstatement of material fact may result in refusal of license or revocation, if one has been granted. Applicant agrees that all taxes and accounts pertaining to the premises will be paid prior to issuance of the license.

It is understood that this and any application(s) shall become public record and the applicant(s) hereby waive(s) any rights to privacy with respect thereto.

I/ We hereby authorize the release of any criminal history record information to the City Clerk's Office or licensing authority. I/ We hereby waive any rights to privacy with respect thereto.

Signature *[Signature]* Title Founder / CFO Date 8/3/2018

For more information, refer to the City Code of Ordinance: Chapter 4 Amusements, at www.portlandmaine.gov



© 2017 RYAN REVATORE ARCHITECTURE

DEFINITIVE BREWING COMPANY
 36 INDUSTRIAL WAY
 PORTLAND MAINE



RYAN REVATORE
 ARCHITECTURE
 100 BROAD STREET
 PORTLAND, MAINE 04101
 207.753.1111

CONTRACT#

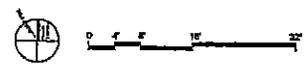
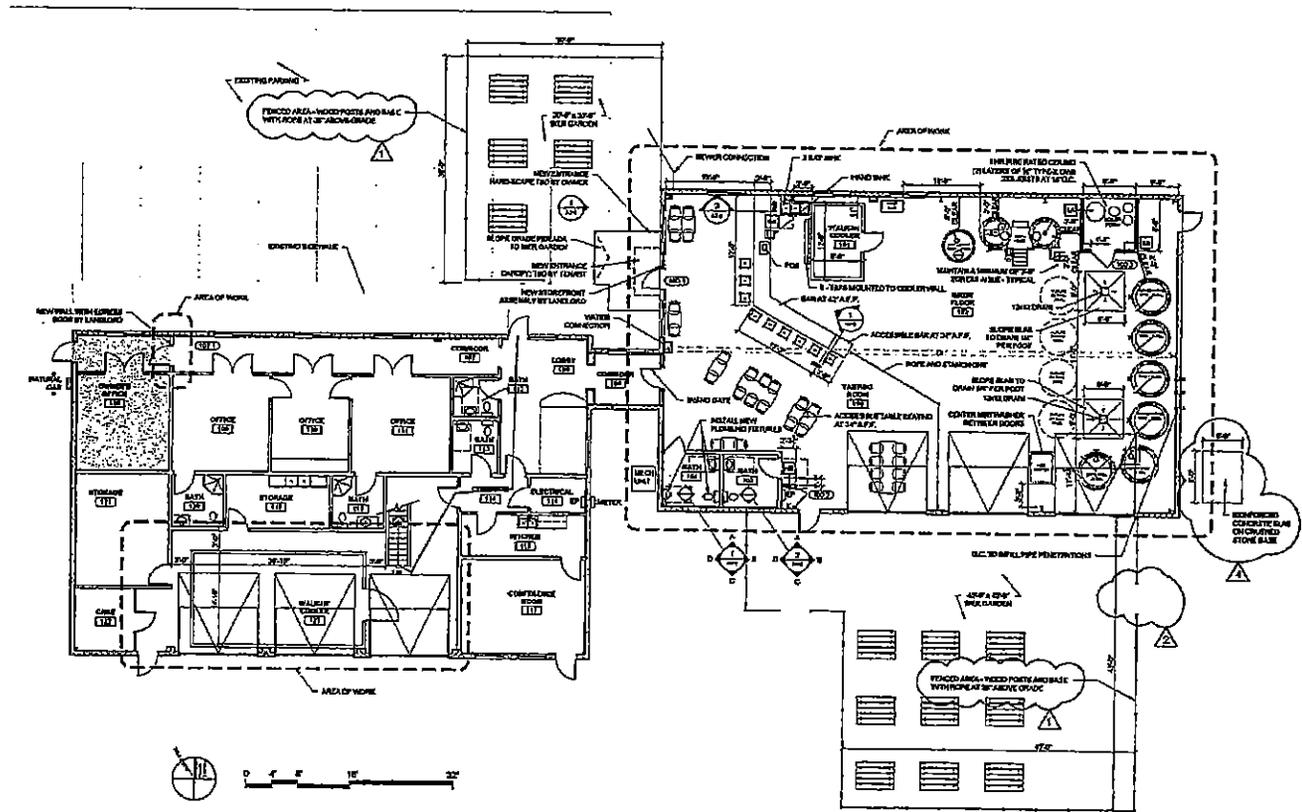
- NOTES:
- ▲ FINISHED - 8/26/18
 - ▲ FINISHED - 8/26/18
 - ▲ FINISHED - 8/26/18
 - ▲ FINISHED - 8/26/18

DATE: SEPTEMBER 14, 2017
 PROJECT# 1772
 DRAWN BY: JPM
 CHECKED BY: RSR
 SCALE: AS NOTED

SHEET TITLE:
 FIRST FLOOR PLAN

A1-0

WALL LEGEND	
	EXTERIOR WALL
	INTERIOR



1 FIRST FLOOR PLAN



City of Portland

Permitting and Inspections Department

Business Name: DEFINITIVE BREWING COMPANY

Classification: Brewery/Winery/Distillery

Business Location: 35 INDUSTRIAL WAY
Portland, ME 04101

Description:

Owner: DEFINITIVE BREWING LLC

License Number: LL-000367-2018

Entertainment Type: Entertainment with Dance

Issued Date: 5/15/2018

After Hours Entertainment: No

Expiration Date: 5/15/2019

Outdoor Dining: Private

Michael A. Russell, Director

THIS LICENSE IS NOT TRANSFERRABLE
PLEASE POST IN A CONSPICUOUS PLACE

BILLING CONTACT

DEFINITIVE BREWING LLC
35 Industrial Way
Portland, Me 04103

8/14/2018

City of Portland Mall - Re: Definitive Brewing

Portland
Maine
Per: Google's good here.

Jessica Hanscombe <jhanscombe@portlandmaine.gov>

Re: Definitive Brewing

Kevin Cashman <kevindc@portlandmaine.gov>

Tue, Aug 14, 2018 at 2:20 PM

To: Jessica Hanscombe <jhanscombe@portlandmaine.gov>

Cc: David Petrucelli <petrucellid@portlandmaine.gov>, James Sweatt <jjs@portlandmaine.gov>, John Brennan <brennanj@portlandmaine.gov>, Vernon Malloch <vwm@portlandmaine.gov>, Zoning <zoning@portlandmaine.gov>

PD has no objections.

Kevin C.

On Mon, Aug 13, 2018 at 3:05 PM, Jessica Hanscombe <jhanscombe@portlandmaine.gov> wrote:

Good Afternoon

Please see the attached application for Entertainment with Dance. This will go before council on 9/5. Please advise. Thanks Jessica

Jessica Blais Hanscombe
Licensing and Registration Coordinator
389 Congress Street Room 307
Portland, Maine 04101
207-874-8783
jhanscombe@portlandmaine.gov

—
Lt. Kevin Cashman
Portland Police Department
Patrol Division
109 Middle St
Portland, Maine 04101
(O) 207-758-8294
kevindc@portlandmaine.gov
Hours - Saturday thru Tuesday (4pm-2am)

Portland, Maine



Yes. Life's good here.

Permitting and Inspections Department
Michael A. Russell, MS, Director

August 14, 2018

Definitive Brewing Company
35 Industrial Way
Portland ME 04103

**Re: Definitive Brewing Company LLC dba Definitive Brewing Company.
Application for Entertainment with Dance at 35 Industrial Way.**

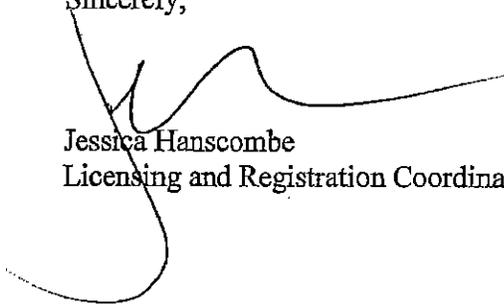
Dear Josh Roberts,

This letter shall serve as a reminder of the public hearing before the Portland City Council on **Wednesday September 5, 2018 at 5:30 p.m.**, for the review of application for an Entertainment with Dance at 35 Industrial Way. The meeting will take place in Council Chambers on the 2nd floor of City Hall, 389 Congress Street, Portland, ME 04101.

You or a representative of the business must be present at this meeting in the event that the city council has questions regarding the license application. If there is no representation and questions arise, the item may be postponed.

Please contact our office directly with questions at (207) 874-8557 or jhanscombe@portlandmaine.gov.

Sincerely,



Jessica Hanscombe
Licensing and Registration Coordinator

Legal Advertisement

**Notice of Public Hearing
City of Portland**

A Public Hearing will be held on September 5, 2018 at 5:30 P.M., in City Council Chambers, 389 Congress St., Definitive Brewing Company LLC dba Definitive Brewing Company. Application for Entertainment with Dance at 35 Industrial Way. Sponsored by Michael Russell, Director of Permitting and Inspections.

Com 3-18/19
Tab 9 9-5-18

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English, Danielle West-Chuhta,
Deivy Periana,

FROM: Xavier Botana, Superintendent of Schools

DATE: August 22, 2018

SUBJECT: Communication re: Renovation of Lyseth Elementary School

SPONSOR: Councilor Justin Costa

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED: Communication only
1st reading Final Action 9/5/2018

Can action be taken at a later date: Yes X No (If no why not?)

Councilor Costa requested that this information be provided at the September 5, 2018 City Council Meeting

PRESENTATION: (List the presenter(s), type and length of presentation)

Councilor Justin Costa will comment.

I. ONE SENTENCE SUMMARY

Consultant company Harriman Associates has been awarded the Architecture and Engineer Services contract required for the renovation of Lyseth Elementary School. The work will be already paid for with bonds approved by Portland voters.

II. AGENDA DESCRIPTION (This is all that will be included of the agenda.)

Consultant company Harriman Associates has been awarded the Architecture and Engineer Services Work required by the Portland Public Schools to begin the renovation of Lyseth Elementary School, to be paid for with bonds approved by Portland voters at the 2017 Referendum. The Request for Bids was published by the School Department on May 7, 2018, and Harriman Associates won the bid. Renovation of the school is expected to begin in 2019, and the target completion date is August 15, 2020. Harriman Associates' work will be a percentage of the cost of work of the new construction and the renovation, with a total not to exceed \$1,016,000.

III. BACKGROUND

Please see the Memo from Xavier Botana, School Superintendent, and its attachments dated August 20, 2018.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Improved Portland School facility.

V. FINANCIAL IMPACT

Bonds to pay for the project were approved by Portland voters in the 2017 Referendum.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

Please see the Memo from Xavier Botana, School Superintendent, and its attachments dated August 20, 2018.

VII. RECOMMENDATION

As a communication, this item requires no action from the City Council.

VIII. LIST ATTACHMENTS

Memo from Xavier Botana, School Superintendent, and its attachments dated August 20, 2018.

PLEASE REMEMBER THAT BACKUP ITEMS HAVE TO BE SINGLE SIDED.

Prepared by:

Date: August 22, 2018



PORTLAND PUBLIC SCHOOLS
prepared & empowered

Memorandum

Date: August 20, 2018

To: Jon Jennings, City Manager

From: Xavier Botana, Superintendent

RE: Selection of Architect and Engineering Firm

This is to officially notify you that the school department has secured Harriman as the Architect and Engineering Firm for the Lyseth Renovation Project.

Also attached to the memorandum is the process outline on how the firm was selected along with the fully executed contract with Harriman.

We thank the city for its support with this project.

**CITY OF PORTLAND
ARCHITECT / ENGINEER AGREEMENT**

Comprehensive Scope Consulting Services

An agreement entered into by and between the City of Portland, acting by and through Portland Public Schools, hereinafter called the *Owner* and Harriman hereinafter called the *Consultant*. (The term "Consultant" means the Architect or Engineer individual or firm acting as the Professional-of-Record.)

For the Lyseth Elementary School Renovation and Construction Project in Portland, Maine.

Brief Project Description: See Request for Proposals for A-E Design Services Lyseth Elementary School – RFP #18076, dated May 7, 2018 (the "RFP"), which is incorporated herein by reference.

Brief Scope of Services: See RFP #18076.

The upper limit of Consultant's Compensation including reimbursables and related fees and services: \$ Negotiated (from § 1.1).

Consultant design fee: 7% of Cost of Work for New Construction, 9.5% of Cost of Work for Renovation (from § 1.1).

Budgeted construction cost: \$11,732,800 (from Attachment D – Project Budget).

Budgeted project cost: \$15,250,380 (from Attachment D – Project Budget).

Target Issued for Bid date: 29th January 2019 (from Attachment B – Project Schedule).

Target Substantial Completion date: 15th August 2020 (from Attachment B – Project Schedule).

The Owner and Consultant agree as follows:

ARTICLE 1 COMPENSATION AND PAYMENTS

1.1 The Consultant's Compensation shall not exceed \$ 1,016,000 and shall be computed as the sum of Basic Services, Additional Services, and Reimbursable Expenses, as shown below.

1.1.1 Basic Services Fee (sum of items below) (*Stipulated Sum*)\$985,600.00

.1	Schematic Design Documents	15%	=	\$147,840.00
.2	Design Development Documents	20%	=	\$197,120.00
.3	Construction Documents	35%	=	\$344,960.00
.4	Construction Procurement	5%	=	\$49,280.00
.5	Construction Contract Administration	25%	=	\$246,400.00

The Basic Services Fee for this Project is based on a negotiated fee rate of % of the estimated Cost of the Work (or a negotiated Stipulated Sum equivalent to that rate) and includes the design of Alternate Bid items. When procurement is by the Professional Services Prequalification List, all fees shall total not more than \$25,000 for the entire Project, with a majority of the fee amount allocated to the Prime Consultant.

1.1.2 Additional Services Fee (sum of items below)\$25,000.00

.1	<i>Permitting Services</i>	\$25,000.00
.2	<i>Additional Service, if any (not used)</i>	\$0.00
.3	<i>Additional Service, if any (not used)</i>	\$0.00

Hourly rates shall be included in Attachment A, *Professional Rate Schedule* for use on this Project based on rates negotiated by the Owner and the Consultant. When both Stipulated Sum fees and Hourly Rate fees are used select "Mixed fees, not-to-exceed" for the subtotal fee amount. Additional Services Fees used on a Professional Services Prequalification List project are included in the statutory \$25,000 fee limit.

1.1.3 Reimbursable Expenses (sum of estimated items below).....\$5,400.00

.1	Transportation in connection with this Project and other pre-authorized travel reimbursed at the prevailing State of Maine rate per mile at the time the expense is incurred (no markup allowed)	\$1,400.00
.2	Application fees paid for securing approval of authorities having jurisdiction over the Project (to be paid by owner)	\$0.00
.3	Paper reproductions- excluding those required for submissions to authorities having jurisdiction over the Project or for Consultant's or Sub consultant's in-office use	\$2,500.00
.4	Postage, handling, and delivery of the Instruments of Service	\$1,500.00
.5	Other: <i>none</i>	\$0.00

1.2 Reimbursable Expenses are in addition to compensation for the Consultant's services and include actual, reasonable expenses incurred by the Consultant or its Sub consultants directly related to the Project, not to exceed the amount set forth above without the written approval of the Owner. Compensation for Reimbursable Expenses, except valid travel and subsistence expenses, shall be computed as a multiple of 1.1 times the expenses incurred by the Consultant or its Sub consultants. Compensation for eligible travel and subsistence expenses shall be for the actual expense incurred by the Consultant and its Sub-consultants, without markup. The acceptable maximum per diem may be determined at the website of the State of Maine Office of the State Controller.

1.3 The Consultant shall be reimbursed at cost for the following items, only if each has had prior authorization by the Owner:

1.3.1 Reproductions of drawings and specifications, excluding those required for routine submissions to authorities having jurisdiction, and for the Consultant's in-office use.

- 1.3.2 Reproductions of drawings and specifications and the net expense of associated delivery and handling expenses required for the bidding of the Project. The net expense is defined as the difference between the actual costs to the Consultant less any deposits retained.
- 1.3.3 Application fees paid for acquiring necessary approvals from authorities such as the State Fire Marshal's Office or municipal planning offices.
- 1.3.4 Renderings not included in Basic Services, models, and mock-ups.
- 1.3.5 Transportation and lodging or living expenses incurred by the Consultant in the execution of any special duties in connection with the work.

- 1.4 The Consultant shall be reimbursed as needed according to the following provisions:
 - 1.4.1 Eligible transportation expenses directly related to Basic Services activities shall be compensated at the current State of Maine rate (currently \$0.44 per mile).
 - 1.4.2 Lodging or living expenses and telecommunication expenses associated with Basic Services are the responsibility of the Consultant.
 - 1.4.3 When the services of a Clerk of the Works or Architect's Project Representative is directed by the Owner, compensation shall be computed as a multiple of 1.1 times the expenses incurred for an individual who is a Sub consultant, or as a multiple of not more than 1.5 times the direct salary expense for an individual who is an employee of the Consultant.

- 1.5 Compensation for a change in services of the Consultant or Sub consultants shall be based on the Consultant's Professional Rate Schedule (see Attachment A – *Professional Rate Schedule*), if feasible. Any change of the scope of services and compensation shall be negotiated by the Consultant and the Owner and defined in a fully executed Supplemental Agreement prior to the commencement of such services.

- 1.6 Compensation to the Consultant for design services specific to Alternate Bid items shall be based on the final cost estimate, as follows. For Alternate Bid items accepted and made part of the Construction Contract, the Consultant's Fee shall be 100% of the negotiated fee rate multiplied by the estimated amount for that item [1.00 x (fee rate x estimated dollar value)]. For Alternate Bid items not accepted, that is, not made part of the Construction Contract, the Consultant's Fee shall be 75% of the negotiated fee rate multiplied by the estimated amount for that item [0.75 x (fee rate x estimated dollar value)].

- 1.7 Payment shall be made to the Consultant according to these provisions, or in the event of suspension or cancellation of this Agreement, at a pro-rated or negotiated amount. Consultant's statement of services shall contain sufficient detail and support information for the Owner to evaluate and support the payment requested.
 - 1.7.1 Payments are due and payable twenty-five working days from the date of receipt of a Consultant's invoice which is approved by the Owner.
 - 1.7.2 The Owner shall notify the Consultant in writing of any items submitted but not approved and the reason for non-approval within fifteen calendar days of receipt of the Consultant's invoice.

ARTICLE 2 SCHEDULE

- 2.1 The Consultant shall complete all work of this Agreement according to Attachment B – *Project Schedule*.
- 2.2 The Project Schedule allows for the periods of time required for the Owner's review, for the performance of the Owner's consultants, and for approval of submissions by authorities having jurisdiction over the Project. Time limits established by this schedule approved by the Owner shall not be exceeded by the Consultant or the Owner, except for reasonable cause and by the written approval of the other party.

ARTICLE 3 PROJECT TEAM

3.1 The Owner's designated representative is:

<i>Xavier Botana</i>	<i>Portland Public Schools</i>
<i>Superintendent</i>	<i>353 Cumberland Avenue</i>
	<i>Portland, Maine 04101</i>
<i>Telephone</i>	<i>botanx@portlandschools.org</i>

3.2 The Consultant's designated representatives are:

<i>Mark D. Lee</i>	<i>Harriman</i>
<i>Principal in Charge</i>	<i>46 Harriman Drive</i>
<i>Lisa Sawin</i>	<i>Auburn, Maine, 04210</i>
<i>Project Manager</i>	
<i>207-784-5100</i>	<i>mlee@harriman.com</i>

3.2.1 The Consultant agrees that *Mark Lee, Lisa Sawin or a designated Harriman representative* will be available at all design workshops and public presentations.

3.2.2 The Sub consultants retained at the Consultant's expense are:

<i>.1</i>	<i>Civil Engineering</i>	<i>Sebago Technics</i>
<i>.2</i>	<i>Electrical Engineering</i>	<i>Harriman</i>
<i>.3</i>	<i>Mechanical Engineering</i>	<i>Harriman</i>
<i>.4</i>	<i>Structural Engineering</i>	<i>Harriman</i>
<i>.5</i>	<i>Landscape Architect</i>	<i>Harriman</i>
<i>.6</i>	<i>Cost Estimating Consultant</i>	<i>Preferred Construction Management</i>
<i>.7</i>	<i>Technology Consultant</i>	<i>Edvance</i>
<i>.8</i>	<i>Kitchen Design Consultant</i>	<i>TBD</i>
<i>.9</i>	<i>Acoustical Design Consultant</i>	<i>TBD</i>

ARTICLE 4 CONSULTANT'S RESPONSIBILITIES

4.1 General

4.1.1 The Consultant shall provide appropriate architectural, engineering or other professional consulting services for the Project. The Consultant's services shall be performed expeditiously and consistent with standard professional skill and care and the orderly progress of the Project.

- 4.1.2** The Consultant shall review laws, codes, and regulations applicable to the Consultant's services. The Consultant's work product shall reflect all requirements imposed by authorities having jurisdiction over the Project.
- 4.1.3** The Consultant shall be responsible for any design cost, construction cost, or other cost incurred on the Project to the extent caused by the negligent acts, errors or omissions of the Consultant or its Sub consultants in the performance of work under this Agreement.
- 4.1.4** The Consultant shall maintain the confidentiality of information specifically designated as confidential by the Owner unless withholding such information would violate the law or, create the risk of significant harm to the public. The Consultant shall require its Sub consultants to similarly maintain the confidentiality of information specifically designated as confidential by the Owner.
- 4.1.5** The Consultant shall not engage in any activity nor accept any employment, interest or remuneration that would reasonably appear to compromise the Consultant's professional judgment with respect to this Project.
- 4.1.6** The Consultant shall not enter into any subcontract for the work to be performed under this Agreement without the express written consent of the Owner. This provision shall not apply to contracts of employment between the Consultant and its employees. The Consultant is solely responsible for the performance of work under this Agreement. The approval by the Owner of a Sub consultant under this Agreement shall not relieve the Consultant of their responsibility for the performance of the work.
- 4.2 Project Evaluation**
- 4.2.1** The Consultant shall provide a preliminary assessment of the information provided by the Owner, including the program, schedule and budget requirements of the Project. Based on the assessment, the Consultant shall advise the Owner of any other information needed, or consultant services required, which may be needed to accomplish the Project.
- 4.2.2** The Consultant shall provide prompt written notice to the Owner if the Consultant becomes aware of any errors, omissions or inconsistencies in any services or information provided by the Owner.
- 4.2.3** The Consultant shall prepare a preliminary construction cost estimate of the Cost of the Work in order to confirm the initial cost and program premise of the Project as soon as possible during the Schematic Design Documents phase. This estimate may be based on area, volume or similar conceptual estimating techniques. The Cost of the Work includes the construction cost at current market rates of labor and materials, with all specified features and equipment, plus Contractor overhead and profit for the Project as defined by the Owner and designed by the Consultant. The initial Cost of the Work may eventually be modified by the bidding contingency and project contingency.
- 4.2.4** The Consultant shall update and refine the preliminary construction cost estimate of the Cost of the Work at least one additional time at the end of the Construction Documents phase.

4.2.5 The Consultant shall make recommendations and advise the Owner of any proposed modifications to the design due to the reconciliation of the Project Budget and estimates of the Cost of the Work, at each stage of design.

4.3 Project Administration

4.3.1 The Consultant shall consult with the Owner as necessary, research applicable design criteria, attend Project meetings, communicate with members of the Project team and issue progress reports.

4.3.2 The Consultant shall assist the Owner in filing documents required for the approval of governmental authorities having jurisdiction over the Project which includes the Consultant attending up to two planning board meetings.

4.3.3 The Consultant shall arrange for approvals from the Office of State Fire Marshal on behalf of the Owner.

4.3.4 The Consultant shall coordinate the services provided by the Consultant and its Sub consultants with those services provided by the Owner and the Owner's other consultants.

4.3.5 The Consultant shall recommend updates to the Project Schedule as necessary to reflect changes in time or duration of services provided by the Consultant or items required of the Owner.

4.3.6 The Consultant shall submit design documents to the Owner for purposes of evaluation and approval at intervals appropriate to the design process and consistent with the Project Schedule, Requirements, and Budget. The Consultant shall proceed to subsequent phases only after explicit approval by the Owner. The Consultant shall rely on written commentary and approvals received from the Owner in the further development of the design.

4.3.7 The Consultant shall provide the Owner Record Drawings showing all revisions made during construction. There shall not be any additional costs to the Owner for these modifications to the Drawings.

4.3.8 The Consultant shall preside at design phase meetings, the pre-bid and pre-construction conferences, and monthly construction pay application meetings and provide minutes of those meetings to the Owner and other attendees.

4.4 Design Services

4.4.1 The Consultant's Basic Services shall include normal architectural, landscape architectural and engineering services consistent with the Project Requirements.

4.4.2 The Consultant shall consider the schedule, program, and budget as well as aesthetics and alternative materials, building systems and equipment in developing the design for the Project.

- 4.4.3 The Consultant shall submit Schematic Design Documents to establish the conceptual design of the Project illustrating the scale and relationship of the Project components and indications of major building systems and construction materials.
- 4.4.4 The Consultant shall submit Design Development Documents based on the development of the approved Schematic Design Documents. The Design Development Documents shall establish the scope, relationships, forms, size and appearance of the Project by means of plans, sections and elevations, typical construction details, and equipment layouts. The Design Development Documents shall include outline specifications describing the important items of work including the structural, mechanical, and electric systems, materials and such other items as may be appropriate.
- 4.4.5 The Consultant shall submit Construction Documents based on the development of the previously approved design Documents. The Construction Documents shall have complete and detailed requirements for construction of the Project.
- 4.4.6 The Consultant's estimated construction cost at each phase of a design shall match the Project Budget. The Consultant shall identify the program or design modifications which significantly affect the estimated construction cost at each phase of design.
- 4.4.7 The Consultant shall assure the Owner that the value of the Base Bid design will not exceed the assigned construction contract amount in the Project Budget. Similarly, the value of Alternate Bid designs will not exceed the 5% bid contingency amount in the Project Budget.
- 4.4.8 The Consultant shall assist the Owner in the development and preparation of bidding and procurement documents which include the Drawings and Specifications, General Conditions, sample contract forms, bid forms, and, when required by the Project, Alternate Bids, allowances, construction phasing, Contractor pre-qualification and Filed Sub-bids and other items compiled in the Project Manual.
- 4.5 Construction Procurement**
- 4.5.1 The Consultant shall assist the Owner with arranging for Bidding Documents reproduction and distribution to prospective bidders. The Consultant shall assist in managing the distribution of Documents which includes the recording of plan holder information; recording, holding and returning deposits; and distributing Addenda.
- 4.5.2 The Consultant shall prepare responses to questions and provide clarifications and interpretations of the Bidding Documents to all prospective bidders in the form of Addenda during the bid period.
- 4.5.3 The Consultant shall consider bidder requests for substitutions of products or materials, if permitted in the Construction Documents, and shall provide responses to such requests in the Addenda.
- 4.5.4 The Consultant shall assist the Owner in obtaining bids and conducting bid evaluations for conformity with the Bidding Documents.

- 4.5.5 The Consultant shall participate in the opening of the bids, and documentation and distribution of the bid results, as needed by the Owner.
- 4.5.6 The Consultant shall consult with the Owner regarding the evaluation and validation of bids and the award of a construction contract.
- 4.5.7 The Consultant shall follow the directive of the Owner in the event the lowest bona fide bid or negotiated bid exceeds the budgeted cost of the Work. No additional fee will be allowed for any of the following options unless and only to the extent the Consultant's redesign in option "b" responds to Owner-directed enhanced project scope. The Consultant shall:
- a. redesign the Project as needed to align with the Project budget, including redesign which incorporates the Owner's reduced project scope, or
 - b. redesign the Project as needed to reflect an increased Project budget or
 - c. assist in the re-bidding or renegotiating of the Project, or
 - d. consult with the Owner regarding the implications of terminating the Project.
- 4.5.8 The Consultant shall create a conformance set of documents at the close of the Construction Procurement phase which incorporates all Addenda items generated during that period of time into the drawings and specifications.
- 4.6 Construction Contract Administration**
- 4.6.1 The Consultant shall provide administration of the Contract between the Owner and the Contractor, commencing with the award of the Construction Contract and terminating at the end of the one-year warranty period. The warranty period commences upon the issuance of a Certificate of Substantial Completion. The Consultant shall be entitled to negotiate to an additional fee if the date of Substantial Completion of the Work has been extended by more than twenty percent of the construction project duration through no fault of the Consultant.
- 4.6.2 The Consultant shall review and approve or take other appropriate action upon the Contractor's submittals such as Shop Drawings, Product Data and Samples, but only for the limited purpose of checking for conformance with information given and the design concept expressed in the Contract Documents. The Consultant's action shall be taken with such reasonable promptness as to cause no delay in the Work or in the activities of the Owner, Contractor or separate contractors while allowing sufficient time in the Consultant's professional judgment to permit adequate review.
- 4.6.3 The Consultant shall specify appropriate performance and design criteria related to the systems, materials or equipment used in the Project if the Contract Documents specifically require professional design services or certifications by a third-party professional. The Contractor shall retain the third-party professional. Shop Drawings and other submittals related to the work designed or certified by the third-party professional shall bear the seal and signature of that professional when submitted to the Consultant. The Consultant shall rely upon the adequacy, accuracy, and completeness of the services, certifications or approvals performed by such third-party professionals.
- 4.6.4 If an authority having jurisdiction requires special inspections reporting as an element of code compliance, the Consultant shall perform or oversee the necessary inspections,

provide the report, affix the necessary seals, and otherwise provide all services to satisfy the requirement as part of Basic Services.

4.6.5 The Consultant shall maintain a record of the Contractor's submittals and retain copies of submittals supplied by the Contractor in accordance with the requirements of the Contract Documents.

4.6.6 The Consultant shall provide general site observation visits at intervals appropriate to each stage of the Contractor's operations, or as otherwise agreed by the Owner and the Consultant. The Consultant shall become generally familiar with the progress and quality of the Work, keep the Owner informed about the progress and quality of the Work, endeavor to guard the Owner against defects and deficiencies in the Work, and determine if the Work is being performed in a manner indicating that, when completed, the Work will be in accordance with the Contract Documents.

The Consultant shall not be required to make continuous inspections of the Work. The Consultant shall not be responsible for the Contractor's means, methods, techniques, sequences or procedures of construction, nor for the safety precautions and programs used in the Work. The Contract Documents assign these rights and responsibilities to the Contractor.

4.6.7 The Consultant shall report to the Owner known deviations from the Contract Documents and from the most recent construction schedule submitted by the Contractor. The Consultant, however, shall not be responsible for the Contractor's failure to perform the Work in accordance with the requirements of the Contract Documents. The Consultant shall not be responsible for acts or omissions of the Contractor, Subcontractors, or their agents or employees, or of any other persons or entities performing portions of the Work.

4.6.8 The Consultant shall have authority to reject Work that does not conform to the Contract Documents. The Consultant shall have authority to require inspection or testing of the Work in accordance with the provisions of the Contract Documents, whenever the Consultant considers it necessary or advisable. However, neither this authority of the Consultant nor a decision made in good faith either to exercise or not to exercise such authority shall give rise to a duty or responsibility of the Consultant to the Contractor, Subcontractors, material and equipment suppliers, their agents or employees or other persons or entities performing portions of the Work.

4.6.9 The Consultant shall fairly interpret and decide matters concerning the performance of the Contractor under the Contract Documents upon written request of either the Owner or Contractor. The Consultant's response to such requests shall be made in writing with reasonable promptness.

4.6.10 The Consultant shall review and respond to Requests for Information about the Contract Documents by the Contractor in a timely manner. The Consultant shall provide or

approve the RFI form. The Consultant shall prepare, reproduce and distribute supplemental Drawings and Specifications necessitated by any response.

- 4.6.11** The Consultant shall review requests by the Owner or the Contractor for changes in the Work and make recommendations to the Owner.
- 4.6.12** The Consultant shall not issue any orders for substantial changes in the construction contract unless and until approved in writing by the Owner.
- 4.6.13** The Consultant shall prepare Change Orders and Construction Change Directives for approval by the Owner and for execution in accordance with the Contract Documents. The Consultant may authorize minor changes in the Work consistent with the intent of the Contract Documents which do not modify the Contract Sum or the Contract Time. The Consultant shall prepare and distribute Drawings and Specifications which describe changes in the Work.
- 4.6.14** The Consultant shall develop a proposal for additional services, if necessitated by any proposed Change Order or Construction Change Directive, for approval by the Owner.
- 4.6.15** The Consultant shall maintain records of proposed and approved changes in the Work.
- 4.6.16** The Consultant shall review and certify the Contractor's Applications for Payment and shall issue Certificates for Payment as needed. The Consultant's certification for payment shall be a representation to the Owner that the Work has progressed to the point indicated and that the quality of the Work is in accordance with the Contract Documents, to the best of the Consultant's knowledge, information, and belief. The foregoing representations are subject to
- a. an evaluation of the Work for conformance with the Contract Documents upon Substantial Completion,
 - b. results of subsequent tests and inspections,
 - c. correction of minor deviations from the Contract Documents prior to completion, and
 - d. specific qualifications expressed by the Consultant.
- 4.6.17** The Consultant shall maintain a record of the Contractor's Applications for Payment.
- 4.6.18** The Consultant, Owner, and Contractor shall attend final inspection meetings arranged by the Consultant, after the Project or a designated portion of the Project is evidently complete, for the purpose of verifying the Work complies with the requirements of the Contract Documents. The Consultant shall create a punch list of items to be corrected by the Contractor. The Consultant shall confirm the final completion of the punch list by the Contractor.
- 4.6.19** The Consultant shall, at the completion of the punch list,
- a. determine the date or dates of Substantial Completion and the date of final completion; and

- b. coordinate an informational meeting with the Owner and all appropriate Subconsultants and contractors to review the operation of systems in the building.

4.6.20 The Consultant shall receive from the Contractor and forward to the Owner, for the Owner's review and records,

- a. affidavits, receipts, releases and waivers of liens or bonds indemnifying the Owner against liens;
- b. written warranties and related documents required by the Contract Documents and assembled by the Contractor and Commissioning Agent; and
- c. consent of surety documents, if any, to recommend partial release or full release of retainage.

The Consultant shall issue a final Certificate for Payment based upon an observation that the Work complies with the requirements of the Contract Documents.

4.6.21 The Consultant shall review the Record Drawings prepared by the Contractor for accuracy, requesting modifications as necessary, and shall furnish the final Record Drawings prepared by the Consultant to the Owner in reproducible prints and in a digital format acceptable to the Owner.

4.6.22 The Consultant shall continue Construction Contract Administration services during the one-year warranty period commencing with the date of Substantial Completion. The Consultant shall consult with the Owner prior to the expiration of the one-year warranty to review the facility operations and performance. The Consultant shall make appropriate written recommendations to the Owner, reporting on construction contract deficiencies requiring correction by the Contractor prior to the expiration of the warranty period. The Consultant will inspect and either accept or reject any required remedial action by the Contractor.

ARTICLE 5 OWNER'S RESPONSIBILITIES

5.1 The Owner shall provide full information to the Consultant about the objectives, schedule, constraints and existing conditions of the Project, and shall establish a budget with reasonable contingencies that match the Project requirements. The Owner shall provide design criteria, including space requirements and relationships, special equipment and systems, and site requirements.

5.2 When required by the Project, the Owner shall provide a survey which describes physical characteristics, legal limitations and utility locations for the site of the Project, plus a written legal description of the site. The survey and legal information shall include, as applicable, grades and lines of streets, alleys, pavements and adjoining property and structures; adjacent drainage; rights-of-way, restrictions, easements, encroachments, zoning, deed restrictions, boundaries and contours of the site; locations, dimensions of existing buildings, other improvements and trees. All the information on the survey shall be referenced to a Project benchmark. The Owner may direct the Consultant to obtain the survey and reimburse the Consultant for the cost.

- 5.3 When required by the Project, the Owner shall provide geotechnical engineering services which may include but are not limited to test borings, test pits, evaluations of hazardous materials, ground corrosion tests and resistivity tests, including necessary operations for anticipating subsoil conditions, with reports and appropriate recommendations. The Owner may direct the Consultant to obtain the geotechnical engineering services and reimburse the Consultant for the cost. However, the Consultant shall be responsible as part of Basic Services for the development of the scope of work required to solicit information relative to subsoil conditions for the Project site, pertaining to foundation design and septic system design, if applicable.
- 5.4 The Owner shall provide reasonable access to the Project site in order for the Consultant to perform the Consultant's responsibilities.
- 5.5 The Owner shall communicate about matters relating to the Contract Documents primarily through the Consultant to the Subconsultants and through the Consultant to the Contractor.
- 5.6 The Owner shall manage the Project Budget and inform the Consultant and the Contractor, as necessary, of revisions to the budget. Bid and Project Contingency funds may be expended only with written approval of the Owner.
- 5.7 The Owner shall, in the event the lowest bona fide bid or negotiated bid exceeds the cost of the Work, implement one of the following options by written directive:
- a. instruct the Consultant to revise the Project scope or design as needed to align with the project budget, or
 - b. approve of an increase in the budget for construction, or
 - c. authorize re-bidding or renegotiating of the Project within a reasonable time, or
 - d. terminate the Project.
- 5.8 The Owner shall advise the Consultant of any known Owner-related reviews or approval processes of third parties which the Consultant may not be aware, yet requires the work of the Consultant.
- 5.9 The Owner shall coordinate the services provided by the Owner's other consultants with those services provided by the Consultant and its Subconsultants.
- 5.10 The Owner shall provide timely responses to the Consultant's recommendations and advice. The Owner shall perform all responsibilities as expeditiously as possible, consistent with normal skill and care and the orderly progress of the Project.

ARTICLE 6 INSTRUMENTS OF SERVICE

- 6.1 Drawings, specifications and other documents, including those in electronic form, prepared by the Consultant and its Subconsultants are Instruments of Service for use solely with respect to this Project. The Consultant and its Subconsultants shall be deemed the authors and owners of their respective Instruments of Service and shall

retain all common law, statutory and other reserved rights, including copyrights, except as expressly provided herein.

- 6.2 Upon execution of this Agreement, the Consultant grants to the Owner a non-exclusive, assignable license to reproduce the Consultant's Instruments of Service solely for purposes of
- a. designing, constructing, using and maintaining the Project, provided that the Owner shall comply with all obligations, including prompt payment of all sums when due, under this Agreement;
 - b. completion of the Project if Owner has declared Consultant to be in default, including any modified or different project; and
 - c. any subsequent addition to or renovation of the Project.

The Consultant shall obtain similar non-exclusive licenses from its Sub consultants consistent with this Agreement. In the event the Owner contracts with a different Consultant for the completion of the design and construction of the Project contemplated by the Consultant's Instruments of Service, such use shall be at Owner's sole risk.

- 6.3 Submission or distribution of Instruments of Service to meet official regulatory requirements or for similar purposes in connection with the Project is not to be construed as publication in derogation of the reserved rights of the Consultant and its Sub consultants. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Consultant and its Sub consultants.
- 6.4 Notwithstanding the provisions of this Agreement, the Owner, and the Consultant may, by separate written agreement, set forth specific conditions governing the sharing of electronic data, the format of Instruments of Service, or any third party special limitations or licenses not otherwise provided for in this Agreement.

ARTICLE 7 TERMINATION

- 7.1 This Agreement may be terminated at the Owner's convenience and without cause upon not less than thirty (30) days written notice to the Consultant.
- 7.2 The Owner or the Consultant may terminate this Agreement upon not less than thirty (30) days written notice to the other party should such other party fail to perform in accordance with the material terms of this Agreement. If the Consultant should fail to submit documents under this agreement at times specified herein, or violate any of the stipulations herein, causing the Owner to incur expenses above and beyond those funds allocated in the approved budget, without prior written authorization for such from the Owner, the Owner may elect to terminate this Agreement by giving seven days' notice to them in writing by registered mail, return receipt requested.
- 7.3 The Consultant shall deliver all finished work and all documentation, complete and incomplete, to the Owner in the event of termination. The Consultant shall not be held responsible for modifications to the Consultant's work or work

subsequently completed by others beyond the point of termination and their submittal of documents.

- 7.4 The Consultant shall not be entitled to special or exemplary damages of any kind, including, but not limited to, lost profits, consequential damages, or loss of business in the event of termination for any reason.
- 7.5 The Consultant shall be compensated for services satisfactorily performed prior to termination, with Reimbursable Expenses then due, in the event of termination not the fault of the Consultant.
- 7.6 If the Consultant is unable to continue to the completion of the Project without successors or administrators or assigns competent in the Owner's judgment to carry the work to completion, or if the Owner terminates the contract prior to the completion of the Project due to the Consultant's failure to correct a material breach in its performance, the Owner shall have the right and license to use any and all finished and unfinished work product produced for the Project solely for the purpose of continuing the Project, which licenses and right of use shall in the case of unfinished work product, be at the Owner's sole risk. In such event, the Consultant will be entitled to receive just and equitable compensation for services already satisfactorily performed and approved.

ARTICLE 8 INDEMNIFICATION

- 8.1 The Consultant shall indemnify and hold harmless the Owner and its officers and employees and agents from and against any and all third party claims, including reasonable attorney's fees, for any and all injuries to persons or property, including claims for violation of intellectual property rights, to the extent caused by the negligent acts or omissions of the Consultant, its employees, agents, officers or subcontractors in the performance of work under this Agreement. The Consultant shall not be liable for claims to the extent caused by the negligent acts or omissions of the Owner or for actions taken in reasonable reliance on written instructions of the Owner.
- 8.2 The Consultant shall notify the Owner promptly of all claims arising out of the performance of work under this Agreement by the Consultant, its employees or agents, officers or subcontractors.
- 8.3 This indemnity provision shall survive the termination of the Agreement, completion of the Project or the expiration of the term of the Agreement.

ARTICLE 9 INSURANCE REQUIREMENTS

- 9.1 The Consultant shall provide, with each original of this signed Agreement, an insurance certificate or certificates issued by companies acceptable to the Owner. The Consultant shall submit insurance certificates to the Owner at the commencement of this Agreement and at policy renewal or revision dates. The certificates shall identify the project name and project number, if any, and shall name the Owner as the certificate holder. The submitted forms shall contain a provision that coverage afforded under the insurance

policies will not be canceled or materially changed unless at least ten days prior written notice by registered letter has been given to the Owner.

9.2 The Owner does not warrant or represent that the insurance required herein constitutes an insurance portfolio which adequately addresses all risks faced by the Consultant. The Consultant is responsible for the existence, extent, and adequacy of insurance prior to signing this Agreement.

9.3 The Consultant shall procure and maintain primary insurance for the duration of the Project and, if written on a Claims-Made basis, shall also procure and maintain Extended Reporting Period (ERP) insurance for the period of time that any claims could be brought (see Maine Limitation of Actions statute (14 M.R.S. §752-A)). The Consultant shall ensure that all Subconsultants they engage or employ will procure and maintain similar insurance in form and amount acceptable to the Owner. At a minimum, the insurance shall be of the types and limits set forth herein protecting the Consultant from claims which may result from the Consultant's execution of the Work, whether such execution is by the Consultant or by those employed by the Consultant or by those for whose acts they may be liable. All required insurance coverages shall be placed with carriers authorized to conduct business in the State of Maine by the Maine Bureau of Insurance.

9.3.1 The Consultant shall have Workers' Compensation insurance for all employees on the Project site in accordance with the statutory workers' compensation law of the State of Maine. Minimum acceptable limits for Employer's Liability are:

Bodily Injury by Accident\$500,000
Bodily Injury by Disease\$500,000 Each Employee
Bodily Injury by Disease\$500,000 Policy Limit

9.3.2 The Consultant shall have Commercial General Liability insurance providing coverage for bodily injury and property damage liability for all hazards of the Project including premise and operations, products and completed operations, contractual, and personal injury liabilities. Minimum acceptable limits are:

General aggregate limit.....\$2,000,000
Products and completed operations aggregate.....\$1,000,000
Each occurrence limit\$1,000,000
Personal injury aggregate\$1,000,000

9.3.3 The Consultant shall have Automobile Liability insurance against claims for bodily injury, death or property damage resulting from the maintenance, ownership or use of all owned, non-owned and hired automobiles, trucks, and trailers. The minimum acceptable limit is:

Anyone accident or loss.....\$1,000,000

9.3.4 The Consultant shall have Professional Liability insurance against claims arising out of negligent acts, errors or omissions of the Consultant in rendering or failing to render professional services related to the Project. Minimum acceptable limits are:

Each claim\$1,000,000
Aggregate limit.....\$2,000,000

ARTICLE 10 DISPUTE RESOLUTION

- 10.1** In the event of a dispute between the parties which arises under this Agreement which cannot be resolved through informal negotiation, the dispute shall be submitted to a neutral mediator jointly selected by the parties. The cost of the mediator shall be equally shared by the parties.
- 10.1.1** Either party may file suit before or during mediation if the party in good faith deems it to be necessary to avoid losing the right to sue due to a statute of limitations. If the suit is filed before good faith mediation efforts are completed, the party filing suit shall agree to stay all proceedings in the lawsuit pending completion of the mediation process, provided such stay is without prejudice.
- 10.2** If the dispute is not resolved through mediation, the dispute shall be settled by arbitration, conducted by a single arbitrator mutually acceptable to both parties. If the parties cannot agree on a single arbitrator, the arbitration shall be conducted before a panel of three arbitrators. Each party shall select one arbitrator; the third arbitrator shall be appointed by the arbitrators selected by the parties. The arbitration shall be conducted in accordance with the Maine Uniform Arbitration Act ("MUAA"), except as otherwise provided in this section.
- 10.2.1** The decision of the arbitrators shall be final and binding upon all parties. The decision may be entered in court as provided in the MUAA.
- 10.2.2** The costs of the arbitration, including the arbitrators' fees shall be borne equally by the parties to the arbitration unless the arbitrator orders otherwise.
- 10.2.3** In any arbitration between the Owner and the Consultant, the Owner shall have the right to consolidate related claims between Owner and Contractor.

ARTICLE 11 MISCELLANEOUS PROVISIONS

- 11.1** This Agreement shall be governed by the laws of the State of Maine without regard to its conflicts of laws provisions. Any dispute resolution proceeding shall take place in Portland, Maine unless a different location is mutually agreed.
- 11.2** The Owner and Consultant, respectively, bind themselves, their partners, successors, assigns and legal representatives to this Agreement. Neither party to this Agreement shall assign the contract as a whole without written consent of the other, which consent the Owner may withhold without cause.
- 11.3** Professional Services not covered by this Agreement include, but are not limited to, the unanticipated scope of services revisions due to changes in the scope, quality or budget of the Project.
- 11.4** Suspected toxic or hazardous materials observed on the project site by the Consultant or Subconsultants requires the Consultant to promptly notify the Owner in writing. The Consultant shall not direct the Contractor to expose, disrupt, handle, remove or dispose of such materials.

- 11.5** The Consultant shall provide the Owner with drawings in Adobe Portable Document Format (PDF) and AutoCAD Release 2010 format for all drawings of each phase of development, in addition to the paper copies necessary to review the design. AutoCAD drawings shall be provided complete- without X-references. Bind AutoCAD drawings using the insert option and do not explode the inserted block.
- 11.6** The Owner has the right to use any product or services from this Agreement in a project in the future. Reuse of a product or services for purposes other than as specified in this Agreement without verification or adaptation by the Consultant is done at the sole risk of the Owner.
- 11.7** A written agreement between the Consultant and the Owner shall be created prior to the commencement of any additional services by the Consultant. Such services may include the following, or other services:
- a. fundamental project programming documents or detailed program analysis,
 - b. design changes directed by the Owner after the Owner's written approval of a design phase,
 - c. design changes directed by authorities having jurisdiction over the Project which contradicts the previous direction, through no fault of the Consultant,
 - d. interior design or other furniture, fixtures, and equipment (FF&E) services,
 - e. services for the Maine Department of Environmental Protection permits,
 - f. professional services made necessary by the default of the Contractor,
 - g. professional services made necessary by certain Change Orders, subject to negotiation,
- 11.8** Notwithstanding any other provision of this Agreement, if the Owner does not receive sufficient funds to fund this Agreement or funds are non-appropriated, or if the Owner does not receive legal authority from the Maine State Legislature or Maine Courts to expend funds intended for this Agreement, then the Owner is not obligated to make payment under this Agreement; provided, however, the Owner shall be obligated to pay for services satisfactorily performed prior to any such non-appropriation in accordance with the termination provisions of this agreement and to the extent of legally appropriated funds. The Owner shall timely notify the Consultant of any non-appropriation and the effective date of the non-appropriation.
- 11.9** Reserved.
- 11.10** The Consultant is prohibited from releasing, publishing or allowing publication of narrative, graphics, photographic or artistic representations of the Project unless expressly allowed in writing by the Owner. The Consultant shall not include the Owner's confidential or proprietary information in any project representations if the Owner advises the Consultant in writing of the specific information considered by the Owner to be confidential or proprietary.

Attachment A
PROFESSIONAL RATE SCHEDULE

Personnel	Rate per hour (\$)
Principal	175
Senior Landscape Architect/Senior Urban Designer	130
Senior Engineer.....	130
Senior Project Manager.....	130
Senior Architect	120
Senior Urban Planner	120
Architect/Senior Interior Designer.....	105
Landscape Architect/Urban Designer	105
Engineer	105
Urban Planner	100
Construction Administrator.....	100
QA/QC Specialist.....	100
Graphic Designer	95
Senior Architectural Designer/Senior Engineering Designer	90
Commissioning Agent	90
Architectural Designer/Landscape Designer/Engineering Designer.....	75
Administrative Support.....	60

**Attachment B
PROJECT SCHEDULE**

DESIGN

Approve A/E agreement	8/31/2018	insert comments in this column
Commence Design	9/15/2018	
Schematic Design complete	11/15/2018	Send notice to the municipality
Design Development complete	12/15/2018	
Construction Documents complete	1/15/2019	Request wage determination
Final review comments	1/22/2019	Allow sufficient time prior to bidding
Issued for Bid	1/29/2019	
Filed Sub-bids received	2/26/2019	
GC Bids received	3/12/2019	

CONSTRUCTION

Approve construction contract	4/16/2019	
Construction commences	6/17/2019	
Phased construction complete	N/A	If applicable
Construction complete	7/10/2020	
Building commissioning complete	8/1/2020	
Punch list generated	7/24/2020	
Punch list complete	8/15/2020	

POST-CONSTRUCTION

Certificate of Substantial Completion	8/15/2020	
Move-in	8/15/2020	
Close-out checklist complete	8/15/2020	
Occupancy	8/15/2020	
Post-Occupancy Evaluation	10/15/2020	
One-year Warranty Inspection	8/15/2021	

Insert a target date and comments for each item. Add or remove items as needed.

Revise and reissue this document as new information becomes available.

Attachment C
PROJECT REQUIREMENTS

Insert a written description of the project requirements and the associated scope of services.

See RFP # 18076

**Attachment D
PROJECT BUDGET**

Project name

Lyseth Elementary School Renovation and Construction Project
175 Auburn Street, Portland Maine 04103

Issue Date:

31 August 2018

Part A: Administrative			
1	Property Acquisition	\$0	
2	Solicitations Advertising	\$15,000	
3	Legal or Insurance	\$40,000	
4	Bid Document Printing and Handling	\$0	Reimbursable Expense by Architect
5	Furnishings, Fixtures & Equipment	\$469,315	4% of construction cost estimate
6	Telecommunication Systems	\$351,985	3% of construction cost estimate
7	Security Systems	\$0	Included in construction and technology
8	Percent for Art Program	\$0	1% of construction cost estimate
9	Project Reserves	\$75,000	
10	Bid Contingency	\$0	
11	Project Contingency	\$1,173,280	10% of construction cost estimate
12	Part A Subtotal	\$2,124,580	
Part B: Fees and Services			
13	Architect/Engineer Basic Services Fee	\$985,600	
14	Additional A/E Services Fees	\$25,000	
15	A/E Reimbursable Expenses	\$5,400	
16	Hazardous Materials Removal Design	\$0	
17	Hazardous Materials Removal	\$0	
18	Permitting Fees	\$27,500	
19	Site Environmental Studies	\$0	
20	Land Survey	\$25,500	
21	Soils or Borings Tests	\$20,000	
22	Preconstruction Testing	\$0	
23	Construction Testing	\$15,000	
24	PPS/City Project Manager	\$125,000	
25	Construction Clerk	\$84,000	
26	Owner's Representative	\$80,000	
27	Part B Subtotal	\$1,393,000	
Part C: Construction			
28	Original Contract Amount	\$11,732,800	
29	Cumulative Total of Change Orders	\$0	
30	Part C Subtotal	\$11,732,800	
31	Total Project Cost	\$15,250,380	
	<i>Allocated Amount</i>	<i>\$0</i>	

Revise and reissue this document as new information becomes available.

Attachment D
INSURANCE CERTIFICATES

Consultant's insurance certificates, as required by Section 9.1 herein, are attached.

**CITY OF PORTLAND, MAINE
MEMORANDUM**

To: *Xavier Botana, Superintendent*

From: *Steven J. Stilphen, Director of Facilities Planning, Management, and
Maintenance Portland Public Schools*

Date: *July 19, 2018*

Re: *RFP #18076 – A-E Design Services Lyseth Elementary School*

Proposals to provide A-E Design Services for the Lyseth Elementary School were received from the following Architectural Firms: WBRC Architects-Engineers, Lavallee/Brensinger Architects, Oak Point Associates, ADP Architects, Scott Simmons Architects LLC and Harriman Architects and Engineers.

A selection committee was formed consisting of Advisory Board Review-selection Panelist, Mathew Winch, Jay Norris and Emily Figdor. Portland Public Schools Facilities and Administrative Staff, Steven Stilphen, Douglas Sherwood and Lyseth Principle Lenore Williams.

After an initial review of the submittals by the selection committee, they agreed to interview firms who presented the proposals with the strongest teams and process outlines. It should be noted that this was, in fact, a difficult decision where all the proposals were thoughtful and well prepared.

Interviews were held with Harriman and Oak Point Associates on July 17, 2018, AND WBRC and Lavallee Brensinger on July 18, 2018. Each team was allotted 45 minutes to provide a presentation, a set of questions was asked at the end of each presentation time.

Once the interview process was completed the selection committee evaluated the firms using selection criteria listed below:

- | | |
|---|-----------|
| 1. Firm's Experience/knowledge/team/key personnel | 50 points |
| 2. General Approach | 30 points |
| 3. Vision – focus on pre-k-5 school construction | 20 points |

Note: This was a quality-based selection; the proposed fee will be established once the firm has been selected. The final evaluation scores for them are outlined in the following table.

Firm	Firm's Experience	General Approach	Vision	Total
Harriman	297.5	168.99	105.6	572.09
Lavallee Brensinger	291	133.89	120	544.89
WBRC	280.5	155.19	83	518.7
Oak Point Associates	284	134.79	85.6	504.39

Ultimately it was felt that the Harrimans team's experience in similar project offered the clearest objectives and synergy in their work plan. As well as having solid and extensive project management experience and a fully integrated delivery process that will provide positive benefits to the BFOF project portfolio.

Based on the evaluation process as outlined above, it is the committee's unanimous recommendation to award the contract for the A-E Design Services for the Lyseth Elementary School to Harriman.

The City of Portland School Department would like to express how very fortunate we felt to have such qualified firms interested in partnering with the City of Portland for this project. We greatly appreciate the time, effort and energy put into their proposals and presentations.

Respectfully,
Steven J Stilphen
Lyseth Selection Panel Chair
Steven J. Stilphen
cc: Douglas Ritter Sherwood
Lyseth Selection Panel Co-Chair



City of Portland, Maine

Portland Public Schools

**Request for Proposals for
A-E Design Services
Lyseth Elementary School**

RFP #18076

May 7, 2018

INTRODUCTION

I. Background

The Portland Public Schools (PPS) has received approval from the Portland Board of Public Education to hire an architect-engineering (A-E) firm to design, collaborate on bidding and oversee construction and renovation of Lyseth Elementary School. The scope of services includes data collection; reviewing reports; working in partnership with school staff and others, meetings with stakeholders, facility planning with an emphasis on assessing requirements and providing alternative layouts; and assessing all appropriate costs as the design proceeds to bid. For the purposes of selecting a consulting partner for the Lyseth Renovation Project please consider that at this time we are proposing to invest \$15,731,312 in this project. Project Proposals not based upon a budget of \$15,731,312 may be eliminated from the selection process. This budget was prepared to assume construction beginning in Summer 2019, the Budget as submitted and approved in its entirety can be accessed on the Portland Public School Departments website. The selected firm would then work closely with the City of Portland and Portland Public Schools' staff in preparing the project for advertising and assisting in the evaluation of bids. Upon award, the selected firm would oversee the construction, the occupancy and post-occupancy process leading to the successful completion of the project.

The proposed scope of work is summarized below:

Lyseth Elementary School: Remove modular classrooms. Add Pre-K, Kindergarten, and gifted & talented spaces. Provide adequate ELL, speech, art, music, library, nurse's station and social worker spaces. A separate gym and cafeteria, as well as stage, is required. In addition, upgrade learning technology, plumbing, electrical and fire service systems including fire sprinklers. The selected A-E firm is required to work with the City of Portland's Lyseth-Lyman Moore Campus Circulation, Access, and Parking Improvements Project civil engineering firm of Wright-Pierce on design scope for project continuity.

Building for Our Future

We have conducted multiple facility condition assessments over the past two decades. In May 2009, the New England School Development Council (NESDEC) submitted their long-range facilities planning report which focused on educational programming and highlighted numerous facility deficiencies. The April 2010 Elementary School Capital Needs Task Force (ESCNTF) final report recommended an elementary facilities equity model and provided preliminary estimates to replace Hall School and expand Ocean Avenue Elementary School as well as renovate and expand Longfellow, Lyseth, Peaks Island, Presumpscot and Reiche Community Schools. Another 2010 task force evaluated emergency preparedness and recommended specific security and communications upgrades many of which are currently in place. In November 2012, we hired Oak Point Associates (OPA) to undertake a limited

facility assessment, develop conceptual designs and provide estimates schedules to bring the five remaining (Hall, Longfellow, Lyseth, Presumpscot, and Reiche) mainland schools up to the facilities equity standard. OPA, also, looked at school capacity, enrollment projections and standalone programs. The project became known as Buildings for Our Future. Shortly after their draft report was received by the Portland Board of Public Education, Portland Adult Education moved into lease space at the former Cathedral School and Central Kitchen moved into 92 Waldron Way. By summer 2014, PPS District Office and what is now the Bayside Learning Community had moved into the former Goodwill Building at 353 Cumberland Avenue and we had a master plan (PDT Architects/February 2014) for the Casco Bay High School on the PATHS campus, but only Hall School project was moving forward. Designed by OPA, the new state/local funded school on the Hall School site began construction in late spring 2017. The four remaining mainland elementary schools were reviewed in depth by the School Facilities Adhoc Committee in 2016 with the City Council approving a November 7, 2017 referendum vote and the Portland taxpayers overwhelmingly supporting the renovation and expansion of four elementary schools. All of the above documents are available for review.

II. Summary of Request

The Portland Public Schools is requesting proposals from qualified firms having expertise in the following areas:

1. Facility Planning/Design

In conjunction with Portland Public Schools' and City staff who will describe program requirements and building system parameters, the selected A-E firm(s) shall develop building and system options that optimize program outcomes while minimizing both construction and annual operating costs.

2. Construction Administration

The selected A-E firm(s) shall oversee construction of their project(s) and provide support as required through the end of the one-year warranty period. At the end of the project(s), the owner expects to receive digital records of all as-built drawings; records of training provided to school/city staff; O&M manuals, TAB and other building system commissioning related reports.

III. Submission of Proposal

Complete written proposals shall be submitted in envelopes plainly marked "**PROPOSAL FOR DESIGN SERVICES FOR LYSETH ELEMENTARY SCHOOL FOR THE CITY OF PORTLAND**" and sent or delivered to the Purchasing Office at Portland City Hall, Room 103, 389 Congress Street, Portland, Maine 04101 **no later than 3:00 p.m., Tuesday, June 12, 2018**. A total of six (6) hard copies of each proposal are to be submitted for review along with one (1) electronic pdf on a DVD or thumb drive. Late, unsigned proposals or proposals submitted electronically shall not be accepted. Proposals shall remain open to acceptance for ninety (90) days from their opening.

The **proposal form** shall be signed by an officer or employee having authority to bind the company by his or her signature. Each proposal shall include the legal name of the organization and a statement as to whether or not it is a sole proprietorship, a partnership, a corporation, or any other legal entity. A proposal by a corporation shall give the state of incorporation.

IV. Indemnification

The Awarded Proposer will procure and maintain Automobile Insurance and General Public Liability Insurance coverage in amounts of not less than Four Hundred Thousand Dollars (\$400,000.00) per occurrence for bodily injury, death and property damage, naming the City as an additional insured thereon, and also Workers' Compensation Insurance coverage to the extent required by law. With respect to the General Liability and Automobile Liability Insurance, The Awarded Proposer shall name the City as an additional insured for coverage only in those areas where government immunity has been expressly waived by 14 M.R.S. A. § 8104-A, as limited by § 8104-B, and § 8111. This provision shall not be deemed a waiver of any defenses, immunities or limitations of liability or damages available under the Maine Tort Claims Act, other Maine statutory law, judicial precedent or common law. With respect to the Liability Insurance, The Awarded Proposer will provide the City with a certificate of insurance evidencing such coverage, in this way: certificate must say either: A) "the policy has been endorsed to name the City of Portland as an Additional Insured" and a copy of the endorsement must come to the City of Portland with the certificate, or B) "the policy already includes an endorsement, such as the General Liability Extension Endorsement, by which the City of Portland is automatically made an additional insured." A Certificate which merely has a box checked under "Addl Insr," or the like, or which merely states the City of Portland is named as an Additional Insured, will not be acceptable. The Workers' Compensation insurance shall include an endorsement waiving all rights of subrogation against the City of Portland, its officers or employees. The Awarded Proposer shall furnish the City and thereafter maintain certificates evidencing all such coverages, which certificates shall guarantee thirty (30) days' notice to the City of termination of insurance from an insurance provider or agent.

The City of Portland and Portland Public Schools disclaims any and all responsibility for injury to consultants, their agents, employees or others while examining the sites or at any other time.

V. Questions

All questions must be directed, in writing, to City of Portland Purchasing Office by e-mail (JRL@portlandmaine.gov) or fax (207) 874-8652 and be received no later than ten (10) business days after the proposal is advertised so that all questions can be adequately and properly addressed and sent to each A-E firm showing interest in the project no later than ten (10) business days before the submission date. Any interpretation, correction or change of this document will be made only by the Portland Public Schools in written addendum hereto. Any interpretation, correction or change made in any manner other than the above will not be binding and participants shall not rely thereon.

VI. Compliance with Law

The consultant shall be required to comply with all applicable provisions of Federal, State of Maine and local law, both in its response hereto and in the performance of the services.

VII. Proposal Held Open

No A-E firm shall be permitted to withdraw its proposal for a period of ninety (90) days after the time and date of their opening as set forth above. All proposals shall remain valid and binding during that time. The A-E firm whose proposal is selected for recommendation shall not withdraw its proposal for an additional thirty (30) days from the date of the notice of selection or recommendation.

VIII. Equal Employment Opportunities

Vendor shall comply fully with the Nondiscrimination and Equal Opportunity Provisions of the Workforce Investment Act of 1998, as amended (WIA, 29 CFR part 37); the Nontraditional Employment for Women Act of 1991; title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; Title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR part 37 and all other applicable laws, including the Maine Human Rights Act, ordinances and regulations regarding equal opportunity and equal treatment.

IX. CONFIDENTIALITY

The City of Portland is subject to Maine's Freedom of Access Act (FOAA). Under this law, the City is required to make public information that we receive in the solicitation of proposals. FOAA does, however, have an exception applicable to proprietary information. In the event that you believe that the proposal you submit contains any proprietary information, you must submit such information in a separate sealed envelope to the City along with your sealed proposal. The outside of this envelope must clearly be marked "Proprietary information/confidential." Such proprietary information will only be reviewed by Portland City officials, and only on a "need to know" basis. The City will not disclose such information to a third party without your consent unless it determines that such disclosure is required by law. Prior to disclosing such information, the City will provide you with a reasonable opportunity to seek an injunction or other court order, at your own expense, to prevent such disclosure.

X. The City of Portland's Reservation of Rights

The City of Portland reserves the right to accept or reject any proposal, to negotiate further regarding any terms of the proposals to achieve the best proposal as determined by Portland Public Schools in its sole discretion, should it be deemed in its best interests of Portland Public Schools to do so. Negotiation is intended to result in a contract that is deemed by Portland Public Schools in its sole discretion to be in Portland Public Schools' best interests. Any such negotiations will use the selected proposal as a basis to reach a final agreement, if possible. Portland Public Schools reserves the right to include in the contract for services other terms and conditions not specifically set forth herein. Portland Public Schools reserves the right to waive or disregard any informality, irregularity or deficiency in any proposal received.

Proposals from vendors not registered with the Purchasing Office may be rejected; receipt of this document directly from the City of Portland indicates registration. Should a vendor receive this Request from a source other than the City, please contact 207-874-8654 to ensure that your firm is listed as a vendor for this RFP.

Pursuant to City procurement policy and ordinance, the City is unable to contract with businesses or individuals who are delinquent in their financial obligations to the City. These obligations may include but are not limited to real estate and personal property taxes and sewer user fees. Bidders who are delinquent in their financial obligations to the City must do one of the following: bring the obligation current, negotiate a payment plan with the City's Treasury office, or agree to an offset which shall be established by the contract which shall be issued to the successful bidder.

It is the custom of the City of Portland, Maine to pay its bills 30 days following equipment delivery and acceptance, and following the receipt of correct invoices for all items covered by the purchase order. If your organization prefers to receive payment via electronic transfer rather than by check, please see the web link below* and include that EFT form with your bid submission. In submitting bids under these specifications, bidders should take into

account all discounts; both trade and time allowed in accordance with this payment policy and quote a net price. The City is exempt from the State's sales and uses tax as well as all Federal excise taxes.

* <http://www.portlandmaine.gov/DocumentCenter/Home/View/817>

May 7, 2018, Matthew F. Fitzgerald
Purchasing Manager

XI. SCOPE OF SERVICES

The following Scope of Services is provided as a basic guideline to consultants. A-E firms are encouraged to suggest modifications based on their own experiences and knowledge.

1. Review previous studies, reports and related information including enrollment data
2. Interview appropriate Portland Public Schools' (PPS') and City of Portland staff to determine facility requirements
3. Develop floor plans for each project that optimize program outcomes while minimizing costs
4. Share options with PPS' staff and others as appropriate
5. Determine the best method to cost-effectively accommodate each activity/program at each school based on available data
6. Review plan(s) with PPS staff
7. Finalize plan(s) and provide School Board review
8. Produce all drawings, plans, and other materials as required for presentations and reports including schematic and concept design estimate for each project, school capacities, and best construction phasing.
9. Prepare projects for bidding and assist the owner in evaluating bids.
10. Provide construction administration through the end of the warranty period (typically 12 months after project acceptance)
11. The firm selected to provide design, bid and construction administrative services for this project could be awarded a follow-on project to provide the same services for initial design and project sequencing for the next City of Portland/Portland Public Schools' elementary school(s) renovation and/or expansion project(s).

XII. PROPOSAL REQUIREMENTS

1. Each proposal shall have a statement of the A-E firms' understanding of the project.
2. Each proposal shall describe the A-E firm's general approach and the methods the A-E firm would employ to accomplish this project. The A-E firm shall indicate what expectations will be placed on the school administration to ensure that the work is completed. A-E firms selected for an interview will be asked to estimate the time they expect the work to take and to provide the hourly rates for those involved. This information shall be provided in sufficient detail to enable the review of proposals described in paragraph XIII.
3. Each proposal shall describe the A-E firm's/team's experience on similar projects.
4. Each proposal shall include resumes of the A-E firm's/team's key personnel, including those directly involved with the project.
5. Each proposal shall include a statement of the projected workload of the firm during the period of this effort.
6. References.
7. Standard form 254.

XIII. SELECTION CRITERIA

1. The City of Portland and Portland Public Schools' staff will review all proposals and reserves the right to accept or reject any and all proposals.

SELECTION CRITERIA	MAXIMUM POINTS
Firm's experience/knowledge/team/key personnel	50
General Approach	30
Vision - focus on pre-K-5 school construction	20

XIV. PROCESS

1. A screening committee shall review and evaluate all proposals submitted.
2. The top A-E firms/teams as determined by the screening committee shall make an oral presentation to the interview selection committee.
3. The selected A-E firms will be placed in rank order and negotiations will begin with the top-ranked firm(s). The Portland Public Schools reserves the right to negotiate with the selected A-E firm(s) as to the scope of services and price. The fees, man-hour estimates, and details of the scope of services are all subject to negotiation. In the event that the negotiations with the selected A-E firm fail to result in an acceptable fee or terms, the Portland Public Schools will make written notification to that firm that the negotiations are terminated and will then invite the next ranking firm to negotiate an agreement.

XV. REFERENCE MATERIALS – available upon request

1. Elementary Facilities Task Force (EFTF) reports
2. 2009 NESDEC report
3. 2010 ESCNTEF report
4. Buildings for Our Future 2013 report
5. Facilities Assessment of School Buildings - February 2017
6. City of Portland Contract Drawings Lyseth-Lyman-Moore Campus Circulation, Access, and Parking Improvement

PROPOSAL FORM

**Request for Proposals for
A-E Design Services
Lyseth Elementary School
RFP #18076**

***** PLEASE ATTACH THIS SHEET TO THE FRONT OF YOUR PROPOSAL *****

The undersigned hereby declares that he/she or they are the only person(s), firm or corporation interested in this proposal as principal, that it is made without any connection with any other person(s), firm or corporation submitting a proposal for the same, and that no person acting for or employed by the City of Portland is directly or indirectly interested in this proposal or in any anticipated profits which may be derived therefrom.

The undersigned hereby declares that they have read and understood all conditions as outlined in this Request for Proposals and that the proposal is made in accordance with the same.

The proposer acknowledges the receipt of Addenda numbered: _____

COMPANY NAME: _____

AUTHORIZED SIGNATURE: _____

DATE: _____

PRINT NAME & TITLE: _____

ADDRESS: _____

E-MAIL ADDRESS: _____

PHONE NUMBER: _____

FAX NUMBER: _____

TYPE OF ORGANIZATION - PARTNERSHIP, CORPORATION, INDIVIDUAL, OTHER:

STATE OF INCORPORATION, IF APPLICABLE: _____

FEDERAL TAX IDENTIFICATION NUMBER (Required): _____

NOTE: Proposals must bear the handwritten signature of a duly authorized member or employee of the organization submitting a proposal.

Tab 10 - 95-18

Order 26-18/19

Motion to postpone to September 5, 2018: 9-0 on 8/13/2018

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPROPRIATING
HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDS
IN THE AMOUNT OF \$300,000 TO THE
AVESTA HOUSING DEVELOPMENT CORPORATION
RE: 977 BRIGHTON AVENUE APARTMENTS**

ORDERED, that the amount of \$300,000 in Home Investment Partnerships (HOME) Program funds is hereby appropriated to the Avesta Housing Development Corporation for development costs for 977 Brighton Avenue Apartments ; and

BE IT FURTHER ORDERED, the City Manager or his or her designee is authorized to execute any and all documents necessary to apply for, accept and appropriate the grant, and otherwise carry out the intent of this order.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Anita LaChance, Sonia Bean, Danielle West-Chuhta, Nancy English, Julianne Sullivan

FROM: **Planning and Urban Development Department
Housing and Community Development Division**

DATE: **July 5, 2018**

SUBJECT: **Order Authorizing Financial Assistance in the amount of \$300,000 in HOME Program Funds to the Avesta Housing Development Corporation Project entitled 977 Brighton Avenue Apartments**

SPONSOR: **Jill Duson, Chair, Housing Committee
(June 27, 2018; voted 3-0 in favor)**

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading July 16, 2018 Final Action August 13, 2018

Can action be taken at a later date: Yes No (If no why not?)

**PRESENTATION: (List the presenter(s), type and length of presentation)
Mary Davis, HCD Division Director will be available to answer any questions**

I. ONE SENTENCE SUMMARY

Avesta Housing Development Corporation (AHDC) is proposing to construct 40 1-bedroom units for seniors (55+). The development will include 6 units at market rate, 24 units affordable to households at or below 50% of the area median income and 10 units affordable to households at or below 60% of the area median income. AHDC is requesting financial assistance from the City in the form of (1) a HOME Loan in the amount of \$300,000 and (2) Affordable Housing TIF (AHTIF) to assist with the project.

The HOME loan request is detailed in this memo. The AHTIF request is discussed in a separate memo.

II. AGENDA DESCRIPTION

Avesta Housing Development Corporation (AHDC) is proposing to construct 40 1-bedroom units for seniors (55+) on a site they own located at 977 Brighton Avenue. The development will include:

977 Brighton Avenue		
1-Bedroom Units (40)	at or below 50% area median income	24
	at or below 60% area median income	10
	Market Rate	6
Total Units		40

Eight (8) units will have project based rental assistance. As stated in the developer's application:

"The 0.73-acre site currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction. The project consists of one 4-story building, placed at the front of the property so as to create maximum active street frontage. There will also be a parking lot of 32 cars and an external gathering area or patio for residents. Vegetative screening will be used to create a level of privacy for residents."

AHDC has requested two forms of financial assistance.

- (1) HOME funds request: \$300,000, 0% interest rate loan, deferred for 30 years.

Total City HOME Investment of \$300,000/unit - \$7,500.

Total City HOME Investment of \$300,000/affordable unit = \$8,824.

- (2) Affordable Housing Tax Increment Financing (AHTIF). The AHTIF request was presented as first read on the June 18 council agenda and as a second read with council action on the July 16 council agenda. If approved, the Affordable Housing TIF financing will be provided through a Credit Enhancement Agreement at 75% of the increased taxable value, currently estimated at a 30-year annual average of \$65,150, with an estimated total of \$1,954,486 in captured revenue returned to the developer to off-set project operating costs. The proposed project will be taxable with an estimated annual assessment of \$3,200,000 and estimated annual taxes of \$69,280. The remaining increased taxable value will be general fund revenue. TIF projections and proposed district map are included in the backup to this memo.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer is an experienced developer and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below.

The third party underwriting report makes the following recommendations:

Subject to availability of funding, a HOME loan in the amount of no more than \$300,000, at zero percent interest, deferred for 30 years.

The HOME Affordable Housing Development Application made funding available in the amount of \$1,080,174. The City received four applications requesting \$1,741,540 in funding.

The staff recommendation to the Housing Committee did not include HOME funding for the project at 977 Brighton Avenue. The staff recommendation to the Housing Committee included funding for Deering Place at an additional \$200,000, Front Street at \$510,174 and 178 Kennebec Street at \$370,000.

The Housing Committee voted to recommend HOME funding for Deering Place at an additional \$200,000, Front Street at \$580,174, 178 Kennebec Street at \$0 and 977 Brighton Avenue at \$300,000.

III. BACKGROUND

Avesta purchased the site in 2015. The development site contains eight contiguous lots in the Nasons Corner neighborhood and currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction.

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED

Increase access to rental and ownership housing that is safe and affordable for working and low-income families.

V. FINANCIAL IMPACT

The property is currently assessed at \$291,100. When completed the project's estimated tax assessed value is \$3.2 million. HOME funds: \$300,000, at zero percent interest, deferred for 30 years.

Total City HOME Investment of \$300,000/unit - \$7,500.

Total City HOME Investment of \$300,000/affordable unit = \$8,824.

Tax Increment Financing request: If approved, the Affordable Housing TIF financing will be provided through a Credit Enhancement Agreement at 75% of the increased taxable value, currently estimated at a 30-year annual average of \$65,150, with an estimated total of \$1,954,486 in captured revenue returned to the developer to off-set project operating costs. The proposed project will be taxable with an estimated annual assessment of \$3,200,000 and estimated annual taxes of \$69,280. The remaining increased taxable value will be general fund revenue.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party

analysis is attached. The report indicates that the developer is well positioned to secure the remaining financing needed to move forward with this project and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below. With that being said, the third party report makes the following recommendations:

Subject to the availability of funding, a HOME loan in the amount of no more than \$300,000, at zero percent interest, deferred for 30 years, with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Satisfactory review of relocation budget.
3. Satisfactory appraisal

As part of the Maine State Housing Authority's (MSHA) Qualified Allocation Plan (QAP) application due in February, the developers will need letters of commitment of support for their projects prior to the QAP submission deadline. If the Council agrees with the Housing Committee's recommendation, this letter would include the recommendations of the third party underwriter and be conditioned on the completion of the following additional requirements:

1. The commitment will be subject to compliance with all HOME Program regulations including, but not limited to, satisfactory underwriting analysis, cost allocation, designation of HOME units and compliance with the new HOME Final Rule (effective August 23, 2013) and the Consolidated and Further Continuing Appropriations Acts of 2012 and 2013.
2. The commitment will include the requirement that the environmental review process be satisfactorily completed. The City's agreement to provide funds will be conditioned on the determination to proceed with, modify or cancel the project based on the results of the environmental review.
3. Commitment of funds to be stated as "an amount up to the funding request based on maximization of LIHTC equity raise", to ensure that the City's contribution is leveraged to the maximum extent possible.
4. If applicable, documentation acceptable to the City that the acquisition cost is reasonably related to market value. This is a HOME Program requirement.
5. Commitment should be subject to the projections and assumptions noted in the project budgets and pro-forma submitted, for both HOME and TIF funding, and the City reserves the

right to reconsider and adjust their commitment if any significant alterations occur in the budget. A final commitment will be subject to a final budget.

6. Any substantial changes to the composition of the project, or the financial investment required, will be brought back to the Housing Committee and the City Council for review and approval.

A recommendation for City HOME funding by the City Council is not the same as approval of the overall project. After carefully weighing the potential benefits and impacts on the City and surrounding neighborhood against the standards in the Land Use Ordinance, the Planning Board will ultimately determine if a project meets those standards. Any funding awarded will be contingent on the project's final approval by the Planning Board.

VII. RECOMMENDATION

Approval by the City Council of the Housing Committee's recommendation of HOME funding in the amount of \$300,000 at zero percent interest, with repayment deferred for 30 years.

VIII. LIST ATTACHMENTS

Excerpt HOME Application Information for 977 Brighton Avenue
Third Party Underwriting Analysis

Prepared by: Mary P. Davis, HCD Division Director
Date: July 5, 2018



City of Portland HOME Funds Application

Project: 977 Brighton Avenue Apartments

Avesta Housing is requesting \$300,000 of HOME funds from the City of Portland for our 977 Brighton Avenue Apartments project ("977 Brighton") at 977 Brighton Avenue in Portland, Maine.

The development involves the new construction of 40 1-bedroom rental apartments for seniors (55+ years of age), in one 4-story building. 34 of the apartments will be affordable and 6 will be market rate. 24 units will be affordable to households at or below 50% of area median income and 10 will be affordable to households at or below 60% of area median income. Portland Housing Authority has awarded project-based rental assistance to eight of the units at the project. All units with affordability restrictions will have a utility allowance factored into the tenant rent payment.

977 Brighton represents an opportunity to create much-needed affordable senior housing in an accessible location within Portland. The development site contains eight contiguous lots located in a highly walkable area in the Nasons Corner section of Portland. The project is located near many amenities and services, making it a prime location for housing; retail stores, a pharmacy, trails and restaurants are all located within a half mile. The site is also located within a tenth of a mile to a bus stop on the extensive Portland public transportation bus system, connecting residents with Portland's downtown as well as adjoining communities.

See the attached maps for more information about the project's siting within the City and relative to numerous nearby amenities.

As shown in the attached pictures, the 0.73-acre site currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction. The project will consist of one 4-story building, placed at the front of the property so as to create maximum active street frontage. There will also be a parking lot for 32 cars and an external gathering area or patio for residents. Vegetative screening will be used to create a level of privacy for residents. Storm water management systems will be used to ensure that the project does not adversely impact the vicinity of the subject parcel. Avesta will work with City staff and the Planning Board to ensure that the design of the project is consistent with neighborhood design characteristics.

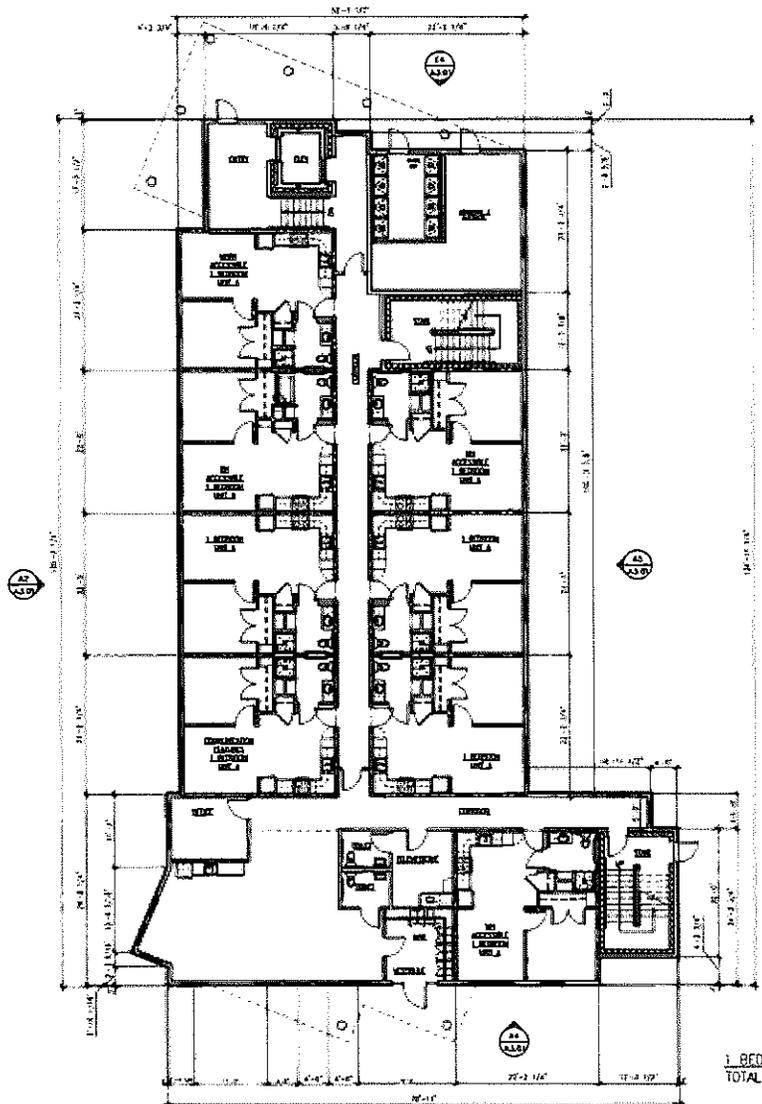
Each apartment will be approximately 600 square feet and all accessibility requirements will be met. Additional amenities will include on-site laundry, a health room, a community room and resident service coordination.

977 Brighton Avenue Apartments will continue Avesta Housing's commitment to construct and manage buildings designed to maximize energy performance, minimize adverse environmental impacts, provide healthy living spaces, conserve natural resources, and promote smart growth and sustainable development. All requirements of the City of Portland's Green Building Ordinance will be met. Additionally, as alluded to in the attached information provided by the property manager, Avesta Housing Development Corporation, smoking at the project will be prohibited and educational materials on tobacco treatment programs will be provided to tenants.

These affordable units at 977 Brighton Avenue come at a critical time for the City. Vacancies in Portland are at historic lows while rents remain too high for thousands of local renter households. In 2017, Avesta alone received requests for affordable housing from nearly 3,800 households (over 1,300 of which were senior-led households) but was only able to provide housing to 393.

977 Brighton Avenue Apartments will create much-needed senior affordable rental housing in an area of the city that is rich with transit, services, and neighborhood amenities.





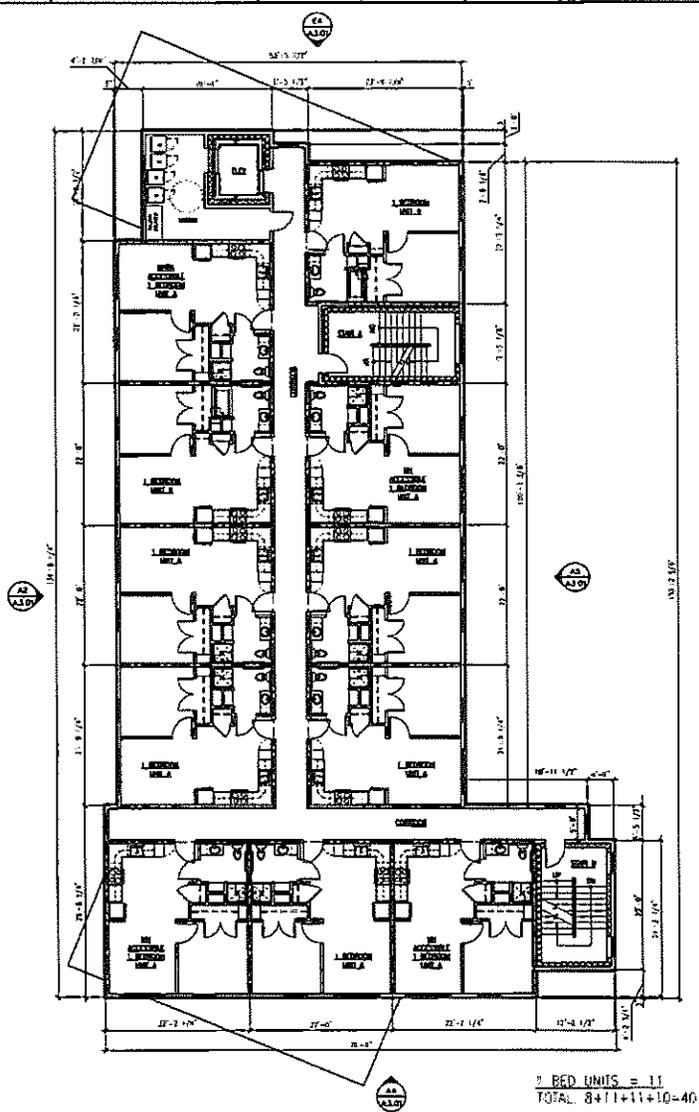
1 BED UNITS = 40
 TOTAL 1ST FL = 8

ALL DIMS GIVEN UNLESS OTHERWISE NOTED FOR APPROVAL OR
 RECORD. DIMS GIVEN IN PARENTS OR BRACKETS ARE DIMS TO FACE UNLESS
 OTHERWISE NOTED. ALL DIMS MUST COMPLY WITH ALL APPLICABLE
 REGULATIONS.

FIRST FLOOR PLAN 7684 SQ. FT.

AS FIRST FLOOR PLAN
 DERIVED FROM YEAR: 01/11/17

CWS ARCHITECTS <small>134 Coakley Avenue, Suite 101, Springfield, MA 01102 413.733.7333 FAX 413.733.7334</small>																					
DESIGNER CWS ARCHITECTS <small>134 Coakley Avenue, Suite 101 Springfield, MA 01102 413.733.7333 FAX 413.733.7334</small>	OWNER AVESTA 977 BRIGHTON LP 20 AVESIA HOUSING <small>1000 Washington St., Suite 200 Springfield, MA 01102</small>																				
PROJECT 977 BRIGHTON AVE SENIOR APARTMENTS	DRAWING FIRST FLOOR PLAN																				
REVISIONS <table border="1"> <tr><td> </td><td> </td></tr> </table>																					DRAWING NUMBER A1.10 SCALE AS NOTED DATE 12/17/2017



7 BED UNITS = 11
 TOTAL 8+11+11+10=40

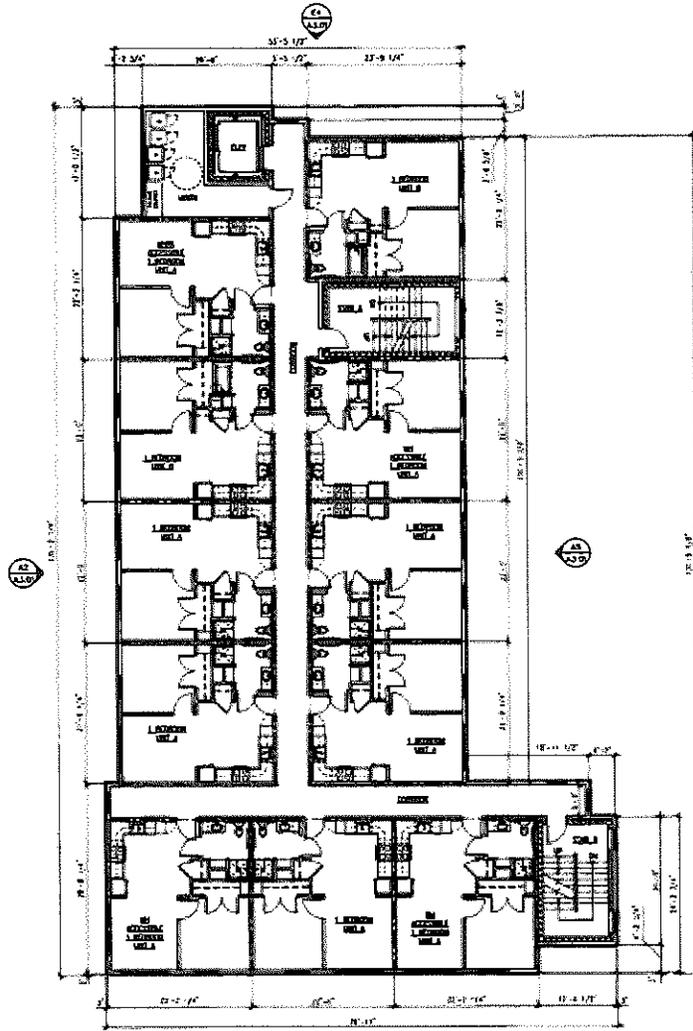
SECOND FLOOR PLAN
 7684 SQ. FT.

ALL UNITS SHOWN WITH THE SAME LAYOUT FOR COMPARISON OR ACCESSIBLE UNIT. DIMENSIONS OF ACCESSIBLE UNIT QUANTITY AND LAYOUT TO BE PROVIDED WITH APPROVAL AS UNITS MEET BUILDING REQUIREMENTS



A5 SECOND FLOOR PLAN
 REFERENCED FROM SCALE 1/8" = 1'-0"

CWS ARCHITECTS <small>10000 10TH AVENUE, SUITE 100, DENVER, CO 80202</small>		DESIGNER CWS ARCHITECTS <small>10000 10TH AVENUE, SUITE 100, DENVER, CO 80202</small>																		
PROJECT 977 BRIGHTON AVE SENIOR APARTMENTS <small>10000 10TH AVENUE, SUITE 100, DENVER, CO 80202</small>		OWNER AVESTA 977 BRIGHTON LP c/o AVESTA HOUSING <small>10000 10TH AVENUE, SUITE 100, DENVER, CO 80202</small>																		
DRAWING SECOND FLOOR PLAN <small>10000 10TH AVENUE, SUITE 100, DENVER, CO 80202</small>		DATE 12/21/2017																		
REVISIONS <table border="1"> <tr><td> </td><td> </td><td> </td></tr> </table>																				
DRAWING NUMBER A1.20		SCALE AS NOTED																		
DATE 12/21/2017		DATE 12/21/2017																		





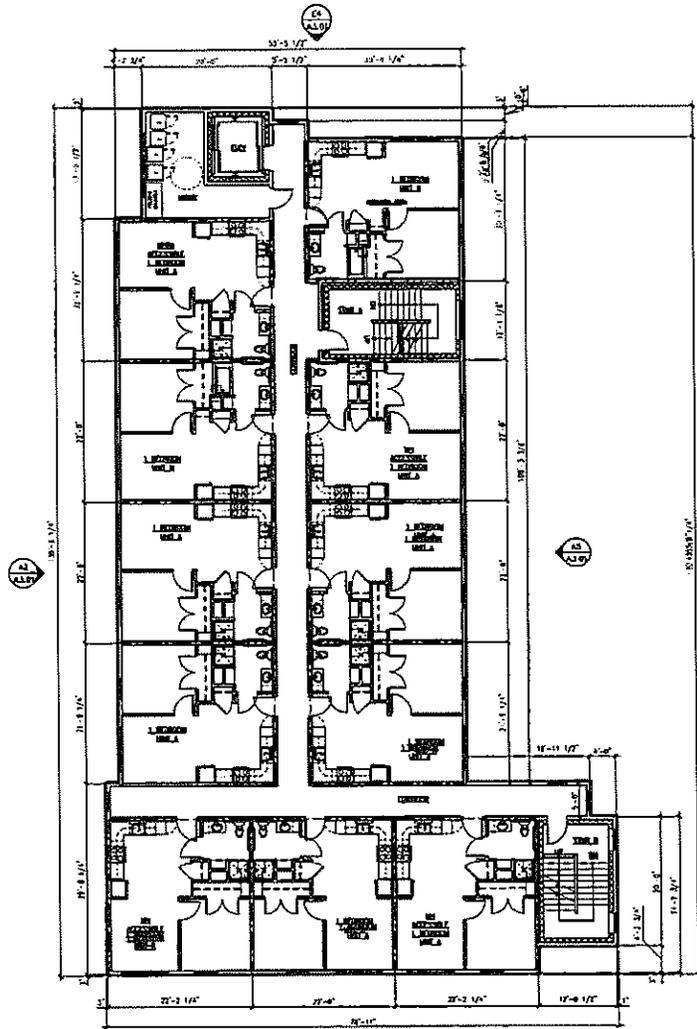
 THIRD FLOOR PLAN
 7684 SQ. FT.

ALL UNITS DESIGNED WITH THE SAME TARGET FOR APPROVAL OF
 OCCUPANCY. THE PROVISIONS OF ACCESSIBILITY USE QUANTITY AND LOCATION
 TO BE PROVIDED WITH APPLICATION. ALL UNITS MEET MINIMUM
 REQUIREMENTS.

A5 THIRD FLOOR PLAN

SCALE: 1/8" = 1'-0"

CWS ARCHITECTS <small>ARCHITECTS • INTERIOR DESIGN</small> <small>414 Cambridge Avenue, Apartment 2010 Cambridge, MA 02142 Tel: 617.252.1111 Fax: 617.252.1112 www.cwsarch.com</small>		DESIGNER																					
OWNER AVESTA 977 BRIGHTON LP c/o AVESTA HOUSING <small>1000 Beacon Street, Suite 200 Brighton, MA 02135 Tel: 617.764.1111 Fax: 617.764.1112 www.avesta.com</small>		PROJECT 977 BRIGHTON AVE SENIOR APARTMENTS <small>1000 Beacon Street, Suite 200 Brighton, MA 02135 Tel: 617.764.1111 Fax: 617.764.1112 www.avesta.com</small>																					
DRAWING THIRD FLOOR PLAN		REVISIONS <table border="1" style="width: 100%; height: 100px;"> <tr><td> </td><td> </td></tr> </table>																					
DRAWING NUMBER A1.30		SCALE AS NOTED <small>DATE: 12/21/2011</small>																					





 FOURTH FLOOR PLAN
 7684 SQ. FT.

ALL UNITS CHECKED WITH THE STATE LICENSE FOR OCCUPANCY OR
 ACCESSIBLE UNIT. VERIFICATION OF ACCESSIBLE UNIT SAFETY AND LICENSE
 TO BE PROVIDED WITH APPROVAL. ALL UNITS MEET BACKGROUND
 REQUIREMENTS.



A5 FOURTH FLOOR PLAN
 SCALE: 1/8" = 1'-0"

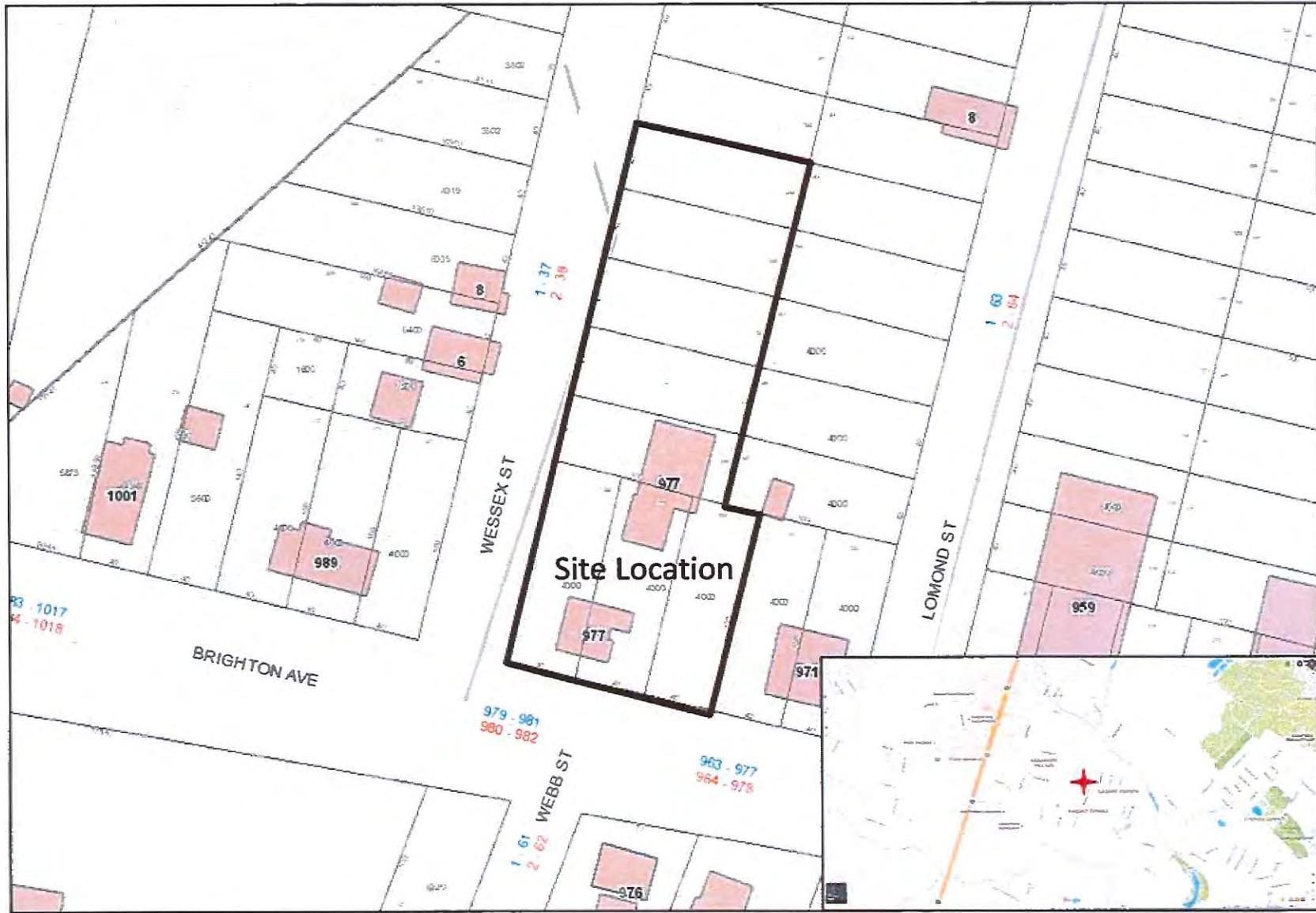
CWS ARCHITECTS <small>241-1117-5111 1000 1/2 AVENUE, SUITE 200 NEWTON, MASSACHUSETTS 02459</small>																					
DESIGNER CWS ARCHITECTS <small>1000 1/2 AVENUE, SUITE 200 NEWTON, MASSACHUSETTS 02459 TEL: 214-1117-5111 FAX: 214-1117-5112</small>	OWNER AVESTA 977 BRIGHTON LP C/O AVESTA HOUSING <small>1000 1/2 AVENUE, SUITE 200 NEWTON, MASSACHUSETTS 02459</small>																				
PROJECT 977 BRIGHTON AVE SENIOR APARTMENTS <small>1000 1/2 AVENUE, SUITE 200 NEWTON, MASSACHUSETTS 02459</small>	DRAWING FOURTH FLOOR PLAN																				
REVISIONS <table border="1"> <tr><td> </td><td> </td></tr> </table>																					DRAWING NUMBER A1.40 SCALE: AS NOTED DATE: 12/21/2017

977 BRIGHTON AVENUE APARTMENTS

Project Completion Schedule

Activity	Actual/Scheduled Date Month/Year
A. SITE	
Option/Contract	07/13/15
Site Acquisition	10/06/15
Municipal Approval	06/01/18
B. FINANCING	
Construction Loan Commitment	09/01/18
Permanent Loan Commitment	09/01/18
Other Sources Committed	12/01/18
C. PLANS AND SPECIFICATIONS	
50%	02/01/19
90%	03/01/19
100%	04/01/19
D. CONSTRUCTION LOAN CLOSING	05/01/19
E. CONSTRUCTION START	05/01/19
F. SUBSTANTIAL COMPLETION	05/01/20
G. COMPLETION OF CONSTRUCTION	06/01/20
H. LEASE-UP	
Lease-up Begins	05/01/20
Sustained (95%) Occupancy	11/01/20

977 Brighton Avenue, Portland, Me.



PROJECT NAME: 977 Brighton Avenue
 LOCATION: Portland

Date: 04/30/18

DEVELOPMENT ASSUMPTIONS						
Total Units		40	Inflation Adjustments	Yr 1-5	Yr. 6-15	Yr. 16-30
# @ 50% AMI (PBVs)	20.0%	8	Rent	2.00%	2.50%	2.00%
# @ 50% AMI (LIHTC/High HOME)	40.0%	16	Operating Expense	3.00%	3.00%	3.00%
# @ 60% AMI (LIHTC/High HOME)	0.0%	0	Other Income	2.00%	2.50%	2.00%
# @ 60% AMI (LIHTC)	25.0%	10	Debt Coverage Ratio	0.00		
# @ Market	15.0%	6	Vacancy	5%		
Appraised Market Value			Market Value/Unit			

4,590,846

LIHTC Alloc	638,000
Equity yield	0.830
Synd. %	99.99%
Equity Raise	5,294,870

Historic Credit FED	0
Equity yield	0.99
Synd. %	99.99%
Equity Raise	0

Number of Tax-payers	1
Historic Credit STATE	0
Equity yield	0
Synd. %	99.99%
Equity Raise	0

Total Equity	5,294,870
--------------	-----------

Gross Square Footage	0
Construction Cost/Sq ft	\$0

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PRO FORMA DEVELOPMENT BUDGET				
	Residential	Per Unit	Commercial	Total
Site Improvements	572,194	14,305		572,194
Construction	5,227,444	130,686		5,227,444
Solar	0	0		0
General Requirements	0	0		0
Builder Overhead	0	0		0
Builder Profit	0	0		0
Bond Premium	0	0		0
Construction Contingency	5% 289,982	7,250		289,982
Subtotal Construction Costs	6,089,620	152,240	0	6,089,620
Building Permits and Fees	81,936	2,048		81,936
Survey & Engineering	38,000	950		38,000
Architectural & Design	461,000	11,525		461,000
Legal	65,000	1,625		65,000
Title & Recording	5,885	147		5,885
Accounting	10,000	250		10,000
Construction Period Tax	12,000	300		12,000
Construction Period Insurance	12,000	300		12,000
Subtotal Soft Costs	685,821	17,146	0	685,821
Construction Loan Origination Fees	10,000	250		10,000
Construction Loan Interest	157,266	3,932		157,266
Letter of Credit Fee	3,630	91		3,630
Escrow Agent Fee	0	0		0
Perm Loan Commitment Fee	10,000	250		10,000
Construction Lender Legal	12,000	300		12,000
Subtotal Finance Costs	192,896	4,822	0	192,896
Market Survey	3,500	88		3,500
Appraisal	6,200	155		6,200
Environmental	12,700	318		12,700
LIHTC Fees	40,000	1,000		40,000
Soft Cost Contingency	25,000	625		25,000
3rd Party Consultants	18,000	450		18,000
FF&E	61,000	1,525		61,000
Subtotal Miscellaneous	166,400	4,160	0	166,400
Acquisition: Buildings	0	0		0
Acquisition: Land	280,000	7,000		280,000
Carrying Costs	0	0		0
Subtotal Acquisition	280,000	7,000	0	280,000
Operating Deficit Escrow	141,859	3,546		141,859
Pre-funded Replacements	52,274	1,307		52,274
Tax & Insurance Escrow	28,500	713		28,500
Developer Overhead	487,500	12,188		487,500
Developer Profit	0	0		0
Marketing & Rent-Up Reserve	40,000	1,000		40,000
Subtotal Fee and Reserves	750,133	18,753	0	750,133
Total Development	8,164,870	204,122	0	8,164,870

Notes:

MAXIMUM DEVELOPER FEE AVAILABLE	650,000
ACTUAL DEVELOPER FEE	1,208,430
% OF MAXIMUM DEVELOPER FEE	185.9%
NET DEVELOPER FEE COLLECTED	1,208,430
% OF MAXIMUM DEVELOPER FEE	185.9%

7,983,011

199,575

< 175000 = 4PTS

FLOW OF FUNDS

Sources	CLC	During Construction				PLC	Mar-21	Aug-21	Total
	May-19	Jul-19	Oct-19	Jan-20	Apr-20	Jul-20			
Beginning Cash	0	0	0	0	0	0	0	0	0
Capital Contribution	1,058,974		1,058,974			2,956,922	170,000	50,000	5,294,870
Construction Loan	406,143	1,272,405	213,431	1,522,405	1,522,405				4,936,788
GP Bridge Loan									0
MSHA Subsidy									0
MSHA Amortizing Mortgage						0			0
AHP Grant	0	250,000	250,000						500,000
AHP Loan						2,070,000			2,070,000
City HOME	0	0				300,000			300,000
Solar Equity	0	0				0			0
Other: Sponsor Loan	0								0
Other									0
Development Fee Loan	0								0
TOTAL SOURCES	1,465,117	1,522,405	1,522,405	1,522,405	1,522,405	5,326,922	170,000	50,000	13,101,659
Uses									
Acquisition	280,000								280,000
Construction		1,522,405	1,522,405	1,522,405	1,522,405				6,089,620
Soft Costs	685,821								685,821
Financing Costs	192,896								192,896
Miscellaneous	166,400					40,000			206,400
Dev Fee	140,000					127,500	170,000	50,000	487,500
Reserves						222,633			222,633
TOTAL DEV. COSTS	1,465,117	1,522,405	1,522,405	1,522,405	1,522,405	390,133	170,000	50,000	8,164,870
Repay GP Bridge Loan						0			0
Repay Construction Loan						4,936,788			4,936,788
SUBTOTAL OTHER ITEMS	0	0	0	0	0	4,936,788	0	0	4,936,788
TOTAL USES OF FUNDS	1,465,117	1,522,405	1,522,405	1,522,405	1,522,405	5,326,922	170,000	50,000	13,101,658
Ending Cash	0	0	0	0	0	0	0	0	0

PROJECT FINANCING

Source	Amount	Rate	Term	Lien	Annual D/S		
					Yr. 1-5	Yr. 6-15	Yr. 16-30
Source 1:	MSHA Subsidy	0	0.00%	30	0	0	0
Source 2	MSHA Interest Only Mortgage	0	6.00%	30	0	0	0
Source 3	AHP Grant	500,000	0.00%	30	Co-First	0	0
Source 4	AHP Loan	2,070,000	3.60%	30	First	112,934	112,934
Source 5	City HOME	300,000	0.00%	30	Co-First		Grant
Source 6	Solar Equity	0					
Source 7	Other: Sponsor Loan						
Source 8	Development Fee Loan	0					Cash Flow
Source 9	Net Syndication	5,294,870	\$0.83				
	Capitalization Gap (Surplus)	(0)					
Total	8,164,870						

\$0.0706

PROPOSED RENT SCHEDULE								
Type	AMI	# Units	Rents from Applicant	Program Max Rents	Gross Rent	Market Rent	Utility Allow	Total Rent
Efficiency	50% PBVs	0		911	911	\$955	0	0
	50% LIHTC	0		718	718	\$855	0	0
	60% HOME						0	0
	60% LIHTC	0		862	862	\$955	0	0
	Market	0					0	0
1BR	50% PBVs	8		1028	1,028	\$1,050		98,688
	50% LIHTC	16		770	770	\$1,050	0	147,840
	60% HOME					\$1,050		0
	60% LIHTC	10		924	924	\$1,050	0	110,880
	Market	6			1,050	\$1,050		75,600
2BR	50% HOME					\$1,250	0	0
	50% LIHTC			923	923	\$1,250	0	0
	60% HOME						0	0
	60% LIHTC			1108	1,108	\$1,250	0	0
	Market	0					0	0
3BR	50% HOME						0	0
	50% LIHTC						0	0
	60% HOME						0	0
	60% LIHTC						0	0
	Market	0					0	0
4BR	50% HOME						0	0
	50% LIHTC						0	0
	60% HOME						0	0
	60% LIHTC						0	0
	Market	0					0	0
Other:							0	
Subtotals		40						433,008
			Other Income		Laundry			3,156
			Vacancy Rate		5%			(21,808)
			Other Income		TIF	65%		30,765
			Effective Gross Income					445,120

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current taxes 4,670

OPERATING EXPENSES			
Expense	Annual	Annual Per Unit	Monthly Per Unit
Administrative Expenses:			
Management Fees	24,672	617	51
Management Charges	24,672	617	51
Marketing Expenses	0	0	0
Legal Expenses	1,500	38	3
Auditing Expenses	5,000	125	10
Bad Debts	0	0	0
Other Administrative Expenses	6,000	150	13
Administrative Expenses	61,844	1,546	129
Operating Expenses:			
Janitorial Payroll	0	0	0
Janitorial Supplies and Equipment	0	0	0
Janitorial Contractual Services	6,600	165	14
Fuel and Gas	18,000	450	38
Electricity	34,000	850	71
Water and Sewer	16,000	400	33
Garbage and Trash Removal	4,000	100	8
Vehicle and Equipment Expenses	0	0	0
Other Operating Expenses	0	0	0
Operating Expenses	78,600	1,965	164
Maintenance Expenses:			
Grounds Maintenance Payroll	0	0	0
Grounds Tools and Supplies	0	0	0
Grounds Contractual Services	25,000	625	52
Miscellaneous Ground Maintenance	0	0	0
Tenant Damage Charges - Grounds	0	0	0
Building Maintenance Payroll	0	0	0
Building Tools and Supplies	5,000	125	10
Building Contractual Services	20,000	500	42
Building Systems Maintenance	25,000	625	52
Miscellaneous Building Maintenance	0	0	0
Tenant Damage Charges - Building	0	0	0
Maintenance Expenses	75,000	1,875	156
General Expenses:			
Property Taxes	52,000	1,300	108
Property and Liability Insurance	15,000	375	31
Tenant Computer Network Expense	0	0	0
Tenant Service Expenses	12,199	305	25
General Expenses	79,199	1,980	165
Replacement Reserve Funding	18,000	450	38
Commercial Expenses (if applicable)		0	0
Total	312,643	7,816	651

AFFORDABLE MORTGAGE CALCULATION	
Effective Gross Income	445,120
Annual Operating Expense	312,643
Stabilized NOI	132,477
DSC	
\$ Avail for D/S	
Other DS	112,934
Balance	1.17
Affordable Mortgage	

BREAKEYEN ANALYSIS:	RENT SENSITIVITY		OCCUPANCY	
		Total		Annual
Operating Expense	312,643		Gross Revenues	466,929
Debt Service	112,934			
Breakeven Rent	887		Breakeven Occupancy	91%

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT												
5 Months												
	7/24/20	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25	12/31/26	12/31/27	12/31/28	12/31/29	12/31/30
Effective Gross Income		185,467	445,120	454,023	463,103	472,365	481,813	493,858	506,204	518,859	531,831	545,127
Less Operating Expense		130,268	312,643	322,022	331,683	341,634	351,883	362,439	373,312	384,512	396,047	407,928
Net Operating Income		55,199	132,477	132,000	131,420	130,732	129,930	131,419	132,892	134,348	135,784	137,198
Less RLP Repay			0	0	0	0	0	0	0	0	0	0
Less Other Repay		47,056	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934
Cash Flow		8,143	19,543	19,066	18,486	17,798	16,996	18,485	19,958	21,414	22,850	24,264
Cash Flow per Unit		489	489	477	462	445	425	462	499	535	571	607
Debt Coverage Ratio(RLP)		1.17	1.17	1.17	1.16	1.16	1.15	1.16	1.18	1.19	1.20	1.21
Operating Reserve Balance	141,859	148,952	156,400	164,220	172,431	181,052	190,105	199,610	209,590	220,070	231,073	242,627

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued												
		1/1/32	12/31/32	12/31/33	12/31/34	Yr 15			1/1/40	12/31/40	12/31/41	
						1/1/36	12/31/36	12/31/37	12/31/38			
Effective Gross Income		558,755	572,724	587,042	601,718	616,761	629,096	641,678	654,511	667,602	680,954	694,573
Less Operating Expense		420,166	432,771	445,754	459,127	472,901	487,088	501,701	516,752	532,254	548,222	564,668
Net Operating Income		138,589	139,952	141,287	142,591	143,860	142,008	139,977	137,760	135,348	132,732	129,904
Less RLP Repay		0	0	0	0	0	0	0	0	0	0	0
Less Other Repay		112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934
Cash Flow		25,855	27,019	28,353	29,657	30,926	29,074	27,043	24,826	22,414	19,798	16,971
Cash Flow per Unit		641	675	709	741	773	727	676	621	560	495	424
Debt Coverage Ratio(RLP)		1.23	1.24	1.25	1.26	1.27	1.26	1.24	1.22	1.20	1.18	1.15
Operating Reserve Balance	242,627	254,758	267,496	280,871	294,915	309,660	325,143	341,401	358,471	376,394	395,214	414,975

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued										
		12/31/42	1/1/44	12/31/44	12/31/45	12/31/46	1/1/48	12/31/48	12/31/49	7/30/50
Effective Gross Income		708,464	722,634	737,086	751,828	766,864	782,202	797,846	813,803	484,213
Less Operating Expense		581,608	599,057	617,028	635,539	654,605	674,244	694,471	715,305	429,779
Net Operating Income		126,856	123,577	120,058	116,289	112,259	107,958	103,375	98,498	54,434
Less RLP Repay		0	0	0	0	0	0	0	0	0
Less Other Repay		112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934
Cash Flow		13,922	10,643	7,124	3,355	(575)	(4,976)	(9,559)	(14,436)	(58,500)
Cash Flow per Unit		348	266	178	84	(17)	(124)	(239)	(361)	(2,507)
Debt Coverage Ratio(RLP)		1.12	1.09	1.06	1.03	0.99	0.96	0.92	0.87	0.48
Operating Reserve Balance	414,975	435,723	457,510	480,385	504,404	528,950	550,422	568,384	582,367	552,985



To: Mary Davis, City of Portland
From: Anne Boynton, Urban Ventures, Inc.
Re: 977 Brighton Ave, proposed by Avesta
Date: June 12, 2018

Executive Summary

Avesta requests \$300,000 in HOME funding and a 75% TIF to support their development of a 40 unit new construction senior apartment complex at 977 Brighton Ave. Avesta purchased the site proposed for this development in 2015. The lots currently contain a house and a garage, which will both be demolished. Though the area is suburban, the site is a short walk from the Pine Tree Shopping Center, providing access to a pharmacy and other shopping and dining options, and is less than 1/10th of a mile from a bus stop.

Sources and Uses

AHP loan	\$2,070,000	Construction (incl. site & contingency)	\$6,089,620
AHP grant	\$500,000	Soft costs (incl financing & contingency)	\$1,045,117
LIHTC Equity	\$5,294,870	Acquisition	\$280,000
City of Portland HOME	\$300,000	Pre funded Reserves	\$262,633
		Developer Fee	<u>\$487,500</u>
Total Sources:	\$8,164,870	Total Uses:	\$8,164,870

Avesta has received a commitment of funds for the AHP loan and \$500,000 grant. Bangor Savings has issued a term sheet for both construction and permanent first mortgages. Avesta plans to submit an application for 9% LIHTCs in the upcoming round opening in September. Avesta seeks the \$300,000 HOME and 75% TIF to support the application for LIHTCs.

For analysis of "Uses," see Development Budget.

Development Budget

Construction Costs:

Construction costs are based on a letter of estimate from CWS Architects. This is a very broad brush estimate, without even a break out of demolition, site improvements, and anticipated cost per square foot for improvements provided in the architect's letter. However, based on Avesta's break out of site work, the estimated \$170/sq foot for improvements should be more than sufficient for a pretty straightforward design and should accommodate some price inflation prior to construction start.

Soft Costs:

Soft costs are in the range of normal, with a few exceptions. Architectural seems high for a straightforward design, and the relatively small number of units drives the per unit architectural expense up to over \$11,000 per unit. This does include \$45,000 for owner's representative construction management, which is typically a good investment in quality construction and smooth construction



process, with minimal change orders. FF&E is also high at \$61,000, which is \$1,525 per unit. This is \$25,000 for security cameras, \$6,000 for custodial equipment, and \$30,000 for common area and exterior furnishings. Since the “common area” is a single office and one interior lobby, plus exterior space, that seems quite high.

Contingency:

Contingency is budgeted at standard 5% for construction and a minimalist \$25,000 for soft costs. These are insufficient given the stage of development. However, the construction figure seems high enough to cover a range of unanticipated price increases, and from a practical perspective, I consider much of the FF&E item to be contingency.

Acquisition:

Avesta proposes to sell the sites to the LLC for \$280,000. Their acquisition price was \$283,000. The assessed value is \$291,100. While this seems a fair price, an appraisal supporting that price is a condition of any recommendation.

Operating Budget & 20 Year Cashflow Projection

Project Income:

Avesta plans a mixed income building, with 24 units for households below 50% AMI (\$770 LIHTC, \$1,028 w Project Based Vouchers), 10 units for households below 60% AMI (\$924/mo), and 6 market rate units (\$1,050/mo). Avesta has a commitment for 8 project based vouchers from the Housing Authority to provide a deeper subsidy for 8 of the 24 households at 50% AMI. Consistent with Portland policy, 4 units must house homeless seniors.

Operating Expense

The budgeted per unit operating cost appears high at \$8,122, however, factoring out the TIF shows operating expenses of \$6,918 per unit, which is in the middle range for affordable housing. Supportive services are budgeted consistent with Maine Housings requirements at \$12,199. Utilities are generously budgeted at \$1,700 per unit per year for 600 sq foot units of new construction meeting green standards. Maintenance also seems high at \$2,140 for newly constructed, small, senior units, including \$25,000 for grounds. They will be able to operate a bit leaner than these costs suggest.

20 Year Cashflow & Debt Service Coverage Ratio (DSCR)

Cashflow starts out at a comfortable 1.22 DSCR in year one with a 5% vacancy. However, with industry standard inflators of 2% for income and 3% for expenses, the cashflow gradually erodes. By year 20, DSCR is down to 1.05. Avestas projections show positive cashflow for 20 years by using a 2.5% income inflator for years 6-15. Creating positive cashflow by using more aggressive income inflators puts project success in the hands of one variable the developer does NOT control – increases in market price of rent. If, on the other hand, Avesta can find a way to trim maintenance from \$2,140 to \$2,015 per unit per year (for instance, trim grounds expense from \$25,000 to \$20,000), the year 1 DSCR is 1.26 and is 1.13 in year 20. There are ways the developer can control both the operating expenses and the rent revenue (out performing the budgeted 5% vacancy rate) which will support positive cashflow which don't require aggressive assumptions regarding income inflation.



Developer Financials

Avesta is in good, and improving, financial condition. Avesta has provided audits for 2014, 2015, 2016, and internal financial statements for 2017. Prior year audits have been received by Avesta in late May or early June, so while not ideal to review unaudited financials for 2017, it is not out of line with the timing of audit finalization in prior years.

Current assets in 2016 of \$9.6 million (audited) rise to \$11.8 million in 2017 (unaudited), while current liabilities in 2016 of \$4.9 million (audited) rise to \$6.1 million 2017 (unaudited). The resulting Current Ratios (current assets divided by current liabilities) are healthy for their scale of operations -- 1.97 (2016 audited) and 1.93 (2017 unaudited). Net assets were \$123 million in 2016 (audited) and \$132 million in 2017 (unaudited). There has been significant sustained growth in net assets – which have more than doubled in the 5 years since 2012, when net assets were \$66 million. In 2017, revenue continued to grow and exceed budget while operating expenses were held under budget. Depreciation resulted in a paper loss of \$2,973,841, which is typical for a company with this financial structure, but this paper loss was more than outweighed by the growth in real estate equity.

This developer has the financial capacity to intervene in a development facing unexpected set backs and or cost over-runs to keep the development process moving forward. Their financial strength as an organization mitigates the risk of the thin soft cost contingency and the possibility of leaner than projected operating surpluses.

Recommendations

Subject to availability of funding, I recommend a loan in the amount of \$300,000, zero percent interest, payment deferred for 30 years, and a 75% TIF, with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Satisfactory review of relocation budget.
3. Satisfactory appraisal

Development Budget with Permanent Sources

Date 6/7/2018
 Project Name 977 Brighton
 Project Address 977 Brighton
 Developer/Sponsor Avesta

Total Units 40
 Total Square Feet 30,736

	<u>Total</u>	<u>Per Unit</u>	<u>Per Sq Ft</u>
Sources of Funds			
Permanent Financing - AHP Loan	\$2,070,000	\$51,750	\$67
AHP Grant	\$500,000	\$12,500	\$16
Equity (net LIHTC proceeds)	\$5,294,870	\$132,372	\$172
Deferred development fee	\$0	\$0	\$0
City of Portland HOME	\$300,000	\$7,500	\$10
Other		\$0	\$0
Total Sources of Funds	\$8,164,870	\$204,122	\$266

Uses of Funds

Hard Costs			
Site Improvements	\$572,194	\$14,305	\$19
Rehabilitation		\$0	\$0
New Construction	\$5,227,444	\$130,686	\$170
Contractor's Profit, Overhead, & Gen. Requirements	0.0%	\$0	\$0
Hazardous Materials abatement (if contracted separately)		\$0	\$0
Demolition Cost (if contracted separately)		\$0	\$0
Bond Premium		\$0	\$0
Other		\$0	\$0
Hard Cost Contingency (% of hard costs)	5.0%	\$289,982	\$7,250
Total Hard Costs	\$6,089,620	\$152,241	\$198

Soft Costs			
Building Permit & Fees	\$81,936	\$2,048	\$3
Survey & Engineering	\$38,000	\$950	\$1
Design & Permitting (% of const exp)	8.6%	\$461,000	\$11,525
Borrower Legal (all closings, excluding syndication legal)	\$65,000	\$1,625	\$2
Title & Recording	\$5,885	\$147	\$0
Accounting	\$10,000	\$250	\$0
Construction Period Taxes	\$12,000	\$300	\$0
Construction Period Insurance	\$12,000	\$300	\$0
Other: FF&E, Security	\$61,000	\$1,525	\$2
Other		\$0	\$0
Total Soft Costs	\$746,821	\$18,671	\$24

Financing Costs			
Construction Loan Origination Fees	\$10,000	\$250	\$0
Construction Period Interest	\$157,266	\$3,932	\$5
Lender Inspection Fees	\$3,630	\$91	\$0

Letter of Credit Fee		\$0	\$0
Permanent Loan Fee	\$10,000	\$250	\$0
Construction Lender Legal	\$12,000	\$300	\$0
Other	\$0	\$0	\$0
Total Financing Costs	\$192,896	\$4,822	\$6

Miscellaneous			
Market Survey	\$3,500	\$88	\$0
Appraisal	\$6,200	\$155	\$0
Environmental Study	\$12,700	\$318	\$0
LIHTC Fees -- prepaid monitoring	\$40,000	\$1,000	\$1
Other: Commissioning		\$0	\$0
Relocation Costs	\$0	\$0	\$0
Other -- 3rd Party Consultants	\$18,000	\$450	\$1
Soft Cost Contingency (% of soft costs excl Dev Fee)	1.43%	\$25,000	\$625
Total Miscellaneous:	\$105,400	\$2,635	\$10

Acquisition			
Acquisition: Buildings	\$0	\$0	\$0
Acquisition: Land	\$280,000	\$7,000	\$9
Acquisition: Legal	\$0	\$0	\$0
Other	\$0	\$0	\$0
Total Acquisition	\$280,000	\$7,000	\$9

Reserves and Developer Fee			
Operating Deficit Escrow	\$141,859	\$3,546	\$5
Prefunded Replacement Reserve	\$52,274	\$1,307	\$2
Taxes & Insurance Escrow	\$28,500	\$713	\$1
Developer Overhead	\$487,500	\$12,188	\$16
Developer Profit		\$0	\$0
Rent Up Reserve & Marketing	\$40,000	\$1,000	\$1
Other	\$0	\$0	\$0
Total Reserves and Developer Fee	\$750,133	\$18,753	\$24

Total Uses of Funds	\$8,164,870	\$204,122	\$272
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Developer Fee Analysis: Total Fees: \$487,500
Percent of TDC: 6.54% (excluding reserves & developer fee)

Project Operating Pro Forma

Date June 12, 2018
 Project Name 977 Brighton
 Project Address 977 Brighton
 Developer/Sponsor Avesta

Rental Income

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
1 BR	8		0	50%	\$1,028	\$0		\$1,028	#DIV/0!	\$8,224	\$98,688
1 BR	16		0	50%	\$770	\$0		\$770	#DIV/0!	\$12,320	\$147,840
1 BR	10		0	60%	\$924	\$0		\$924	#DIV/0!	\$9,240	\$110,880
1 BR	6		0	market	\$1,050	\$0		\$1,050	#DIV/0!	\$6,300	\$75,600
2 BR			0	50%				\$0	#DIV/0!	\$0	\$0
2 BR			0	60%				\$0	#DIV/0!	\$0	\$0
3 BR			0	50%				\$0	#DIV/0!	\$0	\$0
3 BR			0	60%				\$0	#DIV/0!	\$0	\$0
4 BR			0	50%				\$0	#DIV/0!	\$0	\$0
4 BR			0	60%				\$0	#DIV/0!	\$0	\$0
Other			0	50%				\$0	#DIV/0!	\$0	\$0
Other			0	60%				\$0	#DIV/0!	\$0	\$0
Total:	40		0							\$36,084	\$433,008

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

Note: Year 1 is the first full year of stabilized operations

	<u>Year 1</u>	<u>Year 1/Unit</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>	<u>Year 6</u>	<u>Year 7</u>	<u>Year 8</u>	<u>Year 9</u>	<u>Year 10</u>	
Income												
Sch. Gross Income - Residential	\$433,008	\$10,825	\$441,668	\$450,502	\$459,512	\$468,702	\$478,076	\$487,637	\$497,390	\$507,338	\$517,485	
Vacancy Loss	5.0%	(\$21,650)	(\$541)	(\$22,083)	(\$22,525)	(\$22,976)	(\$23,435)	(\$23,904)	(\$24,382)	(\$24,870)	(\$25,367)	(\$25,874)
Other income (laundry)	\$2,998	\$75	\$3,058	\$3,119	\$3,182	\$3,245	\$3,310	\$3,376	\$3,444	\$3,513	\$3,583	
TIF -- 75% requested	\$48,171	\$1,204	\$49,616	\$51,105	\$52,638	\$54,217	\$55,843	\$57,519	\$59,244	\$61,022	\$62,852	
Effective Gross Income	\$462,527	\$11,563	\$472,259	\$482,200	\$492,355	\$502,729	\$513,326	\$524,151	\$535,209	\$546,505	\$558,046	
Administrative												
Management Fee	\$24,672	\$617	\$25,412	\$26,175	\$26,960	\$27,769	\$28,602	\$29,460	\$30,343	\$31,254	\$32,191	
Management Charges	\$24,672	\$617	\$25,412	\$26,175	\$26,960	\$27,769	\$28,602	\$29,460	\$30,343	\$31,254	\$32,191	
Marketing Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Legal	\$1,500	\$38	\$1,545	\$1,591	\$1,639	\$1,688	\$1,739	\$1,791	\$1,845	\$1,900	\$1,957	
Audit & Accounting	\$5,000	\$125	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524	
Admin Other	\$6,000	\$150	\$6,180	\$6,365	\$6,556	\$6,753	\$6,956	\$7,164	\$7,379	\$7,601	\$7,829	
Total Administrative	\$61,844	\$1,546	\$63,699	\$65,610	\$67,579	\$69,606	\$71,694	\$73,845	\$76,060	\$78,342	\$80,692	
Supportive Services	\$12,199	\$305	\$12,565	\$12,942	\$13,330	\$13,730	\$14,142	\$14,566	\$15,003	\$15,453	\$15,917	
Utilities												
Fuel Oil	\$18,000	\$450	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802	\$23,486	
Natural Gas		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Electric	\$34,000	\$850	\$35,020	\$36,071	\$37,153	\$38,267	\$39,415	\$40,598	\$41,816	\$43,070	\$44,362	
Water / Sewer	\$16,000	\$400	\$16,480	\$16,974	\$17,484	\$18,008	\$18,548	\$19,105	\$19,678	\$20,268	\$20,876	
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Utilities	\$68,000	\$1,700	\$70,040	\$72,141	\$74,305	\$76,535	\$78,831	\$81,196	\$83,631	\$86,140	\$88,725	

Maintenance	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Grounds	\$25,000	\$625	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$30,747	\$31,669	\$32,619
Janitorial	\$6,600	\$165	\$6,798	\$7,002	\$7,212	\$7,428	\$7,651	\$7,881	\$8,117	\$8,361	\$8,612
Trash Removal	\$4,000	\$100	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219
Security		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Equipment & Supplies	\$5,000	\$125	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Maintenance	\$25,000	\$625	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$30,747	\$31,669	\$32,619
Maintenance contracts (HVAC, e	\$20,000	\$500	\$20,600	\$21,218	\$21,855	\$22,510	\$23,185	\$23,881	\$24,597	\$25,335	\$26,095
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$85,600	\$2,140	\$88,168	\$90,813	\$93,537	\$96,344	\$99,234	\$102,211	\$105,277	\$108,436	\$111,689

Taxes & Insurance											
Real Estate Taxes or PILOT	\$64,229	\$1,606	\$66,156	\$68,141	\$70,185	\$72,290	\$74,459	\$76,693	\$78,994	\$81,363	\$83,804
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$15,000	\$375	\$15,450	\$15,914	\$16,391	\$16,883	\$17,389	\$17,911	\$18,448	\$19,002	\$19,572
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$79,229	\$1,981	\$81,606	\$84,054	\$86,576	\$89,173	\$91,848	\$94,604	\$97,442	\$100,365	\$103,376

Replacement Reserves	\$18,000	\$450	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802	\$23,486
Operating Reserves		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$324,872	\$8,122	\$334,618	\$344,657	\$354,996	\$365,646	\$376,616	\$387,914	\$399,552	\$411,538	\$423,884
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Net Operating Income	\$137,655	\$3,441	\$137,641	\$137,544	\$137,359	\$137,083	\$136,710	\$136,236	\$135,657	\$134,967	\$134,161
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Debt Service											
First Lien	\$112,934	\$2,823	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934
Second Lien		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service (Must Pay)	\$112,934	\$2,823	\$112,934								

Cash Flow (after Must Pay Debt)	\$24,721	\$618	\$24,707	\$24,610	\$24,425	\$24,149	\$23,776	\$23,302	\$22,723	\$22,033	\$21,227
Debt Service Coverage Ratio	1.22		1.22	1.22	1.22	1.21	1.21	1.21	1.20	1.20	1.19

Cash Flow Debt Payments											
City of Portland	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Retained by Project		\$24,721	\$618	\$24,707	\$24,610	\$24,425	\$24,149	\$23,776	\$23,302	\$22,033	\$21,227

Retained Cash Flow % 8%

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Income										
Sch. Gross Income - Residential	\$527,834	\$538,391	\$549,159	\$560,142	\$571,345	\$582,772	\$594,427	\$606,316	\$618,442	\$630,811
Vacancy Loss	5.0%	(\$26,392)	(\$26,920)	(\$27,458)	(\$28,007)	(\$28,567)	(\$29,139)	(\$29,721)	(\$30,316)	(\$30,922)
Other income (laundry)	\$3,655	\$3,728	\$3,802	\$3,878	\$3,956	\$4,035	\$4,116	\$4,198	\$4,282	\$4,368
TIF -- 75% requested	\$64,738	\$66,680	\$68,680	\$70,741	\$72,863	\$75,049	\$77,300	\$79,619	\$82,008	\$84,468
Effective Gross Income	\$569,835	\$581,879	\$594,184	\$606,754	\$619,597	\$632,717	\$646,122	\$659,817	\$673,810	\$688,106

Administrative										
Advertising	\$33,157	\$34,152	\$35,176	\$36,232	\$37,319	\$38,438	\$39,591	\$40,779	\$42,002	\$43,263
Office Payroll & Benefits	\$33,157	\$34,152	\$35,176	\$36,232	\$37,319	\$38,438	\$39,591	\$40,779	\$42,002	\$43,263
Office Supplies, Phone, Misc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mngr or Super Rent Free Unit	\$2,016	\$2,076	\$2,139	\$2,203	\$2,269	\$2,337	\$2,407	\$2,479	\$2,554	\$2,630
Audit & Accounting	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264	\$8,512	\$8,768
Admin Other	\$8,063	\$8,305	\$8,555	\$8,811	\$9,076	\$9,348	\$9,628	\$9,917	\$10,215	\$10,521
Total Administrative	\$83,113	\$85,607	\$88,175	\$90,820	\$93,545	\$96,351	\$99,241	\$102,219	\$105,285	\$108,444

Supportive Services	\$16,394	\$16,886	\$17,393	\$17,915	\$18,452	\$19,006	\$19,576	\$20,163	\$20,768	\$21,391
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Utilities										
Fuel Oil	\$24,190	\$24,916	\$25,664	\$26,434	\$27,227	\$28,043	\$28,885	\$29,751	\$30,644	\$31,563
Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas	\$45,693	\$47,064	\$48,476	\$49,930	\$51,428	\$52,971	\$54,560	\$56,197	\$57,883	\$59,619
Water / Sewer	\$21,503	\$22,148	\$22,812	\$23,497	\$24,201	\$24,927	\$25,675	\$26,446	\$27,239	\$28,056
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities	\$91,386	\$94,128	\$96,952	\$99,860	\$102,856	\$105,942	\$109,120	\$112,394	\$115,765	\$119,238

Tab 11 9-5-18

Order 27-18/19

Motion to postpone to September 5, 2018: 9-0 on 8/13/2018

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPROPRIATING
HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDS
IN THE AMOUNT OF \$580,174 TO THE
PORTLAND HOUSING DEVELOPMENT CORPORATION
RE: FRONT STREET**

ORDERED, that the amount of \$580,174 in Home Investment Partnerships (HOME) Program funds is hereby appropriated to the Portland Housing Development Corporation for development costs for Front Street ; and

BE IT FURTHER ORDERED, the City Manager or his or her designee is authorized to execute any and all documents necessary to apply for, accept and appropriate the grant, and otherwise carry out the intent of this order.

AMENDMENT TO ORDER 27-18/19
RE: CHANGING HOME FUND APPROPRIATION TO \$510,174
PREPARED BY CORPORATION COUNSEL FOR COUNCILOR DUSON

ORDERED, that the amount of \$~~580,174~~510,174 in Home Investment Partnerships (HOME) Program funds is hereby appropriated to the Portland Housing Development Corporation for development costs for Front Street ; and

BE IT FURTHER ORDERED, the City Manager or his or her designee is authorized to execute any and all documents necessary to apply for, accept and appropriate the grant, and otherwise carry out the intent of this order.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Anita LaChance, Sonia Bean, Danielle West-Chuhta, Nancy English, Julianne Sullivan

FROM: Planning and Urban Development Department
Housing and Community Development Division

DATE: July 5, 2018

SUBJECT: Order Authorizing Financial Assistance in the amount of \$580,174 in HOME Program Funds to the Portland Housing Development Corporation Project entitled Front Street

SPONSOR: Jill Duson, Chair, Housing Committee
(June 27, 2018; voted 3-0 in favor)

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading July 16, 2018 Final Action August 13, 2018

Can action be taken at a later date: Yes No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)
Mary Davis, HCD Division Director will be available to answer any questions

I. ONE SENTENCE SUMMARY

Portland Housing Development Corporation is requesting HOME funding to assist in the re-development of affordable family rental housing on Front Street.

II. AGENDA DESCRIPTION

Portland Housing Development Corporation is requesting HOME funding to assist in the re-development of affordable family rental housing on Front Street. The developer is proposing to demolish and re-develop the existing 50 units of housing and add an additional 61 units of mixed-income rental housing.

The development will include:

Front Street		
1-Bedroom Units (29)	at or below 50% area median income	7
	at or below 50% area median income PBV	11
	Market Rate	11
2-Bedroom Units (38)	at or below 50% area median income	19
	at or below 50% area median income PBV	7
	Market Rate	12
3-Bedroom Units (27)	at or below 50% area median income	5
	at or below 50% area median income PBV	19
	at or below 60% area median income	3
4-Bedroom Units (13)	at or below 50% area median income PBV	13
5-Bedroom Units (4)	at or below 50% area median income PBV	4
Total Units		111

This project is seeking 4% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing. It will not proceed on the same timetable as the other three proposals who will be seeking 9% Low Income Housing Tax Credits. The developer has engaged in significant public outreach in the East Deering Neighborhood. A neighborhood meeting was held on November 7, 2017 and the Planning Board held a workshop on November 14, 2017. The Planning Department has made significant commitments to the neighborhood to ensure that the design of the project is contextual to the neighborhood. To ensure these commitments are met, staff is recommending funding for this project.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer is an experienced developer and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below.

The HOME Affordable Housing Development Application made funding available in the amount of \$1,080,174. The City received four applications requesting \$1,741,540 in funding.

The staff recommendation to the Housing Committee included HOME funding for Deering Place at an additional \$200,000, Front Street at \$510,174, 178 Kennebec Street at \$370,000 and 977 Brighton Avenue at \$0.

The Housing Committee voted to recommend HOME funding for Deering Place at an additional \$200,000, Front Street at \$580,174, 178 Kennebec Street at \$0 and 977 Brighton Avenue at \$300,000.

III. BACKGROUND

As stated in the developer's application *"Front Street is currently a 50-unit Public Housing community in the East Deering neighborhood of Portland, Maine. The project was built in 1971 as part of Portland's Urban Renewal effort and the creation of Franklin Arterial to connect the interstate with the Downtown tourist are of the Portland peninsula. Over 200 residential structures, considered a blighted area, were taken by eminent domain and demolished in Portland's Bayside neighborhood. A portion of those families were moved to temporary housing at Front Street...."*

"47 years later, this "temporary" housing was identified in Portland Housing Authority's Strategic Vision Plan of 2015 as the top priority for re-development due to deterioration of buildings due to poor construction quality and structural issues due to poor soils."

"PHA is proposing a single phase approach to not only demolish and re-develop the existing 50 units of housing, but add an additional 61 units of mixed-income family rental housing...."

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED

Increase access to rental and ownership housing that is safe and affordable for working and low-income families.

V. FINANCIAL IMPACT

HOME Funds: \$580,174 at zero percent interest, deferred for 30 years.

Total City HOME Investment of \$580,174/unit - \$5,227.

Total City HOME Investment of \$580,174/affordable unit - \$6,593.

At a later date, developer has indicated that they will seek additional city assistance through an affordable housing tax increment financing district/credit enhancement agreement as well as funding from the Housing Trust Fund in an amount up to \$851,094 (total city HOME and HTF investment requested \$1,431,268).

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer is well positioned to secure the remaining financing needed to move forward with this project and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma

will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below. Conditions to be met prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Commitment of all sources on terms and conditions acceptable to City of Portland, including acceptable cashflow waterfall, and cashflow projection which shows retirement of developer fee loan and City of Portland loans;
3. Revised operating budget reflective of higher utility costs and cashflow projection satisfactory to City.

As part of the Maine State Housing Authority's (MSHA) Qualified Allocation Plan (QAP) application due in February, the developers will need letters of commitment of support for their projects prior to the QAP submission deadline. If the Council agrees with the Housing Committee's recommendation, this letter would include the recommendations of the third party underwriter and be conditioned on the completion of the following additional requirements:

1. The commitment will be subject to compliance with all HOME Program regulations including, but not limited to, satisfactory underwriting analysis, cost allocation, designation of HOME units and compliance with the new HOME Final Rule (effective August 23, 2013) and the Consolidated and Further Continuing Appropriations Acts of 2012 and 2013.
2. The commitment will include the requirement that the environmental review process be satisfactorily completed. The City's agreement to provide funds will be conditioned on the determination to proceed with, modify or cancel the project based on the results of the environmental review.
3. Commitment of funds to be stated as "an amount up to the funding request based on maximization of LIHTC equity raise", to ensure that the City's contribution is leveraged to the maximum extent possible.
4. If applicable, documentation acceptable to the City that the acquisition cost is reasonably related to market value. This is a HOME Program requirement.
5. Commitment should be subject to the projections and assumptions noted in the project budgets and pro-forma submitted, for both HOME and TIF funding, and the City reserves the right to reconsider and adjust their commitment if any significant alterations occur in the budget. A final commitment will be subject to a final budget.
6. Any substantial changes to the composition of the project, or the financial investment required, will be brought back to the Housing Committee and the City Council for review and approval.

A recommendation for City HOME funding by the City Council is not the same as approval of the overall project. After carefully weighing the potential benefits and impacts on the City and surrounding neighborhood against the standards in the Land Use Ordinance, the Planning Board will ultimately determine if a project meets those standards. Any funding awarded will be contingent on the project's final approval by the Planning Board.

VII. RECOMMENDATION

Approval by the City Council of the Housing Committee's recommendation of HOME funding in the amount of \$580,174 at zero percent interest, with repayment deferred for 30 years.

VIII. LIST ATTACHMENTS

Excerpt HOME Application Information for Front Street
Third Party Underwriting Analysis

Prepared by: Mary P. Davis
Date: July 5, 2018

**Portland Housing Development Corporation / Front Street Housing Redevelopment, LP
HOME Application
Project Summary**

Front Street Re-Development - Detailed Project Proposal

Summary - Request for Funding

Portland Housing Development Corporation (PHDC) and Front Street Housing Redevelopment, LP are requesting **\$841,540** in grant funding from the City of Portland’s HOME program to assist in the re-development of affordable family rental housing in Portland, Maine. PHDC is requesting these HOME funds as a critical early step in securing other funding to replace outdated housing and bring new housing to a mixed-income community.

Project Summary and Description of Housing

Front Street is currently a 50-unit Public Housing community in the East Deering neighborhood of Portland, Maine. The project was built in 1971 as part of Portland’s Urban Renewal effort and the creation of Franklin Arterial to connect the interstate with the Downtown tourist area of the Portland peninsula. Over 200 residential structures, considered a blighted area, were taken by eminent domain and demolished in Portland’s Bayside neighborhood. A portion of those families were moved to temporary housing at Front Street in Portland’s East Deering neighborhood.

47 years later, this “temporary” housing was identified in Portland Housing Authority’s Strategic Vision Plan of 2015 as the top priority property for re-development due to deterioration of buildings due to poor construction quality and structural issues due to poor soils. A 2012 Physical Needs Assessment concluded that the buildings are at the end of their useful life, and an Obsolescence Study in 2016 determined that renovations would be costlier than demolition and new construction.

PHA is proposing a single-phase approach to not only demolish and re-develop the **existing 50 units** of housing, but **add an additional 61 units of mixed-income family rental housing** that will be durable, beautiful and extremely energy efficient. Please note there is an adjacent 10-unit homeownership project that will be developed on the existing Front Street parcel along Illsley Street, but is not part of the rental housing project and is not part of this application.

Existing Housing Unit Distribution

1-Bedroom	0
2-Bedroom	0
3-Bedroom	25
4-Bedroom	18
5-Bedroom	7
Totals	50

Front Street Utilization

	Sufficient Size	Under Utilized	Over Utilized
1-Bedroom	N/A		
2-Bedroom	N/A		
3-Bedroom	16	7	2
4-Bedroom	10	6	1
5-Bedroom	6	1	0

Proposed Housing Unit Distribution

Unit Type	# units	Square Footage
1-bedroom	29	550
2-bedroom	38	850
3-bedroom	27	1100
4-bedroom	13	1225
5-bedroom	4	1400
Total Units	111	

Population Served

Households currently living at Front Street are Extremely-Low Income, (ELI), or Very-Low Income, (VLI). There are currently 49 occupied units; 35 households, (about 71%), have extremely-low incomes. Current households range in size from one-person to ten-persons. Households are predominantly between three- and six-persons. A unique feature of Front Street is its 4- and 5-bedroom units for larger families. PHA has a public housing waiting list with 1,800 families and several of those on the waiting list are looking for 4- and 5-bedroom units.

PHA is applying to HUD under **Section 18 Demolition and Disposition of the Housing Act of 1937 to re-develop Front Street public housing**. Section 18 allows all residents the right to compensation for temporary relocation and PHA is pledging **100% Right of Return**. Residents will be relocated with Tenant Protection Vouchers in private housing or will be able to move to some of the other 1,000 units of public housing owned by PHA in Portland. We are anticipating at least half of the current families will choose to return to the re-developed Front Street. PHA is **pledging 50 Project Based Vouchers** to the new project. These will ensure those returning after relocation will have a subsidized unit. **23 units (20%) will be market rate** with a goal of protecting existing ELI families while diversifying incomes in the development and neighborhood. The **balance of units will be at or below 50% and 60% of Area Median Income**.

Proposed Use of Funds, Market Demand and Measures of Success

Our first and foremost measure of success will be 111 new units of affordable housing. Portland has over 3,000 people on the Section 8 waiting list and there are over 13,000 people statewide who often have to wait 3-5 years for an affordable home. This project will clearly have an effect on over a hundred families. Please see the attached market study to understand the market demand.

The Front Street Redevelopment project has partnered with local social service providers to go beyond beautiful new apartments for its residents and provide critical services to help residents thrive in the community. The focus of these services is to enable empowerment and self-sufficiency. The following services are committed to the project and letters of commitment are available upon request:

- Boys and Girls Club of Southern Maine – After School programs
- Goodwill – Employment and job training supportive services
- LearningWorks – English language and literacy programs and YouthBuild Program
- The Opportunity Alliance – Early Head Start Family Visiting Program

Financial Feasibility

There is no doubt that Front Street's legacy of a placing low-income housing on a former City dump with poor structural soils combined with drastic cuts to public housing over the life of the project has left this property in desperate need of redevelopment. It also means the project has costs that many other projects do not have: The size of the site is two City blocks spanning 4 acres. 50 families will be temporarily moved, re-housed and returned, all with financial support required in the Uniform Relocation Act. The project has a DEP VRAP plan for remediation of the soils. Hazardous materials will need to be removed from the buildings prior to demolition.

These initial costs are considered "Seller's costs." PHA has received \$250,000 of CDBG funds from the City of Portland as well as a \$125,000 grant from the TD Charitable Foundation Housing for Everyone competition in 2017. These funds, as well as potential EPA Brownfields funds and PHA non-federal reserves will pay for all "Seller Cost" that are NOT part of this application.

The project has already secured \$3,900,000 of AHP funds from the Federal Home Loan Bank of Boston through our construction lender, Bath Savings. We are applying to MaineHousing for 4% LIHTC and Tax-Exempt Debt and will request a City of Portland Housing Trust Fund 0% loan as well. Please see the attached pro forma development budget, sources and uses, operating budget and 15-year operating pro forma.

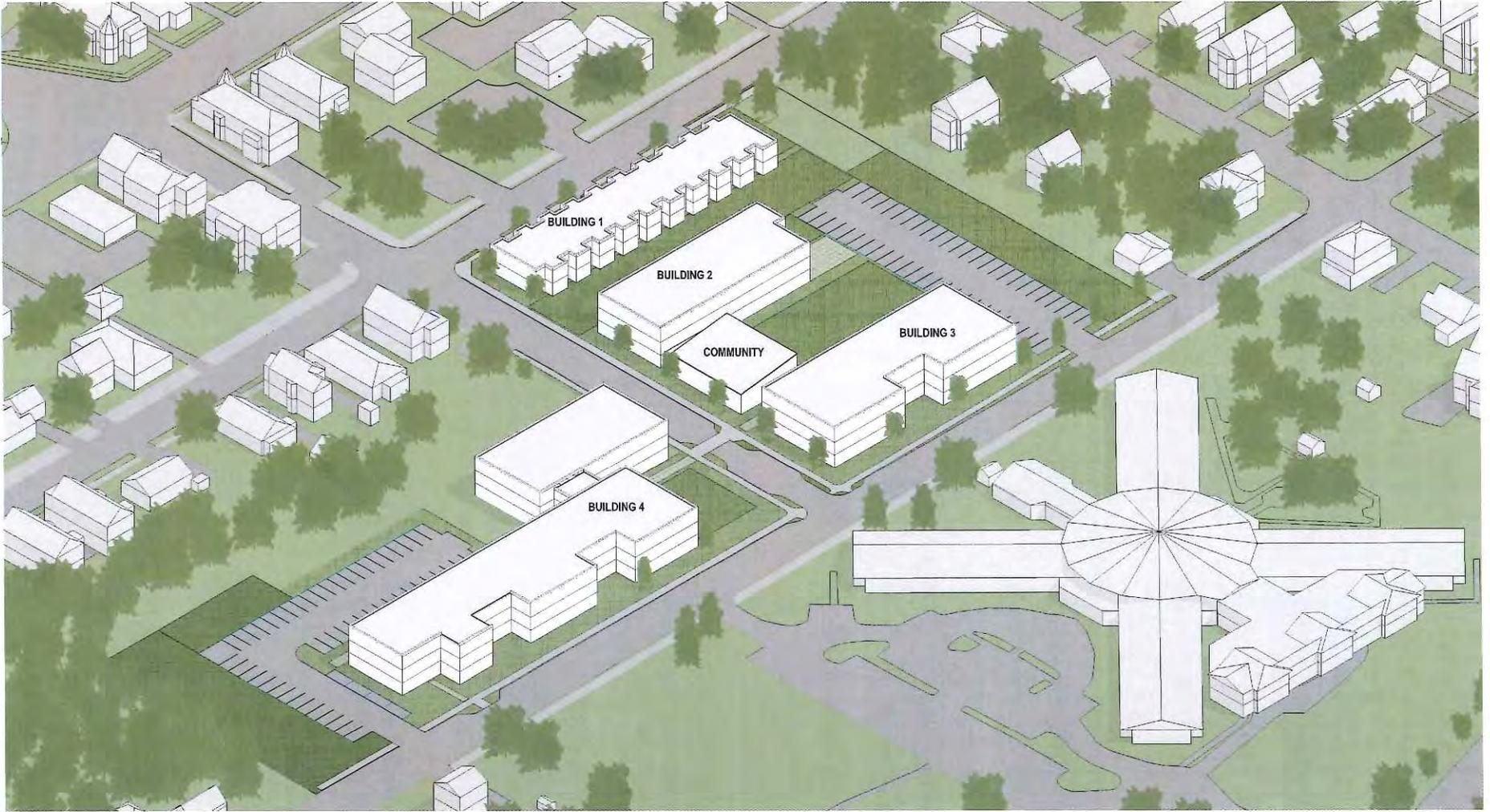
Capacity to Develop the Project

The Portland Housing Authority hired Jay Waterman as their Real Estate Development Director over three years ago. Since that time, Bayside Anchor, a 45-unit mixed-income multi-family affordable housing project has been built and occupied. Mr. Waterman is the project manager for the Front Street project. Mark Adelson, PHA's Executive Director, is also integrally involved in the project, assisting with the Relocation Plan for temporary relocation of Front Street families. Our HUD application process is being supported by Joe Schiff, a former HUD deputy undersecretary. Our relocation planning is being supported by Andrew Daniels of MAPPLAN Partners. Gary Vogel of Drummond Woodsum is our legal counsel. Our property management firm will be Avesta Housing.

PHA has assembled a top-notch design team for the project, including Utile Architecture and Planning from Boston, Carroll Associates Landscape Architects, Allied Engineering, Ransom Environmental Consulting, and Thornton Tomasetti to assist with Passive House certification.

Neighborhood and Design Compatibility

Front Street has been affordable public housing for the last 47 years. The project has been a low-density development that has the potential for significantly more density with the Division 30 changes. We feel the proposed design will have a more connective fabric with the surrounding neighborhood than the existing building. Walkability, scale, connectivity and permeability are all part of the design. We have worked with City planning and urban design staff for the last 18 months on this project and will continue to work with them as we bring this to the planning board in the Summer of 2018.



PHA FRONT STREET DEVELOPMENT
PRESUMPCOT STREET
PORTLAND, ME 04103

ISOMETRIC VIEW - PROPOSED MASSING
MARCH 14, 2018

DISCLAIMER: These plans are conceptual only. They have not been subject to a comprehensive code and regulatory review, nor have they been tested against any specific surveys. Discoveries in such an analysis may result in fundamental changes to the original concept.

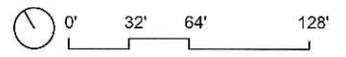


Architecture
& Planning

utile



DISCLAIMER: These plans are conceptual only. They have not been subject to a comprehensive code and regulatory review, nor have they been tested against any as-built surveys. Discoveries in such an analysis may result in fundamental changes to the original concept.



PHA FRONT STREET DEVELOPMENT
 PRESUMPCOT STREET
 PORTLAND, ME 04103

SITE PLAN
 MARCH 14, 2018



Architecture
 & Planning

utile

Project Completion Schedule

Activity	Actual/Scheduled Date Month/Year
A. SITE	
Option/Contract	01/05/17
Site Acquisition	06/15/19
Zoning Approval	08/15/18
Site Analysis	10/15/17
B. FINANCING	
Construction Loan Commitment	09/01/18
Permanent Loan Commitment	09/01/18
Other Sources Committed	09/01/18
C. PLANS AND SPECIFICATIONS	
50%	10/15/18
90%	02/01/19
100%	03/15/19
D. CONSTRUCTION LOAN CLOSING	06/15/19
E. CONSTRUCTION START	06/20/19
F. COMPLETION OF CONSTRUCTION	09/01/20
G. LEASE-UP	
Initial Lease-up	09/15/20
Sustained (95%) Occupancy	05/01/21

Please account for application processing - approximately 60 days from the application due date.

PROJECT NAME: Front Street Re-Development (Single Phase)
 LOCATION: Portland ME

Date: 05/01/18

DEVELOPMENT ASSUMPTIONS						
Total Units		111	Inflation Adjustments	Yr 1-5	Yr. 6-15	Yr. 16-30
# @ 40% AMI	0.0%	0	Rent	2.00%	2.00%	2.00%
# @ 50% AMI (PBV Low HOME)	45.0%	50	Operating Expense	3.00%	3.00%	3.00%
# @ 50% AMI (LIHTC)	31.5%	35	Other Income	2.00%	2.00%	2.00%
# @ 60% AMI (High HOME)	0.0%	0	Debt Coverage Ratio	1.15		
# @ 60% AMI (LIHTC)	2.7%	3	Vacancy	5%		
# @ Market	20.7%	23				
Appraised Market Value	100.0%	17,190,480	Market Value/Unit	\$154,869		

Pro Forma Development Budget				Commercial	Total
	Residential	Per Unit			
Site Improvements	1,326,000	11,946			1,326,000
Construction	18,421,902	165,963			18,421,902
Demolition	0	0			0
Builder Overhead	400,000	3,604			400,000
Builder Profit	780,000	7,027			780,000
Bond Premium	50,000	450			50,000
Construction Contingency	5% 1,048,895	9,450			1,048,895
Subtotal Construction Costs	22,026,797	198,440		0	22,026,797
Building Permits and Fees	322,613	2,908			322,613
Survey & Engineering	103,900	936			103,900
Architectural & Design	945,000	8,514			945,000
Legal	73,000	658			73,000
Title & Recording	15,000	135			15,000
Accounting	8,000	72			8,000
Construction Period Tax	2,000	18			2,000
Construction Period Insurance	25,000	225			25,000
Soft Cost Contingency	42,000	378			42,000
Subtotal Soft Costs	1,536,513	13,842		0	1,536,513
Construction Loan Origination Fees	8,500	77			8,500
Construction Loan Interest	700,000	6,306			700,000
Constr Partic. Fee/Perm Loan Fee	282,500	2,545			282,500
Lend Inspec, Const legal, Letter of Credit	28,750	259			28,750
Subtotal Finance Costs	1,019,750	9,187		0	1,019,750
Market Survey	5,200	47			5,200
Appraisal	6,000	54			6,000
Environmental Study	13,500	122			13,500
LIHTC Fees/ prepd monitor	142,625	1,265			142,625
Commissioning	47,080	424			47,080
FF&E	89,000	802			89,000
Subtotal Miscellaneous	303,405	2,733		0	303,405
Acquisition: Buildings	0	0			0
Acquisition: Land	0	0			0
Acquisition: Legal	0	0			0
Subtotal Acquisition	0	0		0	0
Operating Deficit Escrow	925,000	8,333			925,000
Pre-funded Replacements	196,519	1,770			196,519
Tax & Insurance Escrow	126,592	1,140			126,592
Working Capital / Relocation	0	0			0
GP Contribution	0	0			0
Developer Overhead	2,000,000	18,018			2,000,000
Developer Profit	1,900,000	17,117			1,900,000
Rent-up & Marketing	50,000	450			50,000
Subtotal Fee and Reserves	5,198,111	46,830		0	5,198,111
Total Project Costs	30,084,575	271,032		0	30,084,575
Total Development Costs (MSHA)	28,526,950	257,000			
Total Development Cost (MSHA) Index		208,190			

LIHTC Alloc.	933,564
Equity yield	0.89
Synd. %	99.99%
Equity Raise	8,307,892

Historic Credit FED	0
Equity yield	0.95
Synd. %	99.99%
Equity Raise	0

Historic Credit STATE	0
Equity yield	0.88
Synd. %	99.99%
Equity Raise	0

Total Equity:	8,307,892
---------------	-----------

Gross Square Footage	132,000
Construction Cost/Sq ft.	\$158.92

Front Street Re-Development - Sources and Uses		
Sources		
Development Fee Loan	2,400,000	
Tax Exempt Bond Loan	14,045,415	
AHP Loan	3,400,000	
FHLB Subsidy	500,000	
City Housing Trust Funds	589,728	
City HOME Funds	841,540	
Net Syndication	8,307,892	933,564 Credit Allocation
Sponsor Loan	0	
Total	30,084,575	
Uses		
Construction	22,026,797	\$158.92 /sf Construction
Soft Costs	1,536,513	
Finance Costs	1,019,750	
Miscellaneous	303,405	
Acquisition	0	
Reserves	1,298,111	
Developer Fee	3,900,000	
Total	30,084,575	271,032 Gross TDC / Unit 257,000 Adj. TDC / unit
Changes to this pro forma version		
111 units		
Trending at 2% income / 3% expenses		
New LIHTC and PBV rents as of April 2018		
OPEX increased to \$7,700/unit		
No MSHA subsidy		
City HOME funds		
Adjusted TDC Index calculation		

MAXIMUM DEVELOPER FEE AVAILABLE	3,927,688
ACTUAL DEVELOPER FEE	3,900,000
% OF MAXIMUM DEVELOPER FEE	99.3%
NET DEVELOPER FEE COLLECTED	1,500,000
% OF MAXIMUM DEVELOPER FEE	38.2%

FLOW OF FUNDS										
Sources	CLC	During Construction				PLC	2018	2019	Total	
	10/15/18	1/13/19	4/13/19	7/12/19	10/10/19	12/14/19				
Beginning Cash	0	0	0	0	0	0	3,084,605	2,992,302	0	
Capital Contribution	830,789			0	2,076,973	4,984,735	207,697	207,698	6,307,892	
Construction Loan	1,563,245	5,006,699	5,506,699	3,429,726	5,556,699				21,063,069	Total loan \$XXXXXX incl. \$500k City
GP Bridge Loan									0	
MH Subsidy	0					0			0	
Tax Exempt Bond Loan						14,045,415			14,045,415	
Conventional First Mortgage									0	
AHP Loan						3,400,000			3,400,000	
Seller Note						0			0	
City Housing Trust Fund	294,864					294,864			589,728	
City FedHOME	420,770		0			420,770			841,540	
AHP Subsidy	0	500,000							500,000	
Development Fee Loan						2,400,000			2,400,000	
TOTAL SOURCES	3,109,668	5,506,699	5,506,699	5,506,699	5,556,699	25,545,784	3,292,302	3,200,000	51,147,644	
Uses										
Acquisition	0								0	
Construction		5,506,699	5,506,699	5,506,699	5,506,699				22,026,797	
Soft Costs	1,536,513	0	0	0	0	0			1,536,513	
Financing Costs	1,019,750					0			1,019,750	CLC
Miscellaneous	303,405					0			303,405	PLC
Dev Fee	250,000					150,000	300,000	3,200,000	3,900,000	8609
Reserves						50,000			1,298,111	Stabilized
TOTAL DEV. COSTS	3,109,668	5,506,699	5,506,699	5,506,699	5,556,699	1,398,111	300,000	3,200,000	30,084,575	
Repay GP Bridge Loan						0			0	
Repay Construction Loan						21,063,069			21,063,069	
Other Syndication Costs	0					0			0	
SUBTOTAL OTHER ITEMS	0	0	0	0	0	21,063,069	0	0	21,063,069	
TOTAL USES OF FUNDS	3,109,668	5,506,699	5,506,699	5,506,699	5,556,699	22,461,179	300,000	3,200,000	51,147,644	
Ending Cash	0	0	0	0	0	3,084,605	2,992,302	0	0	

PROJECT FINANCING								
Source	Amount	Rate	Term	Lien	Annual D/S			
					Yr. 1-5	Yr. 6-15	Yr. 16-30	
Source 1:	MH Subsidy	0	0.00%	30	First	0	0	0
Source 2:	Tax Exempt Bond Loan	14,045,415	5.50%	30	First	772,498	772,498	772,498
Source 3:	AHP Loan	3,400,000	5.00%	30	First	219,023	219,023	219,023
Source 4:	Seller Note	0	0.00%	30		0	0	0
Source 5:	City Housing Trust Fund	589,728						
Source 7:	City FedHOME	841,540	0.00%	30	Third	0	0	0
Source 8:	AHP Subsidy	500,000			Third		Grant	
Source 9:	Development Fee Loan	2,400,000			cash flow	0	0	0
Source 10:	Net Syndication	6,307,892	\$0.89					
	Capitalization Gap	0						
	Total	30,084,575						

COLLATERAL COVERAGE		
	Total	Per Unit
Projected Mortgage	14,045,415	126,535
Appraised Market Value	17,190,480	154,869
Loan to Value Ratio	82%	
Market Rent Differential	248,892	187
Subsidy per Low Income Unit		0

PROPOSED RENT SCHEDULE									
Type	AMI	# Units	Rents from Applicant	Program Max Rents	Gross Rent	Market Rent	Utility Allow.	Total Rent	
0BR	40% LIHTC	0				\$1,000	0	0	
	50% LIHTC PBV	0	788	788	788	\$1,000	0	0	
	50% LIHTC	0	788	788	788	\$1,000	0	0	
	60% HOME	0				\$1,000	0	0	
	60% LIHTC	0	946	946	946	\$1,000	0	0	
	Market	0		\$900	\$900	900	\$1,000	0	0
1BR	40% LIHTC	0				\$1,100	0	0	
	50% LIHTC PBV	7	845	845	845	\$1,100	0	70,980	
	50% LIHTC	11	845	845	845	\$1,100	0	111,540	
	60% HOME	0				\$1,100	0	0	
	60% LIHTC	0	1014	1014	1,014	\$1,100	0	0	
	Market	11		\$990	\$990	990	\$1,100	0	130,880
2BR	40% LIHTC	0				\$1,300	0	0	
	50% HOME	0				\$1,300	0	0	
	50% LIHTC PBV	7	1013	1013	1013	\$1,300	0	85,092	
	50% LIHTC	19	1013	1013	1,013	\$1,300	0	230,964	
	60% LIHTC	0	1216	1216	1216	\$1,300	0	0	
	Market	12		\$1,170	\$1,170	1,170	\$1,300	0	168,480
3BR	40% LIHTC	0				\$1,600	0	0	
	50% LIHTC	5	1171	1171	1,171	\$1,600	0	70,260	
	50% LIHTC PBV	19	1171	1171	1171	\$1,600	0	266,988	
	High HOME	0				\$1,600	0	0	
	60% LIHTC	3	1,406	1,406	1,406	\$1,600	0	50,616	
	Market	0		\$1,440	\$1,440	1,440	\$1,600	0	0
4BR	50% LIHTC	0	1307	1307	1,307	\$1,900	0	0	
	50% LIHTC PBV	13	1307	1307	1,307	\$1,900	0	203,992	
	60% HOME	0				\$1,900	0	0	
	60% LIHTC	0	1569	1569	1,569	\$1,900	0	0	
	Market	0		\$1,615	\$1,615	1,615	\$1,900	0	0
	5BR	50% LIHTC	0	\$1,442	\$1,442	\$1,442	\$2,200	0	0
50% LIHTC PBV	4	\$1,442	\$1,442	\$1,442	\$2,200	0	69,216		
60% HOME	0				\$2,200	0	0		
60% LIHTC	0	\$1,731	\$1,731	\$1,731	\$2,200	0	0		
Market	0						0	0	
Other:								0	
Subtotals		111						1,458,708	
#PBVs	50		Vacancy Rate		5%			-96,167	
			Other Income		PBV-HAP Diff.			464,628	
			Other Income		Laundry			11,100	
			Other Income		75% TIF			146,138	
			Effective Gross Income					1,984,407	

AFFORDABLE MORTGAGE CALCULATION		
Effective Gross Income		1,984,407
Annual Operating Expense		858,060
Stabilized NOI		1,126,346
DSC	1.15	146,915
\$ Avail for D/S		979,432
Other DS		772,498
Balance		206,934
Affordable Mortgage	5.50%	3,037,129

BREAKEYEN ANALYSIS:	RENT SENSITIVITY		OCCUPANCY	
	Total	Annual	Gross Revenues	Annual
Operating Expense	858,060			1,934,436
Debt Service	991,521			
Breakeven Rent	1,389		Breakeven Occupancy	96%

Expense	OPERATING EXPENSES	
	Residential Annual	Annual Per Unit
Administrative Expenses:		
Management Fees	109,630	988
Management Charges	109,630	988
Marketing Expenses	500	5
Legal Expenses	4,000	36
Auditing Expenses	7,000	63
Other Administrative Expenses	0	0
Administrative Expenses	230,760	2,079
Operating Expenses:		
Janitorial Payroll	0	0
Janitorial Supplies and Equipment	0	0
Janitorial Contractual Services	40,000	360
Natural Gas Heat & HW	45,000	405
Electricity	50,000	450
Water and Sewer	42,000	378
Garbage and Trash Removal	35,000	315
Vehicle and Equipment Expenses	0	0
Other Operating Expenses	0	0
Operating Expenses	212,000	1,910
Maintenance Expenses:		
Grounds Maintenance Payroll	0	0
Grounds Tools and Supplies	0	0
Grounds Contractual Services	18,000	162
Miscellaneous Ground Maintenance	0	0
Tenant Damage Charges - Grounds	0	0
Building Maintenance Payroll	0	0
Building Tools and Supplies	5,500	50
Building Contractual Services	45,000	405
Building Systems Maintenance	42,000	378
Miscellaneous Building Maintenance	500	5
Tenant Damage Charges - Building	0	0
Maintenance Expenses	111,000	1,000
General Expenses:		
Property Taxes	194,850	1,755
Property and Liability Insurance	25,000	225
Tenant Computer Network Expense	2,500	23
Tenant Service Expenses	32,000	288
General Expenses	254,350	2,291
Replacement Reserve Funding	49,950	450
Commercial Expenses (if applicable)	0	0
Total	858,060	7,730
Operating Cost per unit without Replacement Reserve		7,280
Social Service Multi-Use Space portion of rent	0	

0 check versus OPEX:

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT													
0 Months													
	PLC	12/14/19	12/31/19	12/30/20	12/30/21	12/30/22	12/31/23	12/30/24	12/30/25	12/30/26	12/31/27	12/30/28	12/30/29
Effective Gross Income			0	2,024,095	2,064,577	2,105,668	2,147,986	2,190,945	2,234,764	2,279,460	2,325,049	2,371,550	2,418,981
Less Operating Expense			0	883,802	910,316	937,626	965,754	994,727	1,024,569	1,055,306	1,086,965	1,119,574	1,153,161
Net Operating Income			0	1,140,293	1,154,261	1,168,043	1,182,231	1,196,218	1,210,195	1,224,154	1,238,084	1,251,976	1,265,819
Less RLP Repay			0	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498
Less Other Repay			0	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023
Cash Flow			0	148,772	162,740	176,722	190,710	204,697	218,674	232,633	246,583	260,455	274,298
Cash Flow per Unit			#DIV/0!	1,340	1,466	1,592	1,718	1,844	1,970	2,096	2,221	2,346	2,471
Debt Coverage Ratio(RLP)			0.00	1.15	1.16	1.18	1.19	1.21	1.22	1.23	1.25	1.26	1.28
MH Subsidy		0	0	0	0	0	0	0	0	0	0	0	0
Tax Exempt Bond Loan	14,045,415	#NUM!		13,856,211	13,656,334	13,445,182	13,222,120	12,986,475	12,737,539	12,474,560	12,196,747	11,903,263	11,593,225
Principal Balance(RLP)	14,045,415	#NUM!		13,856,211	13,656,334	13,445,182	13,222,120	12,986,475	12,737,539	12,474,560	12,196,747	11,903,263	11,593,225
Operating Reserve Balance		925,000	971,250	1,019,813	1,070,803	1,124,343	1,180,560	1,239,688	1,301,568	1,366,646	1,434,979	1,506,728	1,582,064

Total Cash Flow Projected over 12 Yrs	2,705,143
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Yr 15													
		12/30/30	12/31/31	12/30/32	12/30/33	12/30/34	12/31/35	12/30/36	12/30/37	12/30/38	12/31/39	12/30/40	
Effective Gross Income		2,467,360	2,516,708	2,567,042	2,618,382	2,670,750	2,724,165	2,778,648	2,834,221	2,890,906	2,948,724	3,007,698	
Less Operating Expense		1,167,756	1,223,389	1,260,080	1,297,693	1,336,830	1,376,935	1,418,243	1,460,790	1,504,614	1,549,752	1,596,245	
Net Operating Income		1,279,604	1,293,319	1,306,962	1,320,689	1,333,920	1,347,230	1,360,406	1,373,431	1,386,292	1,398,972	1,411,454	
Less RLP Repay		772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	
Less Other Repay		219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	
Cash Flow		288,083	301,798	315,430	328,968	342,399	355,709	368,884	381,910	394,771	407,451	419,932	
Cash Flow per Unit		2,595	2,719	2,842	2,964	3,085	3,205	3,323	3,441	3,556	3,671	3,783	
Debt Coverage Ratio(RLP)		1.29	1.30	1.32	1.33	1.35	1.36	1.37	1.39	1.40	1.41	1.42	
MH Subsidy		0	0	0	0	0	0	0	0	0	0	0	
Tax Exempt Bond Loan	11,593,225	11,265,698	10,919,695	10,554,176	10,168,038	9,760,119	9,329,191	8,873,954	8,393,039	7,884,996	7,348,296	6,781,322	
Principal Balance(RLP)	11,593,225	11,265,698	10,919,695	10,554,176	10,168,038	9,760,119	9,329,191	8,873,954	8,393,039	7,884,996	7,348,296	6,781,322	
Operating Reserve Balance		1,582,064	1,661,167	1,744,225	1,831,437	1,923,009	2,019,159	2,120,117	2,226,123	2,337,429	2,454,300	2,577,015	2,705,866

		12/30/41	12/30/42	12/31/43	12/30/44	12/30/45	12/30/46	12/31/47	12/30/48	12/29/49
Effective Gross Income		3,067,652	3,129,209	3,191,794	3,255,630	3,320,742	3,387,157	3,454,900	3,523,998	3,594,478
Less Operating Expense		1,644,132	1,693,456	1,744,260	1,796,588	1,850,485	1,906,000	1,963,180	2,022,075	2,082,738
Net Operating Income		1,423,720	1,435,753	1,447,534	1,459,042	1,470,257	1,481,157	1,491,720	1,501,923	1,511,740
Less RLP Repay		772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498	772,498
Less Other Repay		219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023
Cash Flow		432,199	444,232	456,013	467,521	478,736	489,636	500,199	510,402	520,219
Cash Flow per Unit		3,894	4,002	4,108	4,212	4,313	4,411	4,506	4,598	4,687
Debt Coverage Ratio(RLP)		1.44	1.45	1.46	1.47	1.48	1.49	1.50	1.51	1.52
MH Subsidy		0	0	0	0	0	0	0	0	0
Tax Exempt Bond Loan	6,781,322	6,182,365	5,549,623	4,881,189	4,175,051	3,429,080	2,641,031	1,808,530	929,069	-0
Principal Balance(RLP)	6,781,322	6,182,365	5,549,623	4,881,189	4,175,051	3,429,080	2,641,031	1,808,530	929,069	-0
Operating Reserve Balance		2,705,866	2,841,159	2,983,217	3,132,376	3,288,997	3,453,447	3,626,119	3,807,425	4,197,687



To: Mary Davis, City of Portland
From: Anne Boynton, Urban Ventures, Inc.
Re: Front Street Housing Redevelopment LP
 Developed by Portland Housing Development Corporation (PHDC)
Date: June 3, 2018

Executive Summary

The Front Street Redevelopment will replace 50 units of deteriorated “temporary housing” built in 1971 which is suffering from structural problems with 111 units of new rental housing and a 10 unit homeownership development (which is not part of this request). Due a range of complications including underlying soil contamination and soil structure issues throughout the 4 acre site, size of units (includes 17 units with 4 or 5 bedrooms), zoning constraints limiting project height to 3 stories, and commitments to the neighborhood on design issues, this is quite an expensive development, with a total development cost of \$30 million (which **excludes** all demolition and much of the site work.) The per unit development cost is \$271,032. PHDC is requesting a HOME loan of \$841,540 and is anticipating a Housing Trust Fund request of \$589,728, for a total capital investment from the City of Portland of \$1,431,268.

In order to make use of the 4% LIHTCs and tax exempt bond financing, PHDC is giving up their current property tax exempt ownership structure and is requesting a 75% TIF with an estimated value of \$146,148 in year 1. The TIF will return an estimated \$48,712 to the City in year 1, raising over time, from this property which would not otherwise be on the tax rolls.

Sources and Uses

Sources:		Uses:	
1 st Mortgage	\$14,045,415	Site Improvements	\$1,326,000
AHP 2 nd lien	\$3,400,000	Hard Construction	\$19,651,902
AHP subsidy	\$500,000	Hard Cost Contingency	\$1,048,895
LIHTC Equity	\$8,307,892	Soft & Misc. Costs	\$1,839,918
Deferred Dev Fee	\$2,400,000	Interest & Financing Costs	\$1,019,750
HOME – Portland	\$841,540	Acquisition	0
Housing Trust Fund – Portland	<u>\$589,728</u>	Reserves	\$1,298,111
		Developer Fee	<u>\$3,900,000</u>
Sources of Funds	\$30,084,575	Uses of Funds	\$30,084,576

For analysis of “Uses,” see Development Budget.

Development Budget

The Total Development Cost for this project is very high, particularly considering there is no acquisition cost and the units will ultimately be modest in scale and amenities (for instance, the 5 bedroom units have only 1.5 baths and a total of 1,400 square feet). Of the six projects receiving HOME commitments in the past 2 years, this project costs 32% more per unit than the next most expensive project (Boyd



Street). Unfortunately, most of this additional cost is an outgrowth of the unique site conditions and neighborhood considerations – either directly in construction costs, architectural & engineering expense, and in construction period interest. Short of abandoning the site or reconfiguring for a narrower, taller structure, there is not a lot of room to reduce costs.

Construction Costs:

Over \$1.9 million of the site preparation costs will be borne by the PHA prior to transferring the site to the Front Street LP, including hazardous material removal, demolition of existing structures, removal of contaminated soils, and relocation of existing residents. None of these expenses are included in the project budget. Even so, there is still \$1,326,000 in ADDITIONAL site improvements to be borne by the project to address inadequate soil structures and the extensive soil remediation. Construction techniques to secure the foundation on the old landfill will be more expensive than typical.

The existing development is all larger units and the new development will include 44 units of 3 bedrooms or larger. These larger units also push construction costs up – to the largest units are only 1400 sq ft with 1.5 baths, so they are not over investing in amenities. Construction costs are based on an overall conceptual design estimate by Wright-Ryan, so there is not currently much detail to evaluate in terms of value engineering opportunities.

Soft Costs:

Soft costs are generally in line with other Portland area developments except as related to the extraordinary site conditions which drives up architectural, engineering, and the high total development cost which drives up construction loan interest. Overall high costs also push up soft costs which are calculated on a percentage basis: operating reserve, replacement reserve, and developer fee. Developer fee budgeted at \$3.9 million and is calculated at the maximum allowable by Maine Housing. This works out to 15.64% of total development cost excluding reserves and developers fee. The developer commits to lend 62% of developer fee (\$2.4 million) back to the project for a cash out developer fee of \$1.5 million.

Contingency:

Hard cost contingency is at 5% which is QUITE thin considering the very preliminary stage of development. The costs are estimated based on an October 2018 start date which is not realistic, so there will be construction inflation which needs to be factored in. Also soil conditions can be very difficult to estimate. We should expect these costs to rise over time.

Acquisition:

Acquisition price is ZERO.

Operating Budget & 20 Year Cashflow Projection

Project Income:

The PHA is providing 50 project based vouchers to insure that every returning resident has an affordable unit. There will be 23 market rate 1 and 2 bedroom units, with rents of \$990 & \$1,170 respectively. PHDC states these are discounted 10% vs. true market rate. There will be 38 units affordable at 50% or



60% of AMI with rents ranging from \$880 for a 1 bedroom to \$1,406 for a 3 bedroom. Vacancy is budgeted at 5%.

Operating Expense

Total operating cost per unit is \$7,730, towards the upper end of affordable housing operating costs. However this does not account for the TIF. A property with an equivalent real estate tax subsidy in the form of a PILOT would show operating expenses of \$6,413, exactly in range for affordable housing. Administration is slightly high at \$2,101 per unit. Utilities are currently thin at \$1,234 per unit – given large units and large families, this is inadequate. PHDC has conducted a utility review of comparable units and agrees to increase the utility line item to \$1,527 per unit. Given energy efficient construction and a range of unit sizes, this should be sufficient. Annual contribution to Reserves for Replacement is \$450/unit, which should be sufficient even given the larger units and anticipation of some wear and tear from larger families.

20 Year Cashflow & Debt Service Coverage Ratio (DSCR)

The projected year 1 Debt Service Coverage Ratio (DSCR) is an adequate 1.16. With industry standard inflators of 2% for income and 3% for expense, the projections show the DSCR gradually increasing to 1.43 in year 20.

Since there is a hefty developer fee loan -- \$2.4 mill – which the investors will insist is repaid from cashflow prior to the end of the 15 year tax credit compliance period, there is not a lot of leeway in projected cashflow to retire the City investment in the early years. If the cashflow is divided 75% to the developer fee loan, projections show the developer fee loan fully retired in year 14. Ten percent of cashflow is the minimum which should be retained by the project. If 15% of cashflow goes the City, that would be a repayment of about \$24,000 in the first year, rising to \$50,000 by year 14 when the developer fee loan is fully repaid. The percentage of cashflow paid to the City should be structured to increase at the point the developer fee loan is repaid. If the cashflow share paid to the City rises to 50% when the developer fee is repaid, the full City investment is retired in year 19.

Developer Financials

Portland Housing Authority has submitted audits for FY2014, 2015, 2016 and 2017. Their fiscal year ends 6/30. Their audit as of 6/30/17 showed strong and improving financial health, with current assets of \$13.7 million and current liabilities of \$1.7 million, resulting in a current ratio of 8. The Quick Ratio (cash and cash equivalents divided by current liabilities) is a remarkably healthy 4.9. In 2017, they increased their Net Position by \$1,104,212, as growth in revenues exceeded growth in expenses. This brought their total Net Worth to over \$20 million. Overall, this organization has very strong financial health. This developer has the financial capacity to intervene in a development facing unexpected setbacks and or cost over-runs to keep the development process moving forward. Their financial strength as an organization mitigates the risk of the thin hard and soft cost contingency.

Recommendations

At this time, I recommend a HOME loan in the amount of \$480,174, zero percent interest, payment from cashflow with cashflow waterfall acceptable to City, with the following conditions prior to loan closing:



1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Commitment of all sources on terms and conditions acceptable to City of Portland, including acceptable cashflow waterfall, and cashflow projection which shows retirement of developer fee loan and City of Portland loans;
3. Revised operating budget reflective of higher utility costs and cashflow projection satisfactory to City.

Development Budget with Permanent Sources

Date 5/15/2018
 Project Name Front Street
 Project Address _____
 Developer/Sponsor _____

Total Units 111
 Total Square Feet 60,000 incorrect \$1,431,268

	<u>Total</u>	<u>Per Unit</u>	<u>Per Sq Ft</u>
Sources of Funds			
Permanent Financing - 1st Lien	\$14,045,415	\$126,535	\$234
Permanent Financing - AHP Loan \$3.4 mill Subsidy \$500k	\$3,900,000	\$35,135	\$65
Equity (LIHTC/tenant contributions)	\$8,307,892	\$74,846	\$138
Deferred development fee	\$2,400,000	\$21,622	\$40
HOME -- City of Portland	\$841,540	\$7,581	\$14
Housing Trust Fund -- City of Portland	\$589,728	\$5,313	\$10
Total Sources of Funds	\$30,084,575	\$271,032	\$501

Uses of Funds

Hard Costs			
Site Improvements	\$1,326,000	\$11,946	\$22
Rehabilitation		\$0	\$0
New Construction	\$18,421,902	\$165,963	\$307
Contractor's Profit, Overhead, & Gen. Requirements	6.0% \$1,180,000	\$10,631	\$20
Hazardous Materials abatement (if contracted separately)		\$0	\$0
Demolition Cost (if contracted separately)		\$0	\$0
Bond Premium	\$50,000	\$450	\$1
Other		\$0	\$0
Hard Cost Contingency (% of hard costs)	5.0% \$1,048,895	\$9,450	\$17
Total Hard Costs	\$22,026,797	\$198,440	\$367

Soft Costs			
Building Permit & Fees	\$322,613	\$2,906	\$5
Survey & Engineering	\$103,900	\$936	\$2
Design & Permitting (% of const exp)	5.0% \$945,000	\$8,514	\$16
Borrower Legal (all closings, excluding syndication legal)	\$73,000	\$658	\$1
Title & Recording	\$15,000	\$135	\$0
Accounting	\$8,000	\$72	\$0
Construction Period Taxes	\$2,000	\$18	\$0
Construction Period Insurance	\$25,000	\$225	\$0
Other: FF&E, Security		\$0	\$0
Other		\$0	\$0
Total Soft Costs	\$1,494,513	\$13,464	\$25

Financing Costs			
Construction Loan Origination Fees	\$8,500	\$77	\$0
Construction Period Interest	\$700,000	\$6,306	\$12
Lender Inspection Fees	\$28,750	\$259	\$0
Letter of Credit Fee		\$0	\$0

Permanent Loan Fee	\$282,500	\$2,545	\$5
Construction Lender Legal		\$0	\$0
Other	\$0	\$0	\$0
Total Financing Costs	\$1,019,750	\$9,187	\$17

Miscellaneous			
Market Survey	\$5,200	\$47	\$0
Appraisal	\$6,000	\$54	\$0
Environmental Study	\$13,500	\$122	\$0
LIHTC Fees -- prepaid monitoring	\$142,625	\$1,285	\$2
Other: Commissioning	\$47,080	\$424	\$1
Relocation Costs		\$0	\$0
Other -- FF&E	\$89,000	\$802	\$1
Soft Cost Contingency (% of soft costs excl Dev Fee)	0.99%	\$42,000	\$378
Total Miscellaneous:	\$345,405	\$3,112	\$6

Acquisition			
Acquisition: Buildings	\$0	\$0	\$0
Acquisition: Land	\$0	\$0	\$0
Acquisition: Legal	\$0	\$0	\$0
Other	\$0	\$0	\$0
Total Acquisition	\$0	\$0	\$0

Reserves and Developer Fee			
Operating Deficit Escrow	\$925,000	\$8,333	\$15
Prefunded Replacement Reserve	\$196,519	\$1,770	\$3
Taxes & Insurance Escrow	\$126,592	\$1,140	\$2
Developer Overhead	\$2,000,000	\$18,018	\$33
Developer Profit	\$1,900,000	\$17,117	\$32
Rent Up Reserve & Marketing	\$50,000	\$450	\$1
Other	\$0	\$0	\$0
Total Reserves and Developer Fee	\$5,198,111	\$46,830	\$87

Total Uses of Funds	\$30,084,576	\$271,032	\$501
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Developer Fee Analysis: Total Fees: \$3,900,000
Percent of TDC: 15.64% (excluding reserves & developer fee)

Project Operating Pro Forma

Date May 15, 2018
 Project Name Front Street
 Project Address _____
 Developer/Sponsor _____

Rental Income

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
1 BR	7		PBV	50%	\$845			\$845	#DIV/0!	\$5,915	\$70,980
1 BR	11		0	50%	\$845			\$845	#DIV/0!	\$9,295	\$111,540
1 BR	11		0	market	\$990			\$990	#DIV/0!	\$10,890	\$130,680
2 BR	7		PBV	50%	\$1,013			\$1,013	#DIV/0!	\$7,091	\$85,092
2 BR	19		0	50%	\$1,013			\$1,013	#DIV/0!	\$19,247	\$230,964
2 BR	12		0	market	\$1,170			\$1,170	#DIV/0!	\$14,040	\$168,480
3 BR	5		0	50%	\$1,171			\$1,171	#DIV/0!	\$5,855	\$70,260
3 BR	19		PBV	50%	\$1,171			\$1,171	#DIV/0!	\$22,249	\$266,988
3 BR	3		0	60%	\$1,406			\$1,406	#DIV/0!	\$4,218	\$50,616
4 BR	13		PBV	50%	\$1,307			\$1,307	#DIV/0!	\$16,991	\$203,892
Other	4		PBV	50%	\$1,442			\$1,442	#DIV/0!	\$5,768	\$69,216
Other			0	60%				\$0	#DIV/0!	\$0	\$0
Total:	111		0							\$121,559	\$1,458,708

6.59% budgeted vacancy per pro forma

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

\$48,712 Note: Year 1 is the first full year of stabilized operations

	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Income												
Sch. Gross Income - Residential	\$1,458,708	\$13,142	\$1,487,882	\$1,517,640	\$1,547,993	\$1,578,952	\$1,610,532	\$1,642,742	\$1,675,597	\$1,709,109	\$1,743,291	
Vacancy Loss	5.0%	(\$72,935)	(\$657)	(\$74,394)	(\$75,882)	(\$77,400)	(\$78,948)	(\$80,527)	(\$82,137)	(\$83,780)	(\$85,455)	(\$87,165)
Other income: PBV/HAP Diff.	\$464,628	\$4,186	\$473,921	\$483,399	\$493,067	\$502,928	\$512,987	\$523,247	\$533,712	\$544,386	\$555,273	
Other income (laundry)	\$11,100	\$100	\$11,322	\$11,548	\$11,779	\$12,015	\$12,255	\$12,500	\$12,750	\$13,005	\$13,266	
TIF -- 75%	\$146,138	\$1,317	\$149,061	\$152,042	\$155,083	\$158,184	\$161,348	\$164,575	\$167,867	\$171,224	\$174,648	
Effective Gross Income	\$2,007,639	\$18,087	\$2,047,791	\$2,088,747	\$2,130,522	\$2,173,133	\$2,216,595	\$2,260,927	\$2,306,146	\$2,352,269	\$2,399,314	
Administrative												
Management Fee	\$109,630	\$988	\$112,919	\$116,306	\$119,796	\$123,390	\$127,091	\$130,904	\$134,831	\$138,876	\$143,042	
Management Charges	\$109,630	\$988	\$112,919	\$116,306	\$119,796	\$123,390	\$127,091	\$130,904	\$134,831	\$138,876	\$143,042	
Marketing Expense	\$500	\$5	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	
Legal	\$4,000	\$36	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219	
Audit & Accounting	\$7,000	\$63	\$7,210	\$7,426	\$7,649	\$7,879	\$8,115	\$8,358	\$8,609	\$8,867	\$9,133	
Tenant Computer network	\$2,500	\$23	\$2,575	\$2,652	\$2,732	\$2,814	\$2,898	\$2,985	\$3,075	\$3,167	\$3,262	
Total Administrative	\$233,260	\$2,101	\$240,258	\$247,466	\$254,890	\$262,536	\$270,412	\$278,525	\$286,880	\$295,487	\$304,351	
Supportive Services												
	\$32,000	\$288	\$32,960	\$33,949	\$34,967	\$36,016	\$37,097	\$38,210	\$39,356	\$40,537	\$41,753	
Utilities												
Fuel Oil		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Natural Gas	\$45,000	\$405	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715	
Electric	\$50,000	\$450	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964	\$59,703	\$61,494	\$63,339	\$65,239	
Water / Sewer	\$42,000	\$378	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800	
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Utilities	\$137,000	\$1,234	\$141,110	\$145,343	\$149,704	\$154,195	\$158,821	\$163,585	\$168,493	\$173,548	\$178,754	

Maintenance	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Grounds	\$18,000	\$162	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802	\$23,486
Tools and Supplies	\$5,500	\$50	\$5,665	\$5,835	\$6,010	\$6,190	\$6,376	\$6,567	\$6,764	\$6,967	\$7,176
Janitor Contract	\$40,000	\$360	\$41,200	\$42,436	\$43,709	\$45,020	\$46,371	\$47,762	\$49,195	\$50,671	\$52,191
Security		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trash Removal	\$35,000	\$315	\$36,050	\$37,132	\$38,245	\$39,393	\$40,575	\$41,792	\$43,046	\$44,337	\$45,667
Maintenance	\$42,000	\$378	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800
Elevator, HVAC, pool contracts	\$45,000	\$405	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715
Other --Misc	\$500	\$5	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652
Total Maintenance	\$186,000	\$1,676	\$191,580	\$197,327	\$203,247	\$209,345	\$215,625	\$222,094	\$228,757	\$235,619	\$242,688

Taxes & Insurance											
Real Estate Taxes or PILOT	\$194,850	\$1,755	\$200,696	\$206,716	\$212,918	\$219,305	\$225,885	\$232,661	\$239,641	\$246,830	\$254,235
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$25,000	\$225	\$25,750	\$26,523	\$27,318	\$28,138	\$28,982	\$29,851	\$30,747	\$31,669	\$32,619
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$219,850	\$1,981	\$226,446	\$233,239	\$240,236	\$247,443	\$254,866	\$262,512	\$270,388	\$278,499	\$286,854

Replacement Reserves	\$49,950	\$450	\$51,449	\$52,992	\$54,582	\$56,219	\$57,906	\$59,643	\$61,432	\$63,275	\$65,173
Operating Reserves		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$858,060	\$7,730	\$883,802	\$910,316	\$937,625	\$965,754	\$994,727	\$1,024,569	\$1,055,306	\$1,086,965	\$1,119,574
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Net Operating Income	\$1,149,579	\$10,357	\$1,163,990	\$1,178,431	\$1,192,897	\$1,207,378	\$1,221,869	\$1,236,359	\$1,250,840	\$1,265,304	\$1,279,740
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Debt Service											
First Lien -- Tax Exempt Bond	\$772,498	\$6,959	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498
Second Lien -- AHP Loan	\$219,023	\$1,973	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service (Must Pay)	\$991,521	\$8,933	\$991,521								

Cash Flow (after Must Pay Debt)	\$158,058	\$1,424	\$172,469	\$186,910	\$201,376	\$215,857	\$230,348	\$244,838	\$259,319	\$273,783	\$288,219
Debt Service Coverage Ratio	1.16		1.17	1.19	1.20	1.22	1.23	1.25	1.26	1.28	1.29

Cash Flow Debt Payments	\$1,407,559		\$1,381,689	\$1,353,653	\$1,323,446	\$1,291,068	\$1,256,515	\$1,219,790	\$1,180,892	\$1,139,824	\$1,096,592
City of Portland	15.0%	\$23,709	\$214	\$25,870	\$28,037	\$30,206	\$32,379	\$34,552	\$36,726	\$38,898	\$41,067
Developer Fee Loan	75.0%	\$118,543	\$1,068	\$129,351	\$140,183	\$151,032	\$161,893	\$172,761	\$183,628	\$194,489	\$205,337
Cash Flow Retained by Project	\$15,806	\$142	\$17,247	\$18,691	\$20,138	\$21,586	\$23,035	\$24,484	\$25,932	\$27,378	\$28,822

Retained Cash Flow % 2%

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Income										
Sch. Gross Income - Residential	\$1,778,157	\$1,813,720	\$1,849,994	\$1,886,994	\$1,924,734	\$1,963,229	\$2,002,493	\$2,042,543	\$2,083,394	\$2,125,062
Vacancy Loss	5.0%	(\$88,908)	(\$90,686)	(\$92,500)	(\$94,350)	(\$96,237)	(\$98,161)	(\$100,125)	(\$102,127)	(\$104,170)
Other income (laundry)	\$566,379	\$577,707	\$589,261	\$601,046	\$613,067	\$625,328	\$637,835	\$650,591	\$663,603	\$676,875
Other income (laundry)	\$13,531	\$13,801	\$14,077	\$14,359	\$14,646	\$14,939	\$15,238	\$15,543	\$15,854	\$16,171
TIF -- 75%	\$178,141	\$181,704	\$185,338	\$189,045	\$192,826	\$196,683	\$200,616	\$204,628	\$208,721	\$212,895
Effective Gross Income	\$2,447,300	\$2,496,246	\$2,546,171	\$2,597,095	\$2,649,036	\$2,702,017	\$2,756,058	\$2,811,179	\$2,867,402	\$2,924,750
Administrative										
Advertising	\$147,334	\$151,754	\$156,306	\$160,995	\$165,825	\$170,800	\$175,924	\$181,202	\$186,638	\$192,237
Office Payroll & Benefits	\$147,334	\$151,754	\$156,306	\$160,995	\$165,825	\$170,800	\$175,924	\$181,202	\$186,638	\$192,237
Office Supplies, Phone, Misc.	\$672	\$692	\$713	\$734	\$756	\$779	\$802	\$826	\$851	\$877
Mngr or Super Rent Free Unit	\$5,376	\$5,537	\$5,703	\$5,874	\$6,050	\$6,232	\$6,419	\$6,611	\$6,810	\$7,014
Audit & Accounting	\$9,407	\$9,690	\$9,980	\$10,280	\$10,588	\$10,906	\$11,233	\$11,570	\$11,917	\$12,275
Admin Other	\$3,360	\$3,461	\$3,564	\$3,671	\$3,781	\$3,895	\$4,012	\$4,132	\$4,256	\$4,384
Total Administrative	\$313,482	\$322,886	\$332,573	\$342,550	\$352,827	\$363,411	\$374,314	\$385,543	\$397,110	\$409,023
Supportive Services	\$43,005	\$44,295	\$45,624	\$46,993	\$48,403	\$49,855	\$51,351	\$52,891	\$54,478	\$56,112
Utilities										
Fuel Oil	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067	\$70,109	\$72,212	\$74,378	\$76,609	\$78,908
Gas	\$67,196	\$69,212	\$71,288	\$73,427	\$75,629	\$77,898	\$80,235	\$82,642	\$85,122	\$87,675
Water / Sewer	\$56,444	\$58,138	\$59,882	\$61,678	\$63,529	\$65,435	\$67,398	\$69,420	\$71,502	\$73,647
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities	\$184,117	\$189,640	\$195,329	\$201,189	\$207,225	\$213,442	\$219,845	\$226,440	\$233,233	\$240,230

Maintenance	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Janitorial	\$24,190	\$24,916	\$25,664	\$26,434	\$27,227	\$28,043	\$28,885	\$29,751	\$30,644	\$31,563
Exterminating	\$7,392	\$7,613	\$7,842	\$8,077	\$8,319	\$8,569	\$8,826	\$9,091	\$9,363	\$9,644
Trash Removal	\$53,757	\$55,369	\$57,030	\$58,741	\$60,504	\$62,319	\$64,188	\$66,114	\$68,097	\$70,140
Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grounds	\$47,037	\$48,448	\$49,902	\$51,399	\$52,941	\$54,529	\$56,165	\$57,850	\$59,585	\$61,373
Maintenance	\$56,444	\$58,138	\$59,882	\$61,678	\$63,529	\$65,435	\$67,398	\$69,420	\$71,502	\$73,647
Elevator, HVAC, pool contracts	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067	\$70,109	\$72,212	\$74,378	\$76,609	\$78,908
Other	\$672	\$692	\$713	\$734	\$756	\$779	\$802	\$826	\$851	\$877
Total Maintenance	\$249,968	\$257,467	\$265,192	\$273,147	\$281,342	\$289,782	\$298,475	\$307,430	\$316,653	\$326,152

Taxes & Insurance										
Real Estate Taxes or PILOT	\$261,862	\$269,718	\$277,810	\$286,144	\$294,728	\$303,570	\$312,677	\$322,057	\$331,719	\$341,671
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$33,598	\$34,606	\$35,644	\$36,713	\$37,815	\$38,949	\$40,118	\$41,321	\$42,561	\$43,838
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$295,460	\$304,324	\$313,454	\$322,857	\$332,543	\$342,519	\$352,795	\$363,379	\$374,280	\$385,508

Replacement Reserves	\$67,129	\$69,142	\$71,217	\$73,353	\$75,554	\$77,820	\$80,155	\$82,560	\$85,037	\$87,588
Operating Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$1,153,161	\$1,187,756	\$1,223,388	\$1,260,090	\$1,297,893	\$1,336,830	\$1,376,934	\$1,418,242	\$1,460,790	\$1,504,613
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Net Operating Income	\$1,294,139	\$1,308,491	\$1,322,783	\$1,337,005	\$1,351,144	\$1,365,188	\$1,379,123	\$1,392,936	\$1,406,613	\$1,420,137
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Debt Service										
First Lien	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498	\$772,498
Second Lien	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023	\$219,023
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service (Must Pay)	\$991,521	\$991,521	\$991,521	\$991,521	\$991,521	\$991,521	\$991,521	\$991,521	\$991,521	\$991,521

Cash Flow (after Must Pay Debt)	\$302,618	\$316,970	\$331,262	\$345,484	\$359,623	\$373,667	\$387,602	\$401,415	\$415,092	\$428,616
Debt Service Coverage Ratio	1.31	1.32	1.33	1.35	1.36	1.38	1.39	1.40	1.42	1.43

Cash Flow Debt Payments	\$1,051,199	\$1,003,653	\$953,964	\$781,222.32	\$601,410.95	\$414,577.59	\$220,776.51	\$20,068.87	(\$187,476.92)	#####
DHCD	15.0%	\$45,393	\$47,545	\$49,689	\$51,823	\$53,943	\$56,050	\$58,140	\$60,212	\$62,264
Developer Fee Loan	75.0%	\$226,964	\$237,727	\$248,446	\$259,113	\$269,717	\$280,250	\$290,702	\$301,061	\$311,319
Cash Flow Retained by Project	\$30,262	\$31,697	\$33,126	\$34,548	\$35,962	\$37,367	\$38,760	\$40,142	\$41,509	\$42,862

Retained Cash Flow % 2%

Order 50 - 18/19
~~Tab 38 8-13-18~~
Tab 12 9-5-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPROVING THE
COLLECTIVE BARGAINING AGREEMENT WITH
THE FIREFIGHTERS LOCAL 740,
INTERNATIONAL ASSOCIATION OF FIREFIGHTERS**

ORDERED, that the attached Collective Bargaining one (1) Year Agreement with the Firefighters Local 740, International Association of Firefighters for January 1, 2018 through December 31, 2018, is hereby approved.

CITY OF PORTLAND, MAINE
Memorandum

TO: Mayor Strimling and Members of the City Council
FROM: Thomas A. Calazzo, Labor Relations Manager *TAC*
DATE: July 25, 2018
RE: Order – First Reading of Firefighters Local 740, International Association of Firefighters Contract

Staff has reached a tentative agreement with the Local 740, International Association of Firefighters on a successor one (1) year contract. The prior contract expired on December 31, 2017. Local 740 has ratified the tentative agreement and the Administration will seek your support for the agreement on August 13, 2018. The tentative agreement is within guidance received from the Council. This order will require a second reading.

This memorandum reflects the substantive changes to the expired collective bargaining agreement. The cost summary for the tentative agreement is also included as an attachment.

Article 9 – Transfers

The parties have agreed that vacancies will be posted when they occur rather than once per year as they are now.

Article 13 – Clothing and Equipment

The clothing allowance limits were increased to \$350.00 annually and a max of \$650.00 over any two (2) year period.

Article 17 – Sick Leave

Defines when an employee needs to provide a doctor's note for sick leave absences.

Article 24 – Overtime

New language clarifies the eight (8) day work period versus the seven (7) day pay period

Article 25 - Salaries

Base Wages

3% increase, effective January 7, 2018, retroactive

Also eliminate the first two steps in the pay plan in order to be able to better recruit for vacancies. (See attached new pay plan)

Increase educational stipends by \$.10 per hour retroactively as follows:

Associates Degree	\$.24/hour increase to \$.34/hour
Bachelor's Degree	\$.36/hour increase to \$.46/hour
Master's Degree	\$.48/hour increase to \$.58/hour

Article 34 – Training

Revised the language to clarify what is considered mandatory training and how employees are paid for mandatory training during normal workhours and when off duty. Also deleted obsolete language.

Article 38 – Term

The new contract term is January 1, 2018, through December 31, 2018.

Attachment(s)

CC: Jon Jennings, City Manager,
Mona Bector, Assistant City Manager
Keith Gautreau, Interim Fire Chief
Danielle West-Chuhta, Corporation Counsel
Gina Tapp, Director of Human Resources
Brendan O'Connell, Finance Director
Anne Torregrossa, Assoc. Corp. Counsel
Carlene Kessler, Employment Services Manager
Benjamin Bettez, PFO, Fire
Jennifer Lodge, Budget Analyst
Lori Schools, Financial Specialist

2018 Firefighters Unit Estimates

Item	Description	Base	City Proposal 2018	% Incr	FF Proposal 2018	% Incr	Notes
FTEs: <u>220.0</u>							
#1	Base Wages	\$11,516,978	\$11,862,536	103.0%	\$11,977,507	104.0%	City Proposal: <u>3.0%</u> COLA; FF Proposal <u>4.0%</u>
#2	Step \$ Value Based on 2017 Current Pay Plan Movement	\$38,089	\$39,253	103.1%	\$39,599	104.0%	Cost of Current Active 2018 Step Eligible Employees (2017 Pay Plan Step Mvmt)
#3	Collapse of Steps 1-3 / Elimination of Step 1 & Step 2	-	\$23,998	5.6%	\$24,191	5.5%	Cost of Current Active 2018 Eligible Employees
#4	Certified Fire Officer 1.0% \$ Value (36 Eligible EEs)	\$21,970	\$22,629	1.0%	\$22,849	1.0%	Based on increase in Proposed Base Wage
#5	Education Stipends	-	-	-	\$26,395	33.1%	FF Proposal: <u>\$0.10</u> / hr Increase
Wages:		\$11,577,037	\$11,948,416	103.2%	\$12,090,540	104.4%	
#6	Annual Clothing Allowance	\$66,000	\$77,000	116.7%	\$77,000	116.7%	Current \$300; Proposed <u>\$350</u>
Direct Costs:		\$66,000	\$77,000	116.7%	\$77,000	116.7%	
TOTAL:		\$11,643,037	\$12,025,416	103.3%	\$12,167,540	104.5%	

CURRENT			EFFECTIVE 1/1/2018			3% COLA		
FIREFIGHTER	HOURLY	WEEKLY	FIREFIGHTER	HOURLY	WEEKLY	FIREFIGHTER	HOURLY	WEEKLY
0 - 6 MOS	\$15.76	\$661.92						
6 MOS - 1 YR	\$16.36	\$687.12						
1 - 3 YRS	\$17.31	\$727.02	0 - 3 YRS	\$17.83	\$748.86			
3 - 5 YRS	\$20.88	\$876.96	3 - 5 YRS	\$21.51	\$903.42			
5 - 8 YRS	\$21.75	\$913.50	5 - 8 YRS	\$22.40	\$940.80			
8 - 15 YRS	\$23.33	\$979.86	8 - 15 YRS	\$24.03	\$1,009.26			
15 - 20 YRS	\$23.83	\$1,000.86	15 - 20 YRS	\$24.54	\$1,030.68			
20 + YRS	\$24.55	\$1,031.10	20 + YRS	\$25.29	\$1,062.18			
LIEUTENANT			LIEUTENANT					
0 - 1 YRS	\$25.32	\$1,063.44	0 - 1 YRS	\$26.08	\$1,095.36			
1 - 4 YRS	\$26.03	\$1,093.26	1 - 4 YRS	\$26.81	\$1,126.02			
4 + YRS	\$26.80	\$1,125.60	4 + YRS	\$27.60	\$1,159.20			
APTAIN			CAPTAIN					
0 - 1 YRS	\$27.40	\$1,150.80	0 - 1 YRS	\$28.22	\$1,185.24			
1 - 4 YRS	\$28.19	\$1,183.98	1 - 4 YRS	\$29.04	\$1,219.68			
4 + YRS	\$29.02	\$1,218.84	4 + YRS	\$29.89	\$1,255.38			
FF/EMT-B			FF/EMT-B			HOURLY WEEKLY		
0 - 6 MOS	\$16.37	\$687.54						
6 MOS - 1 YR	\$17.00	\$714.00						
1 - 3 YRS	\$17.95	\$753.90	0 - 3 YRS	\$18.49	\$776.58			
3 - 5 YRS	\$21.49	\$902.58	3 - 5 YRS	\$22.13	\$929.46			
5 - 8 YRS	\$22.38	\$939.96	5 - 8 YRS	\$23.05	\$968.10			
8 - 15 YRS	\$23.96	\$1,006.32	8 - 15 YRS	\$24.68	\$1,036.56			
15 - 20 YRS	\$24.46	\$1,027.32	15 - 20 YRS	\$25.19	\$1,057.98			
20 + YRS	\$25.17	\$1,057.14	20 + YRS	\$25.93	\$1,089.06			
LT/EMT-B			LT/EMT-B					
0 - 1 YRS	\$25.94	\$1,089.48	0 - 1 YRS	\$26.72	\$1,122.24			
1 - 4 YRS	\$26.65	\$1,119.30	1 - 4 YRS	\$27.45	\$1,152.90			
4 + YRS	\$27.43	\$1,152.06	4 + YRS	\$28.25	\$1,186.50			

TAC *Oct*

POT/EMT-B			CPT/EMT-B		
0 - 1 YRS	\$28.00	\$1,176.00	0 - 1 YRS	\$28.84	\$1,211.28
1 - 4 YRS	\$28.82	\$1,210.44	1 - 4 YRS	\$29.68	\$1,246.56
4 + YRS	\$29.66	\$1,245.72	4 + YRS	\$30.55	\$1,283.10
FF/EMT-I	HOURLY	WEEKLY	FF/EMT-I	HOURLY	WEEKLY
0 - 6 MOS	\$16.73	\$702.66			
6 MOS - 1 YR	\$17.36	\$729.12			
1 - 3 YRS	\$18.30	\$768.60	0 - 3 YRS	\$18.85	\$791.70
3 - 5 YRS	\$21.85	\$917.70	3 - 5 YRS	\$22.51	\$945.42
5 - 8 YRS	\$22.73	\$954.66	5 - 8 YRS	\$23.41	\$983.22
8 - 15 YRS	\$24.31	\$1,021.02	8 - 15 YRS	\$25.04	\$1,051.68
15 - 20 YRS	\$24.80	\$1,041.60	15 - 20 YRS	\$25.54	\$1,072.68
20 + YRS	\$25.53	\$1,072.26	20 + YRS	\$26.30	\$1,104.60
LT/EMT-I			LT/EMT-I		
- 1 YRS	\$26.30	\$1,104.60	0 - 1 YRS	\$27.09	\$1,137.78
1 - 4 YRS	\$27.00	\$1,134.00	1 - 4 YRS	\$27.81	\$1,168.02
4 + YRS	\$27.77	\$1,166.34	4 + YRS	\$28.60	\$1,201.20
CPT/EMT-I			CPT/EMT-I		
0 - 1 YRS	\$28.37	\$1,191.54	0 - 1 YRS	\$29.22	\$1,227.24
1 - 4 YRS	\$29.16	\$1,224.72	1 - 4 YRS	\$30.03	\$1,261.26
4 + YRS	\$30.00	\$1,260.00	4 + YRS	\$30.90	\$1,297.80
FF/EMT-P	HOURLY	WEEKLY	FF/EMT-P	HOURLY	WEEKLY
0 - 6 MOS	\$17.28	\$725.76			
6 MOS - 1 YR	\$17.90	\$751.80			
1 - 3 YRS	\$18.85	\$791.70	0 - 3 YRS	\$19.42	\$815.64
3 - 5 YRS	\$22.40	\$940.80	3 - 5 YRS	\$23.07	\$968.94
5 - 8 YRS	\$23.27	\$977.34	5 - 8 YRS	\$23.97	\$1,006.74
8 - 15 YRS	\$24.87	\$1,044.54	8 - 15 YRS	\$25.62	\$1,076.04
15 - 20 YRS	\$25.35	\$1,064.70	15 - 20 YRS	\$26.11	\$1,096.62
20 + YRS	\$26.06	\$1,094.52	20 + YRS	\$26.84	\$1,127.28

TAC 

/EMT-P				LT/EMT-P			
0 - 1 YRS		\$26.83	\$1,126.86	0 - 1 YRS		\$27.63	\$1,160.46
1 - 4 YRS		\$27.55	\$1,157.10	1 - 4 YRS		\$28.38	\$1,191.96
4 + YRS		\$28.32	\$1,189.44	4 + YRS		\$29.17	\$1,225.14
CPT/EMT-P				CPT/EMT-P			
0 - 1 YRS		\$28.90	\$1,213.80	0 - 1 YRS		\$29.77	\$1,250.34
1 - 4 YRS		\$29.71	\$1,247.82	1 - 4 YRS		\$30.60	\$1,285.20
4 + YRS		\$30.56	\$1,283.52	4 + YRS		\$31.48	\$1,322.16

TJR
CCP

Order 51-18/19
~~*Tab 39*~~ ~~*8-13-18*~~
Tab 13 *9-5-18*

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPROVING THREE-PARTY AGREEMENT BETWEEN PORTLAND,
PORTLAND AREA COMPREHENSIVE TRANSPORTATION SYSTEM
AND MAINE DEPARTMENT OF TRANSPORTATION
RE: BRIGHTON AVENUE ROUTE 25 MULTI-MODAL PROJECT**

ORDERED, that the three-party Partnership Agreement between the Maine Department of Transportation, Portland Area Comprehensive Transportation System and the City of Portland for improvements to the sidewalks, bicycle and transit facilities and signals and pavement on Brighton Avenue is hereby approved in substantially the form attached hereto; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or his or her designee to execute said documents and any other related documents necessary or convenient to carry out the intent of said documents and this Order.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Danielle
West-Chuhta, Deivy Periana

FROM: Jennifer Ladd, Senior Transportation Engineer
Department of Public Works - Engineering

DATE: July 30th, 2018

SUBJECT: Brighton Avenue (Route 25) Multi-Modal Project

SPONSOR: Jon Jennings

(If sponsored by a Council committee, include the date the committee met, the results of the vote, and the meeting minutes.

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading ___ Aug. 13th, 2018 ___ **Final Action** ___ Sept. 5th, 2018 ___

Can action be taken at a later date: Yes No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation) N/A

I. ONE SENTENCE SUMMARY –

The City Council is being asked to approve the attached Three-Party Partnership Agreement, which would allow PACTS, MaineDOT and City staff to move ahead with plans to improve Brighton Avenue's sidewalks, bicycle facilities, transit facilities, signals and pavement condition thru replacement or rehabilitation.

II. AGENDA DESCRIPTION -

Approving and signing this agreement would confirm the City's intent to undertake this project and pay 25% of the total project cost. The total estimated cost for preliminary engineering and Right-of-Way is \$195,000. The City's share would be \$48,750.

III. BACKGROUND -

This project has been developed through the PACTS Complex Projects process. The scope of work is planned to include replacement of signal equipment at six intersections,

including ramp and ADA modifications, bicycle detection and transit priority as needed. Sidewalk rehabilitation to bring sidewalks into good condition and ADA compliance. Mill and fill paving, and provision of enhanced bicycle facilities along Route 25. Modifications in the Rosemont area as needed to support the proposed METRO Husky Line. The project includes elements of Preservation (roadway and sidewalks) and Modernization (traffic/pedestrian/transit priority signals, roadway/bikeway striping-pavement markings, transit stop upgrades, and achieving ADA compliance along Brighton Ave).

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED -

The intended result is to initiate this agreement and begin the project by holding a joint kick-off meeting. These PACTS projects provide key transportation outcomes by matching local dollars with three dollars of Federal and State money. This program provides us with maximum benefit at a minimum cost and provides significant improvements to our vital Transportation system.

V. FINANCIAL IMPACT -

By approving this Three-Party Agreement, the City Council would indicate its intent to undertake this project and pay 25% of the total project cost. Those estimated project costs are outlined below. The City's annual capital improvement program would be used to fund the local 25% match.

PACTS Share = \$146,250 (75%)
Local Share = \$48,750 (25%)
Upset Limit / Total Project Estimate = \$195,000

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION -

The project costs above are based on estimates prepared in 2017. The intent is to design and build the project within this budget. Construction is estimated to begin in 2021.

VII. RECOMMENDATION –

DPW recommends approval of this agreement between MaineDOT, PACTS and the City of Portland.

VIII. LIST ATTACHMENTS

1. MaineDOT Three-Party Agreement: “Three-Party Partnership Agreement – Proposed Improvements to Brighton Avenue (Route 25): WIN 023715.00”

Prepared by: Jennifer Ladd
Date: July 30, 2018

Bean/agendarequestmemo/rev 7/17/18



MaineDOT use only
TEDOCS #: ~~XXXXXXXXXX~~
CTM#: ~~XXXXXXXXXX~~
CSN#: ~~XXXXXXXXXX~~
PROGRAM: Bureau of Planning

State of Maine
DEPARTMENT OF TRANSPORTATION
THREE-PARTY PARTNERSHIP AGREEMENT

Proposed Improvements to Brighton Avenue (Route 25)

(Non-Monetary)

<i>MaineDOT Use Only</i>	
Project Location: <u>PORTLAND</u>	Estimated Project Amount: <u>\$195,000.00</u>
State WIN: <u>023715.00</u>	Agreement Begin Date: <u>Upon MaineDOT Signature</u>
Federal Aid Project #: <u>2371500</u>	Agreement End Date: <u>5 years from date last signed below</u>
PACTS ID#: <u>PACTS</u>	Municipality ID#: <u>PORTLAND</u>

This Cooperative Agreement (the "Agreement") is entered into by and between the Maine Department of Transportation (MaineDOT), an agency of state government, the City of Portland (the "Municipality"), a municipality in the State of Maine, and the Portland Area Comprehensive Transportation System, the designated Metropolitan Planning Organization for the Portland Urbanized Area (PACTS) (MaineDOT, the Municipality and PACTS are collectively referred to as the "Parties").

RECITALS

- A. The work that is the subject of this Agreement consists of making improvements to Brighton Avenue beginning at Dartmouth Street and extending northwest 1.85 miles to Rowe Avenue, in Portland, Maine (the "Project").
- B. MaineDOT, through its partnership with Maine's Metropolitan Planning Organizations ("MPOs"), is charged with managing and dispersing MPO state and federal funds to support capital improvement projects programmed by the MPOs. PACTS is MaineDOT's MPO partner for the Portland Urbanized Area.
- C. PACTS has selected the Project for inclusion in the 2018-2019-2020 MaineDOT Work Plan, using Federal and State capital improvement funding allocated by MaineDOT.
- D. The Municipality has approved the Project and supports the decision by MaineDOT and PACTS to program the Project, and will contribute financially to the Project through its municipal share.

- E. The Parties have a mutual interest in ensuring that the Project is delivered on a reasonable schedule and within the programmed budget, using a process that maximizes communication and cooperation between the Parties.
- F. This Agreement is intended to cover the roles and responsibilities of the Parties during the preliminary engineering and right-of-way phases of the Project, and to establish the financial obligations of each Party through all phases of the Project.
- G. If the Parties cooperatively agree to proceed to full Project development, this Agreement will be modified to reflect any increase in Project cost estimates. MaineDOT and the Municipality will then enter into a separate municipal-state agreement to establish responsibilities of MaineDOT and the Municipality through the remaining phases of the Project (the "Municipal-State Agreement").

AGREEMENT

NOW, THEREFORE, in accordance with the foregoing, the Parties agree as follows:

1. Appendices:

The following appendices are hereby incorporated into this Agreement:

- Appendix A - Project Application
- Appendix B - Requirements for Operation and Maintenance of Traffic Signals
- Appendix C - Additional Work Requested by Municipality
- Appendix D - Enhanced Project Scoping Report
- Check if no appendices attached

2. Scope of Project:

The Project shall replace deficient signal structures and signal heads at six intersections, including pedestrian signal and ADA ramp modifications, bicycle detection and transit priority as needed. Sidewalk rehabilitation to bring sidewalks into good condition and ADA compliance. Mill and fill paving, and provision of enhanced bicycle facilities along Brighton Avenue (Route 25). Modifications in the Rosemont area as needed to support the proposed METRO Husky Line. The project includes elements of Preservation (roadway and sidewalks) and Modernization (traffic/pedestrian/transit priority signals, roadway/bikeway striping-pavement markings, transit stop upgrades, and achieving ADA compliance along Brighton Avenue). (the "Scope of Work").

The terms of this Agreement apply to the implementation of the preliminary engineering and right-of-way phases of the Project unless this Agreement is otherwise modified to include all phases of Project development, in which case the table set out in Section 3 below shall be adjusted accordingly.

3. Project Cost Sharing and Payment Schedule:

- a. **Financial Obligations:** The total estimated cost of the Project is \$195,000.00 (the "Project Estimate"). The Parties agree to share in all Project costs associated with the Project phases outlined in the table below. Each Party's share of the Project's actual

costs associated with each phase shall be allocated as follows, unless otherwise negotiated by mutual agreement of the Parties.

- i. **Federal Share** (provided by MaineDOT through PACTS Federal Allocation) - 75% of eligible Project costs, up to a maximum of \$146,250.00.
- ii. **State Share** (provided by MaineDOT through PACTS State Allocation) - 0% of eligible Project costs, up to a maximum of \$0.00.
- iii. **Municipal Share** (provided by the Municipality through the Municipality's obligation of funds) - 25% of eligible Project costs, which is estimated at \$48,750.00, plus 100% of the following:
 - 1. Any costs deemed ineligible for federal and state participation.
 - 2. Any costs associated with additional work requested by the Municipality that is outside the Project scope of work.
 - 3. All Project costs exceeding the Project Estimate after the above referenced Party Shares have been applied, unless otherwise agreed to in writing by the Parties through a written modification to this Agreement.

Work Phase	Estimated PACTS Federal Share		Estimated PACTS State Share		Estimated Municipal Share		Estimated Total Cost
	%	\$	%	%	%	\$	\$
Preliminary Engineering	75.0	\$ 142,500.00	0.0	\$ -	25.0	\$ 47,500.00	\$ 190,000.00
Right of Way	75.0	\$ 3,750.00	0.0	\$ -	25.0	\$ 1,250.00	\$ 5,000.00
Construction	75.0	TBD	0.0	TBD	25.0	TBD	TBD
Construction Engineering	75.0	TBD	0.0	TBD	25.0	TBD	TBD
TOTALS:		\$ 146,250.00		\$ -		\$ 48,750.00	\$ 195,000.00

a. **Payment Schedule:** The PACTS Share will be disbursed by MaineDOT in accordance with the allocations outlined above. If the Parties elect to move forward with full development of the Project as contemplated in this Agreement, the Municipal Share will be invoiced by MaineDOT in accordance with the payment schedule outlined in the Municipal-State Agreement described herein. If the Parties choose not to proceed to full Project development and no Municipal-State Agreement is executed, the Municipal share, based on the allocations outlined above, will be invoiced as promptly as practicable upon that decision having been made. Upon receipt of such invoice, the Municipality shall submit payment to MaineDOT within thirty (30) days.

4. **Project Milestones:** MaineDOT agrees to share information about the Project with the Municipality and PACTS at the following milestones, as appropriate:

- Project kickoff/initial team meeting/formal public contact;
- Horizontal/Vertical Alignment Complete (HVAC);
- Preliminary public meeting;

- Preliminary Design Report (PDR) complete;
- Formal public meeting(s);
- Plan Impacts Complete (PIC);
- Peer reviews;
- Plans, Specifications and Estimate (PS&E) complete;
- Changes in the Project schedule or Project Estimate.

5. Project Design:

- a. The Parties shall hold a project kickoff meeting to go over the scope of work, Project cost, and schedule for the Project before work will begin.
- b. MaineDOT shall prepare, or cause to be prepared, all plans, specifications, engineer's estimates and contract documents as appropriate for the Project using MaineDOT's standard project development process to ensure adherence to federal and state regulations (the "Preliminary Project Development Materials").
- c. As a component of preparing the Preliminary Project Development Materials, MaineDOT shall, at a minimum, be responsible for the following:
 - i. Performing all right-of-way related investigations to determine whether or not there may be a need to acquire temporary and/or permanent rights to develop the Project as well as, if applicable, all title examination, appraisal, appraisal review, negotiation and acquisition/condemnation activities for any property rights that must be acquired to accommodate the Project, and all necessary mapping services reflecting such property acquisitions.
 - ii. Coordinating with affected utilities and railroads to identify existing locations and/or implementing any relocation impacts that may be created by the development of the Project.
 - iii. Performing all necessary National Environmental Policy Act (NEPA) compliance processes for the Project.
 - iv. Performing all necessary permitting activities required in connection with the Project.
- d. MaineDOT shall be the sole administrator of the Project contract(s). MaineDOT will pay up front all Project costs, subject to cost sharing by the Municipality and PACTS as specified in the **Project Cost Sharing and Payment Schedule** set out herein. Neither MaineDOT nor its contractors will be required to pay for inspections and permits from the Municipality.
- e. After completion of the PDR, and a decision to proceed with Project construction has been made, MaineDOT and the Municipality will then execute the Municipal-State Agreement covering their obligations regarding Project advertisement, award, construction and construction engineering. Said Municipal-State Agreement will incorporate financial obligations that are consistent with those reflected in this Agreement, unless such terms are otherwise negotiated by mutual agreement of the Parties.

- f. The Municipality shall ensure that affected, municipally-owned utilities are responsive to Project demands and are completing necessary activities in accordance with the Project schedule as established and coordinated by MaineDOT. Failure to do so may result in MaineDOT delaying implementation of the Municipality's future projects until appropriate utility responsiveness is obtained.

6. **Public Involvement:** MaineDOT shall be responsible for implementing and leading any and all required public involvement activities and any necessary media coordination associated with the any phases of the Project covered by this Agreement. The Parties agree to participate as partners in all such actions.

7. **Changes to Project Scope:**

- a. MaineDOT will consult with PACTS and the Municipality before implementing any adjustments to the Project scope, and PACTS and the Municipality will, likewise, notify MaineDOT of any proposed changes they wish to implement.
- b. The Municipality may, at its election, request that changes be made or work added to the Project during the period of design that benefit the Municipality, provided that the Municipality agrees in writing to pay any additional cost associate therewith. In the event that such changes or work are approved for federal participation in the cost thereof, such additional cost may be reduced to the non-federal share (the "Additional Work Requested by Municipality").

8. **Termination:**

- a. MaineDOT reserves the right to terminate the Project for any reason prior to the award of a contract to construct the Project. If MaineDOT's termination under this clause is not directed by the Municipality and PACTS, MaineDOT shall be responsible for covering all Project costs incurred up to the time of termination.
- b. MaineDOT also reserves the right to terminate all provisions pertaining to any Additional Work Requested by Municipality at any time prior to the award of a contract to construct the Project because of any failure by the Municipality to meet any of the conditions and stipulations set forth in this Agreement.
- c. If the Municipality withdraws its financial support for the Project leading MaineDOT to terminate the Project, the Municipality shall reimburse MaineDOT fully for any and all Project costs incurred in reliance on the Municipality's financial obligations outlined herein, including, but not limited to, reimbursement of all federal and state funds expended up to the time of such termination.
- d. This Agreement may be terminated at any time by mutual written agreement of all Parties, provided that such written agreement shall address the allocation between the Parties of any costs, expenses, penalties and/or liabilities expended, committed or imposed in connection with the Project and the Project contract as of such date of termination.
- e. In no event shall any such action taken under this subsection be deemed a breach of contract, nor shall it represent any individual Party's waiver of claims for breach of

contract or its right to any other remedy it may have pursuant to this Agreement, or at law or in equity.

- f. In the event of Project termination, all provisions of this Agreement shall become null and void except for the financial obligations set forth herein, as well as those provisions to this Agreement that by their very nature are intended to survive.

9. Miscellaneous Provisions:

- a. Amendment and Modification. This Agreement, and all attachments, may only be modified or amended in writing and signed by duly authorized representatives of the Parties.
- b. Debarment. The Municipality certifies, by signing this Agreement, that neither it nor its principals are presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal department or agency. If the Municipality is unable to certify to this statement, it shall attach an explanation to this Agreement. The Municipality shall promptly notify MaineDOT if it or its principals becomes debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency.
- c. Indemnification. To the extent permitted by law, the Municipality and PACTS shall each individually indemnify, defend and hold harmless MaineDOT, its officers, agents and employees from all claims, suits or liabilities arising from the indemnifying Party's own negligent or wrongful acts, errors or omissions or by that Party's officials, employees, agents, consultants or contractors. Nothing herein shall waive any defense immunity or limitation of liability that may be available under the Maine Tort Claims Act (14 M.R.S. Section 8101 et seq.) or any other privileges or immunities provided by law. This provision shall survive the termination or expiration of the Project.
- d. Obligation of State Funds. Anything herein to the contrary notwithstanding, the Municipality and PACTS acknowledge and agree that, although the execution of this Agreement by MaineDOT manifests its intent to honor its terms and to seek funding to fulfill any obligations arising hereunder, by law any such obligations are subject to available budgetary appropriations by the Maine Legislature and the federal government and, therefore, this Agreement does not create any obligation on behalf of MaineDOT in excess of such appropriations.
- e. Municipal Authority and Obligation of Municipal Funds. The Municipality represents that it has received all necessary approvals or authorizations by its governing authorities to approve the Project and enter into this Agreement, and that it has obligated the necessary funds to satisfy its Municipal Share of the Project Costs outlined herein.
- f. State of Maine's Rights of Set-Off. MaineDOT shall have all of its common law, equitable and statutory rights of set-off. These rights shall include, but not be limited to, the State of Maine's option to withhold for the purposes of set-off monies due the Municipality under a specific project contract up to any amounts due and owed to MaineDOT with regard to this Agreement, and any other agreement/contract with any State of Maine department or agency, including any agreement/contract for a term

commencing prior to the term of this Agreement, plus any amounts due and owed to the State of Maine for any reason including without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. MaineDOT shall exercise its set-off rights in accordance with normal State practices including, in cases of set-off pursuant to an audit, the finalization of such audit by MaineDOT, its representatives, or the State Controller.

- g. Assignment. No assignment of this agreement is contemplated, and in no event, shall any assignment be made without the express written permission of MaineDOT.
- h. Independent Capacity. The Municipality and PACTS, their respective employees, agents, representatives, consultants and contractors shall not act as officers, employees or agents of MaineDOT.
- i. Governing Law. This Agreement shall be construed under the laws of the State of Maine. Additionally, all activities under this Agreement shall be performed in accordance with applicable federal laws and regulations, including without limitation Title 23 in the U.S. Code (USC) for statutory law, Title 23 in the Code of Federal Regulations (CFR) for administrative law, and Title 2 CFR, Part 200, "Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards."
- j. Binding Effect. The Parties shall be bound by the terms of this Agreement. This provision shall apply to the Agreement's executors, their successors, administrators and legal representatives.
- k. Notice. Any communications, requests or notices required or appropriate to be given under this Agreement shall be in writing and mailed via U.S. Mail, Certified or Registered, Return Receipt Requested or sent via a recognized commercial carrier such as, but not limited to Federal Express, that requires a return receipt delivered to the sending party. Alternatively, communication may be sent via email and shall satisfy the delivery requirements of this section through express acknowledgement of receipt by the receiving party. Said communications, requests or notices shall be sent to the other party as follows:

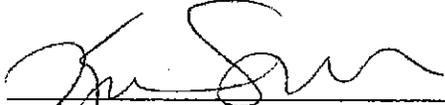
MaineDOT: Maine Department of Transportation
 16 State House Station
 Augusta, ME 04333-0016
 Attn.: Darryl Belz, P.E.
 Email: darryl.belz@maine.gov

Municipality: City of Portland
 Department of Public Works
 55 Portland Street
 Portland, ME 04101
 Attn.: Jeremiah Bartlett, P.E., PTOE
 Email: jbartlett@portlandmaine.gov

FACTS: Portland Area Comprehensive Transportation System
970 Baxter Boulevard, Suite 201
Portland, ME 04103
Attn.: Sara Zografos, Transportation Director
Email: szografos@gpcog.org

Each Party agrees to promptly notify all other Parties of any changes to the above referenced contact information.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement effective on the day and date last signed.


_____ Date 7/19/18
Kristina Egan, Executive Director *
Greater Portland Council of Governments
For Portland Area Comprehensive Transportation System
Duly authorized

_____ Date _____
Jon Jennings, City Manager *
Municipality of Portland
Duly authorized

_____ Date _____
Herb Thomson, Director, Bureau of Planning *
Maine Department of Transportation
Duly authorized

** I certify that the signature above is true and accurate. I further certify that the signature, if electronic: (a) is intended to have the same force as a manual signature; (b) is unique to myself; (c) is capable of verification; and (d) is under the sole control of myself.*

Order 52-18/19
~~*Feb 40 8-13-18*~~
Feb 14 9-5-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

CITY OF PORTLAND
IN THE CITY COUNCIL

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR. (A/L)

**ORDER APPROVING THE ALLOCATION AND APPROPRIATION
OF \$300,000 FROM THE HOUSING TRUST FUND
RE: AVESTA HOUSING DEVELOPMENT CORPORATION
977 BRIGHTON AVENUE APARTMENTS**

ORDERED, that any amount up to \$300,000 in funds from the Housing Trust Fund are hereby allocated and appropriated to fund the Avesta Housing Development Corporation Project at 977 Brighton Avenue Apartments; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or his or her designee to approve an adjustment to the total allocation of up to ten percent (10%); and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or his or her designee to execute said document and any other related documents necessary or convenient to carry out the intent of said document.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Anita LaChance, Sonia Bean, Danielle West-Chuhta, Nancy English, Julianne Sullivan

FROM: Planning and Urban Development Department
Housing and Community Development Division

DATE: August 24, 2018

SUBJECT: Order Authorizing Financial Assistance in the amount of \$300,000 in Housing Trust Funds to the Avesta Housing Development Corporation Project entitled 977 Brighton Avenue Apartments

SPONSOR: Jill Duson, Chair, Housing Committee
(July 31, 2018; voted 2-0; Cook absent)

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading August 13, 2018 Final Action September 5, 2018

Can action be taken at a later date: Yes No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)
Mary Davis, HCD Division Director will be available to answer any questions

I. ONE SENTENCE SUMMARY

The purpose of the Housing Trust Fund is the "...promotion, retention and creation of an adequate supply of housing, particularly affordable housing, for all economic groups and to limit the net loss of housing units in the City." and "To serve as a vehicle for addressing very low, low and median income housing needs..."

II. AGENDA DESCRIPTION

The Housing Trust fund is established by Section 14-489 of the City's Code of Ordinances. Section 14-489 (e) states that "the city council shall adopt a housing trust fund annual plan" and that the "housing committee of the city council or such other committee as the council shall designate shall conduct public hearings on the recommended plan and refer the matter to the council for action." The 2018 Annual Plan, which was adopted by the City Council on June 18, 2018 (Order 263 17/18), established the priorities in which the current balance of the Housing Trust Fund will be allocated.

With the appropriation approved by Order 49-18/19, the Housing Trust Fund balance is \$2,223,320.80.

A Notice of Funding Availability was published on June 29 and applications for Housing Trust Funds were accepted as of July 1. Three application have been received as of Friday, July 27.

- (1) Portland Housing Authority Front Street, Request: \$1,435,174, less any HOME funding

Justification:

- a) The PHA Front Street project is a priority under the 2018 Annual Plan
- b) Eligible Activity: new construction of affordable rental housing
- c) Utilizing multiple federal, state and local resources to fund the project
- d) Per unit contribution does not exceed \$15,000/unit
- e) 77% of units affordable to households at or below 50% of the area median income

- (2) Avesta 977 Brighton Avenue, Request \$300,000, less any HOME funding

Justification:

- a) Eligible Activity: new construction of affordable rental housing
- b) Utilizing multiple federal, state and local resources to fund the project
- c) Per unit contribution does not exceed \$15,000/unit
- d) 60% of units affordable to households at or below 50% of the area median income
- e) The proposed use of City funds and the timing of the investment of City funds makes this project better suited for Housing Trust Fund financing.

- (3) 178 Kennebec Street, Request \$370,000, less any HOME funding

Justification:

- a) Eligible Activity: new construction of affordable rental housing
- b) Utilizing multiple federal, state and local resources to fund the project
- c) Per unit contribution does not exceed \$15,000/unit
- d) 35% of units affordable to households at or below 50% of the area median income

With the appropriation approved by Order 49-18/19, the funding scenario recommended by the Housing Committee at their July 31st meeting is:

HOUSING TRUST FUND \$2,223,320 (including portion of 0 Hancock St. Proceeds)				
	Applicant Request	HOME Recommendations	HTF Recommendations*	Balance Remaining of Applicants Request
PHA Front Street	\$1,435,174	\$510,174	\$925,000	\$0
178 Kennebec Street	\$370,000	\$370,000	\$0	\$0
977 Brighton Avenue	\$300,000	\$0	\$300,000	\$0
Total	\$2,105,174	\$880,174	\$1,225,000	\$0

*Maintains \$500,000 minimum balance; \$498,320 of HTF unallocated

In addition, staff requests the ability to make adjustments to the allocation amounts as long as it is within 10% of the Committee approved allocation.

III. BACKGROUND

Avesta Housing Development Corporation (AHDC) is proposing to construct 40 1-bedroom units for seniors (55+). The development will include 6 units at market rate, 24 units affordable to households at or below 50% of the area median income and 10 units affordable to households at or below 60% of the area median income. AHDC is requesting financial assistance from the City in the form of (1) a Housing Trust Fund loan in the amount of \$300,000 and (2) Affordable Housing TIF (AHTIF) which was approved at the July 16, 2018 City Council meeting.

977 Brighton Avenue		
1-Bedroom Units (40)	at or below 50% area median income	24
	at or below 60% area median income	10
	Market Rate	6
Total Units		40

Eight (8) units will have project based rental assistance. As stated in the developer’s application:

“The 0.73-acre site currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction. The project consists of one 4-story building, placed at the front of the property so as to create maximum active street frontage. There will also be a parking lot of 32 cars and an external gathering area or patio for residents. Vegetative screening will be used to create a level of privacy for residents.”

Avesta purchased the site in 2015. The development site contains eight contiguous lots in the Nasons Corner neighborhood and currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction.

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED

Increase access to rental and ownership housing that is safe and affordable for working and low-income families.

V. FINANCIAL IMPACT

The property is currently assessed at \$291,100. When completed the project’s estimated tax assessed value is \$3.2 million. HTF funds: \$300,000, at zero percent interest, deferred for 30 years.

Total City HTF Investment of \$300,000/unit - \$7,500.

Total City HTF Investment of \$300,000/affordable unit = \$8,824.

An Affordable Housing Tax Increment Financing (AHTIF) District was approved at the July 16, 2018 City Council meeting. The proposed project will be taxable with an estimated annual assessment of \$3,200,000 and estimated annual taxes of \$69,280. The Affordable Housing TIF

financing, provided through a Credit Enhancement Agreement, will return 75% of the increased taxable value to the developer to offset project operating costs.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

The 2018 Annual Plan prioritizes support of the Portland Housing Authority in the implementation of their Strategic Vision Plan when other funding sources are not available.

The Annual Plan calls for projects that are focused on opportunities where other funding sources do not work or are not effective, such as projects designed to create housing affordable to households earning at or below 50% of the area median income, or projects designed to create housing affordable to households earning 80% to 120% of the area median income.

Between 35% and 77% of the units in each project will be affordable to households at or below 50% of the area median income. The Front Street project has the highest percentage (77%) of units at or below 50% of the area median income and Brighton Avenue has the second highest percentage (60%) of units at or below 50% of the area median income.

Front Street: 77% of the units will be affordable at or below 50% of the area median income (49% with project-based vouchers).

Kennebec St: 35% of the units will be affordable at or below 50% of the area median income.

Brighton Ave: 60% of the units will be affordable at or below 50% of the area median income (20% with project-based vouchers).

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City funding. The third party analysis is attached. The report indicates that the developer is well positioned to secure the remaining financing needed to move forward with this project and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial funding recommendation noted below. With that being said, the third party report makes the following recommendations:

Subject to the availability of funding, a loan in the amount of no more than \$300,000, at zero percent interest, deferred for 30 years, with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Satisfactory review of relocation budget.
3. Satisfactory appraisal

As part of the Maine State Housing Authority's (MSHA) Qualified Allocation Plan (QAP) application due September 20, the developers will need letters of commitment of support for their projects prior to the QAP submission deadline. If the Council agrees with the Housing Committee's recommendation, this letter would include the recommendations of the third party underwriter and be conditioned on the completion of the following additional requirements:

1. The commitment will be subject to satisfactory final underwriting analysis, and compliance with the HTF guidelines.
2. Commitment of funds to be stated as "an amount up to the funding request based on maximization of LIHTC equity raise", to ensure that the City's contribution is leveraged to the maximum extent possible.
3. Commitment should be subject to the projections and assumptions noted in the project budgets and pro-forma submitted, and the City reserves the right to reconsider and adjust their commitment if any significant alterations occur in the budget. A final commitment will be subject to a final budget.
4. Any substantial changes to the composition of the project, or the financial investment required, will be brought back to the Housing Committee and the City Council for review and approval.

A recommendation for city funding by the City Council is not the same as approval of the overall project. After carefully weighing the potential benefits and impacts on the City and surrounding neighborhood against the standards in the Land Use Ordinance, the Planning Board will ultimately determine if a project meets those standards. Any funding awarded will be contingent on the project's final approval by the Planning Board.

VII. RECOMMENDATION

The Housing Committee recommends funding the applications, in the order noted below (less HOME funding recommendations) utilizing the current balance in the Housing Trust Fund plus any additional funding that may be appropriated by the City Council, while maintaining the \$500,000 minimum balance noted in the Annual Plan.

- (1) Portland Housing Authority Front Street, \$1,435,174 less any HOME funding;
- (2) Avesta 977 Brighton Avenue \$300,000, less HOME funding
- (3) 178 Kennebec Street, \$370,000, less HOME funding

Staff requests the ability to make adjustments to the allocation amounts as long as it is within 10% of the Committee approved allocation.

With the appropriation approved by Order 49-18/19, the funding scenario recommended by the Housing Committee at their July 31st meeting is:

HOUSING TRUST FUND \$2,223,320 (including portion of 0 Hancock St. Proceeds)				
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178 Kennebec Street	\$370,000	\$370,000	\$0	\$0
977 Brighton Avenue	\$300,000	\$0	\$300,000	\$0
Total	\$2,105,174	\$880,174	\$1,225,000	\$0

*Maintains \$500,000 minimum balance; \$498,320 of HTF unallocated

VIII. LIST ATTACHMENTS: Excerpt HTF Application Information for 977 Brighton Avenue; Third Party Underwriting Analysis

Prepared by: Mary P. Davis, HCD Division Director

Date: August 24, 2018



City of Portland Housing Trust Fund Application

Project: 977 Brighton Avenue Apartments

Avesta Housing is requesting \$300,000 of Housing Trust Funds from the City of Portland for our 977 Brighton Avenue Apartments project ("977 Brighton") at 977 Brighton Avenue in Portland, Maine.

Please note that this request is being presented as an **alternative** to the City HOME funding request Avesta submitted for this project earlier this year. A total of \$300,000 in capital funding is being requested from the City for this project, from either or both sources of funding.

The development involves the new construction of 40 1-bedroom rental apartments for seniors (55+ years of age), in one 4-story building. 34 of the apartments will be affordable and 6 will be market rate. 24 units will be affordable to households at or below 50% of area median income and 10 will be affordable to households at or below 60% of area median income. Portland Housing Authority has awarded project-based rental assistance to eight of the units at the project.

977 Brighton represents an opportunity to create much-needed affordable senior housing in an accessible location within Portland. The development site contains eight contiguous lots located in a highly walkable area in the Nasons Corner section of Portland. The project is located near many amenities and services, making it a prime location for housing; retail stores, a pharmacy, trails and restaurants are all located within a half mile. The site is also located within a tenth of a mile to a bus stop on the extensive Portland public transportation bus system, connecting residents with Portland's downtown as well as adjoining communities.

See the attached maps for more information about the project's siting within the City and relative to numerous nearby amenities.

As shown in the attached pictures, the 0.73-acre site currently contains a single-family home and a garage, both of which will be demolished and cleared prior to construction. The project will consist of one 4-story building, placed at the front of the property so as to create maximum active street frontage. There will also be a parking lot for 32 cars and an external gathering area or patio for residents. Vegetative screening will be used to create a level of privacy for residents. Storm water management systems will be used to ensure that the project does not adversely impact the vicinity of the subject parcel. Avesta will work with City staff and the

Planning Board to ensure that the design of the project is consistent with neighborhood design characteristics.

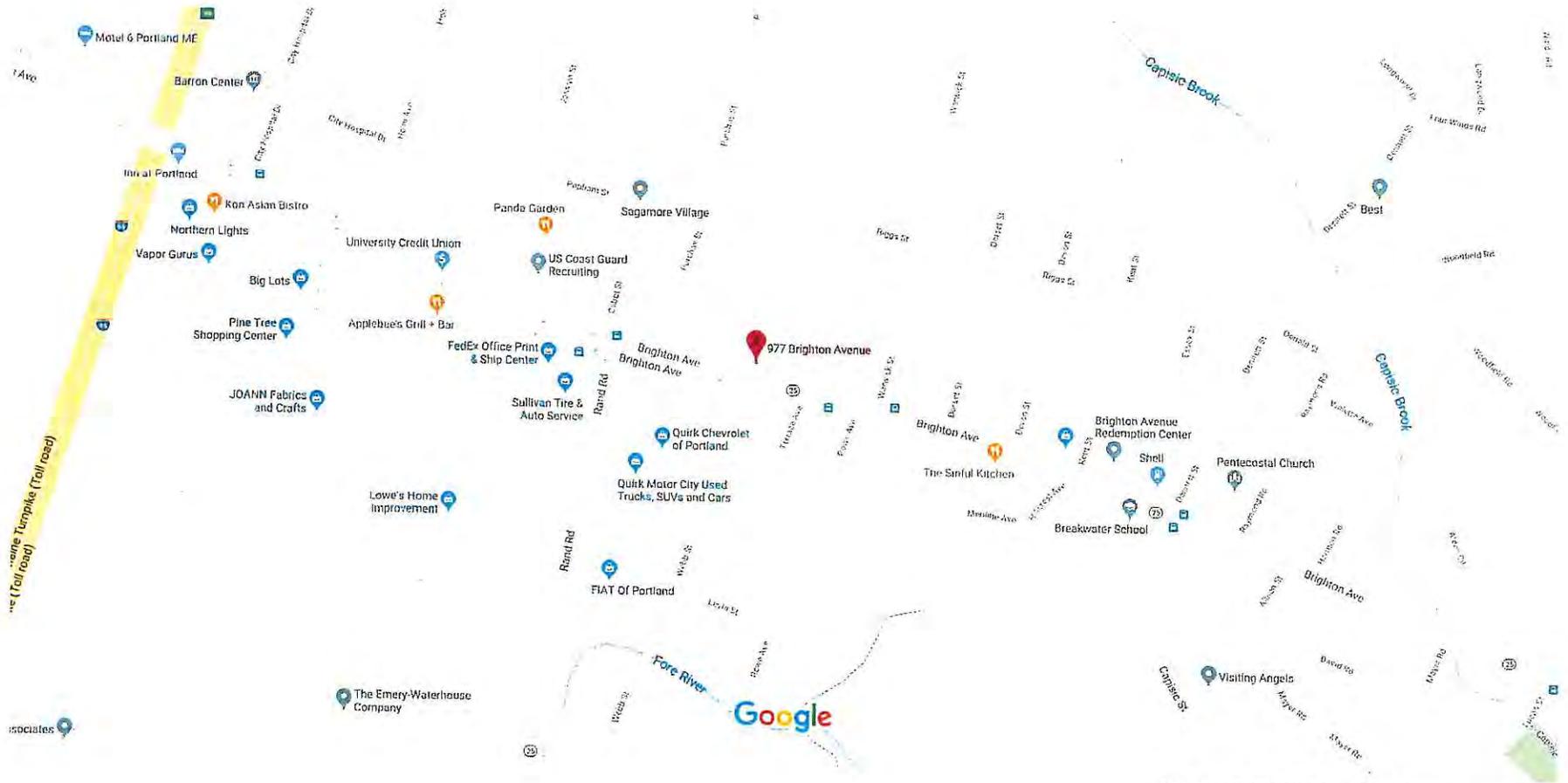
Each apartment will be approximately 600 square feet and all accessibility requirements will be met. Additional amenities will include on-site laundry, a health room, a community room and resident service coordination.

977 Brighton Avenue Apartments will continue Avesta Housing's commitment to construct and manage buildings designed to maximize energy performance, minimize adverse environmental impacts, provide healthy living spaces, conserve natural resources, and promote smart growth and sustainable development. All requirements of the City of Portland's Green Building Ordinance will be met. Additionally, as alluded to in the attached information provided by the property manager, Avesta Housing Development Corporation, smoking at the project will be prohibited and educational materials on tobacco treatment programs will be provided to tenants.

These affordable units at 977 Brighton Avenue come at a critical time for the City. Vacancies in Portland are at historic lows while rents remain too high for thousands of local renter households. In 2017, Avesta alone received requests for affordable housing from nearly 3,800 households (over 1,300 of which were senior-led households) but was only able to provide housing to 393.

977 Brighton Avenue Apartments will create much-needed senior affordable rental housing in an area of the city that is rich with transit, services, and neighborhood amenities.

Google Maps 977 Brighton Ave



Map data ©2018 Google 200 ft







977 BRIGHTON AVENUE APARTMENTS

Project Completion Schedule

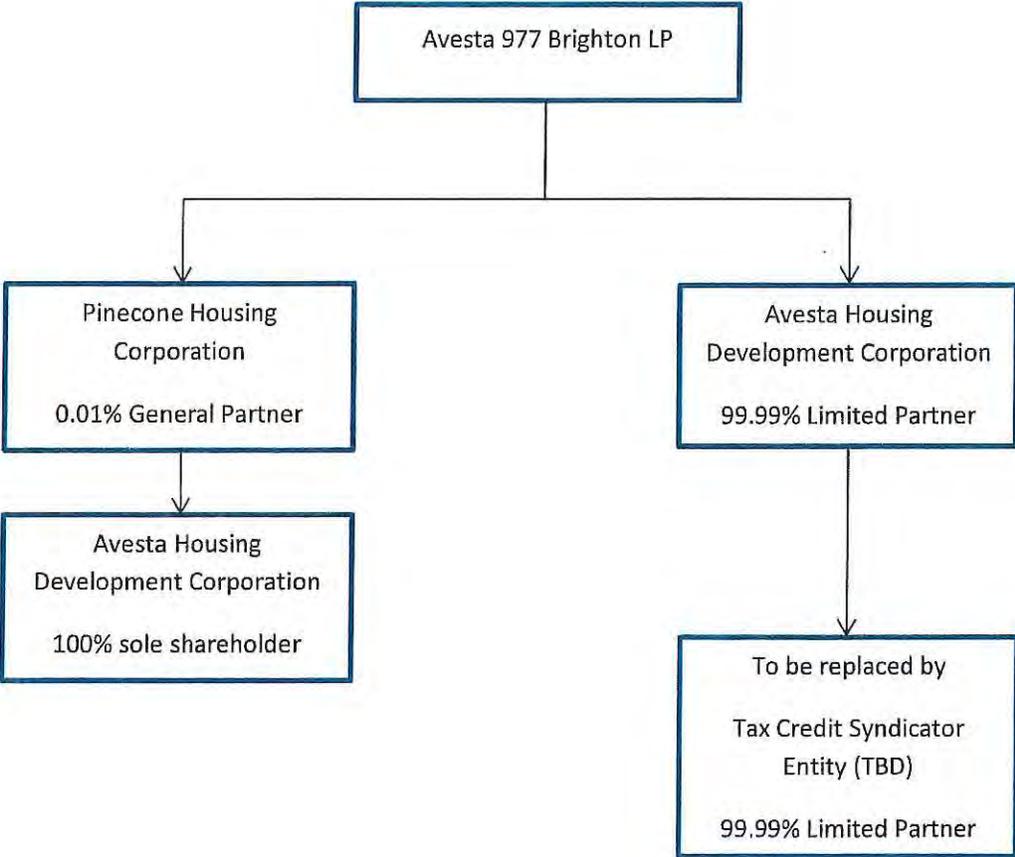
Activity	Actual/Scheduled Date Month/Year
A. SITE	
Option/Contract	07/13/15
Site Acquisition	10/06/15
Municipal Approval	07/24/18
B. FINANCING	
Construction Loan Commitment	09/01/18
Permanent Loan Commitment	09/01/18
Other Sources Committed	12/01/18
C. PLANS AND SPECIFICATIONS	
50%	02/01/19
90%	03/01/19
100%	04/01/19
D. CONSTRUCTION LOAN CLOSING	05/01/19
E. CONSTRUCTION START	05/01/19
F. SUBSTANTIAL COMPLETION	05/01/20
G. COMPLETION OF CONSTRUCTION	06/01/20
H. LEASE-UP	
Lease-up Begins	05/01/20
Sustained (95%) Occupancy	11/01/20

977 Brighton Avenue, Portland, Me.



977 Brighton Avenue Apartments – Ownership Structure/Chart

Organization Chart: Avesta 977 Brighton LP



PROJECT NAME: 97-11 Brighton Avenue
 LOCATION: Portland

Date: 07/06/18

DEVELOPMENT ASSUMPTIONS						
Total Units		40	Inflation Adjustments	Yr 1-5	Yr. 6-15	Yr. 16-30
# @ 50% AMI (PBVs)	20.0%	8	Rent	2.00%	2.50%	2.00%
# @ 50% AMI (LIHTC/High HOME)	40.0%	16	Operating Expense	3.00%	3.00%	3.00%
# @ 60% AMI (LIHTC/High HOME)	0.0%	0	Other Income	2.00%	2.50%	2.00%
# @ 60% AMI (LIHTC)	25.0%	10	Debt Coverage Ratio	0.00		
# @ Market	15.0%	6	Vacancy	5%		
Appraised Market Value			Market Value/Unit			

4,590,846

LIHTC Alloc.	638,000
Equity yield	0.830
Synd. %	99.99%
Equity Raise	5,294,870

Historic Credit FED	0
Equity yield	0.99
Synd. %	99.99%
Equity Raise	0

Number of Tax-payers	1
Historic Credit STATE	0
Equity yield	0
Synd. %	99.99%
Equity Raise	0

Total Equity:	5,294,870
---------------	-----------

Gross Square Footage	0
Construction Cost/Sq ft.	\$0

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PRO FORMA DEVELOPMENT BUDGET				
	Residential	Per Unit	Commercial	Total
Site Improvements	572,194	14,305		572,194
Construction	5,227,444	130,686		5,227,444
Solar	0	0		0
General Requirements	0	0		0
Builder Overhead	0	0		0
Builder Profit	0	0		0
Bond Premium	0	0		0
Construction Contingency	5%	289,982	7,250	289,982
Subtotal Construction Costs	6,089,620	152,240	0	6,089,620
Building Permits and Fees	81,936	2,048		81,936
Survey & Engineering	38,000	950		38,000
Architectural & Design	461,000	11,525		461,000
Legal	65,000	1,625		65,000
Title & Recording	5,885	147		5,885
Accounting	10,000	250		10,000
Construction Period Tax	12,000	300		12,000
Construction Period Insurance	12,000	300		12,000
Subtotal Soft Costs	685,821	17,146	0	685,821
Construction Loan Origination Fees	10,000	250		10,000
Construction Loan Interest	157,266	3,932		157,266
Letter of Credit Fee	3,630	91		3,630
Escrow Agent Fee	0	0		0
Perm Loan Commitment Fee	10,000	250		10,000
Construction Lender Legal	12,000	300		12,000
Subtotal Finance Costs	192,896	4,822	0	192,896
Market Survey	3,500	88		3,500
Appraisal	6,200	155		6,200
Environmental	12,700	318		12,700
LIHTC Fees	40,000	1,000		40,000
Soft Cost Contingency	25,000	625		25,000
3rd Party Consultants	18,000	450		18,000
FF&E	61,000	1,525		61,000
Subtotal Miscellaneous	166,400	4,180	0	166,400
Acquisition: Buildings	0	0		0
Acquisition: Land	280,000	7,000		280,000
Carrying Costs	0	0		0
Subtotal Acquisition	280,000	7,000	0	280,000
Operating Deficit Escrow	141,859	3,546		141,859
Pre-funded Replacements	52,274	1,307		52,274
Tax & Insurance Escrow	28,500	713		28,500
Developer Overhead	487,500	12,188		487,500
Developer Profit	0	0		0
Marketing & Rent-Up Reserve	40,000	1,000		40,000
Subtotal Fee and Reserves	750,133	18,753	0	750,133
Total Development Costs	8,164,870	204,122	0	8,164,870

Notes:

MAXIMUM DEVELOPER FEE AVAILABLE	650,000
ACTUAL DEVELOPER FEE	1,208,430
% OF MAXIMUM DEVELOPER FEE	185.9%
NET DEVELOPER FEE COLLECTED	1,208,430
% OF MAXIMUM DEVELOPER FEE	185.9%

7,983,011

199,575

< 175000 = 4PTS

FLOW OF FUNDS

Sources	CLC	During Construction				PLC	Mar-21	Aug-21	Total
	May-19	Jul-19	Oct-19	Jan-20	Apr-20	Jul-20			
Beginning Cash	0	0	0	0	0	0	0	0	0
Capital Contribution	1,058,974		1,058,974			2,956,922	170,000	50,000	5,294,870
Construction Loan	406,143	1,272,405	213,431	1,522,405	1,522,405				4,936,788
GP Bridge Loan									0
MSHA Subsidy									0
MSHA Amortizing Mortgage						0			0
AHP Grant	0	250,000	250,000						500,000
AHP Loan						2,070,000			2,070,000
City Housing Trust Fund	0	0				300,000			300,000
Solar Equity	0	0				0			0
Other: Sponsor Loan	0								0
Other									0
Development Fee Loan	0								0
TOTAL SOURCES	1,465,117	1,522,405	1,522,405	1,522,405	1,522,405	5,326,922	170,000	50,000	13,101,659
Uses									
Acquisition	280,000								280,000
Construction		1,522,405	1,522,405	1,522,405	1,522,405				6,089,620
Soft Costs	685,821								685,821
Financing Costs	192,896								192,896
Miscellaneous	166,400								192,896
Dev Fee	140,000					40,000			206,400
Reserves						127,500	170,000	50,000	487,500
TOTAL DEV. COSTS	1,465,117	1,522,405	1,522,405	1,522,405	1,522,405	390,133	170,000	50,000	8,164,870
Repay GP Bridge Loan						0			0
Repay Construction Loan						4,936,788			4,936,788
SUBTOTAL OTHER ITEMS	0	0	0	0	0	4,936,788	0	0	4,936,788
TOTAL USES OF FUNDS	1,465,117	1,522,405	1,522,405	1,522,405	1,522,405	5,326,922	170,000	50,000	13,101,658
Ending Cash	0	0	0	0	0	0	0	0	0

PROJECT FINANCING							
Source	Amount	Rate	Term	Lien	Annual D/S		
					Yr. 1-5	Yr. 6-15	Yr. 16-30
Source 1: MSHA Subsidy	0	0.00%	30		0	0	0
Source 2: MSHA Interest Only Mortgage	0	6.00%	30		0	0	0
Source 3: AHP Grant	500,000	0.00%	30	Co-First	0	0	0
Source 4: AHP Loan	2,070,000	3.60%	30	First	112,934	112,934	112,934
Source 5: City Housing Trust Fund	300,000	0.00%	30	Second		Grant	
Source 6: Solar Equity	0						
Source 7: Other: Sponsor Loan							
Source 8: Development Fee Loan	0						
Source 9: Net Syndication	5,294,870	\$0.83					
Capitalization Gap (Surplus)	(0)						
Total	8,164,870						

\$0.0706

PROPOSED RENT SCHEDULE								
Type	AMI	# Units	Rents from Applicant	Program Max Rents	Gross Rent	Market Rent	Utility Allow.	Total Rent
Efficiency	50% PBVs	0		911	911	\$955	0	0
	50% LIHTC	0		718	718	\$955	0	0
	60% HOME						0	0
	60% LIHTC	0		862	862	\$955	0	0
0	Market							0
1BR	50% PBVs	8		1028	1,028	\$1,050		98,688
	50% LIHTC	16		770	770	\$1,050	0	147,840
	60% HOME							
	60% LIHTC	10		924	924	\$1,050	0	110,880
40	Market	6			1,050	\$1,050		75,600
2BR	50% HOME						0	0
	50% LIHTC			923	923	\$1,250	0	0
	60% HOME						0	0
	60% LIHTC			1108	1,108	\$1,250	0	0
0	Market							0
3BR	50% HOME						0	0
	50% LIHTC						0	0
	60% HOME						0	0
	60% LIHTC						0	0
0	Market							0
4BR	50% HOME						0	0
	50% LIHTC						0	0
	60% HOME						0	0
	60% LIHTC						0	0
0	Market							0
Other:								0
Subtotals		40						433,008
	Other Income				Laundry			3,156
	Vacancy Rate				5%			(21,808)
	Other Income				TIF	75%		35,498
	Effective Gross Income							449,853

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current taxes 4,670

OPERATING EXPENSES			
Expense	Annual	Annual Per Unit	Monthly Per Unit
Administrative Expenses:			
Management Fees	24,672	617	51
Management Charges	24,672	617	51
Marketing Expenses	0	0	0
Legal Expenses	1,500	38	3
Auditing Expenses	5,000	125	10
Bad Debts	0	0	0
Other Administrative Expenses	6,000	150	13
Administrative Expenses	61,844	1,546	129
Operating Expenses:			
Janitorial Payroll	0	0	0
Janitorial Supplies and Equipment	0	0	0
Janitorial Contractual Services	5,600	165	14
Fuel and Gas	18,000	450	38
Electricity	34,000	850	71
Water and Sewer	16,000	400	33
Garbage and Trash Removal	4,000	100	8
Vehicle and Equipment Expenses	0	0	0
Other Operating Expenses	0	0	0
Operating Expenses	78,600	1,965	164
Maintenance Expenses:			
Grounds Maintenance Payroll	0	0	0
Grounds Tools and Supplies	0	0	0
Grounds Contractual Services	25,000	625	52
Miscellaneous Ground Maintenance	0	0	0
Tenant Damage Charges - Grounds	0	0	0
Building Maintenance Payroll	0	0	0
Building Tools and Supplies	5,000	125	10
Building Contractual Services	20,000	500	42
Building Systems Maintenance	25,000	625	52
Miscellaneous Building Maintenance	0	0	0
Tenant Damage Charges - Building	0	0	0
Maintenance Expenses	75,000	1,875	156
General Expenses:			
Property Taxes	52,000	1,300	108
Property and Liability Insurance	15,000	375	31
Tenant Computer Network Expense	0	0	0
Tenant Service Expenses	12,199	305	25
General Expenses	79,199	1,980	165
Replacement Reserve Funding	18,000	450	38
Commercial Expenses (if applicable)		0	0
Total	312,643	7,816	651

AFFORDABLE MORTGAGE CALCULATION	
Effective Gross Income	449,853
Annual Operating Expense	312,643
Stabilized NOI	137,210
DSC	
\$ Avail for D/S	
Other DS	112,934
Balance	
Affordable Mortgage	1.21

BREAKEVEN ANALYSIS:	RENT SENSITIVITY		OCCUPANCY	
	Total	Annual	Gross Revenues	Annual
Operating Expense	312,643		471,662	
Debt Service	112,934			
Breakeven Rent	887		Breakeven Occupancy	90%

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT												
5 Months												
	7/24/20	12/31/20	12/31/21	12/31/22	12/31/23	12/31/24	12/31/25	12/31/26	12/31/27	12/31/28	12/31/29	12/31/30
Effective Gross Income		187,439	449,853	458,850	468,027	477,388	486,936	499,109	511,587	524,376	537,486	550,923
Less Operating Expense		130,268	312,643	322,022	331,683	341,634	351,883	362,439	373,312	384,512	396,047	407,928
Net Operating Income		57,171	137,210	136,828	136,344	135,754	135,053	136,670	138,274	139,865	141,439	142,995
Less RLP Repay			0	0	0	0	0	0	0	0	0	0
Less Other Repay		47,056	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934
Cash Flow		10,115	24,276	23,894	23,410	22,820	22,119	23,736	25,341	26,931	28,505	30,061
Cash Flow per Unit		607	607	597	585	571	553	593	634	673	713	752
Debt Coverage Ratio(RLP)		1.21	1.21	1.21	1.21	1.20	1.20	1.21	1.22	1.24	1.25	1.27
Operating Reserve Balance	141,859	148,952	156,400	164,220	172,431	181,052	190,105	199,610	209,590	220,070	231,073	242,627

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued												
		1/1/32	12/31/32	12/31/33	12/31/34	Yr 15			1/1/40	12/31/40	12/31/41	
		1/1/32	12/31/32	12/31/33	12/31/34	1/1/36	12/31/36	12/31/37	12/31/38	1/1/40	12/31/40	12/31/41
Effective Gross Income		564,696	578,814	593,284	608,116	623,319	635,785	648,501	661,471	674,700	688,194	701,958
Less Operating Expense		420,166	432,771	445,754	459,127	472,901	487,088	501,701	516,752	532,254	548,222	564,668
Net Operating Income		144,530	146,042	147,529	148,989	150,418	148,697	146,800	144,719	142,446	139,973	137,290
Less RLP Repay		0	0	0	0	0	0	0	0	0	0	0
Less Other Repay		112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934
Cash Flow		31,596	33,108	34,596	36,055	37,484	35,763	33,866	31,785	29,512	27,039	24,356
Cash Flow per Unit		790	828	865	901	937	894	847	795	738	676	609
Debt Coverage Ratio(RLP)		1.28	1.29	1.31	1.32	1.33	1.32	1.30	1.28	1.26	1.24	1.22
Operating Reserve Balance	242,627	254,758	267,496	280,871	294,915	309,660	325,143	341,401	358,471	376,394	395,214	414,975

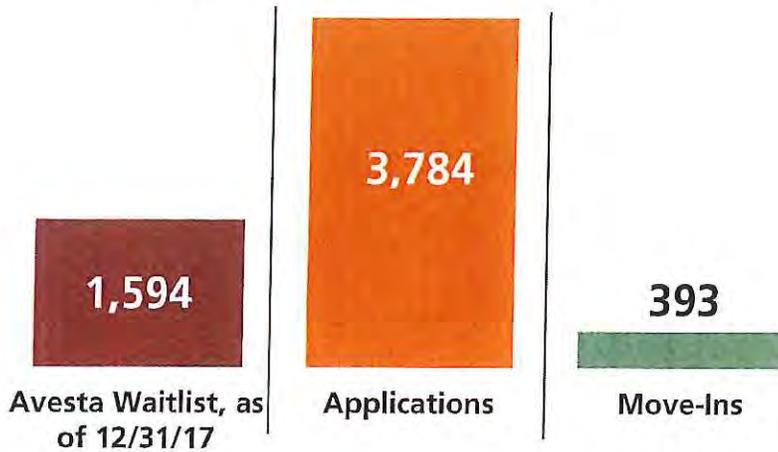
PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued									
	12/31/42	1/1/44	12/31/44	12/31/45	12/31/46	1/1/48	12/31/48	12/31/49	7/30/50
Effective Gross Income	715,997	730,317	744,924	759,822	775,019	790,519	806,329	822,456	489,361
Less Operating Expense	581,608	599,057	617,028	635,539	654,605	674,244	694,471	715,305	429,779
Net Operating Income	134,389	131,261	127,895	124,283	120,413	116,275	111,859	107,151	59,582
Less RLP Repay	0	0	0	0	0	0	0	0	0
Less Other Repay	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934	112,934
Cash Flow	21,455	18,327	14,961	11,349	7,479	3,342	(1,075)	(5,763)	(53,352)
Cash Flow per Unit	536	458	374	284	187	84	(27)	(145)	(2,287)
Debt Coverage Ratio(RLP)	1.19	1.16	1.13	1.10	1.07	1.03	0.99	0.95	0.53
Operating Reserve Balance	414,975	435,723	457,510	480,385	504,404	529,624	556,106	582,836	606,194



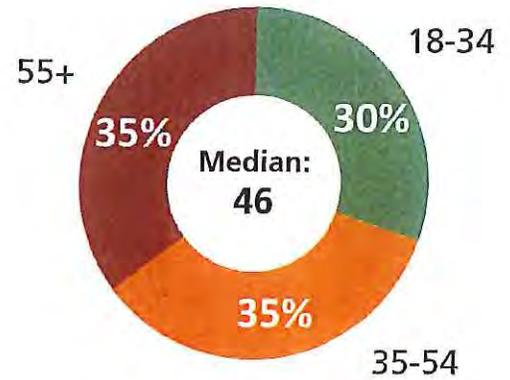
2017 Affordable Housing Activity Report

In 2017, a total of 3,784 households sought an affordable home from Avesta. However, due to scarce resources and limited turnover in our existing apartments, we were only able to assist 393 new households. 1,594 households remained on Avesta's waitlist.

Waitlist, Applications, Move-Ins



Applicants by Age of Head-of-Household



Avg. applicant household size: **1.74 people**

Of the 393 new households in 2017, 66% (259 households) required rental assistance in order to afford their housing, and their median household income was \$11,436. Accordingly, 34% (134 households) were able to afford their housing without the benefit of rental assistance, and their median income was \$26,835. The median annual income of all applicants in 2017 was \$14,400.

Median Household Income



New Residents





To: Mary Davis, City of Portland
From: Anne Boynton, Urban Ventures, Inc.
Re: 977 Brighton Ave, proposed by Avesta
Date: June 12, 2018

Executive Summary

Avesta requests \$300,000 in HOME funding and a 75% TIF to support their development of a 40 unit new construction senior apartment complex at 977 Brighton Ave. Avesta purchased the site proposed for this development in 2015. The lots currently contain a house and a garage, which will both be demolished. Though the area is suburban, the site is a short walk from the Pine Tree Shopping Center, providing access to a pharmacy and other shopping and dining options, and is less than 1/10th of a mile from a bus stop.

Sources and Uses

AHP loan	\$2,070,000	Construction (incl. site & contingency)	\$6,089,620
AHP grant	\$500,000	Soft costs (incl financing & contingency)	\$1,045,117
LIHTC Equity	\$5,294,870	Acquisition	\$280,000
City of Portland HOME	\$300,000	Pre funded Reserves	\$262,633
		Developer Fee	<u>\$487,500</u>
Total Sources:	\$8,164,870	Total Uses:	\$8,164,870

Avesta has received a commitment of funds for the AHP loan and \$500,000 grant. Bangor Savings has issued a term sheet for both construction and permanent first mortgages. Avesta plans to submit an application for 9% LIHTCs in the upcoming round opening in September. Avesta seeks the \$300,000 HOME and 75% TIF to support the application for LIHTCs.

For analysis of "Uses," see Development Budget.

Development Budget

Construction Costs:

Construction costs are based on a letter of estimate from CWS Architects. This is a very broad brush estimate, without even a break out of demolition, site improvements, and anticipated cost per square foot for improvements provided in the architect's letter. However, based on Avesta's break out of site work, the estimated \$170/sq foot for improvements should be more than sufficient for a pretty straightforward design and should accommodate some price inflation prior to construction start.

Soft Costs:

Soft costs are in the range of normal, with a few exceptions. Architectural seems high for a straightforward design, and the relatively small number of units drives the per unit architectural expense up to over \$11,000 per unit. This does include \$45,000 for owner's representative construction management, which is typically a good investment in quality construction and smooth construction



process, with minimal change orders. FF&E is also high at \$61,000, which is \$1,525 per unit. This is \$25,000 for security cameras, \$6,000 for custodial equipment, and \$30,000 for common area and exterior furnishings. Since the “common area” is a single office and one interior lobby, plus exterior space, that seems quite high.

Contingency:

Contingency is budgeted at standard 5% for construction and a minimalist \$25,000 for soft costs. These are insufficient given the stage of development. However, the construction figure seems high enough to cover a range of unanticipated price increases, and from a practical perspective, I consider much of the FF&E item to be contingency.

Acquisition:

Avesta proposes to sell the sites to the LLC for \$280,000. Their acquisition price was \$283,000. The assessed value is \$291,100. While this seems a fair price, an appraisal supporting that price is a condition of any recommendation.

Operating Budget & 20 Year Cashflow Projection

Project Income:

Avesta plans a mixed income building, with 24 units for households below 50% AMI (\$770 LIHTC, \$1,028 w Project Based Vouchers), 10 units for households below 60% AMI (\$924/mo), and 6 market rate units (\$1,050/mo). Avesta has a commitment for 8 project based vouchers from the Housing Authority to provide a deeper subsidy for 8 of the 24 households at 50% AMI. Consistent with Portland policy, 4 units must house homeless seniors.

Operating Expense

The budgeted per unit operating cost appears high at \$8,122, however, factoring out the TIF shows operating expenses of \$6,918 per unit, which is in the middle range for affordable housing. Supportive services are budgeted consistent with Maine Housings requirements at \$12,199. Utilities are generously budgeted at \$1,700 per unit per year for 600 sq foot units of new construction meeting green standards. Maintenance also seems high at \$2,140 for newly constructed, small, senior units, including \$25,000 for grounds. They will be able to operate a bit leaner than these costs suggest.

20 Year Cashflow & Debt Service Coverage Ratio (DSCR)

Cashflow starts out at a comfortable 1.22 DSCR in year one with a 5% vacancy. However, with industry standard inflators of 2% for income and 3% for expenses, the cashflow gradually erodes. By year 20, DSCR is down to 1.05. Avestas projections show positive cashflow for 20 years by using a 2.5% income inflator for years 6-15. Creating positive cashflow by using more aggressive income inflators puts project success in the hands of one variable the developer does NOT control – increases in market price of rent. If, on the other hand, Avesta can find a way to trim maintenance from \$2,140 to \$2,015 per unit per year (for instance, trim grounds expense from \$25,000 to \$20,000), the year 1 DSCR is 1.26 and is 1.13 in year 20. There are ways the developer can control both the operating expenses and the rent revenue (out performing the budgeted 5% vacancy rate) which will support positive cashflow which don't require aggressive assumptions regarding income inflation.



Developer Financials

Avesta is in good, and improving, financial condition. Avesta has provided audits for 2014, 2015, 2016, and internal financial statements for 2017. Prior year audits have been received by Avesta in late May or early June, so while not ideal to review unaudited financials for 2017, it is not out of line with the timing of audit finalization in prior years.

Current assets in 2016 of \$9.6 million (audited) rise to \$11.8 million in 2017 (unaudited), while current liabilities in 2016 of \$4.9 million (audited) rise to \$6.1 million 2017 (unaudited). The resulting Current Ratios (current assets divided by current liabilities) are healthy for their scale of operations – 1.97 (2016 audited) and 1.93 (2017 unaudited). Net assets were \$123 million in 2016 (audited) and \$132 million in 2017 (unaudited). There has been significant sustained growth in net assets – which have more than doubled in the 5 years since 2012, when net assets were \$66 million. In 2017, revenue continued to grow and exceed budget while operating expenses were held under budget. Depreciation resulted in a paper loss of \$2,973,841, which is typical for a company with this financial structure, but this paper loss was more than outweighed by the growth in real estate equity.

This developer has the financial capacity to intervene in a development facing unexpected set backs and or cost over-runs to keep the development process moving forward. Their financial strength as an organization mitigates the risk of the thin soft cost contingency and the possibility of leaner than projected operating surpluses.

Recommendations

Subject to availability of funding, I recommend a loan in the amount of \$300,000, zero percent interest, payment deferred for 30 years, and a 75% TIF, with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Satisfactory review of relocation budget.
3. Satisfactory appraisal

Development Budget with Permanent Sources

Date 6/7/2018
 Project Name 977 Brighton
 Project Address 977 Brighton
 Developer/Sponsor Avesta

Total Units 40
 Total Square Feet 30,736

	<u>Total</u>	<u>Per Unit</u>	<u>Per Sq Ft</u>
Sources of Funds			
Permanent Financing - AHP Loan	\$2,070,000	\$51,750	\$67
AHP Grant	\$500,000	\$12,500	\$16
Equity (net LIHTC proceeds)	\$5,294,870	\$132,372	\$172
Deferred development fee	\$0	\$0	\$0
City of Portland HOME	\$300,000	\$7,500	\$10
Other		\$0	\$0
Total Sources of Funds	\$8,164,870	\$204,122	\$266

Uses of Funds

Hard Costs			
Site Improvements	\$572,194	\$14,305	\$19
Rehabilitation		\$0	\$0
New Construction	\$5,227,444	\$130,686	\$170
Contractor's Profit, Overhead, & Gen. Requirements	0.0%	\$0	\$0
Hazardous Materials abatement (if contracted separately)		\$0	\$0
Demolition Cost (if contracted separately)		\$0	\$0
Bond Premium		\$0	\$0
Other		\$0	\$0
Hard Cost Contingency (% of hard costs)	5.0%	\$289,982	\$7,250
Total Hard Costs	\$6,089,620	\$152,241	\$198

Soft Costs			
Building Permit & Fees	\$81,936	\$2,048	\$3
Survey & Engineering	\$38,000	\$950	\$1
Design & Permitting (% of const exp)	8.6%	\$461,000	\$11,525
Borrower Legal (all closings, excluding syndication legal)	\$65,000	\$1,625	\$2
Title & Recording	\$5,885	\$147	\$0
Accounting	\$10,000	\$250	\$0
Construction Period Taxes	\$12,000	\$300	\$0
Construction Period Insurance	\$12,000	\$300	\$0
Other: FF&E, Security	\$61,000	\$1,525	\$2
Other		\$0	\$0
Total Soft Costs	\$746,821	\$18,671	\$24

Financing Costs			
Construction Loan Origination Fees	\$10,000	\$250	\$0
Construction Period Interest	\$157,266	\$3,932	\$5
Lender Inspection Fees	\$3,630	\$91	\$0

Letter of Credit Fee		\$0	\$0
Permanent Loan Fee	\$10,000	\$250	\$0
Construction Lender Legal	\$12,000	\$300	\$0
Other	\$0	\$0	\$0
Total Financing Costs	\$192,896	\$4,822	\$6

Miscellaneous

Market Survey	\$3,500	\$88	\$0
Appraisal	\$6,200	\$155	\$0
Environmental Study	\$12,700	\$318	\$0
LIHTC Fees -- prepaid monitoring	\$40,000	\$1,000	\$1
Other: Commissioning		\$0	\$0
Relocation Costs	\$0	\$0	\$0
Other -- 3rd Party Consultants	\$18,000	\$450	\$1
Soft Cost Contingency (% of soft costs excl Dev Fee)	1.43%	\$625	\$1
Total Miscellaneous:	\$105,400	\$2,635	\$10

Acquisition

Acquisition: Buildings	\$0	\$0	\$0
Acquisition: Land	\$280,000	\$7,000	\$9
Acquisition: Legal	\$0	\$0	\$0
Other	\$0	\$0	\$0
Total Acquisition	\$280,000	\$7,000	\$9

Reserves and Developer Fee

Operating Deficit Escrow	\$141,859	\$3,546	\$5
Prefunded Replacement Reserve	\$52,274	\$1,307	\$2
Taxes & Insurance Escrow	\$28,500	\$713	\$1
Developer Overhead	\$487,500	\$12,188	\$16
Developer Profit		\$0	\$0
Rent Up Reserve & Marketing	\$40,000	\$1,000	\$1
Other	\$0	\$0	\$0
Total Reserves and Developer Fee	\$750,133	\$18,753	\$24

Total Uses of Funds

\$8,164,870	\$204,122	\$272
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Developer Fee Analysis:

Total Fees: \$487,500
Percent of TDC: 6.54% (excluding reserves & developer fee)

Project Operating Pro Forma

Date June 12, 2018
 Project Name 977 Brighton
 Project Address 977 Brighton
 Developer/Sponsor Avesta

Rental Income

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
1 BR	8		0	50%	\$1,028	\$0		\$1,028	#DIV/0!	\$8,224	\$98,688
1 BR	16		0	50%	\$770	\$0		\$770	#DIV/0!	\$12,320	\$147,840
1 BR	10		0	60%	\$924	\$0		\$924	#DIV/0!	\$9,240	\$110,880
1 BR	6		0	market	\$1,050	\$0		\$1,050	#DIV/0!	\$6,300	\$75,600
2 BR			0	50%				\$0	#DIV/0!	\$0	\$0
2 BR			0	60%				\$0	#DIV/0!	\$0	\$0
3 BR			0	50%				\$0	#DIV/0!	\$0	\$0
3 BR			0	60%				\$0	#DIV/0!	\$0	\$0
4 BR			0	50%				\$0	#DIV/0!	\$0	\$0
4 BR			0	60%				\$0	#DIV/0!	\$0	\$0
Other			0	50%				\$0	#DIV/0!	\$0	\$0
Other			0	60%				\$0	#DIV/0!	\$0	\$0
Total:	40		0							\$36,084	\$433,008

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

Note: Year 1 is the first full year of stabilized operations

	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Income											
Sch. Gross Income - Residential	\$433,008	\$10,825	\$441,668	\$450,502	\$459,512	\$468,702	\$478,076	\$487,637	\$497,390	\$507,338	\$517,485
Vacancy Loss	5.0%	(\$21,650)	(\$541)	(\$22,083)	(\$22,525)	(\$23,435)	(\$23,904)	(\$24,382)	(\$24,870)	(\$25,367)	(\$25,874)
Other income (laundry)	\$2,998	\$75	\$3,058	\$3,119	\$3,182	\$3,245	\$3,310	\$3,376	\$3,444	\$3,513	\$3,583
TIF -- 75% requested	\$48,171	\$1,204	\$49,616	\$51,105	\$52,638	\$54,217	\$55,843	\$57,519	\$59,244	\$61,022	\$62,852
Effective Gross Income	\$462,527	\$11,563	\$472,259	\$482,200	\$492,355	\$502,729	\$513,326	\$524,151	\$535,209	\$546,505	\$558,046
Administrative											
Management Fee	\$24,672	\$617	\$25,412	\$26,175	\$26,960	\$27,769	\$28,602	\$29,460	\$30,343	\$31,254	\$32,191
Management Charges	\$24,672	\$617	\$25,412	\$26,175	\$26,960	\$27,769	\$28,602	\$29,460	\$30,343	\$31,254	\$32,191
Marketing Expense	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Legal	\$1,500	\$38	\$1,545	\$1,591	\$1,639	\$1,688	\$1,739	\$1,791	\$1,845	\$1,900	\$1,957
Audit & Accounting	\$5,000	\$125	\$5,150	\$5,305	\$5,464	\$5,628	\$5,796	\$5,970	\$6,149	\$6,334	\$6,524
Admin Other	\$6,000	\$150	\$6,180	\$6,365	\$6,556	\$6,753	\$6,956	\$7,164	\$7,379	\$7,601	\$7,829
Total Administrative	\$61,844	\$1,546	\$63,699	\$65,610	\$67,579	\$69,606	\$71,694	\$73,845	\$76,060	\$78,342	\$80,692
Supportive Services	\$12,199	\$305	\$12,565	\$12,942	\$13,330	\$13,730	\$14,142	\$14,566	\$15,003	\$15,453	\$15,917
Utilities											
Fuel Oil	\$18,000	\$450	\$18,540	\$19,096	\$19,669	\$20,259	\$20,867	\$21,493	\$22,138	\$22,802	\$23,486
Natural Gas		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric	\$34,000	\$850	\$35,020	\$36,071	\$37,153	\$38,267	\$39,415	\$40,598	\$41,816	\$43,070	\$44,362
Water / Sewer	\$16,000	\$400	\$16,480	\$16,974	\$17,484	\$18,008	\$18,548	\$19,105	\$19,678	\$20,268	\$20,876
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities	\$68,000	\$1,700	\$70,040	\$72,141	\$74,305	\$76,535	\$78,831	\$81,196	\$83,631	\$86,140	\$88,725

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Income										
Sch. Gross Income - Residential	\$527,834	\$538,391	\$549,159	\$560,142	\$571,345	\$582,772	\$594,427	\$606,316	\$618,442	\$630,811
Vacancy Loss	5.0%	(\$26,392)	(\$26,920)	(\$27,458)	(\$28,007)	(\$28,567)	(\$29,139)	(\$29,721)	(\$30,316)	(\$30,922)
Other income (laundry)	\$3,655	\$3,728	\$3,802	\$3,878	\$3,956	\$4,035	\$4,116	\$4,198	\$4,282	\$4,368
TIF -- 75% requested	\$64,738	\$66,680	\$68,680	\$70,741	\$72,863	\$75,049	\$77,300	\$79,619	\$82,008	\$84,468
Effective Gross Income	\$569,835	\$581,879	\$594,184	\$606,754	\$619,597	\$632,717	\$646,122	\$659,817	\$673,810	\$688,106

Administrative										
Advertising	\$33,157	\$34,152	\$35,176	\$36,232	\$37,319	\$38,438	\$39,591	\$40,779	\$42,002	\$43,263
Office Payroll & Benefits	\$33,157	\$34,152	\$35,176	\$36,232	\$37,319	\$38,438	\$39,591	\$40,779	\$42,002	\$43,263
Office Supplies, Phone, Misc.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Mngr or Super Rent Free Unit	\$2,016	\$2,076	\$2,139	\$2,203	\$2,269	\$2,337	\$2,407	\$2,479	\$2,554	\$2,630
Audit & Accounting	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264	\$8,512	\$8,768
Admin Other	\$8,063	\$8,305	\$8,555	\$8,811	\$9,076	\$9,348	\$9,628	\$9,917	\$10,215	\$10,521
Total Administrative	\$83,113	\$85,607	\$88,175	\$90,820	\$93,545	\$96,351	\$99,241	\$102,219	\$105,285	\$108,444

Supportive Services										
	\$16,394	\$16,886	\$17,393	\$17,915	\$18,452	\$19,006	\$19,576	\$20,163	\$20,768	\$21,391

Utilities										
Fuel Oil	\$24,190	\$24,916	\$25,664	\$26,434	\$27,227	\$28,043	\$28,885	\$29,751	\$30,644	\$31,563
Electric	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Gas	\$45,693	\$47,064	\$48,476	\$49,930	\$51,428	\$52,971	\$54,560	\$56,197	\$57,883	\$59,619
Water / Sewer	\$21,503	\$22,148	\$22,812	\$23,497	\$24,201	\$24,927	\$25,675	\$26,446	\$27,239	\$28,056
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities	\$91,386	\$94,128	\$96,952	\$99,860	\$102,856	\$105,942	\$109,120	\$112,394	\$115,765	\$119,238

Maintenance	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Janitorial	\$33,598	\$34,606	\$35,644	\$36,713	\$37,815	\$38,949	\$40,118	\$41,321	\$42,561	\$43,838
Exterminating	\$8,870	\$9,136	\$9,410	\$9,692	\$9,983	\$10,283	\$10,591	\$10,909	\$11,236	\$11,573
Trash Removal	\$5,376	\$5,537	\$5,703	\$5,874	\$6,050	\$6,232	\$6,419	\$6,611	\$6,810	\$7,014
Security	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Grounds	\$6,720	\$6,921	\$7,129	\$7,343	\$7,563	\$7,790	\$8,024	\$8,264	\$8,512	\$8,768
Maintenance	\$33,598	\$34,606	\$35,644	\$36,713	\$37,815	\$38,949	\$40,118	\$41,321	\$42,561	\$43,838
Elevator, HVAC, pool contracts	\$26,878	\$27,685	\$28,515	\$29,371	\$30,252	\$31,159	\$32,094	\$33,057	\$34,049	\$35,070
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Maintenance	\$115,039	\$118,490	\$122,045	\$125,706	\$129,478	\$133,362	\$137,363	\$141,484	\$145,728	\$150,100

Taxes & Insurance										
Real Estate Taxes or PILOT	\$86,318	\$88,908	\$91,575	\$94,322	\$97,152	\$100,067	\$103,069	\$106,161	\$109,346	\$112,626
Payroll Taxes / Fidelity Bond / Workers Comp / Health Ins.	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Insurance (property, liability)	\$20,159	\$20,764	\$21,386	\$22,028	\$22,689	\$23,370	\$24,071	\$24,793	\$25,536	\$26,303
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Taxes & Insurance	\$106,477	\$109,671	\$112,962	\$116,350	\$119,841	\$123,436	\$127,139	\$130,953	\$134,882	\$138,929

Replacement Reserves	\$24,190	\$24,916	\$25,664	\$26,434	\$27,227	\$28,043	\$28,885	\$29,751	\$30,644	\$31,563
Operating Reserves	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

Total Expenses	\$436,601	\$449,699	\$463,190	\$477,085	\$491,398	\$506,140	\$521,324	\$536,964	\$553,073	\$569,665
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Net Operating Income	\$133,234	\$132,180	\$130,994	\$129,669	\$128,199	\$126,577	\$124,798	\$122,854	\$120,737	\$118,441
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Debt Service										
First Lien	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934	\$112,934
Second Lien	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Debt Service (Must Pay)	\$112,934									

Cash Flow (after Must Pay Debt)	\$20,300	\$19,246	\$18,060	\$16,735	\$15,265	\$13,643	\$11,864	\$9,920	\$7,803	\$5,507
Debt Service Coverage Ratio	1.18	1.17	1.16	1.15	1.14	1.12	1.11	1.09	1.07	1.05

Cash Flow Debt Payments										
DHCD	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Developer Fee Loan	0.0%	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Cash Flow Retained by Project		\$20,300	\$19,246	\$18,060	\$16,735	\$15,265	\$13,643	\$11,864	\$9,920	\$7,803
Retained Cash Flow %			8%							

Order 53-18/19
~~Tab 44~~ - 8-13-18
Tab 15 9-5-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPROVING THE ALLOCATION AND APPROPRIATION
OF \$925,000 FROM THE HOUSING TRUST FUND
RE: PORTLAND HOUSING DEVELOPMENT CORPORATION
FRONT STREET**

ORDERED, that any amount up to \$925,000 in funds from the Housing Trust Fund are hereby allocated and appropriated to fund the Portland Housing Development Corporation project on Front Street; and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or his or her designee to approve an adjustment to the total allocation of up to ten percent (10%); and

BE IT FURTHER ORDERED, that the City Council hereby authorizes the City Manager or his or her designee to execute said document and any other related documents necessary or convenient to carry out the intent of said document.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Anita LaChance, Sonia Bean, Danielle West-Chuhta, Nancy English, Julianne Sullivan

FROM: Planning and Urban Development Department
Housing and Community Development Division

DATE: August 24, 2018

SUBJECT: Order Authorizing Financial Assistance in an amount up to \$925,000 in Housing Trust Funds to the Portland Housing Development Corporation Project entitled Front Street

SPONSOR: Jill Duson, Chair, Housing Committee
(July 31, 2018; voted 2-0; Cook absent)

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading August 13, 2018 Final Action September 5, 2018

Can action be taken at a later date: Yes No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)
Mary Davis, HCD Division Director will be available to answer any questions

I. ONE SENTENCE SUMMARY

The purpose of the Housing Trust Fund is the "...promotion, retention and creation of an adequate supply of housing, particularly affordable housing, for all economic groups and to limit the net loss of housing units in the City." and "To serve as a vehicle for addressing very low, low and median income housing needs...".

II. AGENDA DESCRIPTION

The Housing Trust fund is established by Section 14-489 of the City's Code of Ordinances. Section 14-489 (e) states that "the city council shall adopt a housing trust fund annual plan" and that the "housing committee of the city council or such other committee as the council shall designate shall conduct public hearings on the recommended plan and refer the matter to the council for action." The 2018 Annual Plan, which was adopted by the City Council on June 18, 2018 (Order 263 17/18), established the priorities in which the current balance of the Housing Trust Fund will be allocated.

With the appropriation approved by Order 49-18/19, the Housing Trust Fund balance is \$2,223,320.80.

A Notice of Funding Availability was published on June 29 and applications for Housing Trust Funds were accepted as of July 1. Three application have been received as of Friday, July 27.

- (1) Portland Housing Authority Front Street, Request: \$1,435,174, less any HOME funding

Justification:

- a) The PHA Front Street project is a priority under the 2018 Annual Plan
- b) Eligible Activity: new construction of affordable rental housing
- c) Utilizing multiple federal, state and local resources to fund the project
- d) Per unit contribution does not exceed \$15,000/unit
- e) 77% of units affordable to households at or below 50% of the area median income

- (2) Avesta 977 Brighton Avenue, Request \$300,000, less any HOME funding

Justification:

- a) Eligible Activity: new construction of affordable rental housing
- b) Utilizing multiple federal, state and local resources to fund the project
- c) Per unit contribution does not exceed \$15,000/unit
- d) 60% of units affordable to households at or below 50% of the area median income
- e) The proposed use of City funds and the timing of the investment of City funds makes this project better suited for Housing Trust Fund financing.

- (3) 178 Kennebec Street, Request \$370,000, less any HOME funding

Justification:

- a) Eligible Activity: new construction of affordable rental housing
- b) Utilizing multiple federal, state and local resources to fund the project
- c) Per unit contribution does not exceed \$15,000/unit
- d) 35% of units affordable to households at or below 50% of the area median income

With the appropriation approved by Order 49-18/19, the funding scenario recommended by the Housing Committee at their July 31st meeting is:

HOUSING TRUST FUND \$2,223,320 (including portion of 0 Hancock St. Proceeds)				
	Applicant Request	HOME Recommendations	HTF Recommendations*	Balance Remaining of Applicants Request
PHA Front Street	\$1,435,174	\$510,174	\$925,000	\$0
178 Kennebec Street	\$370,000	\$370,000	\$0	\$0
977 Brighton Avenue	\$300,000	\$0	\$300,000	\$0
Total	\$2,105,174	\$880,174	\$1,225,000	\$0

*Maintains \$500,000 minimum balance; \$498,320 of HTF unallocated

In addition, staff requests the ability to make adjustments to the allocation amounts as long as it is within 10% of the Committee approved allocation.

III. BACKGROUND

Portland Housing Development Corporation is requesting Housing Trust Funds (HTF) to assist in the re-development of affordable family rental housing on Front Street. The developer is

proposing to demolish and re-develop the existing 50 units of housing and add an additional 61 units of mixed-income rental housing.

The development will include:

Front Street		
1-Bedroom Units (29)	at or below 50% area median income	7
	at or below 50% area median income PBV	11
	Market Rate	11
2-Bedroom Units (38)	at or below 50% area median income	19
	at or below 50% area median income PBV	7
	Market Rate	12
3-Bedroom Units (27)	at or below 50% area median income	5
	at or below 50% area median income PBV	19
	at or below 60% area median income	3
4-Bedroom Units (13)	at or below 50% area median income PBV	13
5-Bedroom Units (4)	at or below 50% area median income PBV	4
Total Units		111

This project is seeking 4% Low Income Housing Tax Credit and tax-exempt debt with Maine Housing. It will not proceed on the same timetable as the other three proposals who will be seeking 9% Low Income Housing Tax Credits. The developer has engaged in significant public outreach in the East Deering Neighborhood. A neighborhood meeting was held on November 7, 2017 and the Planning Board held a workshop on November 14, 2017. The Planning Department has made significant commitments to the neighborhood to ensure that the design of the project is contextual to the neighborhood. To ensure these commitments are met, staff is recommending funding for this project.

As stated in the developer's application *"Front Street is currently a 50-unit Public Housing community in the East Deering neighborhood of Portland, Maine. The project was built in 1971 as part of Portland's Urban Renewal effort and the creation of Franklin Arterial to connect the interstate with the Downtown tourist are of the Portland peninsula. Over 200 residential structures, considered a blighted area, were taken by eminent domain and demolished in Portland's Bayside neighborhood. A portion of those families were moved to temporary housing at Front Street....."*

"47 years later, this "temporary" housing was identified in Portland Housing Authority's Strategic Vision Plan of 2015 as the top priority for re-development due to deterioration of buildings due to poor construction quality and structural issues due to poor soils."

"PHA is proposing a single phase approach to not only demolish and re-develop the existing 50 units of housing, but add an additional 61 units of mixed-income family rental housing....."

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED

Increase access to rental and ownership housing that is safe and affordable for working and low-income families.

V. FINANCIAL IMPACT

Housing Trust Funds: in an amount up to \$925,000 at zero percent interest, deferred for 30 years.

Total City HTF Investment of \$925,000/unit - \$8,334.

Total City HTF Investment of \$925,000/affordable unit - \$10,512.

Total City Investment of \$1,435,174/unit - \$12,930.

Total City HTF Investment of \$1,435,174/affordable unit - \$16,309.

Developer intends to seek additional city assistance through an affordable housing tax increment financing district/credit enhancement agreement. In addition the developer has applied for HOME funding; the total HOME and HTF investment requested is \$1,435,174.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

The 2018 Annual Plan prioritizes support of the Portland Housing Authority in the implementation of their Strategic Vision Plan when other funding sources are not available.

The Annual Plan calls for projects that are focused on opportunities where other funding sources do not work or are not effective, such as projects designed to create housing affordable to households earning at or below 50% of the area median income, or projects designed to create housing affordable to households earning 80% to 120% of the area median income.

Between 35% and 77% of the units in each project will be affordable to households at or below 50% of the area median income. The Front Street project has the highest percentage (77%) of units at or below 50% of the area median income and Brighton Avenue has the second highest percentage (60%) of units at or below 50% of the area median income.

Front Street: 77% of the units will be affordable at or below 50% of the area median income (49% with project-based vouchers).

Kennebec St: 35% of the units will be affordable at or below 50% of the area median income.

Brighton Ave: 60% of the units will be affordable at or below 50% of the area median income (20% with project-based vouchers).

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City funding. The third party analysis is attached. The report indicates that the developer is well positioned to secure the remaining

financing needed to move forward with this project and has the financial capacity to keep the development process moving forward.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial funding recommendation noted below. Conditions to be met prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Commitment of all sources on terms and conditions acceptable to City of Portland, including acceptable cashflow waterfall, and cashflow projection which shows retirement of developer fee loan and City of Portland loans;
3. Revised operating budget reflective of higher utility costs and cashflow projection satisfactory to City.

As part of the Maine State Housing Authority's (MSHA) 4% Tax Credit Program application, the developers will need letters of commitment of support for their projects prior to submitting the application. If the Council agrees with the Housing Committee's recommendation, this letter would include the recommendations of the third party underwriter and be conditioned on the completion of the following additional requirements:

1. The commitment will be subject to compliance with all Housing Trust Fund requirements including, but not limited to, satisfactory underwriting analysis.
2. Commitment of funds to be stated as "an amount up to the funding request based on maximization of LIHTC equity raise", to ensure that the City's contribution is leveraged to the maximum extent possible.
3. Commitment should be subject to the projections and assumptions noted in the project budgets and pro-forma submitted, and the City reserves the right to reconsider and adjust their commitment if any significant alterations occur in the budget. A final commitment will be subject to a final budget.
4. Any substantial changes to the composition of the project, or the financial investment required, will be brought back to the Housing Committee and the City Council for review and approval.

A recommendation for City funding by the City Council is not the same as approval of the overall project. After carefully weighing the potential benefits and impacts on the City and surrounding neighborhood against the standards in the Land Use Ordinance, the Planning Board will ultimately determine if a project meets those standards. Any funding awarded will be contingent on the project's final approval by the Planning Board.

VII. RECOMMENDATION

The Housing Committee recommends funding the applications, in the order noted below (less HOME funding recommendations) utilizing the current balance in the Housing Trust Fund plus any additional funding that may be appropriated by the City Council, while maintaining the \$500,000 minimum balance noted in the Annual Plan.

- (1) Portland Housing Authority Front Street, \$1,435,174 less any HOME funding;
- (2) Avesta 977 Brighton Avenue \$300,000, less HOME funding
- (3) 178 Kennebec Street, \$370,000, less HOME funding

Staff requests the ability to make adjustments to the allocation amounts as long as it is within 10% of the Committee approved allocation.

With the appropriation approved by Order 49-18/19, the funding scenario recommended by the Housing Committee at their July 31st meeting is:

HOUSING TRUST FUND \$2,223,320 (including portion of 0 Hancock St. Proceeds)				
	Applicant Request	HOME Recommendations	HTF Recommendations*	Balance Remaining of Applicants Request
PHA Front Street	\$1,435,174	\$510,174	\$925,000	\$0
178 Kennebec Street	\$370,000	\$370,000	\$0	\$0
977 Brighton Avenue	\$300,000	\$0	\$300,000	\$0
Total	\$2,105,174	\$880,174	\$1,225,000	\$0

*Maintains \$500,000 minimum balance; \$498,320 of HTF unallocated

VIII. LIST ATTACHMENTS

Excerpt HTF Application Information for Front Street
Third Party Underwriting Analysis

Prepared by: Mary P. Davis
Bean/agendarequestmemo/rev 1/23/2017

Date: August 24, 2018



BOARD OF DIRECTORS

Mark B. Adelson, President
Mariar Balow, Vice-President
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14 Baxter Boulevard
Portland, ME 04101

Office: 207-773-4753
Fax: 207-761-5886

Jul 27, 2018

Mary Davis
City of Portland - Housing and Community Development Division
389 Congress Street
Portland, Maine 04101

**Subject: Front Street Redevelopment
Response to RFP – Housing Trust Fund 2018-2019**

Dear Mary,

Portland Housing Authority is pleased to submit this response to the City of Portland's RFP for Housing Trust funds. Front Street Redevelopment is a multi-family development in Portland's East Deering neighborhood that transforms 50 public housing units into 111 homes for small and large families near Portland's peninsula. We are requesting \$855,000.

The City staff and Housing Committee are familiar with the Front Street redevelopment by this point. We have submitted a successful CDBG application and HOME funds application that are both critical funding sources for the redevelopment of a public housing development that has lasted longer than was originally envisioned as "temporary housing" in 1971.

As noted in our project summary, between the HOME and HTF subsidy, we are requesting \$1,435,174 of 0% loan as gap financing. We are flexible regarding the amount of each subsidy source as long as we achieve the total amount. Please note that since our HOME application submission, costs continue to go up. Our Construction Manager has since done a detailed 16-Division estimate and included an inflation factor for time we need for relocation and for national trends in building materials and labor costs. We have also shifted demolition and soil remediation costs to the project from the PHA "Seller Costs" to maximize our LIHTC equity. This has increased our total hard construction costs including demolition and soil remediation by \$2,086,620. We have increased our MSHA loan slightly, increased our 4% LIHTC equity,

increased the Portland Housing Development Corporation soft loan and expect to apply for a second Federal Home Loan Bank AHP grant.

The temporary relocation of these 50 families, demolition of the buildings, removal of hazardous materials, and soil remediation are critical first steps in preparing the site for a long-term lease for the redevelopment of this older housing and the new construction of additional units to help ease the rental housing crisis in Portland. This project is one of the first steps in Portland Housing Authority's 2015 Strategic Vision Plan that looked at the renovation and redevelopment of almost 1000 units of housing throughout Portland and the creation of new affordable housing on under-utilized parcels of land within PHA's portfolio. This East Deering neighborhood is a wonderful close-knit, mixed-income community that deserves new energy efficient, healthy, durable, beautiful housing.

Portland Housing is excited that the re-development of Front Street will be a part of the growth of this wonderful part of Portland.

Thank you for your consideration.

Sincerely,

A handwritten signature in blue ink, appearing to read 'J. Waterman', with a long horizontal flourish extending to the right.

Jay Waterman, Director of Development

**Portland Housing Development Corporation / Front Street Housing Redevelopment, LP
Housing Trust Fund Application
Project Summary**

Front Street Re-Development - Detailed Project Proposal

Summary - Request for Funding

Portland Housing Development Corporation (PHDC) and Front Street Housing Redevelopment, LP are requesting \$855,000 in grant funding from the City of Portland’s Housing Trust Fund (HTF) program to assist in the re-development of affordable family rental housing in Portland, Maine. PHDC is requesting these HTF funds as a critical early step in securing other funding to replace outdated housing and bring new housing to a mixed-income community. The request is based on the City’s Housing Committee recommendation of \$580,174 to the City Council. Understanding that this HOME amount has not been approved by the full Council, we are requesting a total subsidy amount of \$1,435,174. Any combination of HOME funds and Housing Trust Funds would provide the project with needed financing.

Project Summary and Description of Housing

Front Street is currently a 50-unit Public Housing community in the East Deering neighborhood of Portland, Maine. The project was built in 1971 as part of Portland’s Urban Renewal effort and the creation of Franklin Arterial to connect the interstate with the Downtown tourist area of the Portland peninsula. Over 200 residential structures, considered a blighted area, were taken by eminent domain and demolished in Portland’s Bayside neighborhood. A portion of those families were moved to temporary housing at Front Street in Portland’s East Deering neighborhood. 47 years later, this “temporary” housing was identified in Portland Housing Authority’s Strategic Vision Plan of 2015 as the top priority property for re-development due to deterioration of buildings due to poor construction quality and structural issues due to poor soils. A 2012 Physical Needs Assessment concluded that the buildings are at the end of their useful life, and an Obsolescence Study in 2016 determined that renovations would be costlier than demolition and new construction.

PHA is proposing a single-phase approach to not only demolish and re-develop the existing 50 units of housing, but add an additional 61 units of mixed-income family rental housing that will be durable, beautiful and extremely energy efficient. Please note there is an adjacent 10-unit homeownership project that will be developed on the existing Front Street parcel along Illsley Street, but is not part of the rental housing project and is not part of this application.

**Existing Housing Unit
Distribution**

1-Bedroom	0
2-Bedroom	0
3-Bedroom	25
4-Bedroom	18
5-Bedroom	7
Totals	50

Front Street Utilization

	Sufficient Size	Under Utilized	Over Utilized
1-Bedroom	N/A		
2-Bedroom	N/A		
3-Bedroom	16	7	2
4-Bedroom	10	6	1
5-Bedroom	6	1	0

Population Served

Households currently living at Front Street are Extremely-Low Income, (ELI), or Very-Low Income, (VLI). There are currently 49 occupied units; 35 households, (about 71%), have extremely-low incomes. Current households range in size from one-person to ten-persons. Households are predominantly between three- and six-persons. A unique feature of Front Street is its 4- and 5-bedroom units for larger families. PHA has a public housing waiting list with 1,800 families and several of those on the waiting list are looking for 4- and 5-bedroom units.

PHA is applying to HUD under Section 18 Demolition and Disposition of the Housing Act of 1937 to re-develop Front Street public housing. Section 18 allows all residents the right to compensation for temporary relocation and PHA is pledging 100% Right of Return. Residents will be relocated with Tenant Protection Vouchers in private housing or will be able to move to some of the other 1,000 units of public housing owned by PHA in Portland. We are anticipating at least half of the current families will choose to return to the re-developed Front Street. PHA is pledging 50 Project Based Vouchers to the new project. These will ensure those returning after relocation will have a subsidized unit. 23 units (20%) will be market rate with a goal of protecting existing ELI families while

diversifying incomes in the development and neighborhood. The balance of units will be at or below 50% and 60% of Area Median Income.

Proposed Use of Funds, Market Demand and Measures of Success

Our first and foremost measure of success will be 111 new units of affordable housing. Portland has over 3,000 people on the Section 8 waiting list and there are over 13,000 people statewide who often have to wait 3-5 years for an affordable home. This project will clearly have an effect on over a hundred families. Please see the attached market study to understand the market demand.

The Front Street Redevelopment project has partnered with local social service providers to go beyond beautiful new apartments for its residents and provide critical services to help residents thrive in the community. The focus of these services is to enable empowerment and self-sufficiency. The following services are committed to the project and letters of commitment are available upon request:

- Boys and Girls Club of Southern Maine – After School programs
- Goodwill – Employment and job training supportive services
- LearningWorks – English language and literacy programs and YouthBuild Program
- The Opportunity Alliance – Early Head Start Family Visiting Program

Financial Feasibility

There is no doubt that Front Street's legacy of a placing low-income housing on a former City dump with poor structural soils combined with drastic cuts to public housing over the life of the project has left this property in desperate need of redevelopment. It also means the project has costs that many other projects do not have: The size of the site is two City blocks spanning 4 acres. 50 families will be temporarily moved, re-housed and returned, all with financial support required in the Uniform Relocation Act. The project has a DEP VRAP plan for remediation of the soils. Hazardous materials will need to be removed from the buildings prior to demolition.

Some of these initial costs are considered "Seller's costs." PHA has received \$250,000 of CDBG funds from the City of Portland as well as a \$125,000 grant from the TD Charitable Foundation Housing for Everyone competition in 2017. These funds, as well as potential EPA Brownfields funds and PHA non-federal reserves will pay for all "Seller Cost" that are NOT part of this application.

The project has already secured \$3,900,000 of AHP funds from the Federal Home Loan Bank of Boston through our construction lender, Bath Savings. We are applying to MaineHousing for 4% LIHTC and Tax-Exempt Debt and will seek a second Federal Home Loan Bank grant of \$500,000. Please see the attached pro forma development budget, sources and uses, operating budget and 15-year operating pro forma.

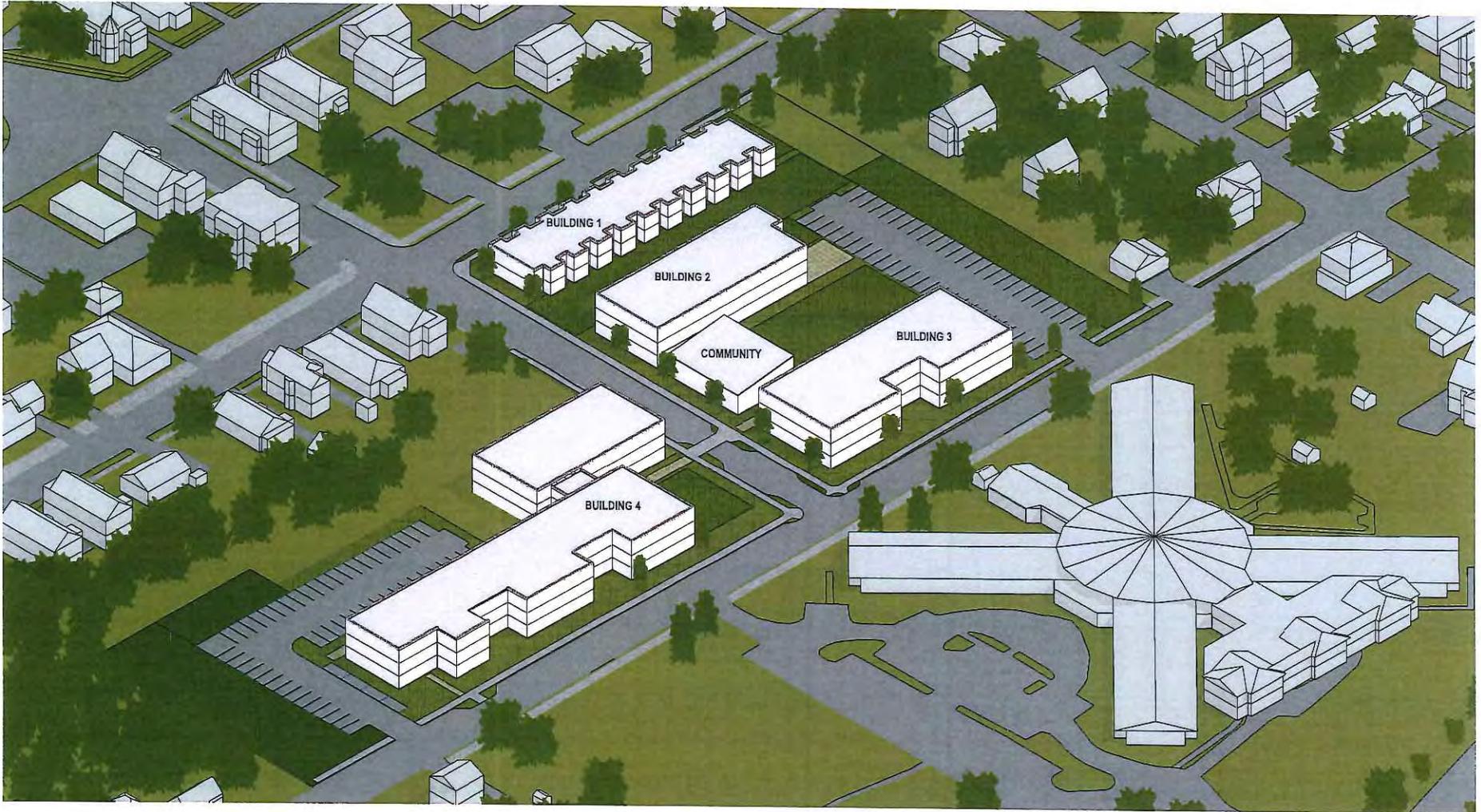
Capacity to Develop the Project

The Portland Housing Authority hired Jay Waterman as their Real Estate Development Director over three years ago. Since that time, Bayside Anchor, a 45-unit mixed-income multi-family affordable housing project has been built and occupied. Mr. Waterman is the project manager for the Front Street project. Mark Adelson, PHA's Executive Director, is also integrally involved in the project, assisting with the Relocation Plan for temporary relocation of Front Street families. Our HUD application process is being supported by Joe Schiff, a former HUD deputy undersecretary. Our relocation planning is being supported by Andrew Daniels of MAPPLAN Partners. Gary Vogel of Drummond Woodsum is our legal counsel. Our property management firm will be Avesta Housing.

PHA has assembled a top-notch design team for the project, including Utile Architecture and Planning from Boston, Carroll Associates Landscape Architects, Allied Engineering, Ransom Environmental Consulting, and Thornton Tomasetti to assist with Passive House certification.

Neighborhood and Design Compatibility

Front Street has been affordable public housing for the last 47 years. The project has been a low-density development that has the potential for significantly more density with the Division 30 changes. We feel the proposed design will have a more connective fabric with the surrounding neighborhood than the existing building. Walkability, scale, connectivity and permeability are all part of the design. We have worked with City planning and urban design staff for the last 18 months on this project and will continue to work with them as we bring this to the planning board in the Fall of 2018.



PHA FRONT STREET DEVELOPMENT
 PRESUMPCOT STREET
 PORTLAND, ME 04103

ISOMETRIC VIEW - PROPOSED MASSING
 MARCH 14, 2018

DISCLAIMER: These plans are conceptual only. They have not been subject to a comprehensive code and regulatory review, nor have they been tested against any as-built surveys. Discoveries in such an analysis may result in fundamental changes to the original concept.

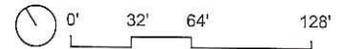


Architecture
 & Planning

utile



DISCLAIMER: These plans are conceptual only. They have not been subject to a comprehensive code and regulatory review, nor have they been tested against any as-built surveys. Discoveries in such an analysis may result in fundamental changes to the original concept.



PHA FRONT STREET DEVELOPMENT
 PRESUMPCOT STREET
 PORTLAND, ME 04103

SITE PLAN
 MARCH 14, 2018



Architecture
 & Planning

utile

Front Street Re-Development Timeline

Submit planning board application.....September 2018

Addt'l neighborhood meetings.....Aug.-Nov. 2018

Planning Board Approval ExpectedDecember 2018

Submission to MSHA for LIHTCDecember 2018

HUD Approval of Demolition/DispositionMarch 2019

Relocation Period.....June 2019 – Dec. 2019

Construction Closing and Start.....December 2019

Occupancy.....February 2021

Front Street Re-Development Location Map



DEVELOPMENT ASSUMPTIONS						
Total Units		111	Inflation Adjustments	Yr 1-5	Yr. 6-15	Yr. 16-30
# @ 40% AMI	0.0%	0	Rent	2.00%	2.00%	2.00%
# @ 50% AMI (PBV Low HOME)	45.0%	50	Operating Expense	3.00%	3.00%	3.00%
# @ 50% AMI (LIHTC)	31.5%	35	Other Income	2.00%	2.00%	2.00%
# @ 50% AMI (High HOME)	0.0%	0	Debt Coverage Ratio	1.15		
# @ 50% AMI (LIHTC)	2.7%	3	Vacancy	5%		
# @ Market	20.7%	23				
Appraised Market Value	100.0%	17,077,980	Market Value/Unit	\$153,856		

LIHTC Alloc.	1,009,873
Equity yield	0.89
Synd. %	99.99%
Equity Raise	8,986,968

Historic Credit FED	0
Equity yield	0.95
Synd. %	99.99%
Equity Raise	0

Historic Credit STATE	0
Equity yield	0.88
Synd. %	99.99%
Equity Raise	0

Total Equity:	8,986,968
---------------	-----------

Gross Square Footage	132,000
Construction Cost/Sq ft.	\$174.73

Pro Forma Development Budget				
	Residential	Per Unit	Commercial	Total
Site Improvements	1,945,563	17,528		1,945,563
Construction	17,745,165	159,866		17,745,165
Demolition	453,002	4,081		453,002
Builder Overhead	2,920,792	26,313		2,920,792
Builder Profit	0	0		0
Bond Premium	0	0		0
Construction Contingency	5%	1,153,226	10,389	1,163,226
Subtotal Construction Costs		24,217,748	218,178	24,217,748
Building Permits and Fees	339,827	3,082		339,827
Survey & Engineering	103,900	936		103,900
Architectural & Design	945,000	8,514		945,000
Legal	73,000	658		73,000
Title & Recording	15,000	135		15,000
Accounting	8,000	72		8,000
Construction Period Tax	2,000	19		2,000
Construction Period Insurance	25,000	225		25,000
Soft Cost Contingency		42,000	378	42,000
Subtotal Soft Costs		1,553,727	13,998	1,553,727
Construction Loan Origination Fees	8,500	77		8,500
Construction Loan Interest	770,000	6,937		770,000
Constr Partic. Fee/Perm Loan Fee	287,500	2,580		287,500
Land Inspec, Const legal, Letter of Credit	28,750	259		28,750
Subtotal Finance Costs		1,084,750	9,863	1,084,750
Market Survey	5,200	47		5,200
Appraisal	6,000	54		6,000
Environmental Study	13,500	122		13,500
LIHTC Fees/ prepd monitor	150,650	1,357		150,650
Commissioning	47,080	424		47,080
FF&E	89,000	802		89,000
Subtotal Miscellaneous		311,430	2,806	311,430
Acquisition: Buildings	0	0		0
Acquisition: Land	275,000	2,477		275,000
Acquisition: Legal	0	0		0
Subtotal Acquisition		275,000	2,477	275,000
Operating Deficit Escrow	930,000	8,378		930,000
Pre-funded Replacements	211,190	1,903		211,190
Tax & Insurance Escrow	126,592	1,140		126,592
Working Capital / Relocation	0	0		0
GP Contribution	0	0		0
Developer Overhead	2,000,000	18,018		2,000,000
Developer Profit	1,900,000	17,117		1,900,000
Rent-up & Marketing	50,000	450		50,000
Subtotal Fee and Reserves		5,217,781	47,007	5,217,781
Total Project Costs	32,870,437	294,326	0	32,870,437
Total Development Costs (MSHA)	31,099,787	280,178		
Total Development Cost (MSHA) Index		226,966		

Front Street Re-Development - Sources and Uses		
Sources		
Development Fee Loan	2,900,000	
Tax Exempt Bond Loan	14,250,000	
Bath AHP Loan	3,400,000	
FHLB Subsidy	500,000	
City Housing Trust Funds	855,000	
City HOME Funds	580,174	
Net Syndication	8,986,968	1,009,873 Credit Allocation
Seller Note	698,295	
Total	32,170,437	
Uses		
Construction	24,217,748	\$174.73 /sf Construction
Soft Costs	1,553,727	
Finance Costs	1,084,750	
Miscellaneous	311,430	
Acquisition	275,000	
Reserves	1,317,781	
Developer Fee	3,900,000	
Total	32,670,437	294,328 Gross TDC / Unit
		280,178 Adj. TDC / unit
Changes to this pro forma version		
111 units		
Trending at 2% income / 3% expenses		
New LIHTC and PBV rents as of April 2016		
OPEX increased to \$7,700/unit		
No MSHA subsidy		
City HOME funds		
Adjusted TDC Index calculation		
Added \$275,000 to Acquisition and added a Seller note for same.		

MAXIMUM DEVELOPER FEE AVAILABLE	4,301,815
ACTUAL DEVELOPER FEE	3,900,000
% OF MAXIMUM DEVELOPER FEE	90.7%
NET DEVELOPER FEE COLLECTED	1,000,000
% OF MAXIMUM DEVELOPER FEE	23.2%

FLOW OF FUNDS									
Sources	CLC	During Construction				PLC			Total
	10/15/18	1/13/19	4/13/19	7/12/19	10/10/19	12/14/19	2018	2019	
Beginning Cash	0	0	500,000	0	0	0	3,050,652	2,975,326	0
Capital Contribution	898,697		898,697	2,246,742					8,986,968
Construction Loan	1,858,623	5,554,437	4,655,740	3,807,595	6,104,437	4,493,484	224,674	224,674	21,990,932
GP Bridge Loan									0
Other AHP Subsidy		500,000							500,000
Other AHP Loan	0					0			0
Tax Exempt Bond Loan						14,250,000			14,250,000
Conventional First Mortgage									0
Bath AHP Loan						3,400,000			3,400,000
PHDC Loan						698,295			698,295
City Housing Trust Fund	427,500					427,500			855,000
City FedHOME	290,087		0			290,087			580,174
Bath AHP Subsidy	0	500,000							500,000
Development Fee Loan						2,900,000			2,900,000
TOTAL SOURCES	3,484,907	6,554,437	6,054,437	6,054,437	6,104,437	26,459,366	3,275,326	3,200,000	54,661,369
Uses									
Acquisition	275,000								275,000
Construction		6,054,437	6,054,437	6,054,437	6,054,437				24,217,748
Soft Costs	1,553,727	0	0	0	0	0			1,553,727
Financing Costs	1,094,750					0			1,094,750
Miscellaneous	311,430					0			311,430
Dev Fee	250,000					150,000	300,000	3,200,000	3,900,000
Reserves					50,000	1,267,781			1,317,781
TOTAL DEV. COSTS	3,484,907	6,054,437	6,054,437	6,054,437	6,104,437	1,417,781	300,000	3,200,000	32,670,437
Repay GP Bridge Loan						0			0
Repay Construction Loan						21,990,932			21,990,932
Other Syndication Costs	0								0
SUBTOTAL OTHER ITEMS	0	0	0	0	0	21,990,932	0	0	21,990,932
TOTAL USES OF FUNDS	3,484,907	6,054,437	6,054,437	6,054,437	6,104,437	23,408,714	300,000	3,200,000	54,661,369
Ending Cash	0	500,000	0	0	0	3,050,652	2,975,326	0	0

Total loan \$XXXXXX incl. \$500k City

CLC
PLC
8609
Stabilized

PROJECT FINANCING									
Source		Amount	Rate	Term	Lien	Annual D/S			
						Yr. 1-5	Yr. 6-15	Yr. 16-30	
Source 1	Other AHP Loan	0	0.00%	30	First	0	0	0	
Source 2	Tax Exempt Bond Loan	14,250,000	4.50%	40	First	768,752	768,752	768,752	
Source 3	Bath AHP Loan	3,400,000	5.00%	30	First	219,023	219,023	219,023	
Source 4	PHDC Loan	698,295	0.00%	30		0	0	0	
Source 5	City Housing Trust Fund	855,000	0.00%	30		0	0	0	
Source 6	Other AHP Subsidy	500,000	0.00%	30		0	0	0	
Source 7	City FedHOME	580,174	0.00%	30	Third	0	0	0	
Source 8	Bath AHP Subsidy	500,000	0.00%	30	Third	0	0	0	
Source 9	Development Fee Loan	2,900,000	0.00%		cash flow	0	0	0	
Source 10	Net Syndication	8,986,968	\$0.59						
	Capitalization Gap	-0							
Total		32,670,437							

COLLATERAL COVERAGE		
	Total	Per Unit
Projected Mortgage	14,250,000	128,378
Appraised Market Value	17,077,980	153,856
Loan to Value Ratio	83%	
Market Rent Differential	248,892	187
Subsidy per Low Income Unit		0

PROPOSED RENT SCHEDULE									
Type	AMI	# Units	Rents from Applicant	Program Max Rents	Gross Rent	Market Rent	Utility Allow.	Total Rent	
0BR	40% LIHTC	0				\$1,000	0	0	
	50% LIHTC PBV	0	788	788	788	\$1,000	0	0	
	50% LIHTC	0	788	788	788	\$1,000	0	0	
	60% HOME	0				\$1,000	0	0	
	60% LIHTC	0	946	946	946	\$1,000	0	0	
	Market	0	\$900	\$900	900	\$1,000	0	0	
1BR	40% LIHTC	0				\$1,100	0	0	
	50% LIHTC PBV	7	845	845	845	\$1,100	0	70,980	
	50% LIHTC	11	845	845	845	\$1,100	0	111,540	
	60% HOME	0				\$1,100	0	0	
	60% LIHTC	0	1014	1014	1,014	\$1,100	0	0	
	Market	11	\$990	\$990	990	\$1,100	0	130,680	
2BR	40% LIHTC	0				\$1,300	0	0	
	50% HOME	0				\$1,300	0	0	
	50% LIHTC PBV	7	1013	1013	1013	\$1,300	0	85,092	
	50% LIHTC	19	1013	1013	1,013	\$1,300	0	230,954	
	60% LIHTC	0	-1216	1216	1,216	\$1,300	0	0	
	Market	12	\$1,170	\$1,170	1,170	\$1,300	0	168,480	
3BR	40% LIHTC	0				\$1,600	0	0	
	50% LIHTC	5	1171	1171	1,171	\$1,600	0	70,260	
	50% LIHTC PBV	19	1171	1171	1171	\$1,600	0	266,988	
	High HOME	0				\$1,600	0	0	
	60% LIHTC	3	1,406	1,406	1,406	\$1,600	0	50,616	
	Market	0	\$1,440	\$1,440	1,440	\$1,600	0	0	
4BR	40% LIHTC	0				\$1,900	0	0	
	50% LIHTC PBV	13	1307	1307	1,307	\$1,900	0	203,892	
	60% HOME	0				\$1,900	0	0	
	60% LIHTC	0	1569	1569	1,569	\$1,900	0	0	
	Market	0	\$1,615	\$1,615	1,615	\$1,900	0	0	
	5BR	50% LIHTC	0	\$1,442	\$1,442	\$1,442	\$2,200	0	69,216
	50% LIHTC PBV	4	\$1,442	\$1,442	\$1,442	\$2,200	0	0	
	60% HOME	0				\$2,200	0	0	
	60% LIHTC	0	\$1,731	\$1,731	\$1,731	\$2,200	0	0	
	Market	0						0	
Other:									0
Subtotals		111						1,458,708	
# PBVs		50							
			Vacancy Rate		5%				-96,167
			Other Income		PBV-HAP Diff.				464,628
			Other Income		Laundry				11,100
			Other Income		75% TIF				146,138
			Effective Gross Income						1,984,407

AFFORDABLE MORTGAGE CALCULATION		
Effective Gross Income		1,984,407
Annual Operating Expense		867,060
Stabilized NOI		1,117,346
DSC	1.15	145,741
\$ Avail for DIS		971,606
Other DS		768,752
Balance		202,853
Affordable Mortgage	4.50%	3,760,192

BREAKEYEN ANALYSIS:	RENT SENSITIVITY		OCCUPANCY	
	Total	Annual	Gross Revenues	Annual
Operating Expense	867,060			1,934,436
Debt Service	987,776			
Breakeven Rent	1,393		Breakeven Occupancy	96%

OPERATING EXPENSES		
Expense	Residential Annual	Annual Per Unit
Administrative Expenses:		
Management Fees	109,630	988
Management Charges	109,630	988
Marketing Expenses	500	5
Legal Expenses	4,000	36
Auditing Expenses	7,000	63
Other Administrative Expenses	0	0
Administrative Expenses	230,760	2,079
Operating Expenses:		
Janitorial Payroll	0	0
Janitorial Supplies and Equipment	0	0
Janitorial Contractual Services	35,000	315
Natural Gas Heat & HW	50,000	450
Electricity	55,000	495
Water and Sewer	62,000	559
Garbage and Trash Removal	19,000	171
Vehicle and Equipment Expenses	0	0
Other Operating Expenses	0	0
Operating Expenses	221,000	1,991
Maintenance Expenses:		
Grounds Maintenance Payroll	0	0
Grounds Tools and Supplies	0	0
Grounds Contractual Services	18,000	162
Miscellaneous Ground Maintenance	0	0
Tenant Damage Charges - Grounds	0	0
Building Maintenance Payroll	0	0
Building Tools and Supplies	5,500	50
Building Contractual Services	45,000	405
Building Systems Maintenance	42,000	378
Miscellaneous Building Maintenance	500	5
Tenant Damage Charges - Building	0	0
Maintenance Expenses - Building	111,000	1,000
General Expenses:		
Property Taxes	194,850	1,755
Property and Liability Insurance	25,000	225
Tenant Computer Network Expense	2,500	23
Tenant Service Expenses	32,000	288
General Expenses	254,350	2,291
Replacement Reserve Funding	49,950	450
Commercial Expenses (if applicable)	0	0
Total	867,060	7,811
Operating Cost per unit without Replacement Reserve		7,361
Social Service Multi-Use Space portion of rent	0	

0 check versus OPEX;

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT

	PLC	0 Months											
		12/14/19	0	12	24	36	48	60	72	84	96	108	120
		12/31/19	12/30/20	12/30/21	12/30/22	12/31/23	12/30/24	12/30/25	12/30/26	12/31/27	12/30/28	12/30/29	
Effective Gross Income		0	2,024,085	2,064,577	2,105,868	2,147,986	2,190,945	2,234,764	2,279,460	2,325,049	2,371,650	2,418,881	
Less Operating Expense		0	893,072	919,864	947,460	975,884	1,005,181	1,035,515	1,066,375	1,098,866	1,131,317	1,165,257	
Net Operating Income		0	1,131,023	1,144,712	1,158,408	1,172,102	1,185,765	1,199,449	1,213,085	1,226,683	1,240,233	1,253,724	
Less RLP Repay		0	768,752	768,752	768,752	768,752	768,752	768,752	768,752	768,752	768,752	768,752	
Less Other Repay		0	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	
Cash Flow		0	143,247	155,937	170,632	184,326	198,009	211,673	225,309	238,907	252,457	265,948	
Cash Flow per Unit		#DIV/0!	1,291	1,414	1,537	1,661	1,784	1,907	2,030	2,152	2,274	2,396	
Debt Coverage Ratio(RLP)		0.00	1.15	1.16	1.17	1.19	1.20	1.21	1.23	1.24	1.26	1.27	
Other AHP Loan		0	0	0	0	0	0	0	0	0	0	0	
Tax Exempt Bond Loan		14,250,000	#NUM!	14,119,835	13,983,690	13,841,290	13,692,349	13,536,565	13,373,624	13,203,198	13,024,943	12,838,499	
Principal Balance(RLP)		14,250,000	#NUM!	14,119,835	13,983,690	13,841,290	13,692,349	13,536,565	13,373,624	13,203,198	13,024,943	12,838,499	
Operating Reserve Balance		930,000	976,500	1,025,325	1,076,591	1,130,421	1,186,942	1,246,289	1,308,603	1,374,034	1,442,735	1,514,872	

Total Cash Flow
Projected over 12 Yrs
2,619,528

	Yr 15											
	12/30/30	12/31/31	12/30/32	12/30/33	12/30/34	12/31/35	12/30/36	12/30/37	12/30/38	12/31/39	12/30/40	
Effective Gross Income	2,467,360	2,516,708	2,567,042	2,618,382	2,670,750	2,724,165	2,778,648	2,834,221	2,890,906	2,948,724	3,007,698	
Less Operating Expense	1,200,214	1,236,221	1,273,307	1,311,507	1,350,852	1,391,377	1,433,119	1,476,112	1,520,395	1,566,007	1,612,968	
Net Operating Income	1,267,146	1,280,487	1,293,734	1,306,876	1,319,898	1,332,788	1,345,530	1,358,109	1,370,510	1,382,717	1,394,711	
Less RLP Repay	768,752	768,752	768,752	768,752	768,752	768,752	768,752	768,752	768,752	768,752	768,752	
Less Other Repay	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	
Cash Flow	279,370	292,711	305,989	319,100	332,123	345,012	357,754	370,334	382,735	394,941	406,936	
Cash Flow per Unit	2,517	2,637	2,756	2,875	2,992	3,108	3,223	3,336	3,448	3,556	3,666	
Debt Coverage Ratio(RLP)	1.28	1.30	1.31	1.32	1.34	1.35	1.36	1.37	1.39	1.40	1.41	
Other AHP Loan	0	0	0	0	0	0	0	0	0	0	0	
Tax Exempt Bond Loan	12,643,490	12,439,521	12,226,183	12,003,044	11,769,654	11,525,542	11,270,215	11,003,159	10,723,635	10,431,678	10,126,099	
Principal Balance(RLP)	12,643,490	12,439,521	12,226,183	12,003,044	11,769,654	11,525,542	11,270,215	11,003,159	10,723,635	10,431,678	10,126,099	
Operating Reserve Balance	1,590,616	1,670,146	1,753,654	1,841,336	1,933,403	2,030,073	2,131,577	2,238,166	2,350,064	2,467,657	2,590,945	

	12/30/41	12/30/42	12/31/43	12/30/44	12/30/45	12/30/46	12/31/47	12/30/48	12/29/49
Effective Gross Income	3,067,852	3,129,209	3,191,794	3,255,630	3,320,742	3,387,157	3,454,800	3,523,998	3,594,478
Less Operating Expense	1,661,377	1,711,219	1,762,555	1,815,432	1,869,895	1,925,992	1,983,771	2,043,284	2,104,563
Net Operating Income	1,406,475	1,417,991	1,429,239	1,440,198	1,450,847	1,461,165	1,471,129	1,480,714	1,489,895
Less RLP Repay	768,752	768,752	768,752	768,752	768,752	768,752	768,752	768,752	768,752
Less Other Repay	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023	219,023
Cash Flow	418,700	430,215	441,463	452,423	463,072	473,390	483,353	492,938	502,119
Cash Flow per Unit	3,772	3,876	3,977	4,076	4,172	4,265	4,355	4,441	4,524
Debt Coverage Ratio(RLP)	1.42	1.44	1.45	1.46	1.47	1.48	1.49	1.50	1.51
Other AHP Loan	0	0	0	0	0	0	0	0	0
Tax Exempt Bond Loan	9,806,483	9,472,183	9,122,526	8,756,805	8,374,283	7,974,188	7,555,713	7,118,014	6,660,206
Principal Balance(RLP)	9,806,483	9,472,183	9,122,526	8,756,805	8,374,283	7,974,188	7,555,713	7,118,014	6,660,206
Operating Reserve Balance	2,720,492	2,856,517	2,999,343	3,149,310	3,306,776	3,472,114	3,645,720	3,828,006	4,019,406



To: Mary Davis, City of Portland
From: Anne Boynton, Urban Ventures, Inc.
Re: Front Street Housing Redevelopment LP
 Developed by Portland Housing Development Corporation (PHDC)
Date: June 3, 2018

Executive Summary

The Front Street Redevelopment will replace 50 units of deteriorated “temporary housing” built in 1971 which is suffering from structural problems with 111 units of new rental housing and a 10 unit homeownership development (which is not part of this request). Due a range of complications including underlying soil contamination and soil structure issues throughout the 4 acre site, size of units (includes 17 units with 4 or 5 bedrooms), zoning constraints limiting project height to 3 stories, and commitments to the neighborhood on design issues, this is quite an expensive development, with a total development cost of \$30 million (which **excludes** all demolition and much of the site work.) The per unit development cost is \$271,032. PHDC is requesting a HOME loan of \$841,540 and is anticipating a Housing Trust Fund request of \$589,728, for a total capital investment from the City of Portland of \$1,431,268.

In order to make use of the 4% LIHTCs and tax exempt bond financing, PHDC is giving up their current property tax exempt ownership structure and is requesting a 75% TIF with an estimated value of \$146,148 in year 1. The TIF will return an estimated \$48,712 to the City in year 1, raising over time, from this property which would not otherwise be on the tax rolls.

Sources and Uses

Sources:		Uses:	
1 st Mortgage	\$14,045,415	Site Improvements	\$1,326,000
AHP 2 nd lien	\$3,400,000	Hard Construction	\$19,651,902
AHP subsidy	\$500,000	Hard Cost Contingency	\$1,048,895
LIHTC Equity	\$8,307,892	Soft & Misc. Costs	\$1,839,918
Deferred Dev Fee	\$2,400,000	Interest & Financing Costs	\$1,019,750
HOME – Portland	\$841,540	Acquisition	0
Housing Trust Fund – Portland	<u>\$589,728</u>	Reserves	\$1,298,111
		Developer Fee	<u>\$3,900,000</u>
Sources of Funds	\$30,084,575	Uses of Funds	\$30,084,576

For analysis of “Uses,” see Development Budget.

Development Budget

The Total Development Cost for this project is very high, particularly considering there is no acquisition cost and the units will ultimately be modest in scale and amenities (for instance, the 5 bedroom units have only 1.5 baths and a total of 1,400 square feet). Of the six projects receiving HOME commitments in the past 2 years, this project costs 32% more per unit than the next most expensive project (Boyd



Street). Unfortunately, most of this additional cost is an outgrowth of the unique site conditions and neighborhood considerations – either directly in construction costs, architectural & engineering expense, and in construction period interest. Short of abandoning the site or reconfiguring for a narrower, taller structure, there is not a lot of room to reduce costs.

Construction Costs:

Over \$1.9 million of the site preparation costs will be borne by the PHA prior to transferring the site to the Front Street LP, including hazardous material removal, demolition of existing structures, removal of contaminated soils, and relocation of existing residents. None of these expenses are included in the project budget. Even so, there is still \$1,326,000 in ADDITIONAL site improvements to be borne by the project to address inadequate soil structures and the extensive soil remediation. Construction techniques to secure the foundation on the old landfill will be more expensive than typical.

The existing development is all larger units and the new development will include 44 units of 3 bedrooms or larger. These larger units also push construction costs up – to the largest units are only 1400 sq ft with 1.5 baths, so they are not over investing in amenities. Construction costs are based on an overall conceptual design estimate by Wright-Ryan, so there is not currently much detail to evaluate in terms of value engineering opportunities.

Soft Costs:

Soft costs are generally in line with other Portland area developments except as related to the extraordinary site conditions which drives up architectural, engineering, and the high total development cost which drives up construction loan interest. Overall high costs also push up soft costs which are calculated on a percentage basis: operating reserve, replacement reserve, and developer fee. Developer fee budgeted at \$3.9 million and is calculated at the maximum allowable by Maine Housing. This works out to 15.64% of total development cost excluding reserves and developers fee. The developer commits to lend 62% of developer fee (\$2.4 million) back to the project for a cash out developer fee of \$1.5 million.

Contingency:

Hard cost contingency is at 5% which is QUITE thin considering the very preliminary stage of development. The costs are estimated based on an October 2018 start date which is not realistic, so there will be construction inflation which needs to be factored in. Also soil conditions can be very difficult to estimate. We should expect these costs to rise over time.

Acquisition:

Acquisition price is ZERO.

Operating Budget & 20 Year Cashflow Projection

Project Income:

The PHA is providing 50 project based vouchers to insure that every returning resident has an affordable unit. There will be 23 market rate 1 and 2 bedroom units, with rents of \$990 & \$1,170 respectively. PHDC states these are discounted 10% vs. true market rate. There will be 38 units affordable at 50% or



60% of AMI with rents ranging from \$880 for a 1 bedroom to \$1,406 for a 3 bedroom. Vacancy is budgeted at 5%.

Operating Expense

Total operating cost per unit is \$7,730, towards the upper end of affordable housing operating costs. However this does not account for the TIF. A property with an equivalent real estate tax subsidy in the form of a PILOT would show operating expenses of \$6,413, exactly in range for affordable housing. Administration is slightly high at \$2,101 per unit. Utilities are currently thin at \$1,234 per unit – given large units and large families, this is inadequate. PHDC has conducted a utility review of comparable units and agrees to increase the utility line item to \$1,527 per unit. Given energy efficient construction and a range of unit sizes, this should be sufficient. Annual contribution to Reserves for Replacement is \$450/unit, which should be sufficient even given the larger units and anticipation of some wear and tear from larger families.

20 Year Cashflow & Debt Service Coverage Ratio (DSCR)

The projected year 1 Debt Service Coverage Ratio (DSCR) is an adequate 1.16. With industry standard inflators of 2% for income and 3% for expense, the projections show the DSCR gradually increasing to 1.43 in year 20.

Since there is a hefty developer fee loan -- \$2.4 mill – which the investors will insist is repaid from cashflow prior to the end of the 15 year tax credit compliance period, there is not a lot of leeway in projected cashflow to retire the City investment in the early years. If the cashflow is divided 75% to the developer fee loan, projections show the developer fee loan fully retired in year 14. Ten percent of cashflow is the minimum which should be retained by the project. If 15% of cashflow goes the City, that would be a repayment of about \$24,000 in the first year, rising to \$50,000 by year 14 when the developer fee loan is fully repaid. The percentage of cashflow paid to the City should be structured to increase at the point the developer fee loan is repaid. If the cashflow share paid to the City rises to 50% when the developer fee is repaid, the full City investment is retired in year 19.

Developer Financials

Portland Housing Authority has submitted audits for FY2014, 2015, 2016 and 2017. Their fiscal year ends 6/30. Their audit as of 6/30/17 showed strong and improving financial health, with current assets of \$13.7 million and current liabilities of \$1.7 million, resulting in a current ratio of 8. The Quick Ratio (cash and cash equivalents divided by current liabilities) is a remarkably healthy 4.9. In 2017, they increased their Net Position by \$1,104,212, as growth in revenues exceeded growth in expenses. This brought their total Net Worth to over \$20 million. Overall, this organization has very strong financial health. This developer has the financial capacity to intervene in a development facing unexpected setbacks and or cost over-runs to keep the development process moving forward. Their financial strength as an organization mitigates the risk of the thin hard and soft cost contingency.

Recommendations

At this time, I recommend a HOME loan in the amount of \$480,174, zero percent interest, payment from cashflow with cashflow waterfall acceptable to City, with the following conditions prior to loan closing:



1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Commitment of all sources on terms and conditions acceptable to City of Portland, including acceptable cashflow waterfall, and cashflow projection which shows retirement of developer fee loan and City of Portland loans;
3. Revised operating budget reflective of higher utility costs and cashflow projection satisfactory to City.

Development Budget with Permanent Sources

Date 5/15/2018
 Project Name Front Street
 Project Address _____
 Developer/Sponsor _____

Total Units 111
 Total Square Feet 60,000 incorrect \$1,431,268

	Total	Per Unit	Per Sq Ft
Sources of Funds			
Permanent Financing - 1st Lien	\$14,045,415	\$126,535	\$234
Permanent Financing - AHP Loan \$3.4 mill Subsidy \$500k	\$3,900,000	\$35,135	\$65
Equity (LIHTC/tenant contributions)	\$8,307,892	\$74,846	\$138
Deferred development fee	\$2,400,000	\$21,622	\$40
HOME -- City of Portland	\$841,540	\$7,581	\$14
Housing Trust Fund -- City of Portland	\$589,728	\$5,313	\$10
Total Sources of Funds	\$30,084,575	\$271,032	\$501

Uses of Funds

Hard Costs			
Site Improvements	\$1,326,000	\$11,946	\$22
Rehabilitation		\$0	\$0
New Construction	\$18,421,902	\$165,963	\$307
Contractor's Profit, Overhead, & Gen. Requirements	\$1,180,000	\$10,631	\$20
Hazardous Materials abatement (if contracted separately)		\$0	\$0
Demolition Cost (if contracted separately)		\$0	\$0
Bond Premium	\$50,000	\$450	\$1
Other		\$0	\$0
Hard Cost Contingency (% of hard costs)	\$1,048,895	\$9,450	\$17
Total Hard Costs	\$22,026,797	\$198,440	\$367

Soft Costs			
Building Permit & Fees	\$322,613	\$2,906	\$5
Survey & Engineering	\$103,900	\$936	\$2
Design & Permitting (% of const exp)	\$945,000	\$8,514	\$16
Borrower Legal (all closings, excluding syndication legal)	\$73,000	\$658	\$1
Title & Recording	\$15,000	\$135	\$0
Accounting	\$8,000	\$72	\$0
Construction Period Taxes	\$2,000	\$18	\$0
Construction Period Insurance	\$25,000	\$225	\$0
Other: FF&E, Security		\$0	\$0
Other		\$0	\$0
Total Soft Costs	\$1,494,513	\$13,464	\$25

Financing Costs			
Construction Loan Origination Fees	\$8,500	\$77	\$0
Construction Period Interest	\$700,000	\$6,306	\$12
Lender Inspection Fees	\$28,750	\$259	\$0
Letter of Credit Fee		\$0	\$0

Permanent Loan Fee	\$282,500	\$2,545	\$5
Construction Lender Legal		\$0	\$0
Other	\$0	\$0	\$0
Total Financing Costs	\$1,019,750	\$9,187	\$17

Miscellaneous			
Market Survey	\$5,200	\$47	\$0
Appraisal	\$6,000	\$54	\$0
Environmental Study	\$13,500	\$122	\$0
LIHTC Fees -- prepaid monitoring	\$142,625	\$1,285	\$2
Other: Commissioning	\$47,080	\$424	\$1
Relocation Costs		\$0	\$0
Other -- FF&E	\$89,000	\$802	\$1
Soft Cost Contingency (% of soft costs excl Dev Fee)	0.99%	\$42,000	\$378
Total Miscellaneous:	\$345,405	\$3,112	\$6

Acquisition			
Acquisition: Buildings	\$0	\$0	\$0
Acquisition: Land	\$0	\$0	\$0
Acquisition: Legal	\$0	\$0	\$0
Other	\$0	\$0	\$0
Total Acquisition	\$0	\$0	\$0

Reserves and Developer Fee			
Operating Deficit Escrow	\$925,000	\$8,333	\$15
Prefunded Replacement Reserve	\$196,519	\$1,770	\$3
Taxes & Insurance Escrow	\$126,592	\$1,140	\$2
Developer Overhead	\$2,000,000	\$18,018	\$33
Developer Profit	\$1,900,000	\$17,117	\$32
Rent Up Reserve & Marketing	\$50,000	\$450	\$1
Other	\$0	\$0	\$0
Total Reserves and Developer Fee	\$5,198,111	\$46,830	\$87

Total Uses of Funds	\$30,084,576	\$271,032	\$501
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Developer Fee Analysis: Total Fees: \$3,900,000
Percent of TDC: 15.64% (excluding reserves & developer fee)

Project Operating Pro Forma

Date May 15, 2018
 Project Name Front Street
 Project Address _____
 Developer/Sponsor _____

Rental Income

Unit Type	Number of Units	Per Unit Sq Ft	Total Sq Ft	Restriction on % Median Inc.	Per Unit Monthly Gross Rent	Utility Deductions	Rent Subsidy	Per Unit Monthly Net Rent	Per Unit Net Rent Per Sq Ft	Total Monthly Net Income	Total Annual Net Rent
1 BR	7		PBV	50%	\$845			\$845	#DIV/0!	\$5,915	\$70,980
1 BR	11		0	50%	\$845			\$845	#DIV/0!	\$9,295	\$111,540
1 BR	11		0	market	\$990			\$990	#DIV/0!	\$10,890	\$130,680
2 BR	7		PBV	50%	\$1,013			\$1,013	#DIV/0!	\$7,091	\$85,092
2 BR	19		0	50%	\$1,013			\$1,013	#DIV/0!	\$19,247	\$230,964
2 BR	12		0	market	\$1,170			\$1,170	#DIV/0!	\$14,040	\$168,480
3 BR	5		0	50%	\$1,171			\$1,171	#DIV/0!	\$5,855	\$70,260
3 BR	19		PBV	50%	\$1,171			\$1,171	#DIV/0!	\$22,249	\$266,988
3 BR	3		0	60%	\$1,406			\$1,406	#DIV/0!	\$4,218	\$50,616
4 BR	13		PBV	50%	\$1,307			\$1,307	#DIV/0!	\$16,991	\$203,892
Other	4		PBV	50%	\$1,442			\$1,442	#DIV/0!	\$5,768	\$69,216
Other			0	60%				\$0	#DIV/0!	\$0	\$0
Total:	111		0							\$121,559	\$1,458,708

6.59% budgeted vacancy per pro forma

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

\$48,712 Note: Year 1 is the first full year of stabilized operations

	Year 1	Year 1/Unit	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Income												
Sch. Gross Income - Residential	\$1,458,708	\$13,142	\$1,487,882	\$1,517,640	\$1,547,993	\$1,578,952	\$1,610,532	\$1,642,742	\$1,675,597	\$1,709,109	\$1,743,291	
Vacancy Loss	5.0%	(\$72,935)	(\$657)	(\$74,394)	(\$75,882)	(\$77,400)	(\$78,948)	(\$80,527)	(\$82,137)	(\$83,780)	(\$85,455)	(\$87,165)
Other income: PBV/HAP Diff.	\$464,628	\$4,186	\$473,921	\$483,399	\$493,067	\$502,928	\$512,987	\$523,247	\$533,712	\$544,386	\$555,273	
Other income (laundry)	\$11,100	\$100	\$11,322	\$11,548	\$11,779	\$12,015	\$12,255	\$12,500	\$12,750	\$13,005	\$13,266	
TIF -- 75%	\$146,138	\$1,317	\$149,061	\$152,042	\$155,083	\$158,184	\$161,348	\$164,575	\$167,867	\$171,224	\$174,648	
Effective Gross Income	\$2,007,639	\$18,087	\$2,047,791	\$2,088,747	\$2,130,522	\$2,173,133	\$2,216,595	\$2,260,927	\$2,306,146	\$2,352,269	\$2,399,314	
Administrative												
Management Fee	\$109,630	\$988	\$112,919	\$116,306	\$119,796	\$123,390	\$127,091	\$130,904	\$134,831	\$138,876	\$143,042	
Management Charges	\$109,630	\$988	\$112,919	\$116,306	\$119,796	\$123,390	\$127,091	\$130,904	\$134,831	\$138,876	\$143,042	
Marketing Expense	\$500	\$5	\$515	\$530	\$546	\$563	\$580	\$597	\$615	\$633	\$652	
Legal	\$4,000	\$36	\$4,120	\$4,244	\$4,371	\$4,502	\$4,637	\$4,776	\$4,919	\$5,067	\$5,219	
Audit & Accounting	\$7,000	\$63	\$7,210	\$7,426	\$7,649	\$7,879	\$8,115	\$8,358	\$8,609	\$8,867	\$9,133	
Tenant Computer network	\$2,500	\$23	\$2,575	\$2,652	\$2,732	\$2,814	\$2,898	\$2,985	\$3,075	\$3,167	\$3,262	
Total Administrative	\$233,260	\$2,101	\$240,258	\$247,466	\$254,890	\$262,536	\$270,412	\$278,525	\$286,880	\$295,487	\$304,351	
Supportive Services												
	\$32,000	\$288	\$32,960	\$33,949	\$34,967	\$36,016	\$37,097	\$38,210	\$39,356	\$40,537	\$41,753	
Utilities												
Fuel Oil		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Natural Gas	\$45,000	\$405	\$46,350	\$47,741	\$49,173	\$50,648	\$52,167	\$53,732	\$55,344	\$57,005	\$58,715	
Electric	\$50,000	\$450	\$51,500	\$53,045	\$54,636	\$56,275	\$57,964	\$59,703	\$61,494	\$63,339	\$65,239	
Water / Sewer	\$42,000	\$378	\$43,260	\$44,558	\$45,895	\$47,271	\$48,690	\$50,150	\$51,655	\$53,204	\$54,800	
Other		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Total Utilities	\$137,000	\$1,234	\$141,110	\$145,343	\$149,704	\$154,195	\$158,821	\$163,585	\$168,493	\$173,548	\$178,754	

Operating Expenses

Rent Increase Rate	2.0%
Expenses Increase Rate	3.0%

	Year 11	Year 12	Year 13	Year 14	Year 15	Year 16	Year 17	Year 18	Year 19	Year 20
Income										
Sch. Gross Income - Residential	\$1,778,157	\$1,813,720	\$1,849,994	\$1,886,994	\$1,924,734	\$1,963,229	\$2,002,493	\$2,042,543	\$2,083,394	\$2,125,062
Vacancy Loss	5.0%	(\$88,908)	(\$90,686)	(\$92,500)	(\$94,350)	(\$96,237)	(\$98,161)	(\$100,125)	(\$102,127)	(\$104,170)
Other income (laundry)	\$566,379	\$577,707	\$589,261	\$601,046	\$613,067	\$625,328	\$637,835	\$650,591	\$663,603	\$676,875
Other income (laundry)	\$13,531	\$13,801	\$14,077	\$14,359	\$14,646	\$14,939	\$15,238	\$15,543	\$15,854	\$16,171
TIF - 75%	\$178,141	\$181,704	\$185,338	\$189,045	\$192,826	\$196,683	\$200,616	\$204,628	\$208,721	\$212,895
Effective Gross Income	\$2,447,300	\$2,496,246	\$2,546,171	\$2,597,095	\$2,649,036	\$2,702,017	\$2,756,058	\$2,811,179	\$2,867,402	\$2,924,750
Administrative										
Advertising	\$147,334	\$151,754	\$156,306	\$160,995	\$165,825	\$170,800	\$175,924	\$181,202	\$186,638	\$192,237
Office Payroll & Benefits	\$147,334	\$151,754	\$156,306	\$160,995	\$165,825	\$170,800	\$175,924	\$181,202	\$186,638	\$192,237
Office Supplies, Phone, Misc.	\$672	\$692	\$713	\$734	\$756	\$779	\$802	\$826	\$851	\$877
Mngr or Super Rent Free Unit	\$5,376	\$5,537	\$5,703	\$5,874	\$6,050	\$6,232	\$6,419	\$6,611	\$6,810	\$7,014
Audit & Accounting	\$9,407	\$9,690	\$9,980	\$10,280	\$10,588	\$10,906	\$11,233	\$11,570	\$11,917	\$12,275
Admin Other	\$3,360	\$3,461	\$3,564	\$3,671	\$3,781	\$3,895	\$4,012	\$4,132	\$4,256	\$4,384
Total Administrative	\$313,482	\$322,886	\$332,573	\$342,550	\$352,827	\$363,411	\$374,314	\$385,543	\$397,110	\$409,023
Supportive Services										
	\$43,005	\$44,295	\$45,624	\$46,993	\$48,403	\$49,855	\$51,351	\$52,891	\$54,478	\$56,112
Utilities										
Fuel Oil	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Electric	\$60,476	\$62,291	\$64,159	\$66,084	\$68,067	\$70,109	\$72,212	\$74,378	\$76,609	\$78,908
Gas	\$67,196	\$69,212	\$71,288	\$73,427	\$75,629	\$77,898	\$80,235	\$82,642	\$85,122	\$87,675
Water / Sewer	\$56,444	\$58,138	\$59,882	\$61,678	\$63,529	\$65,435	\$67,398	\$69,420	\$71,502	\$73,647
Other	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Utilities	\$184,117	\$189,640	\$195,329	\$201,189	\$207,225	\$213,442	\$219,845	\$226,440	\$233,233	\$240,230

Order 54-18/19
~~Tab 42 8-13-18~~
Tab 16 9-5-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**AMENDMENT TO PORTLAND CITY CODE
RE: HOUSEKEEPING AMENDMENTS
IN CHAPTERS 2 AND 30**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

2. *That Section 2-406 is hereby amended to read as follows:*

Sec. 2406. Emergency proclamation.

(a) The City Manager shall have the power and authority, after consultation with the Mayor, or City Council members in the Mayor's absence, to issue a proclamation that an emergency exists whenever a disaster or civil emergency exists or appears imminent. The proclamation may declare that an emergency exists in any or all sections of the city. If the City Manager is temporarily absent from the City or otherwise unavailable, the ~~Deputy Assistant~~ City Manager may issue the proclamation that an emergency exists. If neither the City Manager nor the ~~Deputy Assistant~~ City Manager are available, then the following persons shall have the power and authority to issue a proclamation that an emergency exists, in the following order of succession: the Fire Chief; if unavailable, the Chief of Police; if unavailable, the Director of Public Works. A copy of such proclamation shall be filed within twentyfour (24) hours in the office of the City Clerk.

2. *That Section 30-35.5 is hereby amended to read as follows:*

Sec. 3035.5. Transfer.

Notwithstanding any other provision of this article or chapter 15, and in lieu of any other fee, a taxicab or livery business license may be transferred to another vehicle for the unexpired term thereof upon payment of a fee of ~~twentyfivethirty-five~~ dollars (\$~~2535~~.00), and upon relinquishment to the director of the decal previously issued to the corresponding taxicab or livery vehicle, provided that the license application filed pursuant to sections 155 and 3032(a) shall be supplemented as required by section 1513.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English, Danielle West-Chuhta,
Deivy Periana,

FROM: Nancy English, Paralegal

DATE: July 26, 2018

SUBJECT: Amendment to Portland City Code Re: Housekeeping Amendments in
Chapters 2 and 30

SPONSOR: Jon P. Jennings, City Manager

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading_ August 13, 2018 (Second meeting) Final Action __ September 5, 2018

Can action be taken at a later date: Yes No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)

I. ONE SENTENCE SUMMARY

For the sake of simplicity, the Permitting and Inspections Department asks that the transfer of a taxi license cost the same amount as the issuance and administrative fee charged for renewal business license applications, which this amendment takes care of, and the City Manager requested that the term Deputy City Manager be replaced with Assistant City Manager.

II. AGENDA DESCRIPTION (This is all that will be included of the agenda.)

This amendment corrects inconsistencies or changed terms in the City Code. While reviewing the City Code business licensing fees this year, a transfer fee for taxi licenses was found that should be increased to the same amount as the issuance and administrative fee charged for renewal business license applications, which is \$35.00. In addition, the term Deputy City Manager has been changed to Assistant City Manager, and another amendment updates the City Code to reflect that.

III. BACKGROUND

The City Code is constantly undergoing revision as the City changes, and on occasion parts of it are inadvertently made outdated by these changes. Changes in titles and business licensing fees have been made, and these amendments simply those updates.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Clarity and accuracy.

V. FINANCIAL IMPACT

A small increase in revenue will result.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

VII. RECOMMENDATION

The amendment is approved as to form by Corporation Counsel.

VIII. LIST ATTACHMENTS

Amendment to Portland City Code Re: Housekeeping Amendments in Chapters 2 and 30

PLEASE REMEMBER THAT BACKUP ITEMS HAVE TO BE SINGLE SIDED.

Prepared by: Nancy English

Date: 7/26/2018

Bean/agendarequestmemo/rev 7/17/18

*Order 61-18/19
Feb 17 9-5-18*

Order 47-18/19
Public Hearing 8/13/2018

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER OF DISCONTINUANCE OF A PUBLIC WAY
ALONG A PORTION OF PORTLAND PIER**

ORDERED, that the discontinuance of all of that portion of the street that lies southeasterly of the following described line is hereby approved:

Beginning at a point on the northeasterly street line of Portland Pier as laid out by the Commissioners of Cumberland County on June 6, 1887 and recorded in the County Commissioners' Records in Volume 16 Page 86. Said point of beginning being the intersection of said northeasterly street line of Portland Pier with the boundary line between land now or formerly of Fifty Portland Pier, Inc. (Book 8144 Page 140) and land now or formerly of 60 Portland Pier, LLC (Book 31814 Page 209). Said point of beginning also being located five-hundred-forty-three and fifty-one hundredths feet (543.51'), more or less, from the intersection of said northeasterly street line of Portland Pier with the southeasterly street line of Commercial Street. Thence southwesterly across said Portland Pier and at right angles to said street line a distance of twenty-nine feet and two inches (29' 2") to the southwesterly street line of said Portland Pier; and

BE IT FURTHER ORDERED AND ADJUDGED, that the City will retain a public easement over the land herein described;

BE IT FURTHER ORDERED AND ADJUDGED, that the sole abutting owner is Portland Pier Holdings, LLC which is supportive of such discontinuance. Portland Pier Holdings, LLC has waived any entitlement to damages. Accordingly, no damages shall be paid to such abutter.



Economic Development Department
Gregory A. Mitchell, Director

MEMORANDUM

City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Danielle West-Chuhta,
Nancy English,

FROM: Greg Mitchell, Economic Development Director

DATE: August 16, 2018

SUBJECT: Portland Pier, Partial Right of Way Discontinuance

SPONSOR: Justin Costa, Chair of the Economic Development Committee, as recommended
on June 19, 2018 by unanimous vote of the Committee

COUNCIL MEETING DATE ACTION IS REQUESTED:
Public Hearing: August 13, 2018 Final Action: September 5, 2018

Can action be taken at a later date: X Yes No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)

Economic Development staff with support from Ports and Public Buildings will be available for clarifying questions.

I. ONE SENTENCE SUMMARY

Following a public hearing on August 13, 2018, the City Council is asked to vote to discontinue a portion of public right of way on Portland Pier while retaining access for the public and commercial marine businesses, including fishing vessels.

II. AGENDA DESCRIPTION

The Economic Development Committee met on June 19, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage. Following the statutorily described process for public right of way discontinuance, the Council voted on July 16 to propose the discontinuance.

On August 13 the Council held the statutorily required public hearing on the proposal. A final decision and vote by the Council is now in order as it will have been more than 10 days since the

public hearing. If the Council approves the discontinuance, a Certificate of Discontinuance signed by the Clerk and documenting the discontinuance will be recorded in the Cumberland County Registry of Deeds.

The abutting property owner has been noticed (there is only one at 50 Portland Pier) and the discontinuance has been posted in the City Clerk's office.

The Department of Economic Development, the Facilities Division, and the Department of Public Works recommend that the City Council vote to approve the discontinuance of a portion of public right of way at the southerly end of Portland Pier. The portion of right of way proposed for discontinuance serves only a single property, 60 Portland Pier, Portland Pier Holdings, LLC. All private properties on Portland Pier, including 60 Portland Pier, will continue to have access from a public right of way and public access rights are to remain in effect for both commercial fishing and pedestrian use of the pier.

City staff and the Economic Development Committee recommend the discontinuance to promote private investment and maintenance of currently degraded pier infrastructure. Only with immediate and continued investment will public and fishing access be retained on the subject portion of right of way.

The subject portion of right of way is occupied by a pile-supported pier structure over submerged lands owned by the State of Maine. Following the proposed discontinuance, the City-owned portion of pier described will transfer to the surrounding property owner, Portland Pier Holdings, LLC, subject to the limits and requirements of the State Submerged Lands program.

Portland Pier Holdings, LLC, at 60 Portland Pier is amenable to the discontinuance and has agreed to waive damages and has further agreed to conduct immediate necessary repairs to the pier to promote continued public and fishing access.

III. BACKGROUND

Located between Custom House Wharf and Long Wharf (Dimillo's,) Portland Pier, is unique along Portland's Central Waterfront in that there is a public right of way down the center of the pier flanked by private parcels. Most piers on Portland's waterfront are private. Formerly the home of the Casco Bay Lines car ferry terminal, the southerly end of the Pier has been occupied by lobstering interests since the 1980's.

In addition to the subject property (the former New Meadow's Lobster pound,) the pier is home to J's Oyster, commercial offices, 40 and 50 Portland Pier Condominiums. Lobster boats berth on the easterly and southerly pier perimeter with Dimillio's yacht brokerage leasing berthing along much of the westerly edge.

By previous action of the City Council in 2014, the southerly most portion of the public right of way was sold to a previous owner (McAlleny's New Meadow's Lobster.) Public rights of access were retained in the 2014 transfer.

The portion of right of way considered for discontinuance serves only one property (60 Portland Pier, Portland Pier Holdings, LLC) and is in need of significant rehabilitation. The current owners are currently engaged in repairing adjacent private portions of the pier and are willing to take on the current rehabilitation needs and ongoing maintenance of the subject portion of the pier. Without

repair, access to the pier will need to be restricted for safety. There is currently no City budget identified for repair.

Portland Pier Holdings, LLC plans to rehabilitate and restart the lobster pound operation, retain the current commercial berthing, and to establish a seafood restaurant specializing in lobster and seafood landed and processed on the pier. All of the current and proposed uses are planned to be consistent with the Waterfront Central Zone requirements. Public access and continued lobster operations are central to the redevelopment program.

The subject portion of right of way and the entirety of the 60 Portland Pier buildings and pier deck are supported by pilings over submerged lands. The property owners are currently conducting significant repair on the private portions of the pier. The City Manager has provided a license to Portland Pier Holdings, LLC to conduct work on the public portions of the pier to ensure that commercial fishing and access to berthed vessels can continue in the short term.

The sketch graphic attached to this memo shows approximate private parcel boundaries, the 2014 sale parcel, and areas of right of way to be retained and for potential discontinuance.

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED

Functionally, users of the pier will see no change within the right of way post discontinuance. The proposed discontinuance will allow for the private maintenance of pile supported pier while continuing commercial and public access to the southerly end of the pier.

V. FINANCIAL IMPACT

Portland Pier Holdings, LLC, as part of their on-going repairs of the private portions of the pier, estimate that the immediate repairs needed on the subject public portion of Portland Pier would cost +/- \$78,000. If the subject portion of ROW is to remain in public hands, these immediate costs and future maintenance and repairs will remain the responsibility of the City.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

Since the 1980's, Portland Pier has provided access to berthing, commercial lobstering, and public views to the inner harbor for pedestrians. Maintenance of the pier is key to preserving these functions. The public right of way appears to reflect the historic use of the pier as a (private) car ferry terminal. In the transition from ferry terminal to lobster pound, the southerly end of the pier retained the public's right to use the pier, but functionally access to the water for active use was privatized. Promoting private commercial fishing access within the Central Waterfront was consistent with City policy in 2014 and remains so today. Private ownership of the remaining portion of right of way that is surrounded by 60 Portland Pier would promote continued maintenance of the infrastructure while preserving access for current and future commercial fishing and public pedestrian use.

VII. RECOMMENDATION

The Department of Economic Development, the Facilities Division, and the Department of Public Works join the Economic Development Committee in recommending the discontinuance while retaining public and commercial fishing access to the pier.

VIII. LIST ATTACHMENTS

- a. Orientation sketch map
- b. Discontinuance Order

Prepared by: Bill Needelman, Waterfront Coordinator and Jennifer Thompson, Associate
Corporation Counsel

Date: August 16, 2018

40 Portland Pier

50 Portland Pier

"Bait Shack"

Public ROW to Retain

Public ROW to Discontinue

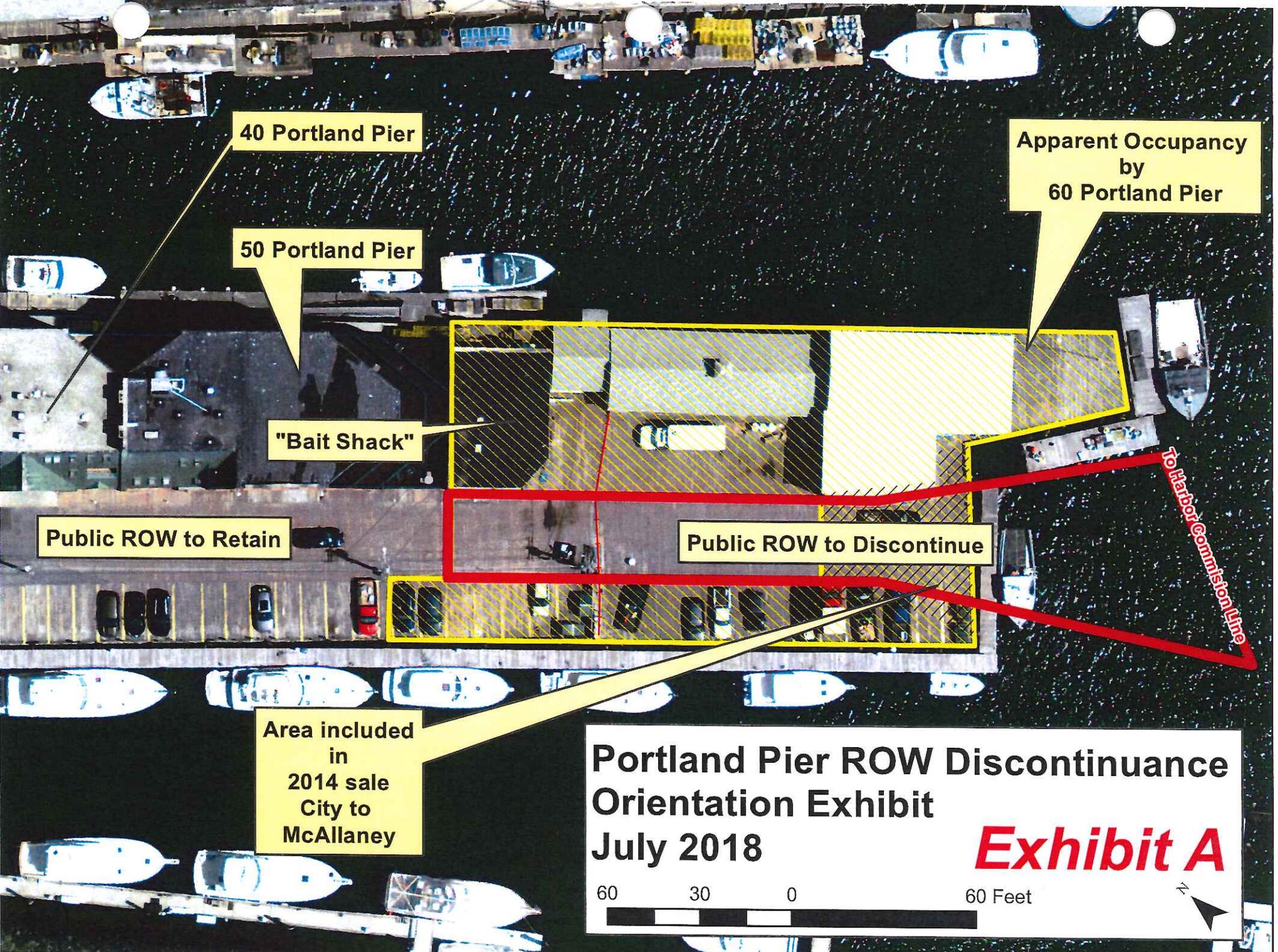
Apparent Occupancy by 60 Portland Pier

Area included in 2014 sale City to McAllaney

To Harbor Commission Line

Portland Pier ROW Discontinuance Orientation Exhibit July 2018

Exhibit A



*Order 62-18/19
Tab 18 9-5-18*

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY M. COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPROVING PURCHASE AND SALE AGREEMENT
WITH STEPHEN ROBBINS FOR PROPERTY IN OAT NUTS PARK AND
PLACING THAT LAND IN THE PORTLAND LAND BANK**

ORDERED, that the Purchase and Sale Agreement with Stephen Robbins in the amount of \$6,385 for property in Oat Nuts Park, is hereby approved in substantially the form attached hereto; and

BE IT FURTHER ORDERED, that that land will be in and is to be maintained as part of the City's Land Bank; and

BE IT FURTHER ORDERED, that the City Manager is hereby authorized to execute the Purchase and Sale Agreement and whatever other documents are necessary to effect the intent and purpose of this order.



Economic Development Department
Gregory A. Mitchell, Director

MEMORANDUM

City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English, Danielle West-Chuhta, Deivy Periana

FROM: Greg Mitchell, Economic Development Director

DATE: August 15, 2018

SUBJECT: **Order Authorizing Purchase and Sale Agreement for \$6,385 with Stephen Robbins for Vacant Land Properties in the Oat Nuts Park Area, and Placing Vacant Land in the Land Bank**

SPONSOR: Patrizia Bailey, Chair/Land Bank Commission; Commission met on August 9, 2018, and voted unanimously to forward this to the City Council for Approval.

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading and Final Action: September 5, 2018

Can action be taken at a later date: Yes

PRESENTATION: Patrizia Bailey/5 Minutes

I. ONE SENTENCE SUMMARY

The request is authorize a Purchase and Sale Agreement for \$6,385 to purchase vacant land properties owned by Stephen Robbins in the Oak Nuts Park area and to have that vacant land be designated as Land Bank properties to preserve it for future Portland residents.

II. AGENDA DESCRIPTION

The Land Bank Commission is recommending the acquisition and Land Bank designation of the following vacant properties, in the Oat Nuts Park area, for the following reasons:

Parcels 393-A-33 to 37 are located on the backside of Oat Nuts Park (owned by the City) along a drainage divide between the Park and the residences at Whitehead Circle and are contiguous with both Oat Nuts Park and the Presumpscot River Preserve. Given the steep terrain, drainage course

flowing to the Presumpscot River, and CMP right of way, these lots are landlocked and undevelopable. Their acquisition will help to preserve the integrity of the drainage course, protect water quality in the River, provide a wooded buffer between the park and adjacent residences, and generally enhance the quality of these very popular open spaces.

Parcels 393-B-3-4-33-34 are located and landlocked within Oat Nuts Park. These lightly wooded lots, including areas of mapped wetlands, are located just off of the popular walking trail between Summit Street and the Presumpscot River Preserve. Acquisition of these lots will help to protect wetlands associated with a tributary stream flowing to the Presumpscot River and will provide the City with clear title to this land within the Park. These parcels are located in a Resource Protection Zone (RPZ).

In summary, City staff conducted a housing suitability analysis and determined the referenced properties are landlocked with no public street frontage nor access to public utilities so this land is not buildable. In addition, a limited environmental assessment showed no environmental issues.

III. BACKGROUND

The Land Bank Commission is recommending the acquisition and Land Bank designation of the following vacant properties, in the Oat Nuts Park area, for the following reasons:

Parcels 393-A-33 to 37 are located on the backside of Oat Nuts Park (owned by the City) along a drainage divide between the Park and the residences at Whitehead Circle and are contiguous with both Oat Nuts Park and the Presumpscot River Preserve. Given the steep terrain, drainage course flowing to the Presumpscot River, and CMP right of way, these lots are landlocked and undevelopable. Their acquisition will help to preserve the integrity of the drainage course, protect water quality in the River, provide a wooded buffer between the park and adjacent residences, and generally enhance the quality of these very popular open spaces.

Parcels 393-B-3-4-33-34 are located and landlocked within Oat Nuts Park. These lightly wooded lots, including areas of mapped wetlands, are located just off of the popular walking trail between Summit Street and the Presumpscot River Preserve. Acquisition of these lots will help to protect wetlands associated with a tributary stream flowing to the Presumpscot River and will provide the City with clear title to this land within the park. These parcels are located in a Resource Protection Zone (RPZ).

The cost of these property acquisitions is \$6,385 to be paid for with Land Bank Funds, along with all closing costs. It is noted the appraised value of these properties is \$8,700.

In summary, City staff conducted a housing suitability analysis and determined the referenced properties are landlocked with no public street frontage nor access to public utilities so this land is not buildable. In addition, a limited environmental assessment showed no environmental issues.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result is City Council approval to authorize the Purchase and Sale Agreement, in substantially the form as attached, for \$6,385 and designate the referenced property for placement in the Land Bank.

V. FINANCIAL IMPACT

The LBC is responsible for the costs of the limited environmental assessment, any survey work needing to be done associated with this property transaction, as well as payment for the land.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

Based on the above analyses for environmental and housing, staff recommended to the LBC that it vote to recommend approval, to the City Council, of the Purchase and Sale Agreement and designate the property for placement in the Land Bank.

VII. RECOMMENDATION

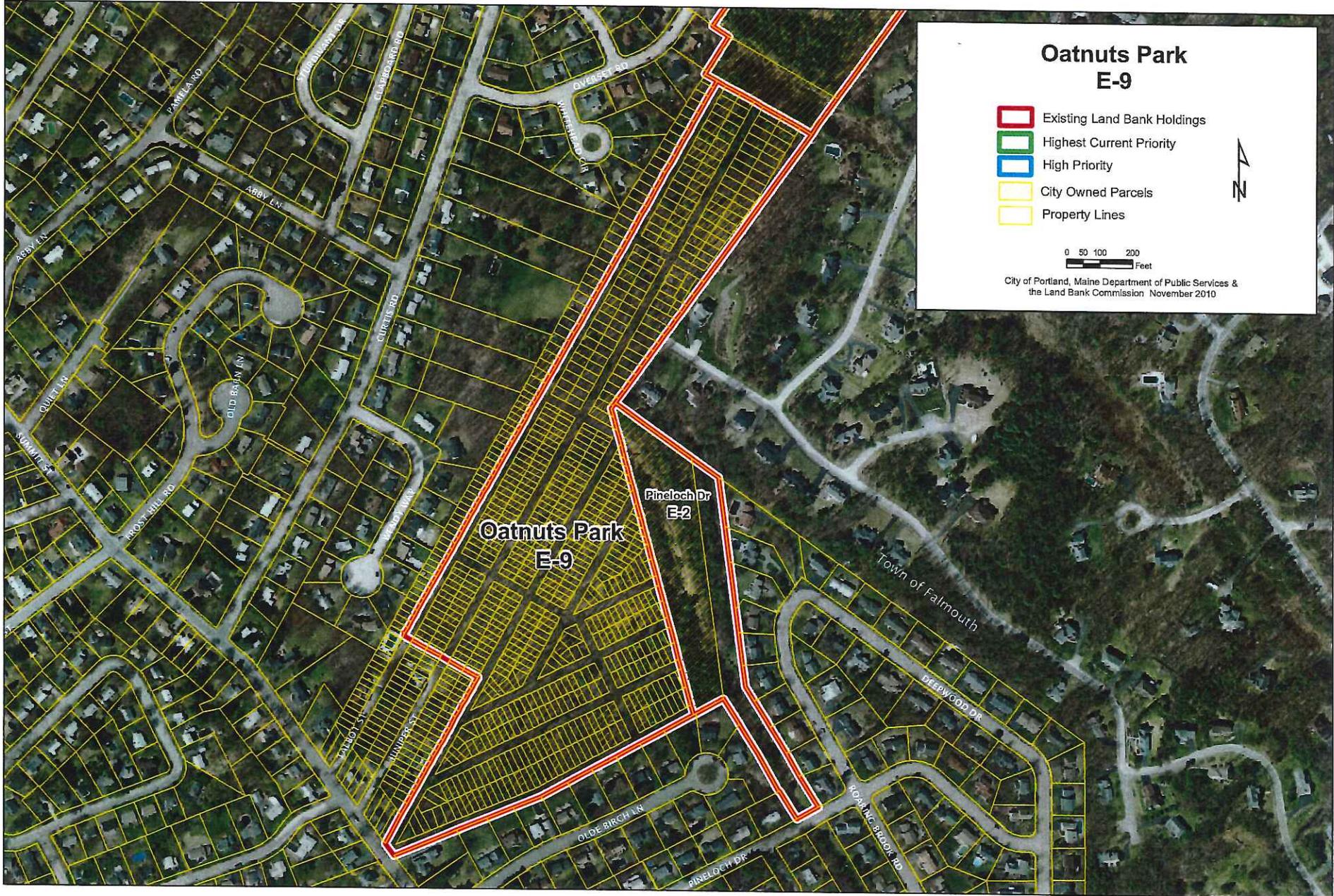
At the LBC meeting on August 9, 2018, it voted to recommend approval, to the City Council, of the Purchase and Sale Agreement, in substantial form as attached, and designate the properties for placement in the Land Bank.

VIII. LIST ATTACHMENTS

- Map of Oat Nuts Park Area
- Map of Lots Land Bank would like to purchase, highlighted in yellow.
- Purchase and Sale Agreement with Stephen Robbins

Prepared by: Greg Mitchell

Date: 8/15/2018



Oatnuts Park E-9

- Existing Land Bank Holdings
- Highest Current Priority
- High Priority
- City Owned Parcels
- Property Lines



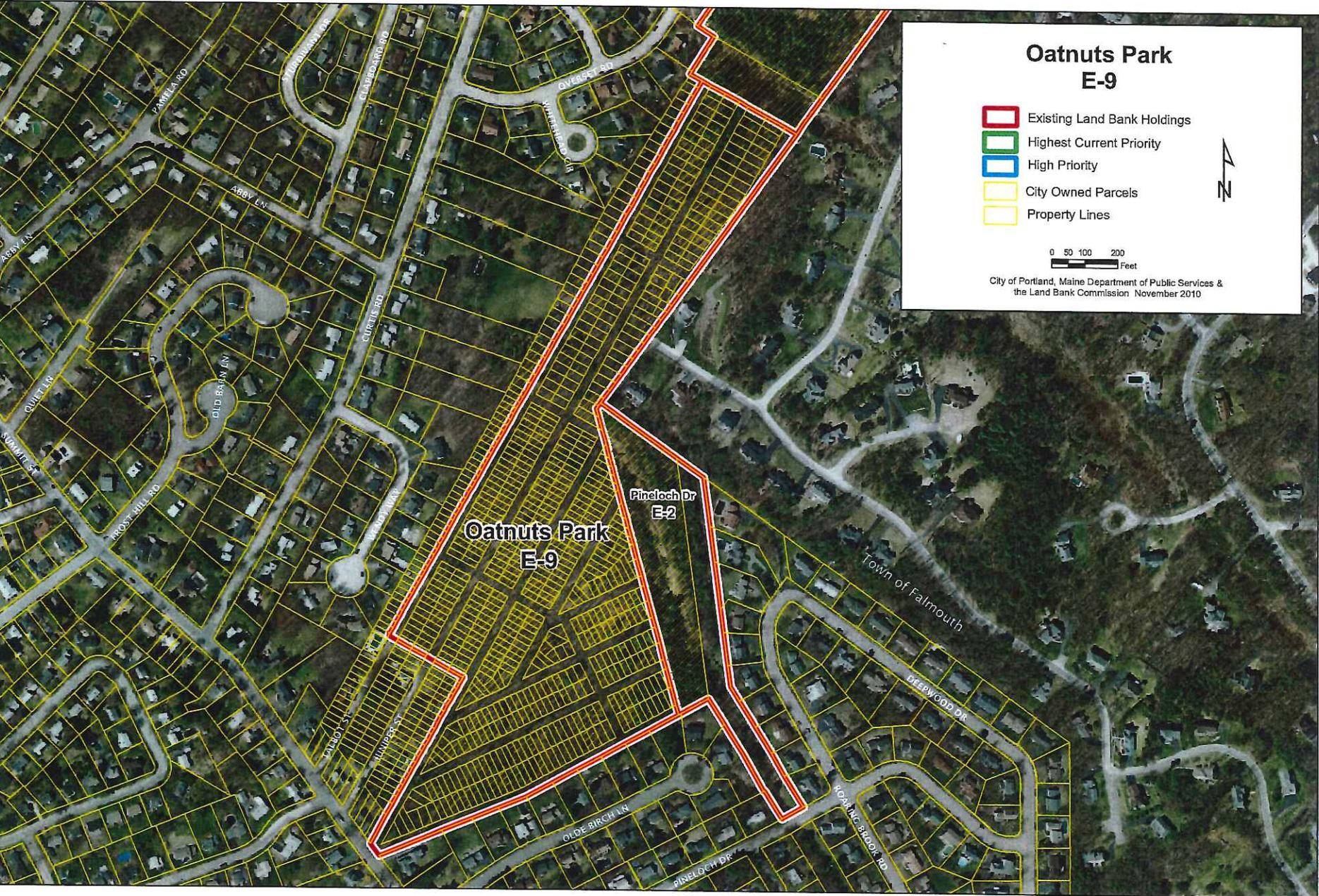
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City of Portland, Maine Department of Public Services &
the Land Bank Commission November 2010

Oatnuts Park
E-9

Pine Loch Dr
E-2

Town of Falmouth





E-10 Presumpscot River Preserve

E-09 Oatnuts Park

E-02 Pine Loch Dr

WHITHEAD CIR

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PURCHASE AND SALE AGREEMENT

THIS AGREEMENT for the purchase and sale of real estate made this _____ day of _____, 2018 ("Effective Date") by and between the CITY OF PORTLAND, a body politic and corporate located in Cumberland County, Maine, (hereinafter referred to as "CITY" or "Buyer"), and STEPHEN P. ROBBINS, with a mailing address of P. O. Box 271, East Winthrop, ME 04343 (hereinafter referred to as "SELLER").

W I T N E S S E T H:

WHEREAS, SELLER is the owner of certain real property located at 0 Talbot Street in Portland, Maine, specifically 393-A-33 to 37 and 393-B-3-4-33-34 as designated by the City Assessor, and as more fully described in the deeds attached hereto as Exhibit 1, and incorporated herein (the "Premises"); and

WHEREAS, the CITY desires to purchase the Premises.

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the parties, intending to be legally bound, hereby agree as follows:

1. SALE. SELLER agrees to sell to CITY the Premises, and CITY agrees to buy the Premises, and accept the deed to the same, for the consideration, and subject to the terms and conditions, set forth herein.
2. CONSIDERATION. The consideration for the Premises shall be Six Thousand Dollars Three Hundred Eighty-five (\$6,385.00) (the "Purchase Price") payable as follows:
 - a. A deposit of Five Hundred Dollars (\$500.00) to be paid by Buyer within two (2) business days of the Effective Date and held in escrow by Seller until closing and applied to the Purchase Price (or, if applicable, until returned to Buyer pursuant to this Agreement) (the "Deposit"); and
 - b. The Purchase Price, less the Deposit, to be paid by Buyer to Seller at closing by Buyer's check or wire subject to any adjustments provided for in this Agreement.
3. TITLE; DUE DILIGENCE; INSPECTIONS
 - a. Due Diligence Period. Buyer will have from the date of this Agreement until 4:00 PM Eastern Daylight Savings Time on the day that is sixty (60) days after the date of this Agreement (the "Due Diligence Period"), unless otherwise provided herein, to complete any survey, environmental review and title examinations.
 - b. Title and Survey Objections. Buyer will have until the end of the Due Diligence Period, unless otherwise extended as provided for herein, to deliver to Seller any written objections to title, environmental, or survey matters (other than the

permitted exceptions identified herein) that materially affect marketability or use. Objections not made prior to the end of the Due Diligence Period will be deemed waived; provided, however, that objections pertaining to matters of record first appearing after the end of the Due Diligence Period may be made at any time prior to the closing.

- c. Option to Cure. In the event of a title or survey objection, Seller will have the option, but not the obligation, to cure the objection and will notify Buyer of its election within ten (10) business days after receipt of the objection. In the event that the Seller elects to cure the objection, it will have sixty (60) days from the date of the notice of election, or such other reasonable time as the parties may agree, to cure the objection. In the event that the Seller does not elect to cure the objection, or, having elected to cure the objection fails to timely do so to Buyer's reasonable satisfaction, Buyer will have the option to (1) terminate this Agreement, (2) waive the objection and close, or (3) undertake the cure of such objection at its own expense (in which case it shall have 60 days to do so).
- d. Deed. Seller shall convey the Premises to Buyer at the closing in fee simple by a warranty deed. Title shall be good, marketable, and insurable title, free and clear of all encumbrances except (i) easements described herein; (ii) easements for utilities servicing the Premises, (ii) City ordinances, and (iii) real estate taxes not yet due and payable.
- e. During the Due Diligence Period, Buyer and its employees, consultants, contractors and agents shall have the right, at Buyer's expense, to enter on the Premises at reasonable times in order to (i) inspect the same, (ii) conduct engineering studies, percolation tests, geotechnical exams, environmental assessments, and other such studies, tests, exams, and assessments, and (iii) do such other things as Buyer determines, it is sole discretion, to be required to determine the suitability of the Premises for Buyer's intended use (collectively, the "Inspections"). The Seller acknowledges that such Inspections may include the digging of test pits, which the Seller hereby approves.
- f. Buyer shall exercise the access and inspection rights granted hereunder at its sole risk and expense.
- g. In the event that Buyer does not purchase the Premises, Buyer agrees to return the Premises as nearly as possible to its original condition after conducting the Inspections, or, at the Buyer's option, reimburse the Seller for the reasonable costs of any physical damage caused to the Premises in connection with the Inspections; provided, however, the Seller hereby acknowledges and agrees that the term "physical damage" does not include any disturbance of any pre-existing environmental contamination on the Premises caused by such inspections, studies, tests, exams, and assessments, and that Buyer shall have no obligation to clean-up, remove or take any other action with respect to any pre-existing environmental contamination disturbed thereby.

- h. The parties hereto acknowledge and agree that it is a condition to Buyer's obligations under this Agreement that the results of the Inspections be acceptable to Buyer in its sole discretion. If the results of such due diligence are not acceptable to Buyer in its sole discretion, Buyer may terminate this Agreement, and neither party shall have any further obligations or liabilities under this Agreement except as expressly set forth in this Agreement.
4. REAL ESTATE TAXES, PRORATIONS AND TRANSFER TAX. SELLER shall be liable for all real estate taxes due through the closing date. The Maine real estate transfer tax shall be paid for by SELLER in accordance with 36 M.R.S. § 4641-A. CITY is exempt from paying the transfer tax pursuant to 36 M.R.S. § 4641-C. The recording fee for the deed of conveyance shall be paid for by CITY.
5. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller represents and warrants to Buyer that the following are true as of the date of this Agreement and will be true as of the closing:
- a. There are no outstanding pending or threatened liens, claims, rights of first refusal, licenses or encumbrances against or affecting the Premises
 - b. All outstanding bills and/or accounts payable concerning the Premises are either paid or will be paid prior to or at the time of closing.
 - c. There are no outstanding claims, losses or demands against Seller by any person respecting Seller's ownership, use or occupancy of the Premises.
 - d. The Premises has not been used for any dumping of waste materials or landfilling and is free of special wastes, underground storage tanks, radon, asbestos, lead substances, and any hazardous, biomedical, radioactive or toxic, substances, materials or wastes. The terms used in the foregoing sentence shall include, without limitation, all substances, materials, etc., designated by such terms under any laws, ordinances or regulations, whether federal, state or local.
 - e. Seller has no knowledge of any boundary disputes or encroachments affecting the Premises.
 - f. There are rights of ingress and egress in perpetuity from the Premises to a public way for vehicular and pedestrian traffic and utilities.
 - g. The above representations and warranties shall survive the closing of the sale of the Premises.
6. CONDITIONS PRECEDENT. Buyer's obligation to close hereunder is subject to Buyer's full and complete satisfaction with all of the following:
- a. There shall have been no material adverse change in the condition of the Premises occurring after the conclusion of Buyer's inspections described above, and the Premises shall be substantially in the same condition as they were at the time of the inspections;
 - b. Title to the Premises shall be good and marketable and insurable; and
 - c. As of the date hereof, and as of the Closing Date, all of Seller's representations and warranties shall be true and correct in all material respects.
 - d. If the conditions described in subsections (a) through (c) above are not satisfied as of the dates specified, or if no date is specified, by the Closing Date, then Buyer shall have the option of terminating this Agreement.

7. CLOSING. Time is of the essence in the performance of this agreement. The closing shall be held at City Hall at a time agreeable to the parties on or before the day that is 30 days after the end of the Due Diligence period (the "Closing Date"). At the Closing:
- a. Seller shall execute, acknowledge and deliver to Buyer a warranty deed conveying to Buyer good, marketable, and insurable title to the Premises, free and clear of all encumbrances except as otherwise set forth herein.
 - b. Buyer shall deliver the balance of the Purchase Price to the Seller.
 - c. Each party shall deliver to the other such other documents, certificates and the like as may be required herein or as may be necessary to carry out the obligations under this Agreement.
8. DEFAULT AND REMEDIES. In the event Seller defaults under this Agreement, and if Buyer is not then in default hereunder, Buyer shall have the right to pursue all available legal and equitable remedies, including, without limitation, specific performance, and the right to a return of its deposit.

In the event Buyer defaults under this Agreement, for a reason other than the default of Seller, Seller's sole remedy shall be the right to retain the Deposit for the breach and not as a penalty therefor, and this contract shall be deemed terminated.

9. In the event that SELLER defaults hereunder for a reason other than the default of the CITY, shall have the right to pursue and all legal and equitable remedies available to it, including specific performance. In the event that CITY defaults hereunder for a reason other than the default of the SELLER, SELLER shall have the right to terminate this Agreement as its sole remedy.
10. ENTIRE AGREEMENT. This Agreement represents the entire and complete Agreement and understanding between the parties and supersedes any prior agreement or understanding, written or oral, between the parties with respect to the acquisition or exchange of the Premises hereunder. This Agreement cannot be amended except by written instrument executed by CITY and SELLER.
11. HEADINGS AND CAPTIONS. The headings and captions appearing herein are for the convenience of reference only and shall not in any way affect the substantive provisions hereof.
12. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors and assigns.
13. GOVERNING LAW. All parties hereto hereby consent to the exclusive jurisdiction of the Superior Court for the County of Cumberland in the State of Maine, for all actions, proceedings and litigation arising from or relating directly or indirectly to this Agreement or any of the obligations hereunder, and any dispute not otherwise resolved as provided herein shall be litigated solely in said Court. If any provision of this Agreement is

determined to be invalid or unenforceable, it shall not affect the validity or enforcement of the remaining provisions hereof.

14. NOTICE Any notice required or permitted under this Agreement shall be deemed sufficient if mailed with first class postage affixed or delivered in person to:

FOR THE CITY: City of Portland
 ATTN: CITY MANAGER
 389 Congress Street
 Portland, ME 04101

FOR SELLER: Stephen P. Robbins
 P.O. Box 271
 East Winthrop, ME 04108

15. SIGNATURES; MULTIPLE COUNTERPARTS. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement. A signature in a faxed, pdf or other reproduced or electronic document shall be considered the equivalent of an original signature.

16. BROKERS. SELLER represents and warrants that is has not dealt with a real estate broker in connection with this transaction. SELLER agrees to indemnify and hold harmless CITY from any claims made by any broker should Buyer's representation in this paragraph be false.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first written above.

CITY OF PORTLAND

WITNESS

Jon P. Jennings
Its City Manager



WITNESS

SELLER


Printed Name: Stephen P. Robbins

Approved as to form:

Corporation Counsel's Office

Book 1360
page 485

Know all Men by these Presents, That

We, Mary N. McCormick of Portland, Katherine G. Dougherty of South Portland, both in the County of Cumberland, and Annie C. Muzzreall of Livermore Falls in the town of East Livermore, in the County of Androscoggin, all in the State of Maine,

in consideration of one dollar and other valuable considerations, paid by John P. Hamilton of Portland, in said County of Cumberland and State of Maine,

See Book 2449 Page 210

the receipt whereof We do hereby acknowledge, do hereby remise, release, bargain, sell and convey, and forever give

John P. Hamilton, his heirs and assigns forever, certain lots or parcels of land, with the buildings thereon, situated in Portland, County of Cumberland, State of Maine, being lots numbered one hundred forty-one (141), one hundred forty-two (142), two hundred sixty-eight (268) and two hundred sixty-nine (269), as shown on Plan of Lots of Outnuts Park, recorded in Cumberland County Registry of Deeds, Plan Book 9, page 103, to which reference is hereby made; also lots numbered eleven (11), twelve (12) and thirteen (13), as shown on said Plan.

Being all and the same premises conveyed to Martin J. Hamilton by Gertrude B. Thompson by deed dated October 1, 1928 recorded in said Registry, Book 1800, page 37. Said lot numbered 11 being the same conveyed by the City of Portland to said Martin J. Hamilton by deed dated June 7, 1929, to be recorded in said Registry.

The grantors and the grantee herein being the only heirs-at-law of said Martin J. Hamilton, deceased.

On this and in full the same, together with all the privileges and appurtenances thereto belonging, to him the said John P. Hamilton, his heirs and assigns forever. And we do covenant with the said Grantee, his heirs and assigns, that we will warrant and forever defend the premises to him the said Grantee, his heirs and assigns forever, against the lawful claims and demands of all persons claiming by, through or under us, us.

In Witness Whereof, We, the said Mary N. McCormick, being a widow, Katherine G. Dougherty and Annie C. Muzzreall, and we John Dougherty and George F. Muzzreall, husbands respectively of the said Katherine G. Dougherty and Annie C. Muzzreall, joining in this deed as grantors, and relinquishing and conveying our rights by descent and all other rights in the above described premises have hereunto set our hand and seals this twenty-fourth day of July in the year of our Lord one thousand nine hundred and thirty.

Signed, sealed and Delivered in presence of
F. W. Hinckley to M.N.M.
Mrs. Mary N. McCormick Seal
Katherine G. Dougherty Seal
John Dougherty Seal
Annie C. Muzzreall Seal
Geo. F. Muzzreall Seal

State of Maine, Cumberland, ss. July 24, A.D. 1930.

Personally appeared the above named Mary N. McCormick and acknowledged the above instrument to be her free act and deed.
Before me, F. W. Hinckley, Justice of the Peace.

Received July 24, 1930, at 1 o'clock 20 m. P. M., and recorded according to the original.

393-8-4-25-24

Know all Men by these Presents, That

We, Mary N. McCormick of Portland, Katherine G. Dougherty, of South Portland, both in the County of Cumberland and State of Maine, and Annie C. Muzzarell of Bridgeport, in the County of Fairfield, and State of Connecticut, in consideration of one dollar and other valuable considerations, which is less than in consideration of one hundred dollars, paid by John P. Hamilton of Portland, in said County of Cumberland and State of Maine,

See
Book 2449
Page 210

the receipt whereof we do hereby acknowledge, do hereby remise, release, bargain, sell and convey, and forever quitclaim unto the said John P. Hamilton, his heirs and assigns forever, lots known and distinguished as Lots Nos. One Hundred Four (104), One Hundred Five (105), One Hundred Six (106), One Hundred Seven (107) and One Hundred Eight (108), in Portland, in the County of Cumberland and State of Maine, as shown on "Plan of Catnubs Park," recorded in Cumberland County Registry of Deeds, in Book of Plans 8, Page 108.

Being the same premises conveyed to Martin J. Hamilton by A. M. Hayes by warranty deed dated February 25, 1902, recorded in Cumberland County Registry of Deeds, Book 712, Page 374.

The Grantors and the Grantee herein are the only heirs at law of said Martin J. Hamilton, deceased.

On Writ and in Writ the same, together with all the privileges and appurtenances thereunto belonging, to the said John P. Hamilton, his heirs and assigns forever.

And we do covenant with the said grantee, his heirs and assigns, that we will warrant and forever defend the premises to him the said grantee, his heirs and assigns forever, against the lawful claims and demands of all persons claiming by, through or under us.

In Witness Whereof, We, the said Mary N. McCormick, being a widow, Katherine G. Dougherty and Annie C. Muzzarell, being a widow, and I, John Dougherty, husband of the said Katherine G. Dougherty, joining in this deed as grantor, and relinquishing and conveying my rights by descent and all other rights in the above described premises, have hereunto set our hands and seals this eighteenth day of December in the year of our Lord one thousand nine hundred and thirty-nine.

Signed, Sealed and Delivered in presence of	Mary N. McCormick	Seal
G. H. Hinkley	Katherine G. Dougherty	Seal
	John Dougherty	Seal
	Annie C. Muzzarell	Seal
to M.N.M., K.G.D., & J.D.	Ruth A. Kane (witness)	

State of Maine, Cumberland, ss. December 18, A. D. 1939.
Personally appeared the above named Mary N. McCormick and Katherine G. Dougherty and acknowledged the above instrument to be their free act and deed.
Before me, George H. Hinkley, Justice of the Peace.

RECEIVED December 27, 1939, at 1 o'clock 55 m. P.M., and recorded according to the original.

393-A-
33-34-35-36-37

Book 2423
page 413

Abstract of the Will of

John P. Hamilton

STATE OF MAINE

CUMBERLAND, ss.

PORTLAND,

September 4,

Probate Court.

A. D. 1958

I, **HENRY A. PEABODY**, Register of the Probate Court in and for said County, hereby certify that the last Will and Testament of **John P. Hamilton late of Portland in said County,**

deceased, was proved, approved and allowed by the Judge of Probate for said County at a Court held at Portland on the **fourth** day of **September** A. D. 19 **58**; and that the following is a true copy of so much of said Will as devises Real Estate in the County of Cumberland.

1. To my daughter, **Elizabeth I. Robbins of South Portland in the County of Cumberland and State of Maine,** I give and devise my house and land numbered thirty-three (33) Danforth Street in the City of Portland, to have and to hold to her, her heirs and assigns forever.

3. All the rest, residue and remainder of my estate of every name, nature and description, wherever situated and whenever and however acquired, including any insurance or building and loan shares that may be payable to my estate, and including any other property to which I will be in any way entitled at the time of my death, I give, devise and bequeath to my said daughter, **Elizabeth I. Robbins,** to have and to hold to her, her heirs and assigns forever.

4. I nominate and appoint my said daughter, **Elizabeth I. Robbins,** to be executrix of this my last Will and Testament and direct that no bond be required of her in said capacity.

In witness, my hand and the Seal of the Probate Court for said County of Cumberland, the day and year first above written.

Henry A. Peabody, Register. Court Seal.

Received **September 11, 1958,** at 9 o'clock 15 m. A.M., and recorded according to the original.

State of Maine

CUMBERLAND COUNTY PROBATE COURT

DOCKET NO. 2006-2004-1166

In Re: Estate of Elizabeth I. Robbins

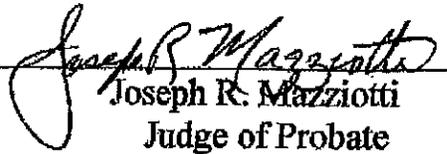
**ORDER OF
DETERMINATION OF
DEVISEES AND TRANSFER
REAL PROPERTY**

This matter having come before the Court for hearing or opportunity therefor and upon notice to all interested persons, this court finds without hearing that:

1. Elizabeth I. Robbins hereinafter referred to as "decedent", died on July 6, 1992, a resident of Portland, Maine.
2. No court proceedings concerning the administration of Elizabeth I. Robbins' estate have occurred.
3. Decedent's son, Paul L. Robbins, whose mailing address is 49 Owens Dr, Winthrop, Maine 04364 is the sole heir at law.
4. All the real property owned by Elizabeth I. Robbins at the time of her death was inherited from John P. Robbins, her father, and recorded as "Copy of Will and Decree, number 53945" in the Cumberland Probate Court. Such real property is described in the Cumberland County Registry of Deeds in Book 1595, Page 57; Book 1340, Page 485 and Book 1300, Page 37.

5. The Court specifically directs that all lawful title to the above described real property shall pass to Paul L. Robbins.
6. The recording of this Order in the Cumberland County Registry of Deeds in Portland, Maine, shall serve as notice of the transfer of title of said real property to said heir at law.

It is so ordered by this Honorable Court on this 30th day of May, 2006, at Portland, Maine, County of Cumberland, ss.


Joseph R. Mazziotti
Judge of Probate

Received
Recorded Register of Deeds
Jun 27 2006 11:38:46A
Cumberland County
John B O'Brien

STATE OF MAINE, COUNTY OF CUMBERLAND SS:
REGISTRY OF PROBATE & PROBATE COURT

Attest

A TRUE COPY



Deputy/ Register of Probate

*Order 63-18119
Tab 19 9-518*

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY M. COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPROVING PURCHASE AND SALE AGREEMENT
WITH ROBERT COTT FOR PROPERTY IN REDLON AREA AND
PLACING THAT LAND IN THE PORTLAND LAND BANK**

ORDERED, that the Purchase and Sale Agreement with Robert Cott in the amount of \$1.00 for property in Redlon area is hereby approved in substantially the form attached hereto; and

BE IT FURTHER ORDERED, that that land will be in and is to be maintained as part of the City's Land Bank; and

BE IT FURTHER ORDERED, that the City Manager is hereby authorized to execute the Purchase and Sale Agreement and whatever other documents are necessary to effect the intent and purpose of this order.



Economic Development Department
Gregory A. Mitchell, Director

MEMORANDUM

City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English, Danielle West-Chuhta, Deivy Periana,
FROM: Greg Mitchell, Economic Development Director
DATE: August 15, 2018
SUBJECT: **Order Authorizing Purchase and Sale Agreement for \$1.00 with Robert Cott For Vacant Land in the Redlon Area, and Placing Vacant Land in the Land Bank**
SPONSOR: Patrizia Bailey, Chair/Land Bank Commission; Commission met on August 9, 2018, and voted unanimously to forward this to the City Council for Approval.

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading and Final Action: September 5, 2018

Can action be taken at a later date: Yes

PRESENTATION: Patrizia Bailey/5 Minutes

I. ONE SENTENCE SUMMARY

The request is to authorize a Purchase and Sale Agreement for \$1.00 to purchase vacant land property owned by Robert Cott in the Redlon area of Portland and to have that vacant land be designated as a Land Bank property to preserve it for future Portland residents.

II. AGENDA DESCRIPTION

It has been a goal of the Land Bank Commission to protect open space in the Redlon area of Portland where green space is a "park desert" (i.e., more than one-half mile to nearest park or trail), identified by 2014 Open Space Vision Plan as a priority area for open space/park/trail development along with environmental preservation.

Robert Cott is a real estate owner of a single-family home abutting the Redlon area. Mr. Cott has agreed to sell for \$1.00 a portion of his vacant land property, approximately 11,000 sq. ft., which abuts the Redlon area, all as more set forth in the Purchase and Sale Agreement signed by Mr. Cott and included in the Council packet.

III. BACKGROUND

It has been a goal of the Land Bank Commission to protect open space in the Redlon area of Portland where green space is a “park desert” (i.e., more than one-half mile to nearest park or trail), identified by 2014 Open Space Vision Plan as a priority area for open space/park/trail development along with environmental preservation.

At the City Council meeting on January 3, 2018, it voted unanimously to place tax-acquired property in the Redlon area into the Land Bank. Please see attached map showing those properties. Additional Redlon area property acquisitions are under consideration as well.

Robert Cott is a real estate owner of a single-family home abutting the Redlon area. Mr. Cott has agreed to sell for \$1.00 a portion of his vacant land property, approximately 11,000 sq. ft., which abuts the Redlon area, all as more set forth in the Purchase and Sale Agreement signed by Mr. Cott and attached hereto.

Regarding any possible environmental issues, Woodard and Curran conducted a limited environmental assessment of the property and concluded that, based on historical data, the assessment has revealed no evidence of environmental concerns at the site.

Regarding possible housing at the site, City staff conducted an informal survey of both market-rate and affordable housing developers about development in this area. Issues facing any potential redevelopment in that area are the extensive amount of ledge, significant wetland area, and lack infrastructure, rendering it cost prohibitive for development.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result is City Council approval to authorize the Purchase and Sale Agreement, in substantially the form as attached, for \$1.00 and designate the referenced property for placement in the Land Bank.

V. FINANCIAL IMPACT

The LBC is responsible for the costs of the limited environmental assessment and any survey work needing to be done associated with this property transaction.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

Based on the above analyses for environmental and housing, staff recommended to the LBC that it vote to recommend approval, to the City Council, of the Purchase and Sale Agreement and designate the property for placement in the Land Bank.

VII. RECOMMENDATION

At the LBC meeting on August 9, 2018, it voted to recommend approval, to the City Council, of the Purchase and Sale Agreement, in substantial form as attached, and designate the property for placement in the Land Bank.

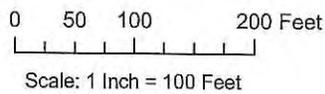
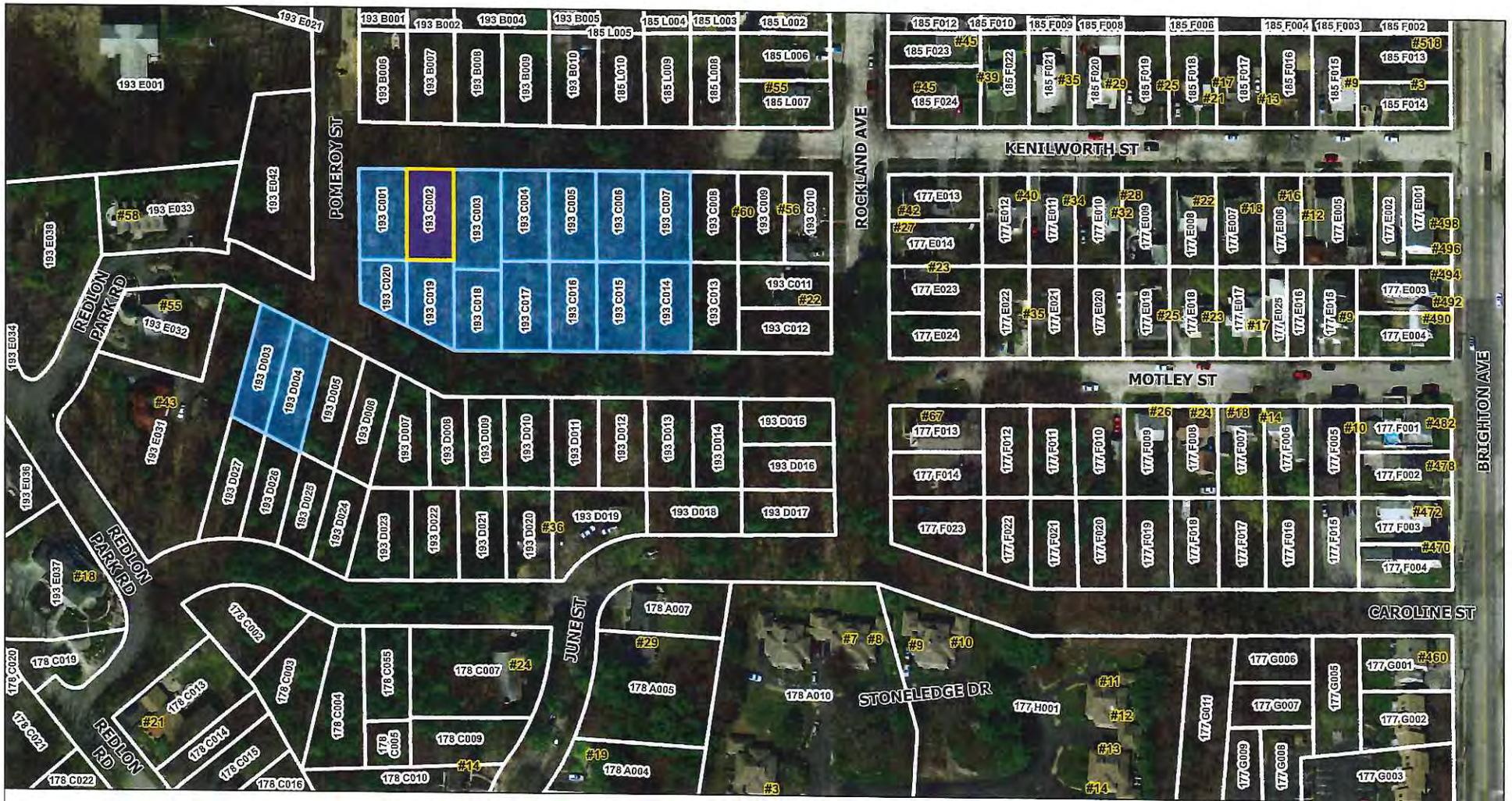
VIII. LIST ATTACHMENTS

- Map showing tax-acquired properties placed in the Land Bank by the City Council on 1/3/2018.
- Map Showing General Location of Redlon Woods
- Redlon Woods Fact Sheet
- Map Highlighting Redlon Woods Trail Concept Plan
- Purchase and Sale Agreement with Robert Cott
- October 10, 2017 Tuck O'Brien Memo to the City Council

PLEASE REMEMBER THAT BACKUP ITEMS HAVE TO BE SINGLE SIDED.

Prepared by: Greg Mitchell

Date: 8/15/2018

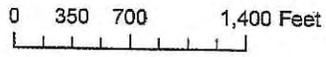


Redlon Woods: Phase 1 City Property

Portland Land Bank Commission
 Map by City of Portland DPW 12/15/2017

Legend

- City Tax Acquired
- City Owned



Scale: 1 Inch = 700 Feet

General Location of Redlon Woods, Portland, ME

Portland Land Bank Commission
 Map by City of Portland DPW 10/4/2016



General Location of Redlon Woods

Redlon Woods Fact Sheet

- Approximately 5 acres of open space in densely populated residential neighborhood
- Land is forested, very wet, with pockets of granite outcroppings and ledge.
- Because of development costs in rocky and wet areas, only viable development opportunities are most likely high-end single family homes similar to those in “Redlon Park” neighborhood.
- Land is located in a “park desert” (i.e. more than ½ mile to nearest park or trail), identified by 2014 Open Space Vision Plan as priority areas for open space/park/trail development.
- Public Works Department staff indicated that the property is valuable for storm water management function.
- Parks, Recreation and Facilities Department staff sees the property as a valuable addition to the open space network, and provides excellent outdoor recreation and trail opportunities.
- Redlon Woods property provided the catalyst for the creation of the Land Bank in early 2000’s. While the city does own 3 small lots there, much of the land is unprotected.
- Land Bank Commission proposes to preserve this land as open space through a combination of purchases, donations, and converting land from tax-acquired status to Land Bank.
- Land is Currently owned by the following parties:
 - City of Portland: owns 3 lots outright.
 - City of Portland: holds 17 lots as tax-acquired property. Land Bank has voted to put these tax-acquired properties in the Land Bank. Tax Acquired Property Committee has moved to allow that request, pending City Manager and City Council authorization/approval.
 - Berry Family: owns 19 lots, willing to sell. Appraised at \$48,000
 - Taylor Family: owns 4 lots, willing to sell. Appraised at \$16,000
 - Cott Family: owns 1 lot, willing to donate.
- Land Bank has funds to purchase Berry and Taylor lots, and has voted to move forward with having the City negotiate acquisition.
- Economic Development Department staff are willing and able to assist with negotiation of sale of Berry and Taylor lots.
- The long term vision is that the land would be preserved in its present condition as open space and placed in the Land Bank.
- Minimal trail development (privately funded through Portland Trails or Land Bank) and an access point could tie it into the network of trails throughout Portland.
- Next steps:
 - City Manager notification/approval
 - City Council notification/approval
 - Negotiation and purchase (Economic Development)
 - Land Bank protection for the entire property
 - Trail development

Redlon Woods Trail Concept Plan

Tracks

-  Redlon Loop
-  Access Point

Tracks

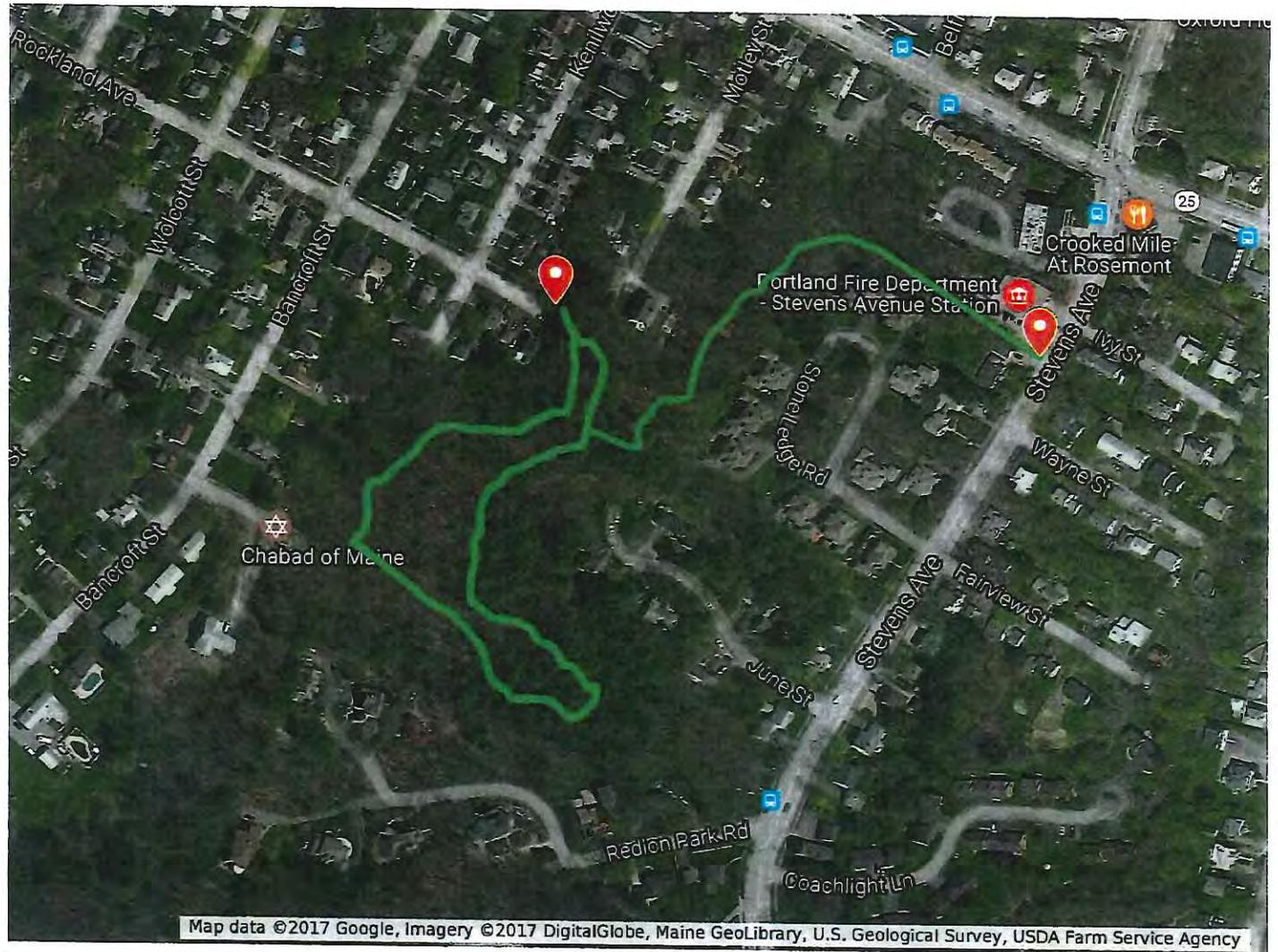
-  Redlon Vernal Pool
-  Access Point

Potential trail routes for Redlon Woods property.

Some sections exist as informal routes already.

Improvements would be minimal, probably less than a week's worth of work for volunteer groups.

Plan updated 1/23/17



PURCHASE AND SALE AGREEMENT

THIS AGREEMENT for the purchase and sale of real estate made this _____ day of _____, 2018 by and between the CITY OF PORTLAND, a body politic and corporate located in Cumberland County, Maine, (hereinafter referred to as "CITY" or "Buyer"), and ROBERT E. COTT, an individual with a mailing address of 43 Redlon Park Road, Portland, ME 04102 (hereinafter referred to as "SELLER").

WITNESSETH:

WHEREAS, SELLER is the owner of certain real estate located at 43 Redlon Park Road, Portland, Maine, as more fully described in the deed attached hereto as Exhibit 1, and incorporated herein ("Seller's Property"); and

WHEREAS, the CITY desires to purchase a portion of Seller's Property, such portion being generally depicted on the diagram attached hereto as Exhibit 2 and incorporated herein (the "Premises");

NOW THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the parties, intending to be legally bound, hereby agree as follows:

1. SALE. SELLER agrees to sell to CITY the Premises as generally depicted on Exhibit 2, and CITY agrees to buy the Premises, and accept the deed to the same, for the consideration, and subject to the terms and conditions, set forth herein.
2. CONSIDERATION. The consideration for the portion of the Premises shall be One Dollar (\$1.00) (the "Purchase Price").
3. TITLE; DUE DILIGENCE; INSPECTIONS
 - a. Due Diligence Period. Buyer will have from the date of this Agreement until 4:00 PM Eastern Daylight Savings Time on the day that is one hundred twenty (120) days after the date of this Agreement (the "Due Diligence Period"), unless otherwise provided herein, to complete any survey, environmental review, regulatory approvals, and title examinations.
 - b. Property Description. The property description contained in the deed will be a survey description based upon a survey plan (the "Premises"), to be provided by the City, that will more specifically describe the property shown on Exhibit 2 hereto. The Premises will be distributed to the parties hereto prior to expiration of the Due Diligence Period and the parties will agree on the property description prior to closing. The Due Diligence Period shall be extended in the event that the survey plan is not completed by the end of the Due Diligence Period and Buyer is afforded reasonable time to review the plan and make any title objections as provided below.

- c. **Title and Survey Objections.** Buyer will have until the end of the Due Diligence Period, unless otherwise extended as provided for herein to obtain any regulatory approvals required for the Premises, to deliver to Seller any written objections to title, environmental, or survey matters (other than the permitted exceptions identified herein) that materially affect marketability or use. Objections not made prior to the end of the Due Diligence Period will be deemed waived; provided, however, that objections pertaining to matters of record first appearing after the end of the Due Diligence Period may be made at any time prior to the closing.
- d. **Option to Cure.** In the event of a title or survey objection, Seller will have the option, but not the obligation, to cure the objection and will notify Buyer of its election within ten (10) business days after receipt of the objection. In the event that the Seller elects to cure the objection, it will have sixty (60) days from the date of the notice of election, or such other reasonable time as the parties may agree, to cure the objection. In the event that the Seller does not elect to cure the objection, or, having elected to cure the objection fails to timely do so to Buyer's reasonable satisfaction, Buyer will have the option to (1) terminate this Agreement, (2) waive the objection and close, or (3) undertake the cure of such objection at its own expense (in which case it shall have 60 days to do so).
- e. **Deed.** Seller shall convey the Premises to Buyer at the closing in fee simple by a warranty deed. Title shall be good, marketable, and insurable title, free and clear of all encumbrances except (i) easements described herein; (ii) easements for utilities servicing the property, (ii) City ordinances, and (iii) real estate taxes not yet due and payable.
- f. **During the Due Diligence Period,** Buyer and its employees, consultants, contractors and agents shall have the right, at Buyer's expense, to enter on the Premises at reasonable times in order to (i) inspect the same, (ii) conduct engineering studies, percolation tests, geotechnical exams, environmental assessments, and other such studies, tests, exams, and assessments, and (iii) do such other things as Buyer determines, it is sole discretion, to be required to determine the suitability of the Premises for Buyer's intended use (collectively, the "Inspections"). The Seller acknowledges that such Inspections may include the digging of test pits, which the Seller hereby approves.
- g. **Buyer shall exercise the access and inspection rights granted hereunder at its sole risk and expense.**
- h. **In the event that Buyer does not purchase the Premises,** Buyer agrees to return the Premises as nearly as possible to its original condition after conducting the Inspections, or, at the Buyer's option, reimburse the Seller for the reasonable costs of any physical damage caused to the Premises in connection with the Inspections; provided, however, the Seller hereby acknowledges and agrees that the term "physical damage" does not include any disturbance of any pre-existing environmental contamination on the Premises caused by such inspections, studies, tests, exams, and assessments, and that Buyer shall have no obligation to clean-up,

remove or take any other action with respect to any pre-existing environmental contamination disturbed thereby.

- i. The parties hereto acknowledge and agree that it is a condition to Buyer's obligations under this Agreement that the results of the Inspections be acceptable to Buyer in its sole discretion. If the results of such due diligence are not acceptable to Buyer in its sole discretion, Buyer may terminate this Agreement, and neither party shall have any further obligations or liabilities under this Agreement except as expressly set forth in this Agreement.

4. REAL ESTATE TAXES, PRORATIONS AND TRANSFER TAX. SELLER shall be liable for all real estate taxes due through the closing date. The Maine real estate transfer tax shall be paid for by SELLER in accordance with 36 M.R.S. § 4641-A. CITY is exempt from paying the transfer tax pursuant to 36 M.R.S. § 4641-C. The recording fee for the deed of conveyance shall be paid for by CITY.

5. REPRESENTATIONS AND WARRANTIES OF SELLER. Seller represents and warrants to Buyer that the following are true as of the date of this Agreement and will be true as of the closing:

- a. There are no outstanding pending or threatened liens, claims, rights of first refusal, licenses or encumbrances against or affecting the Premises
- b. All outstanding bills and/or accounts payable concerning the Premises are either paid or will be paid prior to or at the time of closing.
- c. There are no outstanding claims, losses or demands against Seller by any person respecting Seller's ownership, use or occupancy of the Premises.
- d. The Premises has not been used for any dumping of waste materials or landfilling and is free of special wastes, underground storage tanks, radon, asbestos, lead substances, and any hazardous, biomedical, radioactive or toxic, substances, materials or wastes. The terms used in the foregoing sentence shall include, without limitation, all substances, materials, etc., designated by such terms under any laws, ordinances or regulations, whether federal, state or local.
- e. Seller has no knowledge of any boundary disputes or encroachments affecting the Premises.
- f. There are rights of ingress and egress in perpetuity from the Premises to a public way for vehicular and pedestrian traffic and utilities.
- g. The above representations and warranties shall survive the closing of the sale of the Property.

6. CONDITIONS PRECEDENT. Buyer's obligation to close hereunder is subject to Buyer's full and complete satisfaction with all of the following:

- a. There shall have been no material adverse change in the condition of the Premises occurring after the conclusion of Buyer's inspections described above, and the Premises shall be substantially in the same condition as they were at the time of the inspections;
- b. Title to the Premises shall be good and marketable and insurable; and
- c. As of the date hereof, and as of the Closing Date, all of Seller's representations and warranties shall be true and correct in all material respects.

- d. If the conditions described in subsections (a) through (c) above are not satisfied as of the dates specified, or if no date is specified, by the Closing Date, then Buyer shall have the option of terminating this Agreement.
7. CLOSING. Time is of the essence in the performance of this agreement. The closing shall be held at City Hall at a time agreeable to the parties on or before the day that is 30 days after the end of the Due Diligence period (the "Closing Date"). At the Closing:
 - a. Seller shall execute, acknowledge and deliver to Buyer a warranty deed conveying to Buyer good, marketable, and insurable title to the Premises, free and clear of all encumbrances except as otherwise set forth herein.
 - b. Buyer shall deliver the balance of the Purchase Price to the Seller.
 - c. Each party shall deliver to the other such other documents, certificates and the like as may be required herein or as may be necessary to carry out the obligations under this Agreement.
8. DEFAULT AND REMEDIES. In the event that SELLER defaults hereunder for a reason other than the default of the CITY, shall have the right to pursue and all legal and equitable remedies available to it, including specific performance. In the event that CITY defaults hereunder for a reason other than the default of the SELLER, SELLER shall have the right to terminate this Agreement as its sole remedy.
9. ENTIRE AGREEMENT. This Agreement represents the entire and complete Agreement and understanding between the parties and supersedes any prior agreement or understanding, written or oral, between the parties with respect to the acquisition or exchange of the Premises hereunder. This Agreement cannot be amended except by written instrument executed by CITY and SELLER.
10. HEADINGS AND CAPTIONS. The headings and captions appearing herein are for the convenience of reference only and shall not in any way affect the substantive provisions hereof.
11. BINDING EFFECT. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors and assigns.
12. GOVERNING LAW. All parties hereto hereby consent to the exclusive jurisdiction of the Superior Court for the County of Cumberland in the State of Maine, for all actions, proceedings and litigation arising from or relating directly or indirectly to this Agreement or any of the obligations hereunder, and any dispute not otherwise resolved as provided herein shall be litigated solely in said Court. If any provision of this Agreement is determined to be invalid or unenforceable, it shall not affect the validity or enforcement of the remaining provisions hereof.
13. NOTICE. Any notice required or permitted under this Agreement shall be deemed sufficient if mailed with first class postage affixed or delivered in person to:

FOR THE CITY: City of Portland
ATTN: CITY MANAGER
389 Congress Street
Portland, ME 04101

FOR SELLER: Robert E. Cott
43 Redlon Park Road
Portland, ME 04102

14. SIGNATURES; MULTIPLE COUNTERPARTS. This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement. A signature in a faxed, pdf or other reproduced or electronic document shall be considered the equivalent of an original signature.
15. BROKERS. SELLER represents and warrants that is has not dealt with a real estate broker in connection with this transaction. SELLER agrees to indemnify and hold harmless CITY from any claims made by any broker should Buyer's representation in this paragraph be false.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first written above.

CITY OF PORTLAND

WITNESS

Jon P. Jennings
Its City Manager

SELLER

Kevin J. Lequette
WITNESS

ROBERT E. COTT
Printed Name: Robert E. Cott

Approved as to form:

Corporation Counsel's Office

8K13446PG03B 7210203515

069279

WARRANTY DEED
(Maine Statutory Short Form)

COTTAGE PARK, INC., a Maine corporation with a place of business at Portland, Cumberland County, Maine, for valuable consideration, grants to ROBERT E. COTT, with a mailing address of Chandler's Wharf, Portland, Maine, 04101, with Warranty Covenants, the following described real property situated at Lot 1, Redlon Park, Portland, Cumberland County, Maine:

MAINE REAL ESTATE TAX PAID

A certain lot or parcel of land with any buildings situated thereon in said Portland, and being more particularly described on Exhibit A attached hereto and made a part hereof.

Meaning and intending to convey a portion of the premises described in a deed from Housing Resources Corporation to the Grantor herein dated November 13, 1997, and recorded in the Cumberland County Registry of Deeds in Book 13440, Page 134.

Joining in this deed is the Chairman of the Redlon Park Association Design Review Board to certify that the Board has reviewed and approved the building plans and specifications for Lot 1.

IN WITNESS WHEREOF, COTTAGE PARK, INC. has caused this instrument to be signed in its corporate name by its duly authorized officer this 14th day of November, 1997.

[Signature]
Witness

T. both

COTTAGE PARK, INC.
BY: *[Signature]*
Ric Weinschenk
Its President

BY: *[Signature]*
Ric Weinschenk, Chairman
Redlon Park Association
Design Review Board

STATE OF MAINE
CUMBERLAND, SS.

November 14, 1997

Personally appeared the above named Ric Weinschenk, President and Chairman of the Redlon Park Association Design Review Board and acknowledged the foregoing instrument to be his free act and deed in said capacity, and the free act and deed of said Corporation and Board.

Before me,

[Signature]
Attorney at Law/Notary Public
KENNETH E. SWITZER
MAINE ATTORNEY AT LAW
Printed Name

BK 13446PG039

Exhibit A

A certain lot or parcel of land situated on Redlon Park Road in the City of Portland, Cumberland County, Maine bounded and described as follows:

Lot 1 as shown on "Planned Residential Unit Development Plan and Subdivision Plan of Redlon Park" dated February 28, 1997 revised through October 27, 1997 recorded in the Cumberland County Registry of Deeds in Plan Book 197, Page 493.

Lot 1 is conveyed subject to Declaration of Covenants and Restrictions, Redlon Park, dated November 14, 1997, recorded in Book 13442, Page 180, and to the easements granted in Redlon Park Road to City of Portland in two easement deeds dated November 14, 1997, to be recorded in the Cumberland County Registry of Deeds by the City of Portland, and to the terms, conditions and restrictions as set forth in an unrecorded Landscape Maintenance Agreement dated October 28, 1997, and an unrecorded Drainage Maintenance Agreement dated October 28, 1997, both instruments on file in the City of Portland Planning Department Office.

Lot 1 is further conveyed subject to wetlands and drainage easements shown on said plan.

RECEIVED
CUMBERLAND COUNTY REGISTRY OF DEEDS

1997 NOV 18 AM 11:32

CUMBERLAND COUNTY

John B. O'Brien

**QUITCLAIM DEED
(With Covenant)
Statutory Short Form**

KNOW ALL PERSONS BY THESE PRESENTS, that I, **ROBERT J. CHENEY**, of Buxton, County of York and State of Maine, in consideration of One Dollar and other valuable consideration paid, do hereby convey to **ROBERT E. COTT, JR.**, of Portland, County of Portland, and State of Maine, with a mailing address of 43 Redlon Park Road, Portland Maine 04102, with **Quitclaim Covenants**, the following described real estate in Portland, Maine:

Caroline Street Lot, Portland

A certain lot or parcel of land on the northerly side of Caroline Street, situated in the City of Portland, County of Cumberland and State of Maine, being bounded and described as follows:

Being Lot 26A as shown on Plan of Re-Subdivision of Motley and Caroline Street Lots dated April 1916, and recorded in Plan Book 13, Page 52.

Motley Street Lot, Portland

Also, a certain lot or parcel of land on the southerly side of Motley Street, situated in the City of Portland, County of Cumberland, State of Maine, bounded and described as follows:

BEING Lot No. 75B as shown on Plan of Re-Subdivision of Motley and Caroline Street Lots dated April 1916, and recorded in Plan Book 13, Page 52.

IN WITNESS WHEREOF, the said **ROBERT J. CHENEY** has hereunto set his hand and seal this 17th day of November, 1998.

WITNESS:

Diana Panetta

Robert J. Cheney
ROBERT J. CHENEY

STATE OF MAINE
COUNTY OF York, ss.

November 17 1998

Then personally appeared the above-named **Robert J. Cheney** and acknowledged the foregoing instrument to be his free act and deed.

Before me,

Marilyn E. Hopkins
Notary Public/~~Attorney at Law~~

MARILYN E. HOPKINS
Notary Public, Maine
My Commission Expires 06/30/01

CORRECTIVE DEED
Quitclaim Deed Without Covenant
(Release Deed)
[Deed Affecting Prior Deed]

KNOW ALL MEN BY THESE PRESENTS, that CHENEY REALTY CO., a Maine corporation, by and through NICHOLAS S. NADZO, W. SCOTT CARLISLE III, and MARGARET H. BOYCE, as liquidating trustees of said Cheney Realty Co., does hereby RELEASE to ROBERT J. CHENEY, of Buxton, County of York, State of Maine, whose mailing address is P.O. Box 925, Buxton, Maine 04093, the following property in Portland, Maine:

A certain lot or parcel of land on the northerly side of Caroline Street, situated in the City of Portland, County of Cumberland and State of Maine, bounded and described as follows:

Being Lot 26A as shown on Plan of Re-Subdivision of Motley and Caroline Street Lots dated April 1916 and recorded in Plan Book 13, Page 52 of the Cumberland County Registry of Deeds.

For the Grantor's source of title, reference is made to the following deeds: (1) deed of City of Portland, dated June 10, 1970, recorded at Book 3131, Page 295 in said Registry of Deeds; and (2) deed of Minat Corporation dated February 8, 1980, recorded in said Registry of Deeds at Book 4564, Page 87. Said premises were inadvertently omitted from the property description contained in a deed from Cheney Realty Co. to Robert J. Cheney dated July 30, 1980, and recorded at Book 4637, Page 231 in said Registry of Deeds.

The Grantor corporation was dissolved pursuant to Articles of Dissolution dated January 20, 1981, and filed with the Office of the Secretary of State of Maine. The undersigned execute this instrument as liquidating trustees of the corporation pursuant to Title 13-A M.R.S.A. § 1122(2).

IN WITNESS WHEREOF, the said CHENEY REALTY CO. by and through
NICHOLAS S. NADZO, W. SCOTT CARLISLE III, and MARGARET H. BOYCE, its
liquidating trustees, have hereunto set their hands and seals this _____ day of December,
1998.

Signed, Sealed and Delivered
in the presence of

CHENEY REALTY CO., INC.

Tracy J. Kelley

Nicholas S. Nadzo
Nicholas S. Nadzo
Liquidating Trustee

Amber K. Davis

W. Scott Carlisle III
W. Scott Carlisle III
Liquidating Trustee

Tracy J. Kelley

Margaret H. Boyce
Margaret H. Boyce
Liquidating Trustee

STATE OF MAINE
CUMBERLAND, SS.

December 31, 1998

Then personally appeared the above-named Nicholas S. Nadzo, liquidating trustee of said Grantor corporation as aforesaid, and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said corporation.

Before me,

Patrice C. Holmes
Notary Public/Attorney at Law

PATRICE C. HOLMES
NOTARY PUBLIC
MY COMMISSION EXPIRES 12/31/99

STATE OF MAINE
CUMBERLAND, SS.

December 4, 1998

Then personally appeared the above-named W. Scott Carlisle III, liquidating trustee of said Grantor corporation as aforesaid, and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said corporation.

Before me,

Amber G. Finkbeiner Dawo
Notary Public/Attorney-at-Law

AMBER G. FINKBEINER DAWO
NOTARY PUBLIC, MAINE
MY COMMISSION EXPIRES OCTOBER 30, 2000

STATE OF MAINE
CUMBERLAND, SS.

December 10, 1998

Then personally appeared the above-named Margaret H. Boyce, liquidating trustee of said Grantor corporation as aforesaid, and acknowledged the foregoing instrument to be her free act and deed in her said capacity and the free act and deed of said corporation.

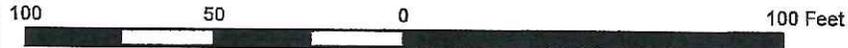
Before me,

Pauline W. Kenniston
Notary Public/Attorney-at-Law

PAULINE W. KENNISTON
NOTARY PUBLIC, MAINE
MY COMMISSION EXPIRES OCTOBER 30, 2000

NSN/Cheney Realty/Corrective Deed

Donation of Land to the Portland Land Bank



Plan produced by the City of Portland Economic Development Department from 2017 City GIS data. Property bounds and area subject to survey to be conducted by the City of Portland. April 2018

Exhibit 2



**Donated Parcel
Bounds and Area
Subject to Survey
+/-11,000 sq ft**

**Cott Parcel
Total Area
+/-32,000 sq ft**

Redlon Park Road

MEMORANDUM
City Council Hearing Item

TO: City Council

FROM: Tuck O'Brien, City Planning Director

DATE: October 10, 2017

SUBJECT: Discussion of Analysis of Housing Options for Redlon Woods

In the Fall of 2016, several properties in the vicinity of Redlon Park Road were brought to the attention of the City Owned and Tax Acquired Properties Committee (COTAPC). These properties are located in proximity to some others in the area that had been of interest to both the Department of Public Works for storm water and to the Landbank Commission for conservation purposes. The total of the properties being examined by the Land Bank and COTAPC at that time was a significantly larger amount of land than the council is now currently considering.

At the time, due to the City's policy goal to create housing, the Planning and Urban Development Department was asked research the reuse of all or some of the land involved in this area for potential housing development. We conducted an informal survey of both market-rate and affordable housing developers about development in the area. Although none of these conversations rose to the level of actively marketing the properties to any party, elements concerning the topography, infrastructure costs, zone and market sub-district were discussed. Specifically, issues which would face any potential redevelopment are the extensive amount of ledge, significant wetland area and lack of infrastructure. A number of paper streets do exist; however, construction of connected roadways within a development and to access the street grid will create significant costs.

In September of 2016, the Planning and Housing staff ran several proformas to examine the likelihood of redevelopment of this land for housing under several disposition scenarios including market-value disposition, partially and fully subsidized. The conclusion of this analysis is that even if disposed of for no cost, that development of the land under R-3 zoning was unlikely. One key component to any development would be the economy of scale to spread the cost of the development over a number of units. When examining the larger potential acquisition at the time the land area (> 3 acres) was sufficient to qualify as a PRUD under the R-3 requirements. Cost analysis of a clustered redevelopment scheme under a PRUD did not appear to be economic without significant subsidy and even with that infrastructure constraints made the project an unlikely target for market rate or affordable housing development. Specific issues which created concern were the amount of ledge and sizable roadway expansion costs combined with sewer and storm water expansion. Accordingly, given that a housing option was unlikely and given the

compelling arguments for adding the land into the Land Bank staff advanced that approach.

The reduced non-contiguous land area before the Council currently totals approximately 2.73 acres (a little more than half the size previously analyzed). Although the staff has not fully investigated the specific land characteristics of each lot, the overall square footage would not qualify for a PRUD and the redevelopment of the parcels into single family homes would face significant infrastructure challenges. Given the location of the parcels within the larger land area much of this land would have to be given over to roadway construction. Some of these lots are fairly inaccessible and the logistics of connecting them very complex. In addition, without the clustering opportunity provided by the PRUD provisions issues such as ledge and wetland would make it very challenging to develop many of the lots into standalone house lots. Again, we have not examined each of these lots but the previous analysis which indicated that a development taking advantage of the economies of scale from the PRUD option would not be feasible makes it unlikely that redevelopment of these lots as individual homes would be feasible.

*Order 64-18/19
Feb 28 9-5-18*

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER ACCEPTING ICE POND DRIVE
AS A CITY WAY**

ORDERED, that pursuant to 23 M.R.S. § 3025, Ice Pond Drive is hereby accepted as a city way and the Deed for said road and the fee title conveyed therein according to the Deed and descriptions attached to this Order are hereby approved and accepted, substantially in the form attached hereto as Exhibit A.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English, Danielle West-Chuhta,
Deivy Periana,

FROM: Chris Branch, Director Department of Public Works

DATE: August 20, 2018

SUBJECT: Acceptance of Ice Pond Drive as a City street

SPONSOR:

(If sponsored by a Council committee, include the date the committee met and the results of the vote.)

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading _____ Final Action x

Can action be taken at a later date: x Yes ___ No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)

I. ONE SENTENCE SUMMARY

Ice Pond Drive has been completed according to City Standards and is now ready for acceptance as a City Street. Public Works has approved the description of the Street and recommends the street be accepted

II. AGENDA DESCRIPTION (This is all that will be included of the agenda.)

III. BACKGROUND

The Old Barn Estates subdivision was approved by the Planning Board in April 2013. That subdivision approval contemplated the construction of "Ice Pond Drive" by the developer with the intent that it would be accepted as a public street by the City (*See* Condition of Approval 1 on Subdivision Plan, Sheet 1). The Developer has now completed construction of Ice Pond Drive to City standards and provided the City with a deed conveying the street in fee simple. Public Works now recommends that the City accept the street.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result is to own the street as a public way.

V. FINANCIAL IMPACT

The financial impact is that inherent in owning, maintaining and repairing a City street

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

The Public Works Department recommends acceptance of Ice Pond Drive as a City Street and acceptance of the deed transferring ownership interest.

VII. RECOMMENDATION

VIII. LIST ATTACHMENTS

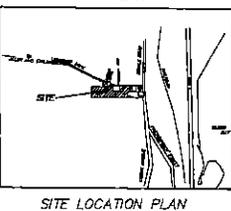
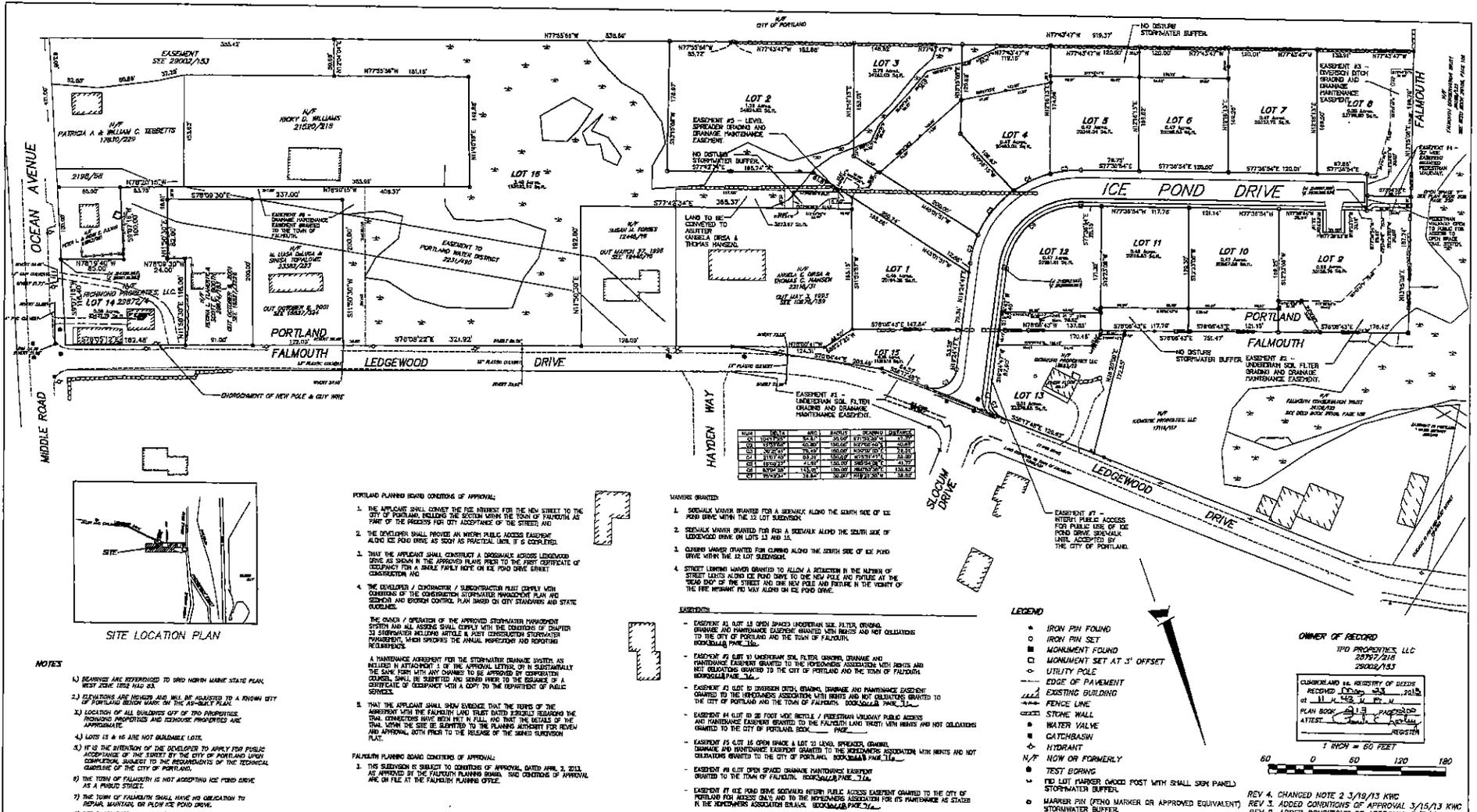
- A. Petition for acceptance of Ice Pond Drive**
- B. Waiver and Indemnification**
- C. Subdivision Plan Approved by Planning Board**
- D. Deed to City**

PLEASE REMEMBER THAT BACKUP ITEMS HAVE TO BE SINGLE SIDED.

Prepared by: Jennifer L. Thompson, Associate Corporation Counsel

Date: 8/20/2018

Bean/agendarequestmemo/rev 7/17/18



PORTLAND PLANNING BOARD CONSENTING OF APPROVAL

- THE APPLICANT SHALL CONVEY THE FEE INTEREST FOR THE NEW STREET TO THE CITY OF PORTLAND, INCLUDING THE SECTION WITHIN THE TOWN OF FALMOUTH AS PART OF THE PROCEEDS FOR ANY ACCEPTANCE OF THE STREET.
- THE DEVELOPER SHALL PROVIDE AN NORTH PUBLIC ACCESS EASEMENT ALONG ICE POND DRIVE AS SOON AS PRACTICAL, BUT IT IS COMPLETED.
- THAT THE APPLICANT SHALL CONSTRUCT A DRAINAGE LEDEGWOOD DRIVE AS SHOWN IN THE APPROVED PLANS PRIOR TO THE FIRST CERTIFICATE OF OCCUPANCY FOR A SINGLE FAMILY HOME ON ICE POND DRIVE STREET CONSTRUCTION AND
- THE DEVELOPER / CONTRACTOR / SUBCONTRACTOR MUST COMPLY WITH CONDITIONS OF THE CONSTRUCTION STORMWATER MANAGEMENT PLAN AND SEDIMENT AND EROSION CONTROL PLAN BASED ON CITY STANDARDS AND STATE REGULATIONS.

FALMOUTH PLANNING BOARD CONSENTING OF APPROVAL

- THIS SUBDIVISION IS SUBJECT TO CONDITIONS OF APPROVAL DATED APRIL 2, 2013 AS APPROVED BY THE FALMOUTH PLANNING BOARD. THE CONDITIONS OF APPROVAL ARE ON FILE AT THE FALMOUTH PLANNING OFFICE.

MANERS GRANTED

- SEWERAGE WATER GRANTED FOR A SEWERAGE ALONG THE SOUTH SIDE OF ICE POND DRIVE WITHIN THE 12 LOT SUBDIVISION.
- SEWERAGE WATER GRANTED FOR RISE A SEWERAGE ALONG THE SOUTH SIDE OF LEDEGWOOD DRIVE ON LOTS 13 AND 14.
- CURBSIDE LANDSCAPING GRANTED FOR CURBSIDE ALONG THE SOUTH SIDE OF ICE POND DRIVE WITHIN THE 12 LOT SUBDIVISION.
- STREET LIGHTING HANDED GRANTED TO ALLOW A REDUCTION IN THE NUMBER OF STREET LIGHTS ALONG ICE POND DRIVE TO THE NEW POLE AND PULSAR AT THE "DEAD END" OF THE STREET AND ONE NEW POLE AND PULSAR IN THE VICINITY OF THE TREE WITHIN THE 12 LOT SUBDIVISION.

EASEMENTS

- EASEMENT #1 AT LOT 13 OPEN SPACE UNDERNEATH THE FILTER CHAMBER DRAINAGE AND MAINTENANCE EASEMENT GRANTED WITH RIGHTS AND NOT OBLIGATIONS TO THE CITY OF PORTLAND AND THE TOWN OF FALMOUTH. BOOK 2013/218 PAGE 116.
- EASEMENT #2 AT LOT 13 UNDERNEATH THE FILTER CHAMBER DRAINAGE AND MAINTENANCE EASEMENT GRANTED WITH RIGHTS AND NOT OBLIGATIONS GRANTED TO THE CITY OF PORTLAND AND THE TOWN OF FALMOUTH. BOOK 2013/218 PAGE 116.
- EASEMENT #3 AT LOT 13 UNDERNEATH THE FILTER CHAMBER DRAINAGE AND MAINTENANCE EASEMENT GRANTED TO THE CITY OF PORTLAND AND THE TOWN OF FALMOUTH. BOOK 2013/218 PAGE 116.
- EASEMENT #4 AT LOT 13 OPEN SPACE UNDERNEATH THE FILTER CHAMBER DRAINAGE AND MAINTENANCE EASEMENT GRANTED WITH RIGHTS AND NOT OBLIGATIONS GRANTED TO THE CITY OF PORTLAND. BOOK 2013/218 PAGE 116.
- EASEMENT #5 AT LOT 13 OPEN SPACE UNDERNEATH THE FILTER CHAMBER DRAINAGE AND MAINTENANCE EASEMENT GRANTED WITH RIGHTS AND NOT OBLIGATIONS GRANTED TO THE CITY OF PORTLAND. BOOK 2013/218 PAGE 116.
- EASEMENT #6 AT LOT 13 OPEN SPACE UNDERNEATH THE FILTER CHAMBER DRAINAGE AND MAINTENANCE EASEMENT GRANTED WITH RIGHTS AND NOT OBLIGATIONS GRANTED TO THE CITY OF PORTLAND. BOOK 2013/218 PAGE 116.
- EASEMENT #7 AT ICE POND DRIVE SEWERAGE WATER PUBLIC ACCESS GRANTED TO THE CITY OF PORTLAND FOR ACCESS ONLY AND TO THE HOMEOWNERS ASSOCIATION FOR ITS MAINTENANCE AS STATED IN THE HOMEOWNERS ASSOCIATION BYLAWS. BOOK 2013/218 PAGE 116.

- LEGEND**
- IRON PIN FOUND
 - IRON PIN SET
 - MONUMENT FOUND
 - MONUMENT SET AT 3' OFFSET
 - UTILITY POLE
 - EDGE OF PAVEMENT
 - EXISTING BUILDING
 - FENCE LINE
 - STONE WALL
 - WATER VALVE
 - CATCHBASIN
 - HYDRANT
 - N/F NOW OR FORMERLY
 - TEST BORING
 - TED LOT NUMBER WOOD POST WITH SMALL SIGN PANELS STORMWATER BUFFER
 - HANDED PIN (WOOD MARKER OR APPROVED EQUIVALENT) STORMWATER BUFFER

OWNER OF RECORD
TPO PROPERTIES, LLC
20707/218
20002/133

CLERKLAND IN REGISTRY OF DEEDS
RECEIVED 12/15/13 10:23 AM
CLERKLAND IN REGISTRY OF DEEDS
RECEIVED 12/15/13 10:23 AM
PLAN BOOK 2013/218
ATTEST: [Signature] REGISTRAR

1 INCH = 50 FEET

60 0 50 100 150

REV 4. CHANGED NOTE 2 3/19/13 KWC
REV 3. ADDED CONDITIONS OF APPROVAL 3/15/13 KWC
REV 2. ADDED CONDITIONS OF APPROVAL 3/27/13 KWC
REV 1. ADDED CONDITIONS OF APPROVAL 3/17/13 KWC

- NOTES**
- SEWERAGE AND WASTEWATER TO DRD NORTH MAINE STATE PLAN, BEST PRACTICE 1998 AND 2003.
 - ELEVATIONS ARE INDICATED AND WILL BE ADJUSTED TO A KNOWN CITY OF PORTLAND BENCHMARK BY THE 45'-50" BENCH MARK.
 - LOCATION OF ALL BUILDINGS OF TWO PROPERTIES INCLUDING PROPERTIES AND TOWNERS PROVIDED ARE APPROXIMATE.
 - LOTS 13 & 14 ARE NOT BOUNDARY LOTS.
 - IT IS THE INTENTION OF THE DEVELOPER TO APPLY FOR PUBLIC ACCEPTANCE OF THE STREET BY THE CITY OF PORTLAND UPON COMPLETION SUBJECT TO THE REQUIREMENTS OF THE TECHNICAL GUIDELINES OF THE CITY OF PORTLAND.
 - THE TOWN OF FALMOUTH IS NOT ACCEPTING ICE POND DRIVE AS A PUBLIC STREET.
 - THE TOWN OF FALMOUTH SHALL HAVE NO OBLIGATION TO REPAIR, MAINTAIN, OR PLOW ICE POND DRIVE.
 - SEE SHEET SUBDIVISION PLAN RECORDING PLAN 2 OF 2 FOR ADDITIONAL DETAILS AND INFORMATION.

- REFERENCES**
- PLAN OF THE REDEVELOPMENT OF LEDEGWOOD DRIVE (FORMER ROAD) DATED OCTOBER 21, 1998 MADE BY M.L. & C.D. JORDAN AS REGISTERED IN THE CLERKLAND COUNTY CLERK'S OFFICE IN PLAN BOOK 7, PAGE 12.
 - PLAN ENTITLED "PLAN OF PROPERTY" MADE FOR THE OGDENSBURY LOTS, JUNE 9, 1992 BY CULLENBERG LAND SURVEYING.
 - PLAN ENTITLED "PLAN OF PROPERTY" MADE FOR KEVIN OGDENSBURY DATED OCTOBER 28, 1999 BY CULLENBERG LAND SURVEYING.
 - SKETCH PLAN MADE FOR SUSAN FORBES DATED AUGUST 02, 2001 BY NORTHEAST CIVIL SOLUTIONS AS RECORDED IN THE CLERKLAND COUNTY REGISTRY OF DEEDS IN PLAN BOOK 201, PAGE 246.

APPROVED BY THE CITY OF PORTLAND PLANNING BOARD
DATE: February 26, 2013
[Signatures]

APPROVED BY THE TOWN OF FALMOUTH PLANNING BOARD
DATE: April 2, 2013
[Signatures]

KEVIN W. CULLENBERG PLS 1278
[Seal]

SUBMISSION RECORDING PLAN 1
OLD BARN ESTATES
OCEAN AVE & LEDEGWOOD DRIVE
PORTLAND & FALMOUTH, MAINE
MADE FOR
TPO PROPERTIES, LLC
30 LEDEGWOOD DRIVE FALMOUTH, MAINE
FEBRUARY 8, 2013
BY
CULLENBERG LAND SURVEYING
892 OLD DANVILLE ROAD
AUGUSTA, MAINE 04210
(207) 277-1150

I HEREBY CERTIFY THAT THIS SURVEY CONFORMS TO THE MAINE BOARD OF LICENSED PROFESSIONAL LAND SURVEYORS STANDARDS OF PRACTICE AS ADOPTED APRIL 2, 2001.

Waiver and Indemnification Form

WHEREAS, TPO Properties, LLC, a Maine Limited Liability Company has requested the City of Portland to accept and/or improve a certain proposed town way located lying off Ledgewood Drive in Falmouth and between Ocean Avenue and Allen Avenue Extension within the City of Portland pursuant to 23 MRSA Sec 3021 et seq. and previously dedicated as "Ice Pond Drive" on a subdivision plan approved by the Portland Planning Board on February 26, 2013;

WHEREAS, it is a condition precedent to any acceptance of the proposed town way that the owner(s) waive any claims for damages against the City for such acceptance; and

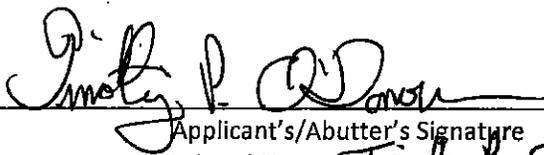
WHEREAS, the City requires as a condition precedent to any acceptance of the proposed town way that the owner(s) indemnify it against any claims of third persons arising out of or resulting from the acceptance and/or improvement of said proposed town way; and

NOW, THEREFORE, in consideration of the City of Portland accepting said proposed town way, TPO Properties, LLC. for itself, its successors and assigns, agrees as follows:

1. TPO Properties, LLC hereby waives any claim for damages which he/she may now or hereafter have against the City of Portland arising out of or resulting from the laying out and acceptance and/or changes in the grade of such proposed town way by the City pursuant to 23 MRSA Sec. 3021 et seq.;
2. TPO Properties, LLC hereby agrees to indemnify and hold harmless the City of Portland against any claims by any third party against the City of Portland for damages arising out of or resulting from acceptance and/or improvement of such proposed town way by the City of Portland pursuant to said statute.

8/23/18

Dated:



Applicant's/Abutter's Signature

Printed Name: Timothy P. O'Donovan

DATE:

Mr. Christopher Branch, Director
Public Works
55 Portland Street
Portland, ME 04101

RE: PETITION FOR CITY ACCEPTANCE OF Ice Pond Drive AS A PUBLIC STREET

Dear Mr. Branch:

In accordance with 23 MRSA Sec. 3025, and Chapter 25 of the Portland City Code, I/We hereby petition to have Ice Pond Drive, so called, lying off Ledgewood Drive, Falmouth between Ocean Avenue and Allen Avenue Extension within the City of Portland as more fully described on the attached **Exhibit A, legal description** accepted as a permanent public street by the City of Portland. Specifically, I/We request that the City Council:

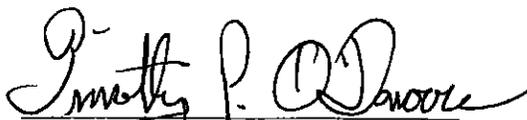
Accept Ice Pond Drive along with its associated landscape median, bituminous concrete sidewalk, stormwater infrastructure and all future repair and maintenance as a City street.

The street was dedicated for public travel by the recording of a plan of the street in the Cumberland County Registry of Deeds on May 23, 2013 at Plan Book 213, Page 200 & 201.

I have enclosed easements from the public utilities detailing whatever interests they have in the portion of Ice Pond Drive to be accepted. Attached as **Exhibit B** is the deed from the owner(s) of the land to be accepted as a public street or way and conveying said land to the City. Also enclosed as **Exhibit C** are: submissions required by the City's Engineering Division's "Engineering Design and As-Built Plan Submission Requirements." Finally, enclosed is the \$2,000.00 fee that I/we understand is required to cover your administrative costs and costs of providing public notices.

I/We hereby request that you take all further action necessary to complete acceptance of the above-described street, and that you inform me/us should it become necessary for me/us to provide you with any further information, or take any further action.

Sincerely,



Timothy P. O'Donovan
Address: 30 Ledgewood Drive
Falmouth, Maine 04105

QUITCLAIM WITH COVENANT
(Maine Statutory Short Form)

KNOW ALL PERSONS BY THESE PRESENTS, THAT, **TPO PROPERTIES, LLC** a Maine Limited Liability Company with a principal place of business located in the City of Falmouth, County of Cumberland, and State of Maine, for consideration paid GRANT to the **CITY OF PORTLAND** a Maine Municipality with a principal place of business located in the City of Portland, County of Cumberland, State of Maine having a mailing address of 389 Congress Street, Portland, Maine with QUITCLAIM COVENANT, the land more specifically described in the attached Exhibit A, and incorporated hereto by reference.

For Grantor's source of title, reference is made to a deed from the Estate of Dale Williams to TPO Properties, LLC dated September 30, 2011, recorded in the Cumberland County Registry of Deeds in Book 29002, Page 153, and from MECAP, LLC to TPO Properties, LLC dated June 29, 2011, and recorded in said registry of deeds in Book 28797, Page 218.

27th IN WITNESS WHEREOF, **TPO PROPERTIES, LLC**, has set their hand and seal this day of March, 2018.

Signed, sealed, and delivered in the presence of:

Jean A. Libby
Witness

TPO PROPERTIES, LLC
Timothy P. O'Donovan
By: Timothy P. O'Donovan
Its: Member

State of Maine
County of Cumberland

March 27th, 2018

Then personally appeared the abovenamed Timothy P. O'Donovan as Member of TPO Properties, LLC and acknowledged the foregoing to be his free act and deed and the free act and deed of TPO Properties, LLC.

Before me,
Jean A. Libby
Notary Public/Attorney at Law
Print Name: _____

JEAN A. LIBBY
Notary Public, Maine
My Commission Expires March 3, 2019

EXHIBIT A

A certain lot or parcel of land being **Ice Pond Drive** as shown on Old Barn Estates Subdivision dated February 8, 2013 by Cullenberg Land Surveying as recorded in the Cumberland County Registry of Deeds in Plan Book 213, Page 200 situated on the southwesterly side of Ledgewood Drive partly in the town of Falmouth and partly in the city of Portland, County of Cumberland, State of Maine bounded and described as follows:

Beginning at a point on the southwesterly sideline of Ledgewood Drive at the northeasterly corner of lot 13 as shown on the above described plan. Thence by the following courses and distances:

- 1) S 56°-17'-48" E along Ledgewood Drive a distance of 113.51 feet to an iron pin set at lot 15.
- 2) Westerly along lot 15 on a curve to the left having a radius of 30.00 feet an arc distance of 54.61 feet to an iron pin set.
- 3) S 19°-24'-47" W along Lots 15, 1 and 2 a distance of 145.28 feet an iron pin set.
- 4) Westerly along lots 2, 3, 4 and 5 on a curve to the right having a radius of 150 an arc distance of 217.51 feet to an iron pin set.
- 5) N 77°-36'-54" W along lots 5, 6, 7 and 8 a distance 386.62 feet to an iron pin set.
- 6) N 12°-23'-07" E along lots 8 and 9 a distance of 50.00 feet to an iron pin set.
- 7) S 77°-36'-54" E along lot 9 a distance 29.61 feet to an iron pin set.
- 8) N 12°-23'-07" E along lot 9 a distance of 32.16 feet to an iron pin set.
- 9) S 77°-36'-54" E along lot 9 a distance 30.00 feet to an iron pin set.
- 10) S 12°-23'-06" W along lot 9 a distance of 32.16 feet to an iron pin set.
- 11) S 77°-36'-54" E along lots 9, 10, 11, and 12 a distance of 327.01 feet to an iron pin set.
- 12) Easterly along lot 12 on a curve to the left having a radius of 100 an arc distance of 145.01 feet to an iron pin set.
- 13) N 19°-24'-47" E along Lots 12 and 13 a distance of 173.30 feet an iron pin set.
- 14) Northerly along lot 13 on a curve to the left having a radius of 30 an arc distance of 39.64 feet to the point of **beginning**.

Bearings are referenced to grid north.

Order 65-18/19
Tab 21 9-5-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER ACCEPTING AND APPROPRIATING THE FEDERAL EMERGENCY
MANAGEMENT AGENCY GRANT OF \$681,819.00 FOR A NEW FIRE TRUCK**

ORDERED, that a grant in the amount of \$681,819.00 from the United States Federal Emergency Management Agency (FEMA) is hereby accepted and that amount appropriated for the purpose of purchasing a new fire truck as set forth in the grant agreement attached hereto; and

BE IT FURTHER ORDERED, that \$68,181.00 is hereby appropriated as the 10 percent in City of Portland matching funds required for acceptance of the FEMA Grant; and

BE IT FURTHER ORDERED, that the City Manager or his or her designee is hereby authorized to execute the Grant Agreement in substantially the form attached hereto and whatever other documents are necessary to effect the intent and purpose of this order; and

BE IT FURTHER ORDERED, that this appropriation is enacted as an Emergency, pursuant to Article II, Section 11 of the Portland City Charter, in order to make it effective immediately and allow the City to acknowledge acceptance of the grant before the deadline for acceptance.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Michael Sauschuck, Sonia Bean, Danielle West-Chuhta, Nancy English, Deivy Periana

FROM: Jon P. Jennings, City Manager

DATE: August 20, 2018

SUBJECT: Assistance to Firefighters Grant Award Acceptance and Appropriation of Funds

SPONSOR: Jon P. Jennings, City Manager
(If sponsored by a Council committee, include the date the committee met, the results of the vote, and the meeting minutes.

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading 9/5/2018 Final Action 9/5/2018 *Staff is requesting that the second reading be waived

Can action be taken at a later date: ___ Yes ___ **X** No (If no why not?)

There is a 30 day period in which the City can accept this Federal Grant so the Manager and Staff are recommending that the second reading be waived and the appropriation passed as an emergency.

PRESENTATION: (List the presenter(s), type and length of presentation)

This will be a brief presentation and description from Chief Keith Gautreau and City Manager Jennings.

I. ONE SENTENCE SUMMARY

The City Council is asked to accept and appropriate a \$681,819 federal grant from FEMA for the purchase of a new fire truck.

II. AGENDA DESCRIPTION

The City Council is asked to accept and appropriate a \$681,819 federal grant from the Federal Emergency Management Agency, awarded to the Portland Fire Department for the purchase of a new fire truck. The Fire Department applied for the federal grant called Assistance to Firefighters Grant in Fiscal Year 2017 for financial assistance in purchasing a new Heavy Rescue Fire truck. The Fire Department was notified that it had been awarded the grant on August 10, 2018. There is a local contribution or match of 10% or \$68,181. The Fire Chief, on behalf of the City of Portland, has 30 days to accept or decline the grant. Emergency passage is requested due to the 30 day acceptance period from August 10, 2018.

III. BACKGROUND

The purpose of the Assistance to Firefighters Program is to protect the health and safety of the public and firefighting personnel against fire and fire-related hazards. After careful consideration, FEMA has determined that the recipient's project or projects submitted as part of the recipient's application and detailed in the project narrative as well as the request details section of the application - including budget information - was consistent with the Assistance to Firefighters Grant program's purpose and worthy of award. The recipient is required to perform the work described in the grant application for the recipient's approved project or projects as itemized in the request details section of the application and further described in the grant application narrative. The content of the approved portions of the application - along with any documents submitted with the recipient's application - are incorporated by reference into the terms of the recipient's award. The recipient may not change or make any material deviations from the approved scope of work outlined in the above referenced sections of the application without prior written approval, via amendment request, from FEMA.

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED

Improved public safety.

V. FINANCIAL IMPACT

According to the terms of the grant, the City agrees to the local contribution in the amount of **\$68,181.00**. The City has identified funding within the FY19 operating budget to serve as the required match if the expenditure is required prior to approval of the FY20 Capital Improvement Plan. These matching funds will also be requested as part of the FY20 CIP (the FY20 CIP is targeted for approval in early 2019) and if this request is approved the FY19 operating budget funds will not be required.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

See attached grant.

VII. RECOMMENDATION

Staff recommends accepting and appropriating the federal grant in the amount of \$681,819.00 for the purchase of a new fire truck.

Corporation Counsel approves the order as to form.

VIII. LIST ATTACHMENTS

See attached PDF of the full FEMA Award Package.

Prepared by: Keith Gautreau, Interim Fire Chief

Date: August 20, 2018

Award Package



FEMA

Mr. Keith Gautreau
City of Portland Fire Department
380 Congress Street
Portland, Maine 04101-3513

Re: Award No.EMW-2017-FV-01418

Dear Mr. Gautreau:

Congratulations, on behalf of the Department of Homeland Security, your application for financial assistance submitted under the Fiscal Year (FY) 2017 Assistance to Firefighters Grant has been approved in the amount of \$681,819.00. As a condition of this award, you are required to contribute a cost match in the amount of \$68,181.00 of non-Federal funds, or 10 percent of the Federal contribution of \$681,819.00.

Before you request and receive any of the Federal funds awarded to you, you must establish acceptance of the award through the Assistance to Firefighters Grant Programs' e-grant system. By accepting this award, you acknowledge that the terms of the following documents are incorporated into the terms of your award:

- Summary Award Memo
- Agreement Articles (attached to this Award Letter)
- Obligating Document (attached to this Award Letter)
- FY 2017 Assistance to Firefighters Grant Notice of Funding Opportunity.

Please make sure you read, understand, and maintain a copy of these documents in your official file for this award.

Prior to requesting Federal funds, all recipients are required to register in the System for Award Management (SAM.gov). As the recipient, you must register and maintain current information in SAM.gov until you submit the final financial report required under this award or receive the final payment, whichever is later. This requires that the recipient review and update the information annually after the initial registration, and more frequently for changes in your information. There is no charge to register in SAM.gov. Your registration must be completed on-line at <https://www.sam.gov/portal/public/SAM/>. It is your entity's responsibility to have a valid DUNS number at the time of registration.

In order to establish acceptance of the award and its terms, please follow these instructions:

Step 1: Please go to <https://portal.fema.gov> to accept or decline your award. This will take you to the Assistance to Firefighters eGrants system. Enter your User Name and Password as requested on the login screen. Your User Name and Password are the same as those used to complete the application on-line.

Once you are in the system, the Status page will be the first screen you see. On the right side of the Status screen, you will see a column entitled Action. In this column, please select the View Award Package from the drop down menu. Click Go to view your award package and indicate your acceptance or declination of award. PLEASE NOTE: your period of performance has begun. If you wish to accept your grant, you should do so immediately. When you have finished, we recommend printing your award package for your records.

Step 2: If you accept your award, you will see a link on the left side of the screen that says Update 1199A in the Action column. Click this link. This link will take you to the SF-1199A, Sign-up Form. Please complete the SF-1199A on-line if you have not done so already. When you have finished, you must submit the form electronically. Then, using the Print 1199A Button, print a copy and keep the original form in your grant files. Once approved you will be able to request payments online.

If you have any questions or concerns regarding your 1199A, or the process to request your funds, please call (866) 274-0960.

Sincerely,

A handwritten signature in black ink that reads "Thomas DiNanno".

Thomas George DiNanno
GPD Assistant Administrator

Summary Award Memo

INSTRUMENT: GRANT
AGREEMENT NUMBER: EMW-2017-FV-01418
GRANTEE: City of Portland Fire Department
DUNS NUMBER: 071747802
AMOUNT: \$750,000.00, Vehicle Acquisition

Project Description

The purpose of the Assistance to Firefighters Program is to protect the health and safety of the public and firefighting personnel against fire and fire-related hazards.

After careful consideration, FEMA has determined that the recipient's project or projects submitted as part of the recipient's application, and detailed in the project narrative as well as the request details section of the application - including budget information - was consistent with the Assistance to Firefighters Grant program's purpose and worthy of award. The projects approved for funding are indicated by the budget or negotiation comments below. The recipient shall perform the work described in the grant application for the recipient's approved project or projects as itemized in the request details section of the application and further described in the grant application narrative. The content of the approved portions of the application - along with any documents submitted with the recipient's application - are incorporated by reference into the terms of the recipient's award. The recipient may not change or make any material deviations from the approved scope of work outlined in the above referenced sections of the application without prior written approval, via amendment request, from FEMA.

Period of Performance

02-AUG-18 to 01-AUG-19

Amount Awarded

The amount of the award is detailed in the attached Obligating Document for Award. The following are the budgeted estimates for object classes for this grant (including Federal share plus recipient match):

Personnel:	\$0.00
Fringe Benefits	\$0.00
Travel	\$0.00
Equipment	\$750,000.00
Supplies	\$0.00
Contractual	\$0.00
Construction	\$0.00
Other	\$0.00
Indirect Charges	\$0.00
State Taxes	\$0.00
Total	\$750,000.00

NEGOTIATION COMMENTS IF APPLICABLE (max 8000 characters)

The Program Office has made the following reductions to your grant:

Funds for Vehicle was reduced to \$750,000.

Therefore, they have recommended the award at this level:

Total budget \$ 750,000
Federal share \$ 681,819
Applicant share \$ 68,181

Any questions pertaining to your award package, please contact your GPD Grants Management Specialist:

Katrice Hagan
Katrice.Hagan@fema.dhs.gov

FEMA Officials

Program Officer: The Program Specialist is responsible for the technical monitoring of the stages of work and technical performance of the activities described in the approved grant application. If you have any programmatic questions regarding your grant, please call the AFG Help Desk at 866-274-0960 to be directed to a program specialist.

Grants Assistance Officer: The Assistance Officer is the Federal official responsible for negotiating, administering, and executing all grant business matters. The Officer conducts the final business review of all grant awards and permits the obligation of federal funds. If you have any questions regarding your grant please call ASK-GMD at 866-927-5646 to be directed to a Grants Management Specialist.

Grants Operations POC: The Grants Management Specialist shall be contacted to address all financial and administrative grant business matters for this grant award. If you have any questions regarding your grant please call ASK-GMD at 866-927-5646 to be directed to a specialist.

ADDITIONAL REQUIREMENTS (IF APPLICABLE) (max 8000 characters)

Agreement Articles



FEMA

U.S. Department of Homeland Security
Washington, D.C. 20472

AGREEMENT ARTICLES

ASSISTANCE TO FIREFIGHTERS GRANT PROGRAM - Vehicle Acquisition

GRANTEE: City of Portland Fire Department

PROGRAM: Vehicle Acquisition

AGREEMENT NUMBER: EMW-2017-FV-01418

AMENDMENT NUMBER:

TABLE OF CONTENTS

The FY 2017 DHS Standard Terms and Conditions apply to all new federal financial assistance awards funded in FY 2017. The DHS financial assistance awards terms and conditions flow down to subrecipients, unless a particular award term or condition specifically indicates otherwise.

Article I. Assurances, Administrative Requirements, Cost Principles, and Audit Requirements

DHS financial assistance recipients must complete either the OMB Standard Form [424B Assurances - Non-Construction Programs](#), or OMB Standard Form [424D Assurances - Construction Programs as applicable](#). Certain assurances in these documents may not be applicable to your program, and the DHS financial assistance office (DHS FAO) may require applicants to certify additional assurances. Applicants are required to fill out the assurances applicable to their program as instructed by the awarding agency. Please contact the DHS FAO if you have any questions.

DHS financial assistance recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at [2 C.F.R. Part 200](#), and adopted by DHS at [2 C.F.R. Part 3002](#).

Article II. DHS Specific Acknowledgements and Assurances

All recipients, subrecipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff.

1. Recipients must cooperate with any compliance reviews or compliance investigations conducted by DHS.
2. Recipients must give DHS access to, and the right to examine and copy, records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations and other applicable laws or program guidance.
3. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports.
4. Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.
5. If, during the past three years, recipients have been accused of discrimination on the grounds of race, color, national origin (including limited English proficiency (LEP)), sex, age, disability, religion, or familial status, recipients must provide a list of all such proceedings, pending or completed, including outcome and copies of settlement agreements to the DHS FAO and the [DHS Office of Civil Rights and Civil Liberties \(CRCL\)](#) by e-mail at crcl@hq.dhs.gov or by mail at U.S. Department of Homeland Security Office for Civil Rights and Civil Liberties Building 410, Mail Stop #0190 Washington, D.C. 20528.
6. In the event courts or administrative agencies make a finding of discrimination on grounds of race, color, national origin (including LEP), sex, age, disability, religion, or familial status against the recipient, or recipients settle a case or matter alleging such discrimination, recipients must forward a copy of the complaint and findings to the DHS FAO and the CRCL office by e-mail or mail at the addresses listed above.

The United States has the right to seek judicial enforcement of these obligations.

Article III. Acceptance of Post Award Changes

In the event FEMA determines that changes are necessary to the award document after an award has been made, including changes to period of performance or terms and conditions, recipients will be notified of the changes in writing. Once notification has been made, any subsequent request for funds will indicate recipient acceptance of the changes to the award. If you have questions about these procedures, please contact the AFG Help Desk at 1-866-274-0960, or send an email to firegrants@dhs.gov.

Article IV. Acknowledgment of Federal Funding from DHS

All recipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposals, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.

Article V. Activities Conducted Abroad

All recipients must ensure that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.

Article VI. Age Discrimination Act of 1975

All recipients must comply with the requirements of the *Age Discrimination Act of 1975* ([Title 42 U.S. Code, § 6101 et seq.](#)), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.

Article VII. Americans with Disabilities Act of 1990

All recipients must comply with the requirements of Titles I, II, and III of the *Americans with Disabilities Act*, which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities. ([42 U.S.C. §§ 12101- 12213](#)).

Article VIII. Animal Welfare Act of 1966

Where applicable, recipients of financial assistance will comply with the requirements of the Animal Welfare Act, as amended (7 U.S.C. §2131 et seq.), which requires that minimum standards of care and treatment be provided for vertebrate animals bred for commercial sale, used in research, transported commercially, or exhibited to the public. Recipients must establish appropriate policies and procedures for the humane care and use of animals based on the Guide for the Care and Use of Laboratory Animals and comply with the Public Health Service Policy and Government Principles Regarding the Care and Use of Animals.

Article IX. Best Practices for Collection and Use of Personally Identifiable Information (PII)

DHS defines personally identifiable information (PII) as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. All recipients who collect PII are required to have a publically-available privacy policy that describes standards on the usage and maintenance of PII they collect. Recipients may also find the DHS Privacy Impact Assessments: [Privacy Guidance](#) and [Privacy template](#) as useful resources respectively.

Article X. Civil Rights Act of 1964 - Title VI

All recipients must comply with the requirements of Title VI of the *Civil Rights Act of 1964* ([42 U.S.C. § 2000d et seq.](#)), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. DHS implementing regulations for the Act are found at [6 C.F.R. Part 21](#) and [44 C.F.R. Part 7](#).

Article XI. Civil Rights Act of 1968

All recipients must comply with [Title VIII of the Civil Rights Act of 1968](#), which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (See [42 U.S.C. § 3601 et seq.](#)), as implemented by the Department of Housing and Urban Development at [24 C.F.R. Part 100](#). The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units-i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)-be designed and constructed with certain accessible features. (See [24 C.F.R. § 100.201](#).)

Article XII. Contract Provisions for Non-federal Entity Contracts under Federal Awards

In addition to other provisions required by the Federal agency or non-Federal entity, all contracts made by the recipient under the Federal award must contain provisions as required by Appendix II of 2 C.F.R. Part 200, *Contract Provisions for Non-Federal Entity Contracts Under Federal Awards*, including but not limited to the following:

- a. Contracts for more than the simplified acquisition threshold set at \$150,000.

All recipients who have contracts exceeding the acquisition threshold currently set at \$150,000, which is the inflation adjusted amount determined by Civilian Agency Acquisition Council and the Defense Acquisition Regulation Council as authorized by [41 U.S.C. §1908](#), must address administrative, contractual, or legal remedies in instance where contractors violate or breach contract terms and provide for such sanctions and penalties as appropriate.

b. Contracts in excess of \$10,000.

All recipients that have contracts exceeding \$10,000 must address termination for cause and for convenience by the non-Federal entity including the manner by which it will be effected and the basis for settlement.

Article XIII. Copyright

All recipients must affix the applicable copyright notices of [17 U.S.C. §§ 401 or 402](#) and an acknowledgement of U.S. Government sponsorship (including the award number) to any work first produced under federal financial assistance awards.

Article XIV. Debarment and Suspension

All recipients are subject to the non-procurement debarment and suspension regulations implementing Executive Orders (E.O.) [12549](#) and [12689](#), and [2 C.F.R. Part 180](#). These regulations restrict federal financial assistance awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.

Article XV. Disposition of Equipment Acquired Under the Federal Award

When original or replacement equipment acquired under this award by the recipient or its sub-recipients is no longer needed for the original project or program or for other activities currently or previously supported by DHS/FEMA, you must request instructions from DHS/FEMA to make proper disposition of the equipment pursuant to 2 C.F.R. § 200.313.

Article XVI. Drug-Free Workplace Regulations

All recipients must comply with the *Drug-Free Workplace Act of 1988* ([41 U.S.C. § 8101 et seq.](#)), which requires all organizations receiving grants from any federal agency agree to maintain a drug-free workplace. You as the recipient must comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 2 CFR part 3001, which adopts the Government-wide implementation (2 CFR part 182) of sec. 5152-5158 of the Drug-Free Workplace Act of 1988 (Pub. L. 100-690, Title V, Subtitle D; 41 U.S.C. 8101-8107).

Article XVII. Duplication of Benefits

Any cost allocable to a particular federal financial assistance award provided for in [2 C.F.R. Part 200, Subpart E](#) may not be charged to other federal financial assistance awards to overcome fund deficiencies, to avoid restrictions imposed by federal statutes, regulations, or federal financial assistance award terms and conditions, or for other reasons. However, these prohibitions would not preclude recipients from shifting costs that are allowable under two or more awards in accordance with existing federal statutes, regulations, or the federal financial assistance award terms and conditions.

Article XVIII. Education Amendments of 1972 (Equal Opportunity in Education Act) - Title IX

All recipients must comply with the requirements of Title IX of the Education Amendments of 1972 ([20 U.S.C. § 1681 et seq.](#)), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance. DHS implementing regulations are codified at [6 C.F.R. Part 17](#) and [44 C.F.R. Part 19](#).

Article XIX. Energy Policy and Conservation Act

All recipients must comply with the requirements of [42 U.S.C. § 6201](#) which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.

Article XX. Environmental Planning and Historic Preservation Screening

AFG funded activities that may require an EHP review, involving the installation or requiring renovations to facilities, including but not limited to air compressor/fill station/cascade system (Fixed) for filling SCBA, air improvement systems, alarm systems, antennas, gear dryer, generators (fixed), permanently mounted signs, renovations to facilities, sprinklers, vehicle exhaust systems (fixed) or washer/extractors are subject to FEMA's Environmental Planning and Historic Preservation (EHP) review process. FEMA is required to consider the potential impacts to natural and cultural resources of all projects funded by FEMA grant funds, through its EHP Review process, as mandated by the National Environmental Policy Act; National Historic Preservation Act of 1966, as amended; National Flood Insurance Program regulations; and, any other applicable laws and Executive Orders. To access the FEMA's Environmental and Historic Preservation (EHP) screening form and instructions go to our Department of Homeland Security/Federal Emergency Management Agency website at: <https://www.fema.gov/library/viewRecord.do?id=6906>. In order to initiate EHP review of your project(s), you must complete all relevant sections of this form and submit it to the Grant Programs Directorate (GPD) along with all other pertinent project information. Failure to provide requisite information could result in delays in the release of grant funds.

Article XXI. False Claims Act and Program Fraud Civil Remedies

All recipients must comply with the requirements of [31 U.S.C. § 3729-3733](#) which prohibits the submission of false or fraudulent claims for payment to the federal government. (See [31 U.S.C. § 3801-3812](#) which details the administrative remedies for false claims and statements made.)

Article XXII. Federal Debt Status

All recipients are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. (See [OMB Circular A-129](#).)

Article XXIII. Federal Leadership on Reducing Text Messaging while Driving

All recipients are encouraged to adopt and enforce policies that ban text messaging while driving as described in [E.O. 13513](#), including conducting initiatives described in Section 3(a) of the Order when on official government business or when performing any work for or on behalf of the federal government.

Article XXIV. **Fly America Act of 1974**

All recipients must comply with Preference for U.S. Flag Air Carriers (air carriers holding certificates under [49 U.S.C. § 41102](#)) for international air transportation of people and property to the extent that such service is available, in accordance with the *International Air Transportation Fair Competitive Practices Act of 1974* ([49 U.S.C. § 40118](#)) and the Interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981 [amendment](#) to Comptroller General Decision B-138942.

Article XXV. **Hotel and Motel Fire Safety Act of 1990**

In accordance with Section 6 of the *Hotel and Motel Fire Safety Act of 1990*, [15 U.S.C. § 2225a](#), all recipients must ensure that all conference, meeting, convention, or training space funded in whole or in part with federal funds complies with the fire prevention and control guidelines of the *Federal Fire Prevention and Control Act of 1974*, as amended, [15 U.S.C. § 2225](#).

Article XXVI. **Limited English Proficiency (Civil Rights Act of 1964, Title VI)**

All recipients must comply with the *Title VI of the Civil Rights Act of 1964* (Title VI) prohibition against discrimination on the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance <https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited> and additional resources on <http://www.lep.gov>.

Article XXVII. **Lobbying Prohibitions**

All recipients must comply with [31 U.S.C. § 1352](#), which provides that none of the funds provided under an federal financial assistance award may be expended by the recipient to pay any person to influence, or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any federal action concerning the award or renewal.

Article XXVIII. **National Environmental Policy Act**

All recipients must comply with the requirements of the [National Environmental Policy Act](#) (NEPA) and the Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA, which requires recipients to use all practicable means within their authority, and consistent with other essential considerations of national policy, to create and maintain conditions under which people and nature can exist in productive harmony and fulfill the social, economic, and other needs of present and future generations of Americans.

Article XXIX. **Nondiscrimination in Matters Pertaining to Faith-Based Organizations**

It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. All recipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.

Article XXX. **Non-supplanting Requirement**

All recipients receiving federal financial assistance awards made under programs that prohibit supplanting by law must ensure that federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-federal sources.

Article XXXI. **Notice of Funding Opportunity Requirements**

All of the instructions, guidance, limitations, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this program are incorporated here by reference in the award terms and conditions. All recipients must comply with any such requirements set forth in the program NOFO.

Article XXXII. **Patents and Intellectual Property Rights**

Unless otherwise provided by law, recipients are subject to the [Bayh-Dole Act, Pub. L. No. 96-517](#), as amended, and codified in [35 U.S.C. § 200](#) et seq. All recipients are subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from federal financial assistance awards located at [37 C.F.R. Part 401](#) and the standard patent rights clause located at 37 C.F.R. § 401.14.

Article XXXIII. **Prior Approval for Modification of Approved Budget**

Before making any change to the DHS/FEMA approved budget for this award, you must request prior written approval from DHS/FEMA where required by 2 C.F.R. § 200.308. For awards with an approved budget greater than \$150,000, you may not transfer funds among direct cost categories, programs, functions, or activities without prior written approval from DHS/FEMA where the cumulative amount of such transfers exceeds or is expected to exceed ten percent (10%) of the total budget DHS/FEMA last approved. You must report any deviations from your DHS/FEMA approved budget in the first Federal Financial Report (SF-425) you submit following any budget deviation, regardless of whether the budget deviation requires prior written approval.

Article XXXIV. **Procurement of Recovered Materials**

All recipients must comply with Section 6002 of the [Solid Waste Disposal Act](#), as amended by the [Resource Conservation and Recovery Act](#). The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at [40 C.F.R. Part 247](#) that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.

Article XXXV. Protection of Human Subjects

Where applicable, recipients of financial assistance will comply with the requirements of the Federal regulations at 45 CFR Part 46, which requires that recipients comply with applicable provisions/law for the protection of human subjects for purposes of research. Recipients must also comply with the requirements in DHS Management Directive 026-04, Protection of Human Subjects, prior to implementing any work with human subjects. For purposes of 45 CFR Part 46, research means a systematic investigation, including research, development, testing, and evaluation, designed to develop or contribute to general knowledge. Activities that meet this definition constitute research for purposes of this policy, whether or not they are conducted or supported under a program that is considered research for other purposes. The regulations specify additional protections for research involving human fetuses, pregnant women, and neonates (Subpart B); prisoners (Subpart C); and children (Subpart D). The use of autopsy materials is governed by applicable State and local law and is not directly regulated by 45 CFR Part 46.

Article XXXVI. Rehabilitation Act of 1973

All recipients must comply with the requirements of Section 504 of the *Rehabilitation Act of 1973*, [29 U.S.C. § 794](#), as amended, which provides that no otherwise qualified handicapped individuals in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.

Article XXXVII. Reporting of Matters Related to Recipient Integrity and Performance

If the total value of the recipient's currently active grants, cooperative agreements, and procurement contracts from all federal assistance offices exceeds \$10,000,000 for any period of time during the period of performance of this federal financial assistance award, you must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at [2 C.F.R. Part 200, Appendix XII](#), the full text of which is incorporated here by reference in the award terms and conditions.

Article XXXVIII. Reporting Subawards and Executive Compensation

All recipients are required to comply with the requirements set forth in the government-wide Award Term on Reporting Subawards and Executive Compensation located at [2 C.F.R. Part 170, Appendix A](#), the full text of which is incorporated here by reference in the award terms and conditions.

Article XXXIX. SAFECOM

All recipients receiving federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the [SAFECOM](#) Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

Article XL. Terrorist Financing

All recipients must comply with [E.O. 13224](#) and U.S. law that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. Recipients are legally responsible to ensure compliance with the Order and laws.

Article XLI. Trafficking Victims Protection Act of 2000

All recipients must comply with the requirements of the government-wide award term which implements Section 106(g) of the *Trafficking Victims Protection Act of 2000*, (TVPA) as amended by [22 U.S.C. § 7104](#). The award term is located at [2 C.F.R. § 175.15](#), the full text of which is incorporated here by reference in the award terms and conditions.

Article XLII. Universal Identifier and System of Award Management (SAM)

All recipients are required to comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at [2 C.F.R. Part 25, Appendix A](#), the full text of which is incorporated here by reference in the terms and conditions.

Article XLIII. USA Patriot Act of 2001

All recipients must comply with requirements of the *Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act* (USA PATRIOT Act), which amends [18 U.S.C. §§ 175-175c](#).

Article XLIV. Use of DHS Seal, Logo and Flags

All recipients must obtain permission from their DHS FAO, prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.

Article XLV. Whistleblower Protection Act

All recipients must comply with the statutory requirements for whistleblower protections (if applicable) at [10 U.S.C § 2409](#), [41 U.S.C. 4712](#), and [10 U.S.C. § 2324](#), [41 U.S.C. §§ 4304](#) and [4310](#).

**FEDERAL EMERGENCY MANAGEMENT AGENCY
OBLIGATING DOCUMENT FOR AWARD/AMENDMENT**

1a. AGREEMENT NO. EMW-2017-FV-01418	2. AMENDMENT NO. 0	3. RECIPIENT NO. 01-6000032	4. TYPE OF ACTION AWARD	5. CONTROL NO. WX02682N2018T
6. RECIPIENT NAME AND ADDRESS City of Portland Fire Department 380 Congress Street Portland Maine, 04101-3513	7. ISSUING OFFICE AND ADDRESS Grant Programs Directorate 500 C Street, S.W. Washington DC, 20528-7000 POC: Andrea Day	8. PAYMENT OFFICE AND ADDRESS FEMA, Financial Services Branch 500 C Street, S.W., Room 723 Washington DC, 20472		
9. NAME OF RECIPIENT PROJECT OFFICER Keith Gautreau	PHONE NO. 2078748401	10. NAME OF PROJECT COORDINATOR Catherine Patterson	PHONE NO. 1-866-274-0960	
11. EFFECTIVE DATE OF THIS ACTION 02-AUG-18	12. METHOD OF PAYMENT SF-270	13. ASSISTANCE ARRANGEMENT Cost Sharing	14. PERFORMANCE PERIOD From:02-AUG-18 To:01-AUG-19 Budget Period From:30-APR-18 To:30-SEP-18	

15. DESCRIPTION OF ACTION

a. (Indicate funding data for awards or financial changes)

PROGRAM NAME ACRONYM	CFDA NO.	ACCOUNTING DATA (ACCS CODE) XXXX-XXX-XXXXXX-XXXX- XXXX-XXXX-X	PRIOR TOTAL AWARD	AMOUNT AWARDED THIS ACTION + OR (-)	CURRENT TOTAL AWARD	CUMULATIVE NON- FEDERAL COMMITMENT
AFG	97.044	2018-F7-C111-P4310000-4101-D	\$0.00	\$681,819.00	\$681,819.00	\$68,181.00
TOTALS			\$0.00	\$681,819.00	\$681,819.00	\$68,181.00

b. To describe changes other than funding data or financial changes, attach schedule and check here.
N/A

16a. FOR NON-DISASTER PROGRAMS: RECIPIENT IS REQUIRED TO SIGN AND RETURN THREE (3) COPIES OF THIS DOCUMENT TO FEMA (See Block 7 for address)

Assistance to Firefighters Grant recipients are not required to sign and return copies of this document. However, recipients should print and keep a copy of this document for their records.

16b. FOR DISASTER PROGRAMS: RECIPIENT IS NOT REQUIRED TO SIGN

This assistance is subject to terms and conditions attached to this award notice or by incorporated reference in program legislation cited above.

17. RECIPIENT SIGNATORY OFFICIAL (Name and Title)
N/A

DATE
N/A

18. FEMA SIGNATORY OFFICIAL (Name and Title)
Andrea Day

DATE
01-AUG-18

[Go Back](#)

*Order 66-18/19
Tab 22 9-5-18*

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**ORDER APPROPRIATING
HOME INVESTMENT PARTNERSHIPS PROGRAM FUNDS
IN THE AMOUNT OF \$370,000 TO
MAINE WORKFORCE HOUSING
RE: 178 KENNEBEC STREET**

ORDERED, that the amount of \$370,000 in Home Investment Partnerships Program funds is hereby appropriated to the Maine Workforce Housing for development costs for its project at 178 Kennebec Street ; and

BE IT FURTHER ORDERED, the City Manager or his or her designee is authorized to execute any and all documents necessary to apply for, accept and appropriate the grant, and otherwise carry out the intent of this order.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English, Danielle West-Chuhta, Deivy Periana,

FROM: Planning & Urban Development Department
Housing & Community Development Division

DATE: August 23, 2018

SUBJECT: Order Authorizing Financial Assistance in the amount of \$370,000 in HOME Program Funds to Maine Workforce Housing Project entitled 178 Kennebec Street

SPONSOR: **Councilor Jill Duson**

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading September 5th Final Action September 5th

Can action be taken at a later date: X Yes No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)
Mary Davis, HCD Division Director will be available to answer any questions.

I. ONE SENTENCE SUMMARY

Maine Workforce Housing is proposing to construct 51 units for households aged 55 plus. The development will include 46 1-bedroom units (13 affordable at or below 50% of the area median income, 22 affordable at or below 60% of the area median income, 11 market rate units) and 5 efficiency units (3 affordable at or below 50% of the area median income, 2 affordable at or below 60% of the area median income). Maine Workforce Housing is requesting financial assistance from the City in the form of (1) a HOME loan in the amount of \$370,000, and (2) an Affordable Housing TIF which was approved by the City Council on July 16, 2018.

II. AGENDA DESCRIPTION (This is all that will be included of the agenda.)

Maine Workforce Housing is proposing to construct 51 units for households aged 55 plus. The development will include 46 1-bedroom units (13 affordable at or below 50% of the area median income, 22 affordable at or below 60% of the area median income, 11 market rate units) and 5 efficiency units (3 affordable at or below 50% of the area median income, 2 affordable at or below 60% of the area median income).

178 Kennebec Street		
Efficiency Units (5)	at or below 40% area median income	0
	at or below 50% area median income	3
	at or below 60% area median income	2
	Market Rate	0
1-Bedroom Units (46)	at or below 40% area median income	0
	at or below 50% area median income	13
	at or below 60% area median income	22
	Market Rate	11
Total Units		51

As stated in the developer's application, the project:

"...includes ground-level retail and/or artist studio space with 46 units of housing on the upper floors. The housing will be rental; all 1-bedroom units, set aside for households whose head of household is aged 55+.

"We expect the income mix targeted for this development will be 22% market rate, and 78% affordable (aimed at those at or below 60% of the area median income), creating economic diversity both in the building and in the neighborhood."

The developer has requested two forms of financial assistance.

- (1) HOME funds request: \$370,000, 0% interest rate loan, deferred for 30 years.

Total City HOME Investment of \$370,000/unit - \$7,255.

Total City HOME Investment of \$370,000/affordable unit = \$9,250.

- (2) Tax Increment Financing request: The Affordable Housing TIF financing will be provided through a Credit Enhancement Agreement approved at the July 16 City Council Meeting.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer has consistently been successful in obtaining financing for similar projects.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below.

The third party underwriting report makes the following recommendations:

Subject to availability of funding, a HOME loan in the amount of no more than \$370,000, at zero percent interest, deferred for 30 years.

Staff is requesting that the second reading be waived in order to allow this Order to be approved at this meeting.

III. BACKGROUND

The 178 Kennebec Street site is part of the former Public Works property in the Bayside Neighborhood. In October 2017, the City Council authorized a Purchase and Sale Agreement of which, Maine Workforce Housing was a partner in the development proposal. The developer is seeking city financial support for the proposed development which will include ground-level retail and/or artist studio space and residential rental units on the upper floors.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

Increase access to rental and ownership housing that is safe and affordable for working and low-income families.

V. FINANCIAL IMPACT

The property currently has a \$0 net taxable value as it is owned by the City of Portland. When completed the residential portion of the will have an estimated tax assessed value of \$4.3 million.

HOME funds: \$370,000, at zero percent interest, deferred for 30 years.

Total City HOME Investment of \$370,000/unit - \$7,255.

Total City HOME Investment of \$370,000/affordable unit = \$9,250.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for City HOME funding. The third party analysis is attached. The report indicates that the developer has consistently been successful in obtaining financing for similar projects.

It is important to note that the initial underwriting has been done based on other funding sources that are anticipated but have yet to be secured. While significant progress has been made towards securing these financing sources, the final development budget and operating pro forma will need to be reviewed and analyzed to confirm the appropriateness of the initial HOME funding recommendation noted below. With that being said, the third party report makes the following recommendations:

Subject to the availability of funds, a HOME loan in the amount of \$370,000, zero percent interest, with payment deferred, and with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Commitment of all sources on terms and conditions acceptable to City of Portland, including cashflow waterfall, LIHTC raise rate, evidence of purchaser for commercial space, and a cashflow projection which shows retirement of developer fee loan;
3. Clean Phase I, or Phase II if appropriate, and incorporation of all needed environmental remediation into the project budget;
4. written agreements documenting how parking requirements will be met consistent with the budget;
5. satisfactory market study which supports the projected unit mix and rent rates;
6. explanation of "Other Current Assets;" and evidence of satisfactory working capital and margin in case of cost over runs. This might come in the form of personal guarantees or prefunding a project specific development account.

Prior to issuing a commitment, satisfactory explanation of:

1. increase in LIHTC equity;
2. increase in projected TIF (ie increase in projected real estate tax expense);
3. decrease in construction interest, prefunded operating reserve, & parking requirement buy out;
4. how 5 additional units can be added to the floor plan and to the pre-existing construction estimate;
5. sales price of the site as it changes hands through the development process; and
6. Parking requirements and the strategy for meeting the parking requirements.

As part of the Maine State Housing Authority's (MSHA) Qualified Allocation Plan (QAP) application due in February, the developers will need letters of commitment of support for their projects prior to the QAP submission deadline. If the Council approves the funding, this letter would include the recommendations of the third party underwriter and be conditioned on the completion of the following additional requirements:

1. The commitment will be subject to compliance with all HOME Program regulations including, but not limited to, satisfactory underwriting analysis, cost allocation, designation of HOME units and compliance with the new HOME Final Rule (effective August 23, 2013) and the Consolidated and Further Continuing Appropriations Acts of 2012 and 2013.
2. The commitment will include the requirement that the environmental review process be satisfactorily completed. The City's agreement to provide funds will be conditioned on the determination to proceed with, modify or cancel the project based on the results of the environmental review.

3. Commitment of funds to be stated as “an amount up to the funding request based on maximization of LIHTC equity raise”, to ensure that the City’s contribution is leveraged to the maximum extent possible.
4. If applicable, documentation acceptable to the City that the acquisition cost is reasonably related to market value. This is a HOME Program requirement.
5. Commitment should be subject to the projections and assumptions noted in the project budgets and pro-forma submitted, for both HOME and TIF funding, and the City reserves the right to reconsider and adjust their commitment if any significant alterations occur in the budget. A final commitment will be subject to a final budget.
6. Any substantial changes to the composition of the project, or the financial investment required, will be brought to the Housing Committee and the City Council for review and approval.

A recommendation for City HOME funding by the City Council is not the same as approval of the overall project. After carefully weighing the potential benefits and impacts on the City and surrounding neighborhood against the standards in the Land Use Ordinance, the Planning Board will ultimately determine if a project meets those standards. Any funding awarded will be contingent on the project's final approval by the Planning Board.

VII. RECOMMENDATION

Approval by the City Council of HOME funding in the amount of \$370,000 at zero percent interest, with repayment deferred for 30 years.

VIII. LIST ATTACHMENTS

Excerpt HOME Application Information for 178 Kennebec Street
Third Party Underwriting Analysis

Prepared by: Mary P. Davis, HCD Division Director

Date: August 23, 2018

Utilizing Housing Trust Fund application summary as it contains the most up-to-date project information.

Maine Workforce Housing, LLC
482 Congress Street, Suite 203
Portland, ME 04101

Project Summary

Maine Workforce Housing is applying for \$370,000 from the City of Portland Housing Trust Fund in this application, to fill a gap for a project at 178 Kennebec Street.

Project Team

The principals and staff of Maine Workforce Housing have successfully developed nine (9) mixed-income housing projects in Maine and New Hampshire over the last fourteen (14) years. These properties, the oldest of which has been open since 2004, have never had a single year of operating deficits. All of them are 100% leased with long waiting lists.

We are working with Ross Furman to develop 178 Kennebec Street. It includes ground-level artist studio space with 51 units of housing on the upper floors. The housing will be rental; (46) 1-bedroom units and (5) efficiency units, set aside for households whose head of household is aged 55+. We've included a concept floor-plan of Phase 1.

The site has some unique advantages for residential development:

- The City has identified the Bayside neighborhood as a priority for redevelopment. Kennebec Street is a prominent street in Bayside, and street-level retail will dovetail well with surrounding buildings.
- A mixed-use residential/retail building will bring new residents to live, work, and shop in Bayside, reinforcing the urban fabric and adding new vitality to the core of the City.
- The site is within walking distance of a variety of services and destinations for daily living (e.g., banks, library, schools, etc.) as well as employers and public transportation.
- The site is within steps of a major park (Deering Oaks Park). Yet, it is also just a minute from an entrance to and exit from I-295, a highway that takes residents throughout Maine.

The income mix targeted for this development will be 22% market rate, and 78% affordable (aimed at those at or below 60% of the area median income), creating economic diversity both in the building and in the neighborhood

The residents will be a mix of people, incomes, and occupations in Portland. We expect the tenants in income-restricted units will include retired people on social security and also those with jobs at the lower end of the wage scale. The market-rate units are likely to also include retired people, and also professionals who are downsizing from larger homes.

This project, like all of our projects to date, will be completely non-smoking. Smoking will be prohibited both inside units and in the interior and exterior common areas of the project. This will be outlined both as an addendum to each lease, and also stated in the House Rules. Our Resident Services Coordinator will have materials on tobacco cessation programs available to residents.

The project incorporates smart growth, affordable housing, green building design, brownfield redevelopment, downtown revitalization, urban outdoor recreation, and alternative transportation.

Amenities

We propose to provide our residents with the following amenities:

- Heat and hot water included in rent
- Community room with kitchen
- Coin-operated laundry facility
- Indoor bicycle storage
- Wireless internet throughout the building at no extra charge;
- Resident Services Coordinator on staff;
- Telemedicine room

Resident Services Coordination

Our RSC's mission is to foster an environment in which elderly persons and people with disabilities can live independently and remain in their communities. As this project is proposed to be elderly, and with the Portland Shelter set-aside requirement, we are proposing to increase the number of hours an RSC is on the property. The Low Income Housing Tax Credit Program, as administered by MaineHousing, requires one (1) hour per week for every five (5) low-income units, or eight (8) hours in this case. We would schedule an RSC for sixteen (16) hours – double what is required. Our experience in other properties with a Homeless Preference has given us an appreciation for the staff levels needed onsite. This is reflected in our operating budget which is part of this application.

Transportation

The site is wonderfully located for service by public transportation. The METRO bus system, with scheduled service all over downtown Portland and connections to the neighboring cities, stops 2/10 of a mile from our site.

We have hired a consultant and commissioned a Traffic Demand Management Plan, which will be implemented as part of the project. The goal of this plan is to incentivize multi-modal transportation (walk, bike, carshare, or carpool) instead of dependence on car ownership.

Photos and Renderings

We urge you to look at the set of photos of the site and “before” and “after” renderings, found immediately after this Executive Summary. They convey information about the project which simply cannot be expressed in narrative form. Thank you.







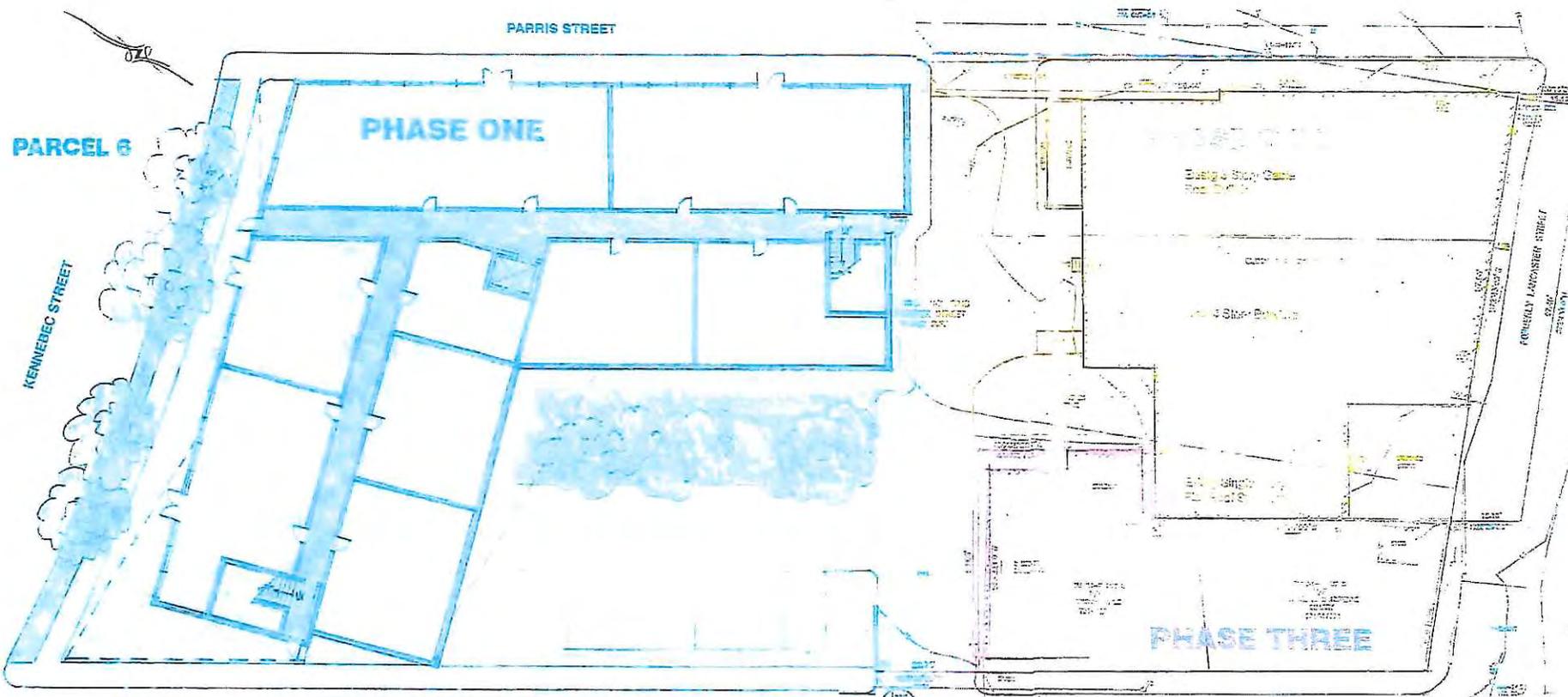
Image capture: Aug 2017 © 2018 Google

Portland, Maine



Street View - Aug 2017





PARCEL 6

PARRIS STREET

PHASE ONE

KENNEBEC STREET

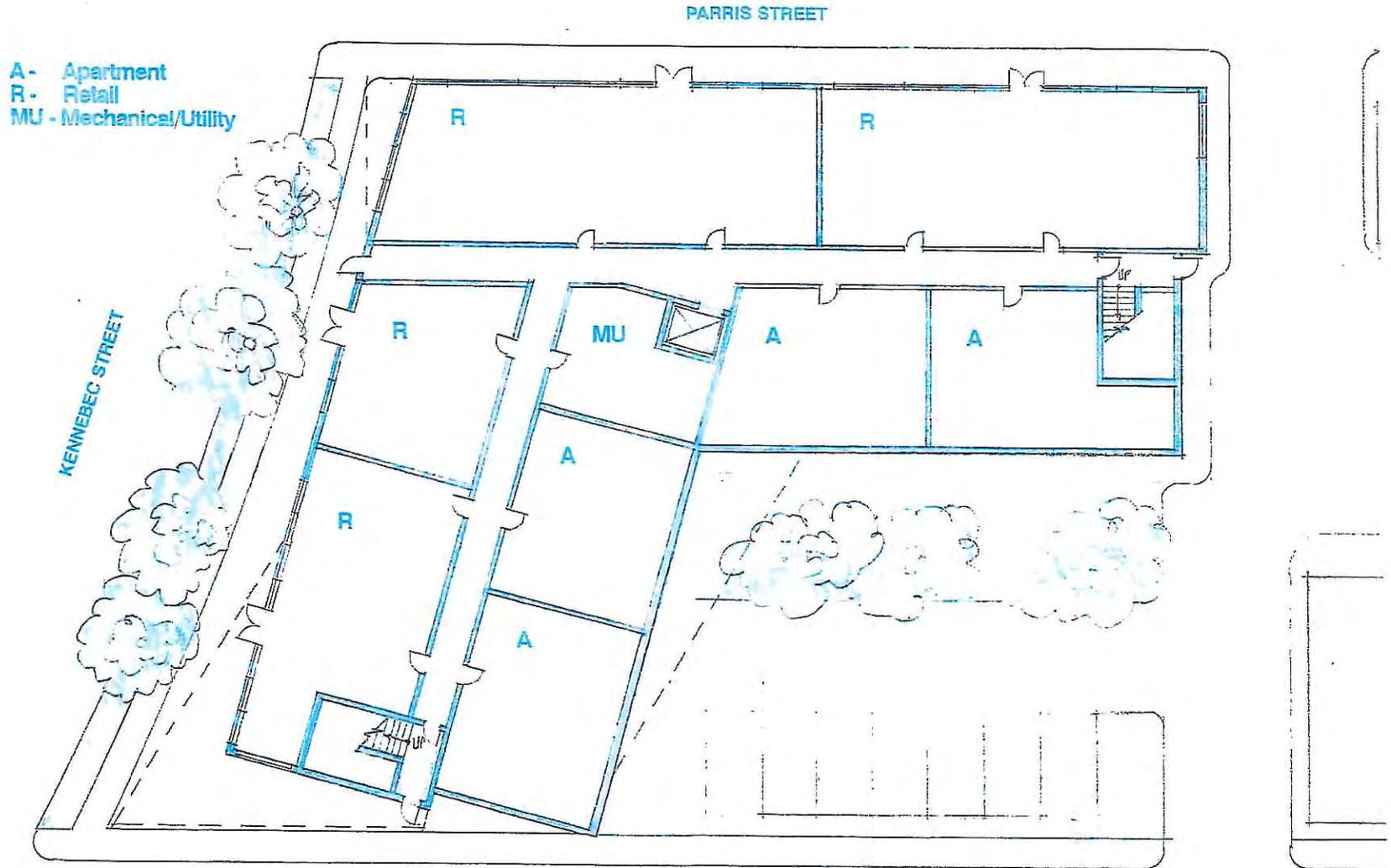
BRATTLE STREET

BRATTLE/KENNEBEC/PARRIS STREET DEVELOPMENT
PHASED DEVELOPMENT SITE PLAN • APPROX: 42,120 GSF

ARCADIA
 06-2017

PHASE THREE

FORMERLY LAUSON STREET



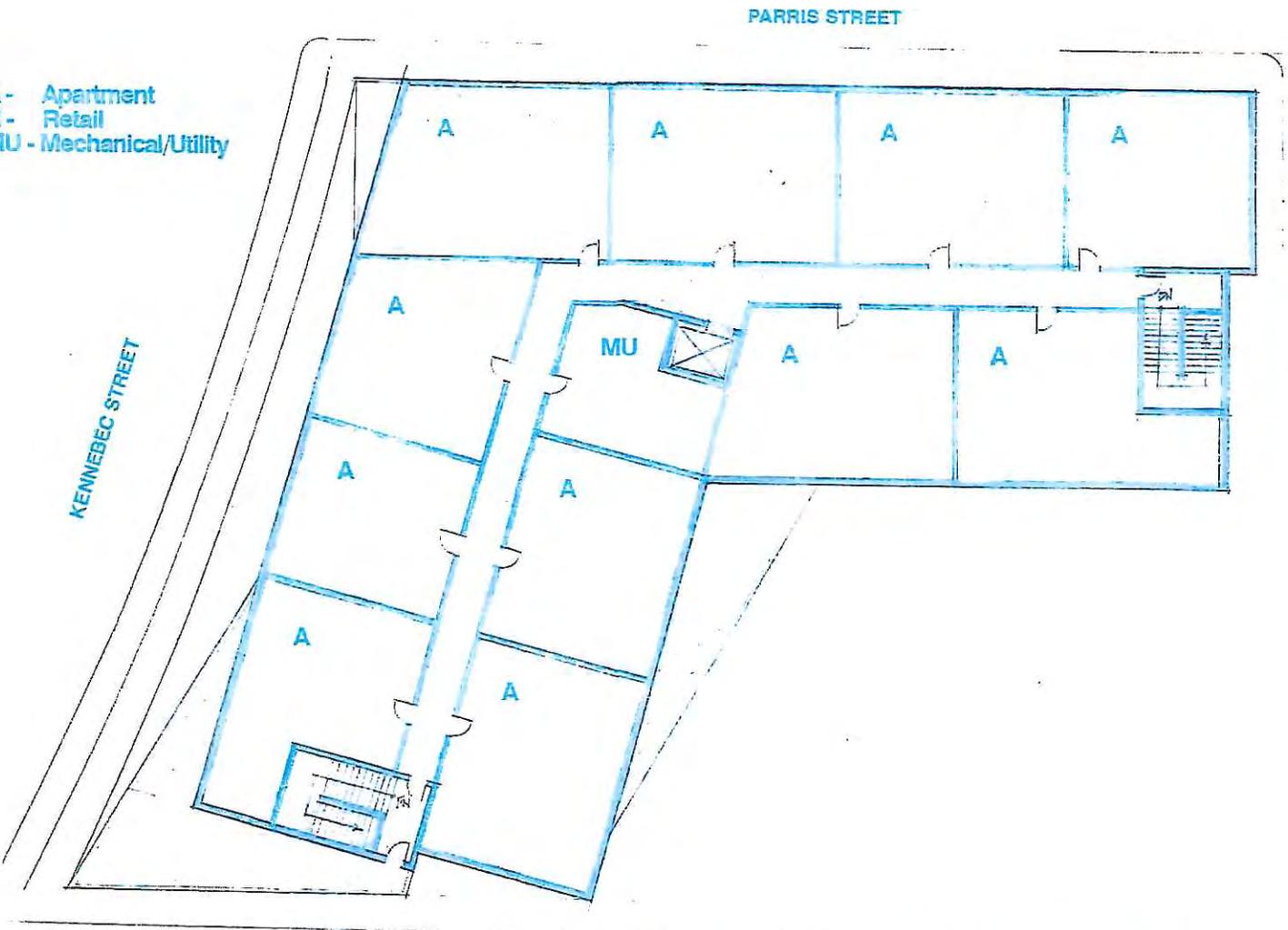
furman place on kennebec

BRATTLE/KENNEBEC/PARRIS STREET DEVELOPMENT

BUILDING CONCEPT - GROUND LEVEL PLAN 13,088 GSF

ARCADIA
 06-2017

A - Apartment
R - Retail
MU - Mechanical/Utility



furman place on kennebec

BRATTLE/KENNEBEC/PARRIS STREET DEVELOPMENT
BUILDING CONCEPT - UPPER LEVEL PLAN

13,088 GSF

ARCADIA
06-2017

178 Kennebec Timeline

April 2018 – August 2018

- Full Site Plan and Subdivision Approval
- City Housing Trust Fund Application
- City Tax Increment Financing Application
- Market study

September 2018

- Submit Affordable Housing Tax Credit Application to MaineHousing

November 2018 – May 2019 (if successful on MaineHousing Application):

- Full design
- Finalize investor agreement
- Finalize construction loan

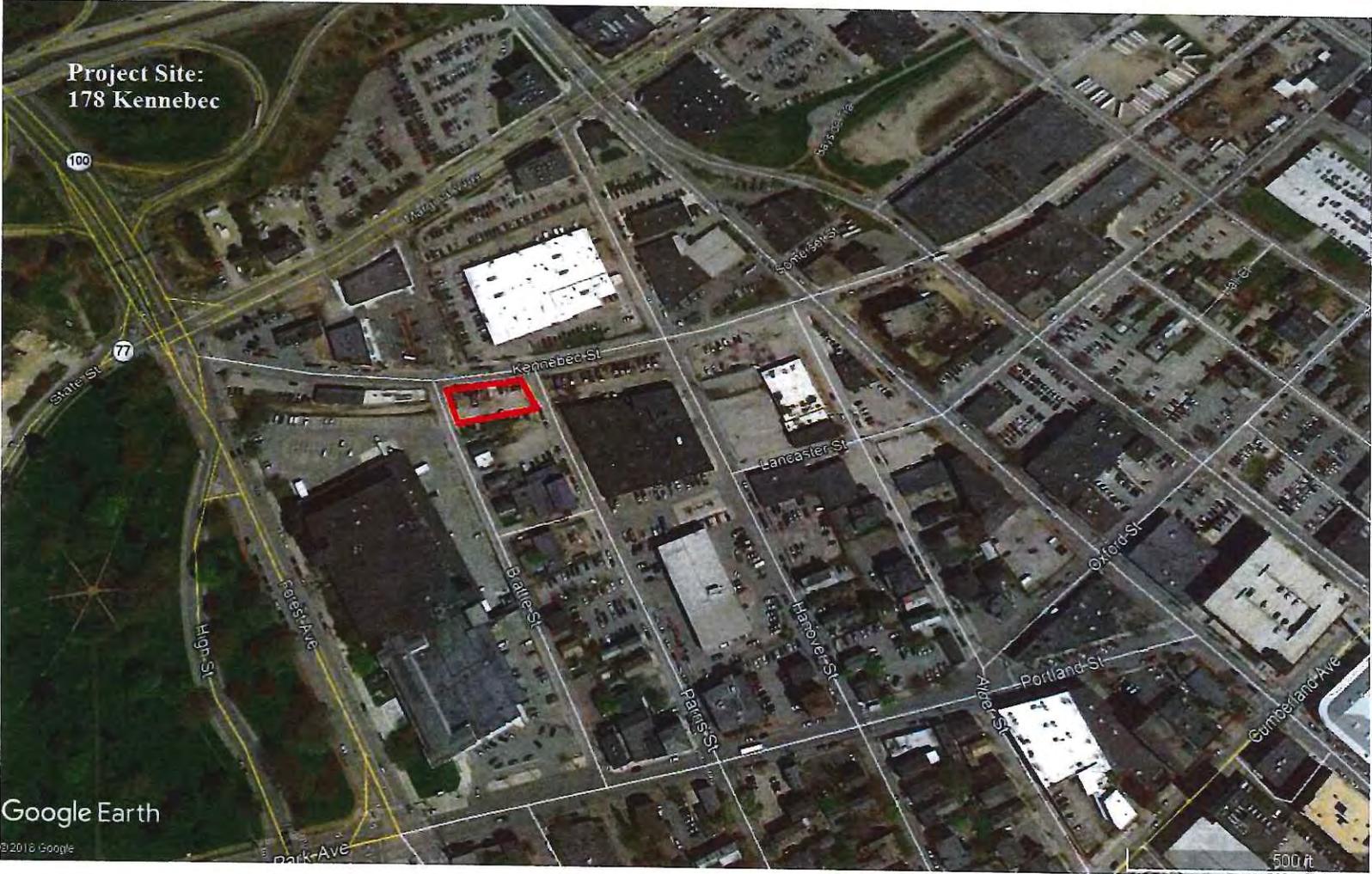
June 2019:

- Close and begin construction

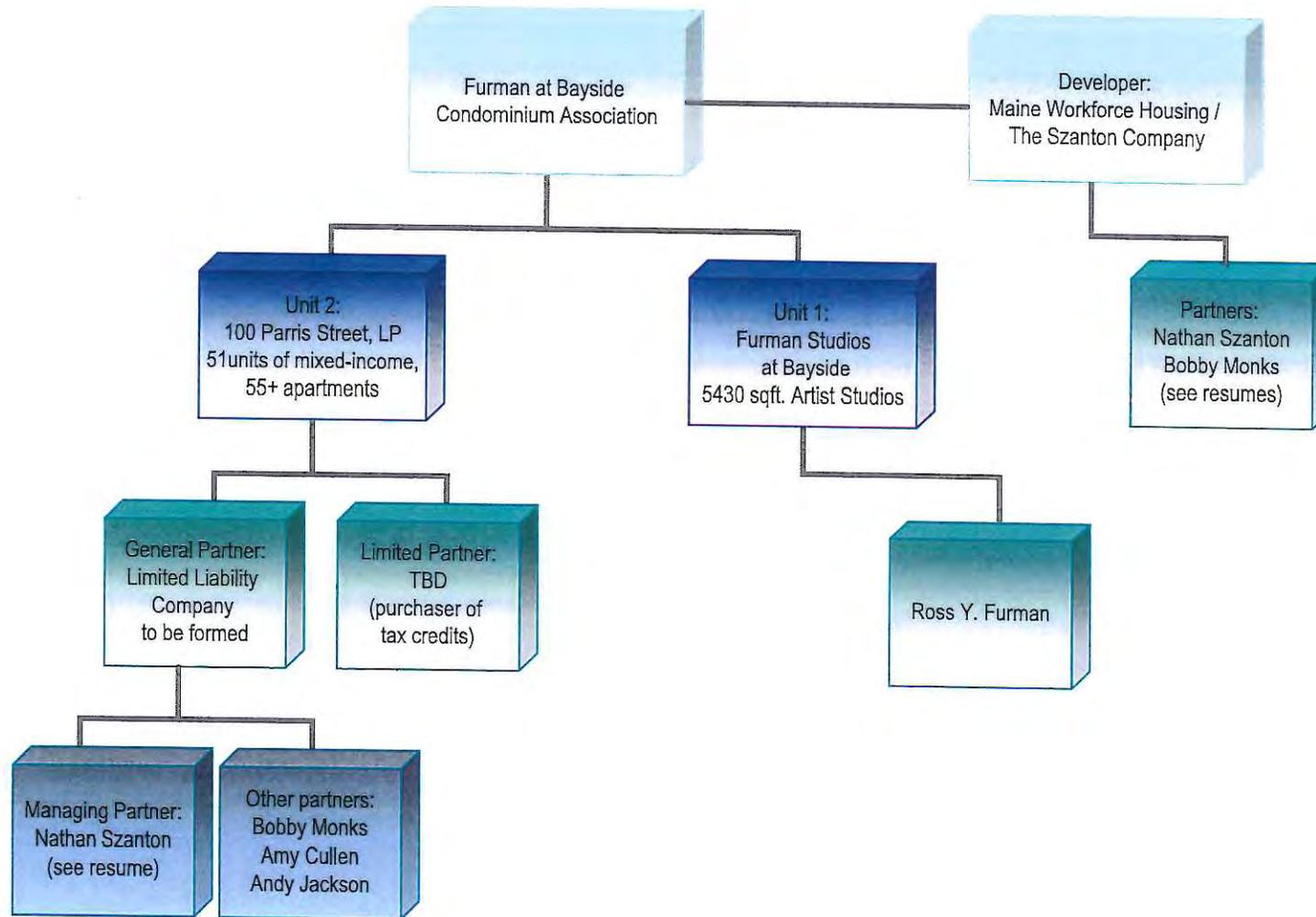
Summer 2020:

- Open for occupancy

Map showing location of site:



Furman at Bayside



178 Kennebec Street
 Portland, Maine
 Developer: Maine Workforce Housing, LLC (Nathan S. Szanton
 and Robert C.S. Monks, Principals)

06/29/18

51 Resident Units
 40 Low-Income Units
 11 Market-Rate Units
 6 Residential Stories

DEVELOPMENT BUDGET - SOURCES OF FUNDS

Sources of Funds

Equity Raise from Sale of LIHTC	6,480,000	57%					
MaineHousing Mortgage - Interest Only	0	0%	6.00%	Interest Only	30 years		
MaineHousing Mortgage -Amortizing	2,660,739	24%	6.00%	Amortizing	30 years		
MaineHousing Deferred Debt	501,603	4%	0% int., principal and interest deferred until sale or transfer.				
Deferred Developer Fee	437,500	4%	Net Fee =	562,500	\$0	12,540 per unit.	1,200,000 per project cap.
City HOME	370,000	3%	30-year deferred loan, in 2nd position			562,500	
Furman LLL Buyout of Commercial Space at PLC	835,005	7%					
GAP (EXCESS)	0						
TOTAL	<u>11,284,847</u>	100%					
	-20080						
	135000						
	270000						

178 Kennebec Street
Portland, Maine

Developer: Maine Workforce Housing, LLC (Nathan S. Szanton
and Robert C.S. Monks, Principals)

51 Resident Units
40 Affordable
11 Market-Rate

Constr. cost/sq. ft. - finished space (not counting demolition, sitework, and contingency)
46,669 Number of square feet of space in building
41,215 Number of square feet of space - finished residential
5,454 Number of square feet of space - vanilla box commercial
Residential square footage, buildout at \$ 175.00 psf Commercial at \$ - 130.00 psf
7,921,645 Total Construction Cost (not including construction contingency)
\$141,424 per residential unit of construction cost

DEVELOPMENT BUDGET - USES OF FUNDS

	Total Funds	Retail Unit Costs	Notes
Land Acquisition	215,000		4,216 per unit 30% 2 points Need to be less than 3,500 to get 3 points
Parking requirement buy-out	12,400		Assuming a need for 0.41 space per unit (21), less the 11 we have onsite (Housing only) & 8 space credit for car share
Demolition	0		Existing building, landscaping, etc.
Site Preparation	0		Included in Construction Cost
Off-Site Improvements (paid by Owner)	18,800	1,683	Portland Maine Tree Fund
Construction of finished space	7,921,645	709,020	Includes utility hook-ups and all construction except demolition & site work. See note above re assumed cost per sq. ft.
Construction Contingency	396,082	35,451	5.0% of finished construction cost.
Utility Back-Charges	40,000	3,580	
Furnishings, Fixtures & Equipment	85,000		Common area furnishings, laundry equipment, signage, wi-fi equipment, surveillance cameras, wall hangings, etc.
Architectural and Engineering	331,500	29,671	6,500 per unit 4.18%
Civil Engineering	45,000	4,028	Not included in architect's contract
Landscape Architecture	0	0	Included in Civil Eng. Contract
Geoenvironmental	10,000	895	Not included in architect's contract. Includes test borings, test pits, soil test processing and report preparations.
Testing and Special Inspections	21,000	1,880	
Legal and Title, Non-TC Related	82,000	7,339	Negotiated fee: land use and title opinions; services in connection with land acquisition; etc. Additional \$15K for condo documentation
Legal, TC Syndication-Related	33,000		Negotiated fee: creation of all documents, provision of due diligence, and conducting closings of LIHTC-related matters
Title Insurance	20,000		Based on our negotiated rate with TICOR title insurance agency for simultaneous owner's and lender's coverage.
Cost Certification/Audit	6,500		Budgeting \$1,000 for Carryover Allocation certification and \$5,500 for final cost certification
Appraisal	7,500		
Surveyor	5,600	501	To establish boundaries
Market Study	6,500		To substantiate demand and determine proper rent levels.
Environmental Testing & Remediation	8,000	716	
City and State Permits and Fees	120,000	10,740	
MSHA Financing Application Fee	4,500		
MSHA Financing Commitment Fee	2,000		Non-refundable, due at execution of commitment
MSHA Financing Fee	53,215		2% of tax-exempt debt amount, due at construction loan close. 2,660,739 15000
MSHA Review Fee	2,500		
Tax Credit Monitoring Fee	40,000		\$1,000 per tax credit unit paid before issuance of an 8609.
Tax Credit Allocation Fee	60,000		7.5% annual allocation of 800,000 798,887
Soft Cost Contingency	50,000	4,475	For unforeseen and/or underbudgeted soft costs
Developer Overhead and Fee (Gross)	1,000,000		MSHA Net Fee formula: \$17,500 for first 20 units, & \$15,000 each unit thereafter Net: 562500
Tax and Insurance Reserve Pre-Funding	57,375		Six months of property taxes and insurance premium expense. 64393 1530117
Rent-up Deficit Reserve	50,000		MSHA Max = \$1,000 per unit NTE \$50,000
Operating Reserve	213,000		MSHA requirement. 6 months of operating and residential debt service 212,994
Pre-Funding of Replacement Reserve	72,126		1% of cost of construction
City of Portland Legal Fees	15,000		TIF / CEA documents
Construction Loan Orig. Fee	16,000	1,432	0.2% of construction loan but not less than 16,000 6,369,002
Construction Loan Interest	163,403	14,625	Based on loan of \$6.370 million at 4% for 14 months (12 month construction)
Letter of Credit Fee for Performance Guaranty	5,000	448	Based on LOC value of \$500,000 at 1%
Constr. Lender, Equity Provider Legal Fees	27,000	2,417	
Constr. Lender Plan Review, Inspection	9,200	823	\$600/inspection for 12 inspections plus \$2000 for plans review
Construction Period Insurance	55,000	4,923	Builder's Risk and General Liability Insurance
Construction Period Taxes	4,000	358	15 months of pre-construction assessment
TOTALS	11,284,847	835,005	

178 Kennebec Street

Portland, Maine

Developer: Maine Workforce Housing, LLC (Nathan S. Szanton and Robert C.S. Monks, Principals)

50%	31.4%	5
60%	47.1%	46
market	21.6%	
	100%	

OPERATING INCOME SCHEDULE

Income From Units

Unit Type	# of Units	Square Footage	Gross Rent	Less Utility Allowance	Net Rent	Gross Potential Monthly Revenue From These Units
0-BR LIHTC unit at/below 50% of AMI	3	500	788	-45	743	2,229
1-BR LIHTC unit at/below 50% of AMI	13	650	845	-52	793	10,309
0-BR LIHTC unit at/below 60% of AMI	2	500	946	-45	901	1,802
1-BR LIHTC unit at/below 60% of AMI	22	650	1,014	-52	962	21,164
0-BR Market Rate unit (avg. market rate rent for all 1-BR units within the bldg)	0	500			925	-
1-BR Market Rate unit (avg. market rate rent for all 1-BR units within the bldg)	11	650			1195	13,145
Total Units	51	32,400				48,649

(note that total number of units may not appear to equal the sum of the unit types due to formula rounding)

Gross Annual Revenue from Unit Rents x 12 months = **583,788**

Laundry Income

Based on experience at 53 Danforth at \$15 per unit per month **9,180**

Parking Income

11 spaces, charging \$150 per month per space **19,800**

SUMMARY OF INCOME

15

Gross Potential Annual Unit Rental Income	583,788		
Gross Potential Annual Laundry Income	9,180		
Gross Potential Annual Parking Income	19,800		
Total Gross Potential Annual Income	612,768		
Less Vacancy & Collection Loss at 5% LIHTC; 7% Market	-32,344		
Property Taxes Returned from The City (TIF)	65,760	75%	CEA
Net Annual Revenue	646,184		

178 Kennebec Street

Portland, Maine

Developer: Maine Workforce Housing, LLC (Nathan S. Szanton and Robert C.S. Monks, Principals)

51 Resident Units

41,215 sq. ft. of finished space

OPERATING EXPENSE SCHEDULE

Administrative Expenses

Management Fee	45,770	8.30%	of gross receipts
Marketing	1,122	\$22	per unit per year.
Legal	5,100	\$100	per unit per year One eviction costs \$650-\$800. Appeals are more.
Management Software Fees	2,142	\$3.5	per unit per month
Audit	6,600		For annual audit of the project in MSHA format and tax return in format required by tax credit investor.
Telemedicine Room	1,800		For dedicated phone service and upgraded internet for the Telemedicine Room
Resident Services Coordination	32,120	Based on	16 hours per week \$35 /hr to the project, 52 weeks per year. Plus \$250/mo for supplies.
Portland Fire Inspection Fee	1,785	\$35	per unit per year **additional RSC hours due to homeless set-aside coordination with cash

Utilities

Fuel	38,250	\$750	per unit per year
Common Area Electricity	17,850	\$350	pupy. Elevator, laundries, corridor & garage lights.
Water and Sewer	17,850	\$350	per unit per year
Stormwater Service Charges	800	\$6	per month for every 1,200 of impervious area
On-site phone and internet	8,000		Phone service for elevator/office/alarm and internet access for office

Maintenance Expenses

Elevator Maintenance	6,000		
Contract Maintenance	17,850	\$350	per unit per year. Includes pest control, electrical, plumbing & HVAC repair.
Common Area Cleaning	17,850	\$350	per unit per year 1488 per month
Trash Removal	12,750	\$250	per unit per year 1063 per month
Snow Removal	5,000		
Work Orders/Turnovers	28,050	\$550	per unit per year
Parking Lease	21,600	\$150	per unit per month for 12 spaces
Maintenance Supplies	7,650	\$150	per unit per year

Taxes, Insurance, Other

Taxes	91,800		
Insurance - Property and Liability & Umbrella	15,300	\$300	pupy.
LHHC Monitoring Fee			Prepaid as a development expense.
Replacement Reserve	22,950	\$450	pupy.
Real Estate Expenses w/o Debt Service	425,989		

Annual Debt Service - Amortizing Loan	191,430	2,660,739	Amortizing	6.0%	30 years	\$15,952	per month.
Annual Debt Service - Interest Only Loan	0	0	Interest Only	6.00%	30 years	\$0	per month.

TOTAL REAL ESTATE EXPENSES 425,989

TOTAL ANNUAL REAL ESTATE INCOME 646,184

Annual Cash Flow from Real Estate	220,195	Cash flow of	500 PUPY minimum is required by MSHA
MH Debt Service Coverage Ratio	1.150	Debt Service Coverage Ratio of 1.15 is required by MSHA.	
Annual Real Estate Operating Cost Per Unit	7,903	Not including debt service and replacement reserve, but includes resident services coordination.	
Monthly Real Estate Operating Cost Per Unit	659	Not including debt service and replacement reserve, but includes resident services coordination.	

178 Kennebec Street
 Portland, Maine
 Developer: Maine Workforce Housing, LLC, a joint venture of Nathan S. Stanton and Robert C.S. Monks

17 YEAR PROFORMA CASH FLOW STATEMENT

INCOME	Assumed Inflation Rate	Months of Operation In 2020: 6																				
		Operating 2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034	2035	2036	2037	2038	2039	2040
Gross Rental Income		306,384	625,023	637,524	650,274	663,280	676,545	690,076	703,878	717,955	732,314	746,961	761,900	777,138	792,681	808,534	824,705	841,199	858,023	875,184	892,687	910,541
Lease-Up Deficit Reserve		50,000																				
Vacancy/Collection Loss at Proceeds from TIF	-5%	-15,319	-31,251	-31,876	-32,514	-33,164	-33,827	-34,504	-35,194	-35,898	-36,616	-37,348	-38,095	-38,857	-39,634	-40,427	-41,235	-42,060	-42,901	-43,759	-44,634	-45,527
Effective Gross Income	3.00%	406,825	661,565	675,413	689,618	704,129	718,952	734,093	749,561	765,351	781,501	797,989	814,832	832,039	849,618	867,576	885,922	904,665	923,813	943,377	963,364	983,784
OPERATING EXPENSES																						
Management Fee		17,866	49,283	50,269	51,274	52,300	53,346	54,413	55,501	56,611	57,743	58,898	60,076	61,277	62,503	63,753	65,028	66,328	67,655	69,008	70,388	71,796
Marketing	3.0%	50,000	1,156	1,180	1,225	1,263	1,301	1,340	1,380	1,421	1,464	1,508	1,553	1,600	1,648	1,697	1,748	1,800	1,854	1,910	1,967	2,026
Legal	3.0%	2,550	5,253	5,411	5,573	5,740	5,912	6,090	6,272	6,461	6,654	6,854	7,060	7,271	7,490	7,714	7,946	8,184	8,430	8,682	8,943	9,211
Management Software Fees	3.0%	1,071	2,205	2,272	2,341	2,411	2,483	2,558	2,634	2,713	2,795	2,879	2,965	3,054	3,146	3,240	3,337	3,437	3,540	3,647	3,756	3,869
Accounting/Audit	3.0%	5,600	5,798	7,002	7,212	7,428	7,651	7,881	8,117	8,361	8,612	8,870	9,136	9,410	9,692	9,983	10,283	10,591	10,909	11,236	11,573	11,920
Tel/medline Room	3.0%	900	1,854	1,910	1,967	2,026	2,087	2,149	2,214	2,280	2,349	2,419	2,492	2,566	2,643	2,723	2,804	2,888	2,975	3,064	3,156	3,251
Resident Svcs. Coordination	3.0%	16,060	39,084	34,076	35,098	36,151	37,236	38,353	39,504	40,689	41,909	43,157	44,462	45,795	47,169	48,584	50,042	51,543	53,089	54,682	56,323	58,012
Portland Fire Inspection Fees	3.0%	1,785	1,839	1,894	1,951	2,009	2,069	2,131	2,195	2,261	2,329	2,399	2,471	2,545	2,621	2,700	2,781	2,864	2,950	3,039	3,130	3,224
Fuel	3.0%	19,125	39,398	40,579	41,797	43,051	44,342	45,673	47,043	48,454	49,908	51,405	52,947	54,535	56,171	57,857	59,592	61,380	63,221	65,118	67,072	69,084
Common Area Electricity	3.0%	8,925	18,386	18,937	19,505	20,090	20,693	21,314	21,953	22,612	23,290	23,989	24,709	25,450	26,213	27,000	27,810	28,644	29,503	30,388	31,300	32,239
Water and Sewer	3.0%	8,925	18,386	18,937	19,505	20,090	20,693	21,314	21,953	22,612	23,290	23,989	24,709	25,450	26,213	27,000	27,810	28,644	29,503	30,388	31,300	32,239
Internet/Wi-fi Service	3.0%	4,000	8,240	8,487	8,742	9,004	9,274	9,552	9,839	10,134	10,438	10,751	11,074	11,406	11,748	12,101	12,464	12,838	13,223	13,619	14,028	14,449
Elevator Maintenance	3.0%	3,000	6,180	6,365	6,556	6,753	6,956	7,164	7,379	7,601	7,829	8,063	8,305	8,555	8,811	9,076	9,348	9,622	9,917	10,215	10,521	10,837
Contract Maintenance	3.0%	8,925	18,386	18,937	19,505	20,090	20,693	21,314	21,953	22,612	23,290	23,989	24,709	25,450	26,213	27,000	27,810	28,644	29,503	30,388	31,300	32,239
Common Area Cleaning	3.0%	8,925	18,386	18,937	19,505	20,090	20,693	21,314	21,953	22,612	23,290	23,989	24,709	25,450	26,213	27,000	27,810	28,644	29,503	30,388	31,300	32,239
Trash Removal	3.0%	6,375	13,133	13,526	13,932	14,350	14,781	15,224	15,681	16,151	16,636	17,135	17,649	18,178	18,724	19,286	19,864	20,460	21,074	21,706	22,357	23,028
Snow Removal	3.0%	2,500	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	6,720	6,921	7,129	7,343	7,563	7,790	8,024	8,264	8,512	8,768	9,031
Work Orders	3.0%	7,013	28,892	29,758	30,651	31,571	32,518	33,493	34,498	35,533	36,599	37,697	38,828	39,993	41,192	42,428	43,701	45,012	46,362	47,753	49,186	50,661
Parking Lease	3.0%	10,800	22,248	22,915	23,603	24,311	25,040	25,792	26,565	27,362	28,183	29,029	29,899	30,796	31,720	32,672	33,652	34,662	35,702	36,773	37,876	39,012
Maintenance Supplies	3.0%	3,825	7,880	8,116	8,359	8,610	8,868	9,135	9,409	9,691	9,982	10,281	10,589	10,907	11,234	11,571	11,918	12,276	12,644	13,024	13,414	13,817
Property Taxes	3.0%	91,800	94,554	97,391	100,312	103,322	106,421	109,614	112,902	116,289	119,778	123,372	127,073	130,885	134,811	138,856	143,021	147,312	151,731	156,283	160,972	165,801
Insurance, Property & Liability	3.0%	7,850	15,759	16,232	16,719	17,220	17,737	18,269	18,817	19,382	19,963	20,562	21,179	21,814	22,469	23,143	23,837	24,552	25,289	26,047	26,829	27,634
Replacement Reserve	3.0%	11,475	23,639	24,348	25,078	25,830	26,605	27,404	28,226	29,072	29,945	30,843	31,768	32,721	33,703	34,714	35,755	36,828	37,933	39,071	40,243	41,450
Total Ann. Operating Exp's		299,884	440,085	452,794	465,876	479,339	493,196	507,459	522,138	537,247	552,789	568,805	585,280	602,238	619,689	637,658	656,150	675,185	694,777	714,944	735,702	757,069
NET OPERATING INCOME		106,931	221,420	222,618	223,743	224,790	225,756	226,635	227,422	228,113	228,702	229,184	229,552	229,801	229,925	229,917	229,771	229,480	229,036	228,433	227,662	226,716
MaineHousing Mortgage - Interest Only		63,810	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430	191,430
Net Annual Cash Flow		43,121	29,991	31,189	32,313	33,361	34,326	35,205	35,993	36,683	37,272	37,754	38,122	38,372	38,496	38,488	38,342	38,051	37,607	37,003	36,232	35,285
Debt Coverage Ratio		1.68	1.16	1.16	1.17	1.17	1.18	1.18	1.19	1.19	1.19	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.20	1.19	1.19	1.18
REPLACEMENT RESERVE																						
Beginning Balance		72,126	83,601	107,658	132,544	158,285	154,906	182,286	210,601	239,880	220,152	251,197	283,296	316,460	280,784	295,791	331,984	368,846	286,903	325,792	365,949	287,412
Contribution		11,475	23,639	24,348	25,078	25,830	26,605	27,404	28,226	29,072	29,945	30,843	31,768	32,721	33,703	34,714	35,755	36,828	37,933	39,071	40,243	41,450
Investment Income	1%		418	538	653	791	775	911	1,053	1,198	1,101	1,258	1,416	1,582	1,304	1,479	1,107	1,229	956	1,086	1,220	958
Disbursements		0	0	0	0	30,000	0	0	0	50,000	0	0	0	0	0	0	0	0	0	0	0	0
Ending Balance		83,601	107,658	132,544	158,285	154,906	182,286	210,601	239,880	220,152	251,197	283,296	316,460	280,784	295,791	331,984	368,846	286,903	325,792	365,949	287,412	329,820
OPERATING RESERVE																						
Beginning Balance		213,000	213,355	214,422	215,494	216,571	217,654	218,742	219,836	220,935	222,040	223,150	224,266	225,387	226,514	227,647	228,785	229,928	306,098	307,120	344,376	380,810
Contribution (Withdrawal)		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1	2	-	1	2
Investment Income	1%	355	1,067	1,072	1,077	1,083	1,088	1,094	1,099	1,105	1,110	1,116	1,121	1,127	1,133	1,138	763	892	1,020	1,024	1,148	1,269
Ending Balance		213,355	214,422	215,494	216,571	217,654	218,742	219,836	220,935	222,040	223,150	224,266	225,387	226,514	227,647	228,785	229,928	268,491	307,120	308,144	345,525	382,082

178 Kennebec Street

Financial Capacity

The total project budget is approximately \$10,847,000. Financing sources are projected as follows:

After Occupancy

Amount	Source	Description / Notes
\$6,480,000	Low-Income Housing Tax Credit (LIHTC) Equity	<p>To be allocated by MaineHousing following their competitive process. Applications are due in September 2018 and notifications are expected in October 2018.</p> <p>MaineHousing allocates the right to take these tax credits, which are spaced out over ten years. These tax credits are sold to investors and the proceeds are used as equity to pay for the construction and other costs of the development.</p> <p>Maine Workforce Housing (MWH) has 15-years' experience applying for and obtaining Low Income Housing Tax Credits. Since 2003, MWH has applied for eight (8) projects, and succeeded in winning tax credits on the first application seven (7) times; on one project, we were awarded tax credits on our second attempt.</p> <p>Maine Workforce Housing uses the staff of The Szanton Company for development operations. Those working on the project would include: Nathan Szanton, owner and project executive; Amy Cullen, project management; Andy Jackson, project management; Gretchen Roy, project assistance; and Tiffany Tarbox, staff accountant.</p> <p>Please see the information at B.11 regarding our team and examples of previous work.</p>
\$502,000	Low-Income Housing Subsidy	Subsidy from MaineHousing that is tied to the allocation of LIHTCs.
\$2,661,000	MaineHousing debt	An interest-bearing mortgage on the property and improvements from MaineHousing.
\$370,000	City HOME Funding	Deferred loan from the City of Portland – this application.

835,000 Ross Furman Unit 1 (first floor commercial space) will be owned and financed by Ross Furman.

During Construction

Note: total amount needed during construction is approximately \$10,130,000, which does not include approximately \$1,780,000 that is paid at permanent loan closing, including a portion of developer fees; tax/insurance reserves; operating reserves; rent-up reserves; capital replacement reserves; and tax credit monitoring fees.

Amount	Source	Description / Notes
\$6,370,000	Construction Loan from Bank	Construction loan for the duration of construction and lease-up, typically 12-14 months.
\$3,240,000	Low-Income Housing Tax Credit Equity	A portion of the tax credit equity is contributed during construction, per IRS rules.
\$250,800	MaineHousing Subsidy	50% of their total award is available for construction financing.
\$185,000	City HOME Funding	We will ask for the City to provide 50% of their award for construction financing.



To: Mary Davis, City of Portland
From: Anne Boynton, Urban Ventures, Inc.
Re: 178 Kennebec St (51 unit version)
 Maine Workforce Housing, LLC (Szanlon & Monk)
Date: 7/15/18

Executive Summary (Revised Proposal)

178 Kennebec is a proposed new construction project which was underwritten in early June with 46 units. The developer has recently changed the project description to 51 units, adding 5 senior efficiency units to the prior proposed 46 one bedroom senior apartments. This memo highlights the **changes** to the project description, budgets, and underwriting since the memo dated 6/3/18, and should be read in conjunction with that memo.

The developer reduced the requested HOME funds to \$370,000 (from \$400,000). The developer continues to request a 75% TIF. The unit mix continues to be 78% affordable units and 22% market. The new proposed AMI distribution is 16 units below 50% AMI, 24 units below 60% AMI, including 5 units reserved for homeless households – and 11 market rate units.

Comparing the July project budgets to the May budgets illustrates the following major shifts:

- Total development cost has dropped \$623,500 (14%). The primary cost savings are projected in:
 - Construction interest (dropped 30%);
 - Parking requirement buy-out (dropped 85%);
 - Operating deficit escrow (prefunded reserve) (dropped 26%);
 - Developer Fee (dropped 35%);
- Sources have shifted significantly, with LIHTC Equity up \$288,000 (5%), while Maine Housing Deferred Debt has dropped more than 50%;
- Net residential leasable square footage is up 2,500 sq feet (8%);
- Projected real estate tax liability (and value of TIF) is up 25%.

Revised Sources and Uses

Maine Housing 1 st	\$2,660,739	Acquisition:	\$227,400
Maine Housing Deferred Debt	\$ 500,000	Hard Construction:	\$8,336,527
LIHTC Equity	\$6,480,000	Soft & Misc Costs:	\$997,600
Sale of Commercial Unit	\$835,085	Financing Costs:	\$331,716
City of Portland HOME	\$370,000	Prefunded Reserves:	\$392,501
Deferred Developer Fee:	\$437,500	Developer Fee:	<u>\$1,000,000</u>
Gap:	<u>\$2,420</u>		
Total Sources:	\$11,285,744	Total Uses:	\$11,285,744

Letters of interest, intent, or commitment are not available for the sources. This is very early in project development.



The projected LIHTC Equity estimated proceeds have increased despite a 14% drop in Total Development Cost and slight decrease in construction costs. This is not a typical outcome and needs explanation.

The developer lowered the developer fee from the upper edge of acceptable range at 15.4% to 10.6% of Total Development Costs excluding reserves and developer fee. The developer commits to defer 44% of the developer fee. By lowering both the total developer fee and the percentage of the fee they will defer, they bring their deferred developer fee closer to an amount the project could repay over 15 years and therefore be acceptable to an investor. The revised cashflow projects suggest the developer fee loan could be repaid by year 15 if 95% of cashflow is devoted to developer fee loan retirement. (This is still quite an aggressive projection which leaves very little cashflow in the project and no cashflow to retire City of Portland HOME funds.)

Revised Development Budget

Revised Construction Costs:

Despite adding 8% more leasable residential square footage and 5 additional units (with bathrooms and kitchen facilities), the revised construction cost has dropped slightly (by \$10,908). This is not a typical result of adding units and needs explanation. It is a reminder that these budget figures are preliminary and very broad stroke. The original construction costs were based on an estimated square footage cost provided by Wright-Ryan. Based on the Wright-Ryan price per square foot estimate, the construction cost would have been expected to rise \$430,000. That understates the anticipated price increase from the addition of 5 efficiencies. Efficiencies typically have a higher per square foot cost than one bedrooms because bath & kitchenette are relatively expensive to build and occupy a higher percentage of an efficiency unit than in a 1 bedroom.

An explanation is needed for how 2,500 more leasable square footage (8%) can be built on this tightly constrained site.

Revised Soft Costs:

The significant soft cost savings in construction interest needs explanation.

The savings in prefunded operating reserve, set by MHFA formula, is not the typical outcome of increasing units (which increases operating expense and debt service, and drives UP the prefunded reserve requirement). This needs further explanation, as the prefunded reserve appears to be under budgeted by roughly \$100,000.

Revised Acquisition:

The revised total acquisition cost has dropped due to a \$68,200 drop in "Parking Requirement Buy Out." An explanation of the shifting parking strategy is needed.

Revised Operating Budget & 20 Year Cashflow Projection

Revised TIF

The developer continues to request a 75% TIF, but the anticipated tax liability (and therefore also the anticipated taxes returned) have increased by 25%. The Property Tax expense has been increased to



\$91,800 (a 25% increase from the prior estimate of \$73,600). It is not clear why the 8% additional leasable floor space (generating a 9% increase in rental income) would result in a 25% increase in taxable value.

Revised Project Income:

The new efficiency units are projected to rent for \$743 (for 50% AMI) and \$901 (for 60% AMI). There is no market study yet to confirm the appropriateness of the projected rents. This is a discount of \$57 & \$68 compared to the one bedroom units (at 50% & 60% AMI, respectively). Adding the efficiency units at 50% and 60% AMI allows the developer to shift a 1 bedroom to market rate while maintaining the same overall ratio of affordable to market rate units.

Revised Operating Expense

Revised operating costs per unit (net of projected TIF) are down slightly to \$7,063, which is still on the high end of operating costs for affordable unit nationally, but an improvement over the prior budgets of \$7,166.

The new operating projections includes a new line items: parking rental income of \$19,800 (annotated as 11 spaces at \$150/month) which mostly offsets a parking lease expense of \$21,600. More explanation is needed to clarify how the parking needs of the residents will be met.

Revised 20 Year Cashflow & Debt Service Coverage Ratio (DSCR)

Adding units, adding parking income, and trimming operating expense has strengthened the revised cashflow, which is now 1.15 DSCR in year one, rising to gradually to 1.20 over 10 years where it remains till year 20.

Revised Recommendations

Subject to the availability of funds, I recommend a loan in the amount of \$370,000, zero percent interest, with payment deferred, and with the following conditions prior to loan closing:

1. All standard construction loan conditions, including satisfactory review of final contract with GC consistent with budgeted estimates, and total contractor overhead, profit and general conditions of not to exceed 14% of net construction costs.
2. Commitment of all sources on terms and conditions acceptable to City of Portland, including cashflow waterfall, LIHTC raise rate, evidence of purchaser for commercial space, and a cashflow projection which shows retirement of developer fee loan;
3. Clean Phase I, or Phase II if appropriate, and incorporation of all needed environmental remediation into the project budget;
4. written agreements documenting how parking requirements will be met consistent with the budget;
5. satisfactory market study which supports the projected unit mix and rent rates;
6. explanation of "Other Current Assets;" and evidence of satisfactory working capital and margin in case of cost over runs. This might come in the form of personal guarantees or prefunding a project specific development account.

Prior to issuing a commitment, I recommend requiring satisfactory explanation of:



1. increase in LIHTC equity;
2. increase in projected TIF (ie increase in projected real estate tax expense);
3. decrease in construction interest, prefunded operating reserve, & parking requirement buy out;
4. how 5 additional units can be added to the floor plan and to the pre-existing construction estimate;
5. sales price of the site as it changes hands through the development process; and
6. Parking requirements and the strategy for meeting the parking requirements.

Order 67-18/19
Tab 23 9-5-18

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**AMENDMENT TO PORTLAND CITY CODE
CHAPTER 6
Re: SHORT TERM RENTALS**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND,
MAINE IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

1. That Chapter 6, Article VI., Section 6-154 of the Portland City Code is hereby amended to read as follows:

Sec. 6-154. Allocation of Short Term Rentals.

~~The limitations on the allocation of Non-owner occupied mainland short term rental units identified in registrations, which are limited by~~ section 6-153(b), shall be allocated ~~each year~~ on a first come, first registered basis. Once the total number of units identified in section 6-153(b) has been reached, a waitlist will be formed to help gauge market demand. The City Manager or his or her designee, may institute a lottery process at his or her discretion, to allocate any registration that becomes available after the formation of the waitlist.

Valid non-owner occupied mainland registrations may be automatically renewed each year upon application and payment of the registration fee, so long as the renewal is complete by January 1 of that year. Failure to renew by January 1 shall result in the forfeiture of the automatic right to renew the registration of a unit, and re-registration shall be available only if the limitations in 6-153(b) have not been reached, or if the applicant is chosen off of the waitlist.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: Jon Jennings, Ethan Strimling, Michael Sauschuck, Sonia Bean, Nancy English, Danielle West-Chuhta, Deivy Periana

FROM: Planning and Urban Development and Housing and Community Development

DATE: August 17, 2018

SUBJECT: Amendment to Chapter 6 section 6-154, Allocation of Short Term Rentals

SPONSOR: Housing Committee, Councilor Jill Duson, Chair

The Housing Committee met on July 31, 2018 and voted unanimously (2-0, Cook absent) to forward this item to the City Council with a recommendation for passage.

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading September 5, 2018 Final Action September 17, 2018

Can action be taken at a later date: Yes No (If no why not?)

PRESENTATION: Staff will be available for presentation

I. ONE SENTENCE SUMMARY

The Housing Committee voted to recommend changes to clarify the ordinances with respect to the renewal of non-owner occupied, mainland short term rental units, which are subject to the 300 unit city-wide cap, to ensure an automatic renewal process and clarify that the lottery process is only available if there is a waitlist for registrations.

II. AGENDA DESCRIPTION

Chapter 6, Article VI of the City Code governs the registration of both long term and short term rentals, and § 6-151(a)(1) requires that rental units must be registered and renewed annually. The ordinance imposes a cap on mainland, non-owner occupied short term rental units, limiting the number of registered units in the City to 300. Section 6-154 describes the allocation of registrations for non-owner occupied mainland short-term rental units as on a “first come, first registered basis,” but also provides that “The City Manager or his or her designee may institute a lottery process at his or her discretion.”

The proposed amendment to § 6-154 adds an “automatic right to renew” for registered mainland, non-owner occupied short term rental units that renew prior to January 1. It also clarifies that the lottery process will only be used to choose applicants off a waitlist once the 300 cap is met. If an existing registration is not renewed by January 1, the applicant would forfeit his or her automatic right to renew. However, registration would still be available if the 300 cap had not been met or if the application was chosen off the waitlist.

If the non-owner occupied mainland short-term rental unit registrations are not automatically renewed, there is the possibility, as the short-term rental industry grows, that valid registered units may not receive renewal under the current first-come, first-registered process or under the lottery process. This change gives owners certainty about their ability to continue operating, so long as they renew in a timely fashion.

III. BACKGROUND

Housing Committee Chair Duson introduced this amendment to the Housing Committee on July 31, to add an “automatic right to renew” for registered mainland, non-owner occupied short term rental units that renew prior to January 1, and to clarify that the lottery process is only available if there is a waitlist for registrations.

IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The intended result is to amend the existing ordinance to ensure an automatic renewal process for non-owner occupied mainland short-term rental units.

V. FINANCIAL IMPACT

Not applicable

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

VII. RECOMMENDATION

On July 31, 2018 the Housing Committee voted unanimously (2-0, Cook absent) to forward this item to the City Council with a recommendation for passage.

VIII. LIST ATTACHMENTS

Red lined version of current and proposed changes to Chapter 6, Article VI, section 6-154

PLEASE REMEMBER THAT BACKUP ITEMS HAVE TO BE SINGLE SIDED.

Prepared by: Victoria Volent

Date: August 17, 2018

*Order 68-18/19
Tab 24 9-5-18*

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

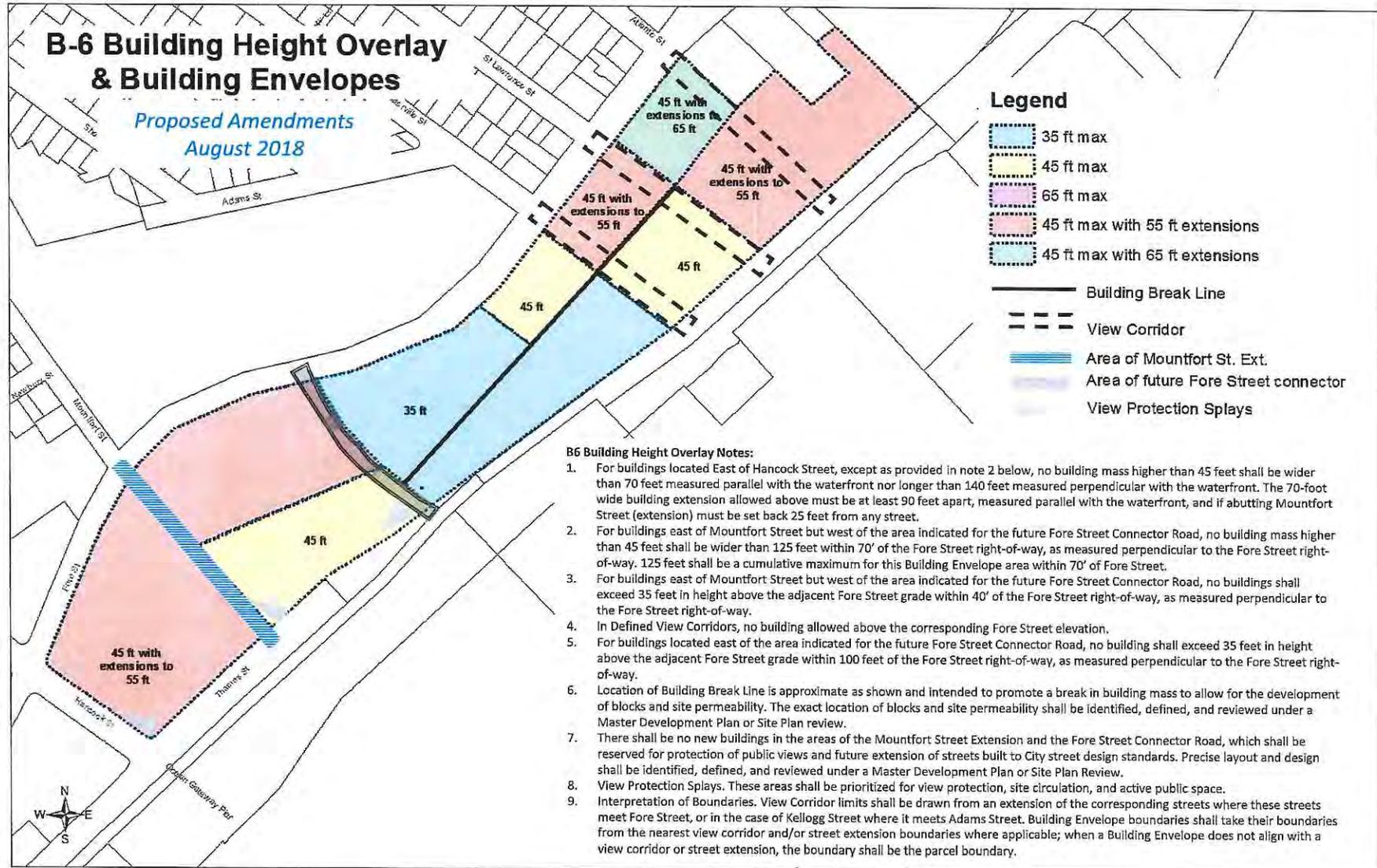
**AMENDMENT TO ZONING MAP,
B-6 BUILDING HEIGHT OVERLAY AND BUILDING ENVELOPES MAP
RE: 100 FORE STREET**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND, MAINE
IN CITY COUNCIL ASSEMBLED AS FOLLOWS:**

That the B-6 Building Height Overlay and Building Envelopes Map of the Zoning Map of the City of Portland, dated December 2000, as amended and on file in the Department of Planning and Urban Development, and incorporated by reference into the Zoning Ordinance by §14-49, be and hereby is amended by adopting the following map change amendment and specifically rezoning property at 100 Fore Street to allow building heights of up to fifty-five (55) feet and other revisions, as shown in the attached.

B-6 Building Height Overlay & Building Envelopes

Proposed Amendments
August 2018



MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Sonia Bean, Nancy English, Danielle West-Chuhta, Deivy Periana, Michael Sauschuck

FROM: Jeff Levine, Director, Planning and Urban Development Department

DATE: August 17, 2018

SUBJECT: Application for zoning map amendment at 100 Fore Street

SPONSOR: Sean Dundon, Chair, Planning Board

COUNCIL MEETING DATE ACTION IS REQUESTED:

1st reading 9/5/2018 Final Action 9/17/2018

Can action be taken at a later date: ___ Yes ___ **X** No (If no why not?) Public Notices will have been mailed for the first reading and public hearing.

PRESENTATION: Sean Dundon, Planning Board Chairman, and/or Stuart O'Brien, City Planning Director, will make a five minute presentation and be available for questions.

I. ONE SENTENCE SUMMARY

On August 14, 2018, the Planning Board voted to recommend a zoning map amendment to the *B-6 Building Height Overlay & Building Envelopes* map for changes maximum heights for 100 Fore Street, as well as additional changes for clarity and in response to changed conditions since the Overlay has been implemented.

II. AGENDA DESCRIPTION

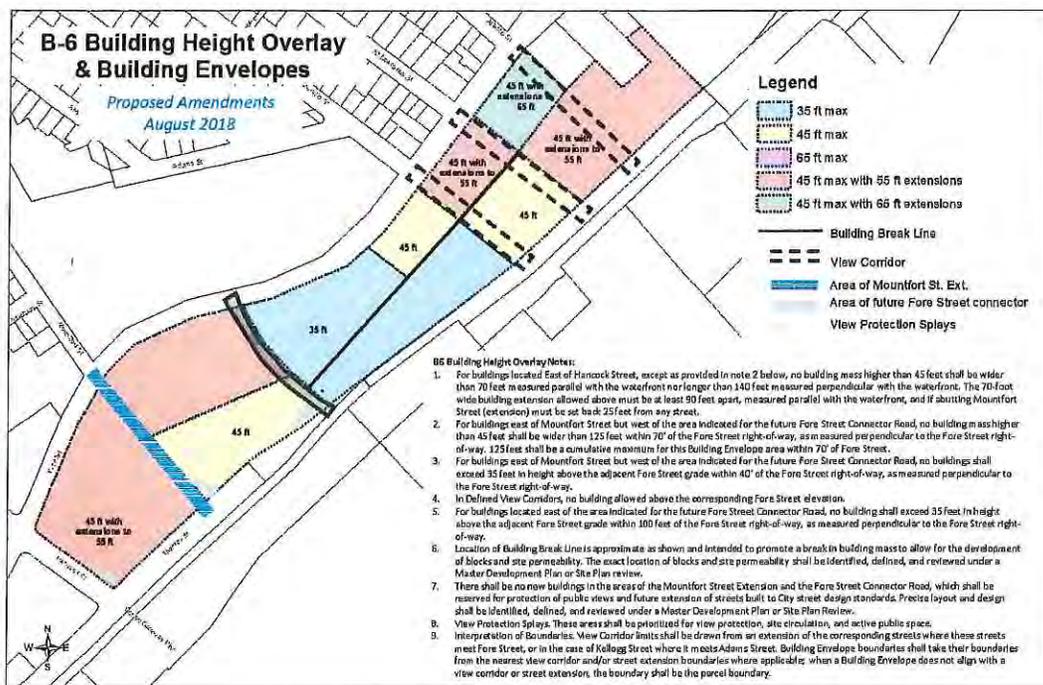
The applicant, 100 Fore Street LLC, has applied for a zoning map amendment to allow for building heights up to 55 feet in order to support a mixed-use site containing structured parking wrapped by office and retail uses. On August 14, 2018, the Planning Board voted to recommend a zoning map amendment to the *B-6 Building Height Overlay & Building Envelopes* map (Height Overlay), changing maximum heights for 100 Fore Street, as well as additional changes for clarity and in response to changed conditions in the area since the Overlay has been implemented. Changes proposed to the Height Overlay include the following, limited to the building envelope where 100 Fore Street is located: a proposal to allow building heights of 45 feet with extensions to 55 feet; height to be measured from average grade rather than from the floodplain; height limits of 35' for a depth of 40' near Fore Street (currently 35' for a depth of 100'); change to the remainder of the single parcel with the floodplain measurement requirement to 45ft maximum height from average grade. Changes that impact the full Height Overlay include: removal of the westernmost building envelope, which is now superseded by the India Street Form Based Code; no-build areas replaced with view protection splays and street extension areas; and reduction of a 65 ft. maximum height building envelope with 35 ft. maximum height.

III. BACKGROUND

The Height Overlay emerged from the Height Study component of the *Eastern Waterfront Masterplan*. The *Eastern Waterfront Masterplan* contains recommended uses, design principles, heights, and goals for the area, many of which have been implemented in the approximately 15 years since the study was

adopted. It was originally implemented in 2004 to include land in the B-6 zone east of India Street to the western edge of the Portland Company site, and in 2015 was extended eastward to include the Portland Company site. The Height Overlay regulates heights in multiple ways: it includes Building Envelopes with base heights and height extensions that range from 35-65 feet; since 2015 an additional measure has been in place limiting buildings to 35 feet within the first 100 horizontal feet of Fore Street from Mountfort Street eastward; within identified view corridors the height may not exceed the grade of Fore Street; currently, there are several areas within the Height Overlay, outside of the Building Envelopes, where no building is permitted; and on one of the Building Envelopes height must be measured from flood plain rather than from the standard measurement method of measuring height from average grade. The Eastern Waterfront Masterplan

The heights proposed in this Height Overlay amendment fall within those originally recommended for the area. The proposal also supports other City policy goals for the Eastern Waterfront, including: elimination of surface parking, provision of parking with mixed-use structures, active street frontages, and encouraging positive economic development. The Planning Board considered the broad policy goals and the proposed changes to the allowed heights when considering the application. It also evaluated the changes within the context of the Height Overlay, considering practical considerations for administering it (language to aid determination of boundaries, elimination of no-build areas, consistent measurement methods) and changing conditions (completion of Hancock Street extension, obsolescence of the 65 foot envelope where Thames Street is anticipated to enter the 58 Fore Street site, removal of western Building Envelope) while maintaining consistency with the early/mid 2000s vision for the Eastern Waterfront.



IV. INTENDED RESULT AND/OR COUNCIL GOAL ADDRESSED

The proposed zoning Height Overlay map change will enable a mixed-use parking, office and retail structure, will enable the elimination of surface parking, and will provide practical updates for the Height Overlay going forward.

V. FINANCIAL IMPACT

The map amendment will allow for the redevelopment of 100 Fore Street, which has the potential to generate positive economic development, contribute to a mixed-use neighborhood, and support the provision of new infrastructure in the Eastern Waterfront.

VII. RECOMMENDATION

On August 14, 2018, the Planning Board voted to recommend a zoning map amendment to the *B-6 Building Height Overlay & Building Envelopes* map, voting 5-0 in favor (Austin Smith absent, Lisa Whited recused) to the City Council. The motion reads: *On the basis of the material provided in this report for of Project # ZN-000114-2018, public testimony, a review of applicable policies, and other information, the Planning Board finds that the proposed amendments to the B6 Building Height Overlay & Building Envelopes map are consistent with the Comprehensive Plan and recommends adoption of the proposed amendment to the City Council.*

VIII. LIST ATTACHMENTS

1. Planning Board Report to City Council
2. Recommended amended B-6 Building Height Overlay & Building Envelopes map
3. Council Order

Prepared by: Christine Grimando

Date: August 20, 2018



CITY COUNCIL REPORT
from
PLANNING BOARD
PORTLAND, MAINE

100 Fore Street
Application for a map amendment at 100 Fore Street
100 Fore Street LLC

Submitted to: Portland City Council
First Reading: September 5, 2018
Second Reading: September 17, 2018

Prepared by: Portland Planning Board
Date: August 21, 2018
CBLs: 019 A010001
Project #: ZN-000114-2018

I. INTRODUCTION

On August 14, 2018, the Planning Board voted to recommend a zoning map amendment to the *B-6 Building Height Overlay & Building Envelopes* map to the City Council. 100 Fore Street LLC has applied for an amendment of the B6 Building Height Overlay & Building Overlays Map (Height Overlay) where it applies to 100 Fore Street. The property, in the Eastern Waterfront, fronts exclusively on Fore Street and is abutted by an extensive mix of uses, including residential, office, hotels, a brewery, and retail uses. The parcel is in the B-6 zone and abuts the IS-FBC and R-6 zones.

The application requested to amend the Height Overlay for the 100 Fore Street parcel, which currently allows a maximum of 45ft, except that maximum height is 35 feet within 100 feet horizontal distance from Fore Street, as measured from floodplain. The application requested heights of 45 and 55 feet, with an area limited to 35 feet within 40 feet horizontal distance of Fore Street, measured from average grade. Additional changes including in the Planning Board's recommendation include change to the remainder of the single parcel with the floodplain measurement requirement to 45ft maximum height from average grade; removal of the westernmost building envelope, which is now superseded by the India Street Form Based Code; no-build areas replaced with view protection splays and street extension areas; and reduction of a 65 ft. maximum height building envelope with 35 ft. maximum height.



Figures 1 & 2. Top Image, 100 Fore Street from Fore looking east. Bottom image, 100 Fore St. from Fore looking south.

The amendment is requested in order to support a mixed-use site containing structured parking wrapped by office and retail uses, with additional changes recommended for clarity and to reflect changing conditions in the area since implementation of the map o. If the amendment to the height overlay is approved, the subsequent application would be reviewed as a Level III site plan by the Planning Board.

Public notice of the public hearing will be posted to the City's webpage and appear in the Portland Press Herald on September 3rd and 10th. Notices will also be sent to 150 property owners within 500 feet of the site and to the interested citizen list.

II. PROPOSED MAP AMENDMENT

Current Zoning:	B-6 (Eastern Waterfront Mixed Zone)
Proposed Zoning:	B-6 (Eastern Waterfront Mixed Zone), with changes to the B6 Height Overlay from 45 feet to a combination of 45' and 55', a change in the distance from Fore Street heights cannot exceed 35', and a change to the height measurement method.
Current Uses:	Surface parking, single-story warehouse building occupied by a mix of uses, including marine supply, copy shop and other office and service uses.
Proposed Uses:	Parking garage with approximately 600 spaces, retail, and office space.
Parcel Area:	129,000 SF (approximate)
Area to be Rezoned:	Changes to the Height Overlay sought for portion of parcel on the Building Envelope east of Mountfort Street

Additional Height Overlay amendments (see VII, Discussion), including:

- Removal of the westernmost building envelope (now in IS-FBC).
- No-build areas replaced with view protection splays and street extension areas, final layout to be determined in the course of Site Plan or Master Development Plan Review. Street extension areas are preserved.
- Removal of a 65 ft. Building Envelope, since it is anticipated that the extension of Thames Street will cross through enough of this area to make it impractical. Replaced with a maximum of 35ft.
- Change to the remainder of the parcel with the floodplain measurement requirement to the height measurement taken from average grade.
- New notes 7, 8, and 9, including notes on measurements and interpretation.

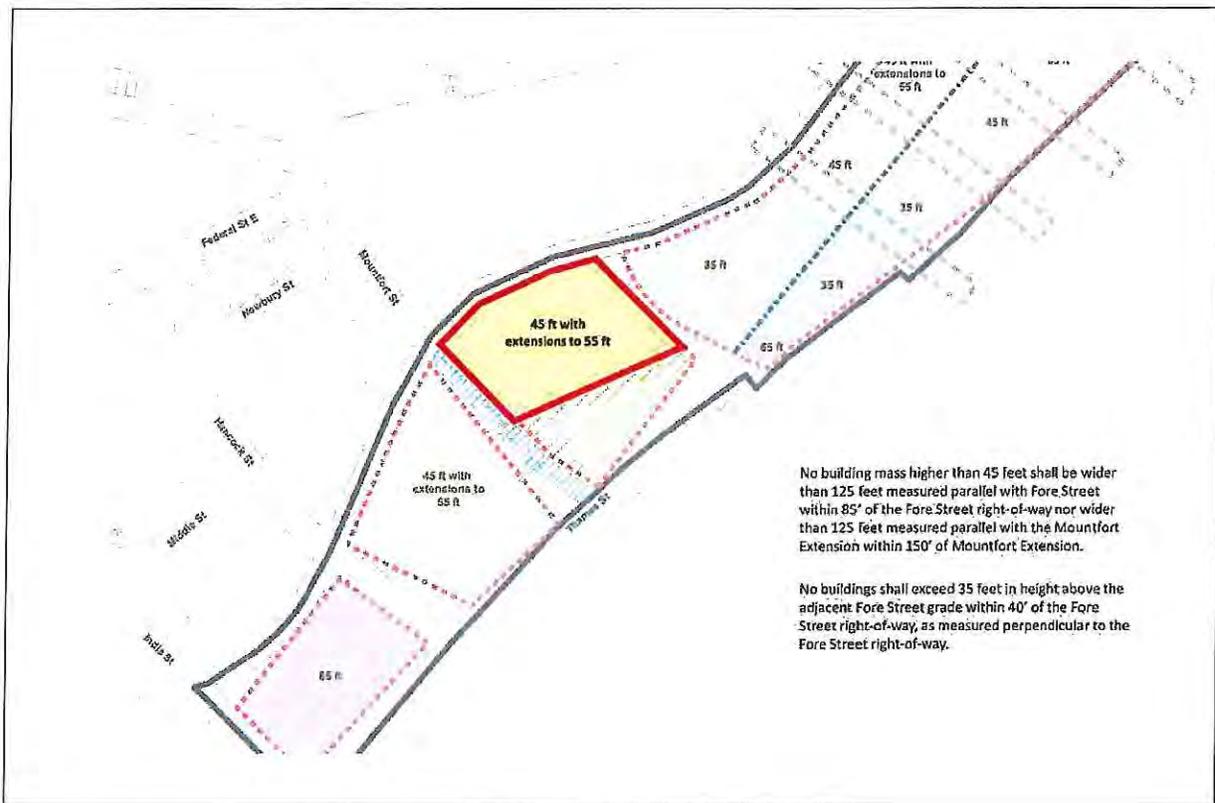


Figure 3, Applicant's requested changes to the B-6 Height Overlay for 100 Fore Street.

III. CONTEXT

Current Uses

Currently the parcel is occupied by surface parking and a single-story warehouse building occupied by a mix of uses, including Hamilton Marine, Xpress Copy, and other office and service uses.

Surrounding Uses

The property fronts Fore Street and sits perpendicular to Mountfort Street, bounded to the east by the Portland Company site, to the north by the residences of Munjoy South, and portions of the Shipyard Brewery and the Marriot Residence Inn properties, to the south offices and surface parking followed by the Eastern Promenade Trail and Ocean Gateway, and to the west the varied uses - office, hotel, retail, and residential - of the India Street neighborhood.

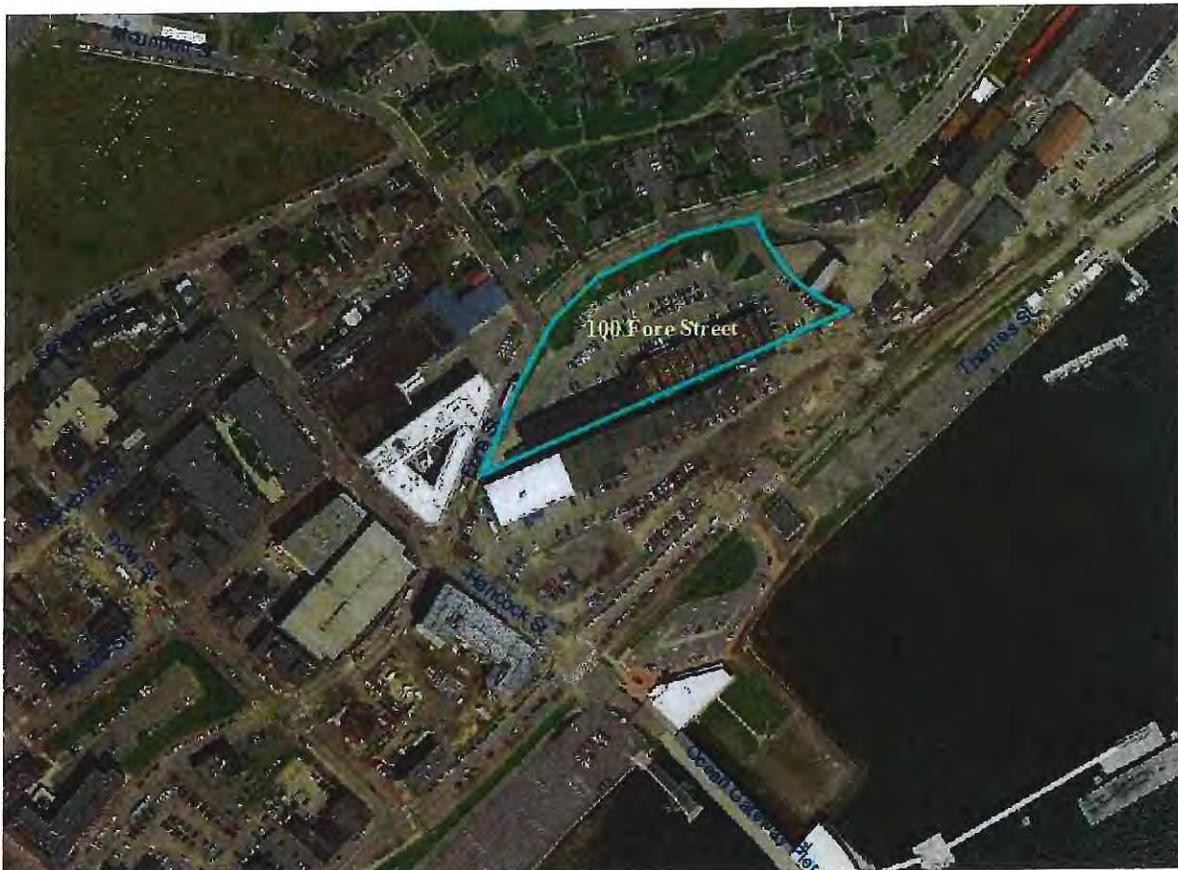


Figure 4. Aerial view, 100 Fore Street and surroundings

Zoning Context

The parcel is in the B-6 zone. Part of the Eastern Waterfront, the area is comprised of two zoning districts, the EWPZ and the B-6. The EWPZ is intended to foster marine passenger services and supporting infrastructure, such as piers and circulation areas and supporting services; recreational boating such as marinas; and a host of marine commercial uses such as storage, seafood processing, and ship repair. The B-6, encompassing 100 Fore Street, occupies the upland, mixed-use portion of the Eastern Waterfront, and has no marine-dedicated requirements, though it allows for supportive services, such as fuel storage and marine supply stores. The Eastern Waterfront includes the Ocean Gateway Marine Passenger Terminal; 58 Fore Street/Portland Company site, recently approved for a master development plan and the site of a new historic district; a marina; and a sail school. The area is the locus of significant planning initiatives, public investment, and private development. Examples of public initiatives to support the Eastern Waterfront and surrounding area include: a road and utility extension of Thames Street, new public open space and waterfront access in the location of the Amethyst Lot, and a study to improve transportation and circulation for the Commercial Street corridor. 100 Fore Street is also abutted by the R-6 and IS-FBC zones and is separated by one B-6 parcel from the Eastern Waterfront Port Zone (EWPZ). Several of the abutting properties are also in the Shoreland Zone and within Flood zones, though 100 Fore Street is not in either of these overlay zones.

All of the B-6 zone is subject to the Height Overlay (Figure 6, Attachment 1).

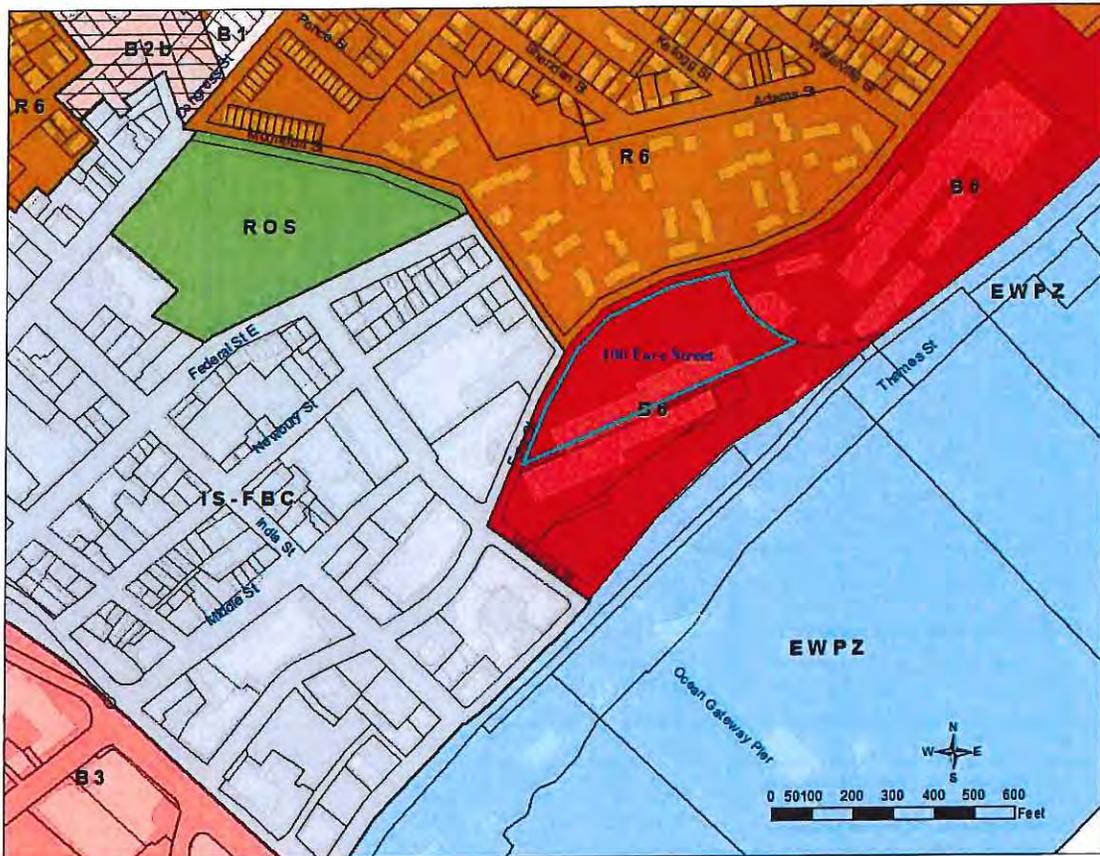


Figure 5, Zoning Context

IV. ZONING ANALYSIS

Purpose Statement

The B-6 was created to be a mixed-use upland zone that abuts and is compatible with a waterfront zone, though unlike the three primary waterfront zones (EWPZ, WCZ, WPDZ) is not required or expected to support marine-dependent or marine-related uses. The purpose of the B-6 Eastern Waterfront Mixed Zone (sec. 14-268) is to: *establish a zoning district for the upland portion of the eastern waterfront area. The B-6 zone encourages this district to acquire a distinctly urban form through development that emphasizes a quality pedestrian experience, promotes public transit, and demonstrates exemplary urban design. The zone promotes a range of uses to achieve twenty-four urban vitality and shared use of parking infrastructure as recommended in the eastern waterfront master plan for redevelopment.* The purpose further states that the regulatory framework of the zone promotes a mixed-use development pattern envisioned for urban land on Portland's peninsula and that specific development criteria, including building height overlays and design standards, may be established for this district to supplement the provisions of this section.

B-6 Use Table

Reflecting its location as a zone that spans waterfront zones to one side and residential and mixed-use zones on the other, the B-6 zone allows a truly diverse range of uses such as galleries, brew pubs, hotels, biotechnology, multi-family residential buildings, fuel storage and carpentry shops. Parking as a principal use is permitted as a conditional use only, with conditions directed at not having the urban form of this area visually dominated by

either surface parking or single use parking structures. New surface parking is permitted so long as it is accompanied by time constraints, and won't prohibit future construction, and new structured parking is permitted so long as it includes retail or other uses along street frontages. The following table contains a summary of permitted and conditional uses for the B-6 zone (see Sec. 14- 269 & 14-270 for full text). The zone also includes a short list of specified prohibited uses (14-271), including ground-mounted telecommunication towers; waste, scrap, and/or byproduct storage and processing; auto service stations; drive-up facilities, except as permitted as a conditional use.

B-6 Permitted and Conditional Uses		
Permitted Uses	Commercial	Professional, business and general offices Restaurants and other eating and drinking establishments (restrictions on hours and location east of Waterville Street) Hotels and inns limited to no more than 150 rooms Craft and specialty shops, including the on-premises production of handcrafted goods Retail and retail service establishments, excluding those with gas pumps Theatres Banking services, excluding vehicular drive-up services Cabinet and carpentry shops Personal services Business services Offices of business trades people Miscellaneous repair services Telecommunication and broadcast and receiving facilities (height limits for roof-mounted) Brew pubs and microbreweries without associated bottling facilities; and brewpubs and microbreweries with associated bottling facilities up to 5,000 bottles per year Electronic data storage Marine products wholesaling and retailing Harbor and marine supplies and services, chandlery and ship supply Bakeries, coffee roasters, and commercial kitchens with building footprints limited to fifteen thousand (15,000) square feet of contiguous building space. Underground marine fuel storage provided that fuel storage structures shall be used solely for the purpose of fueling vessels Printing establishments
	Residential	Attached dwellings including row houses, two-family and multifamily dwellings Handicapped family units Combined living/working spaces, including but not limited to artist residences with studio space Mixed use residential and commercial structures
	Public	Utility substations, including sewage collection and pumping stations, water pumping stations, transformer stations, telephone electronic equipment enclosures and other similar structures Landscaped pedestrian parks, plazas and other similar outdoor pedestrian spaces Pedestrian and multi-use trails
	Other	Studios for artists, photographers and craftspeople including but not limited to, painters, sculptors, dancers, graphic artists and musicians Accessory uses customarily incidental and subordinate to the location, function and operation of permitted uses* Health clubs, martial arts and mediation facilities Intermodal transportation facilities Nursery schools, kindergartens, and daycare facilities or home babysitting services Wind energy systems, as defined and allowed in Article X, Alternative Energy Private Clubs or non-profit social and recreational facilities Educational Facilities Temporary events (with size and frequency limits) Museums and art galleries Wind energy systems
Conditional Uses	Commercial	Meeting and exhibition facilities up to 20,000 sf of interior floor area Wholesaling up to 15,000 sf, associated with a retail establishment Drive-up Banking, subject to conditions Research and development and related production facilities, including but not limited to biotechnology, with conditions.
	Parking	Surface parking, provided it includes lease limits and provisions to not inhibit future building, including structured parking Structured parking, provided it incorporates first floor retail or other mixed use along all street frontages.
	Energy	Temporary Wind Anonometer Towers

B-6 Dimensional Standards

The B-6 dimensional standards direct new development toward continuous strong building lines along street frontages, including maximum setbacks. Many of these standards are superseded by the Height Overlay. Below is a summary table of the dimensional requirements for the B-6 zone (see Sec. 14- 272 for full text):

B-6 Dimensional Requirements	
Min. Lot Size	None
Min. Street Frontage	None
Min. Front Yard Setback	None, except
Min. Rear Yard Setback	None
Min. Side Yard Setback	None
Max Setback from Street Line (not applicable to the easternmost envelope (not applicable to 58 Fore Street/Portland Co.))	10 feet, except: setback may be increased for lots fronting on more than one street if: the increase occurs at the intersection of two streets; the increased setback area is the primary pedestrian entrance to the building; 75% of the building wall facing the streets is setback a maximum of 10 ft, cumulative for all building wall segments; for new construction abutting three or more streets, the max. setback applies to the two most major streets; buildings in have no max. setback.
View Corridors & Street Walls within the B-6 Height Overlay (not applicable to 58 Fore Street/Portland Co.))	New Structures to build to key building envelopes, except: parking structures and public transportation facilities have no max. setback.
Min. Length of Building Wall Along Frontage (not applicable to 58 Fore Street/Portland Co.))	70% of street frontage or 25% of building perimeter, except that for buildings fronting two or more streets, min. building wall may be decreased so long as it is proportionately increased on other frontage for not less than 25 feet of building wall.
Max. Lot Coverage	100%
Max Building Height	65 ft or as indicated in the B-6 Height Overlay
Min. Building Height (not applicable to 58 Fore Street/Portland Co.))	3 floors of habitable space above average adjacent grade within 25 ft of a public street for new construction, except for: kiosks and ticketing booths; parking attendant booths; parking garages; public transportation facilities; additions on buildings in existence as of 2004, up to 25% of total footprint; buildings or additions <2,000 sf; buildings on lots or available building sites <2,000 sf; utility substations; additions on historic structures.

B-6 Height Overlay

The Height Overlay emerged from recommendations of the Eastern Waterfront Height Study. Originally adopted in 2004 to include land in the B-6 zone east of India Street to the western edge of the Portland Company site, it was extended to include the Portland Company in 2015. The Height Overlay regulates heights in multiple ways: it includes Building Envelopes with base heights and height extensions that range from 35-65 feet; since 2015 an additional measure has been in place limiting buildings to 35 feet within the first 100 horizontal feet of Fore Street from Mountfort Street eastward; within identified view corridors the height may not exceed the grade of Fore Street; there are several areas within the height overlay, outside of the Building Envelopes, where no building is permitted; and, on one of the Building Envelopes height must be measured from flood plain rather than from the standard measurement method of measuring height from average grade. In addition to including these various height regulations, the Building Envelopes have associated setback and building placement language in the Land Use Code.

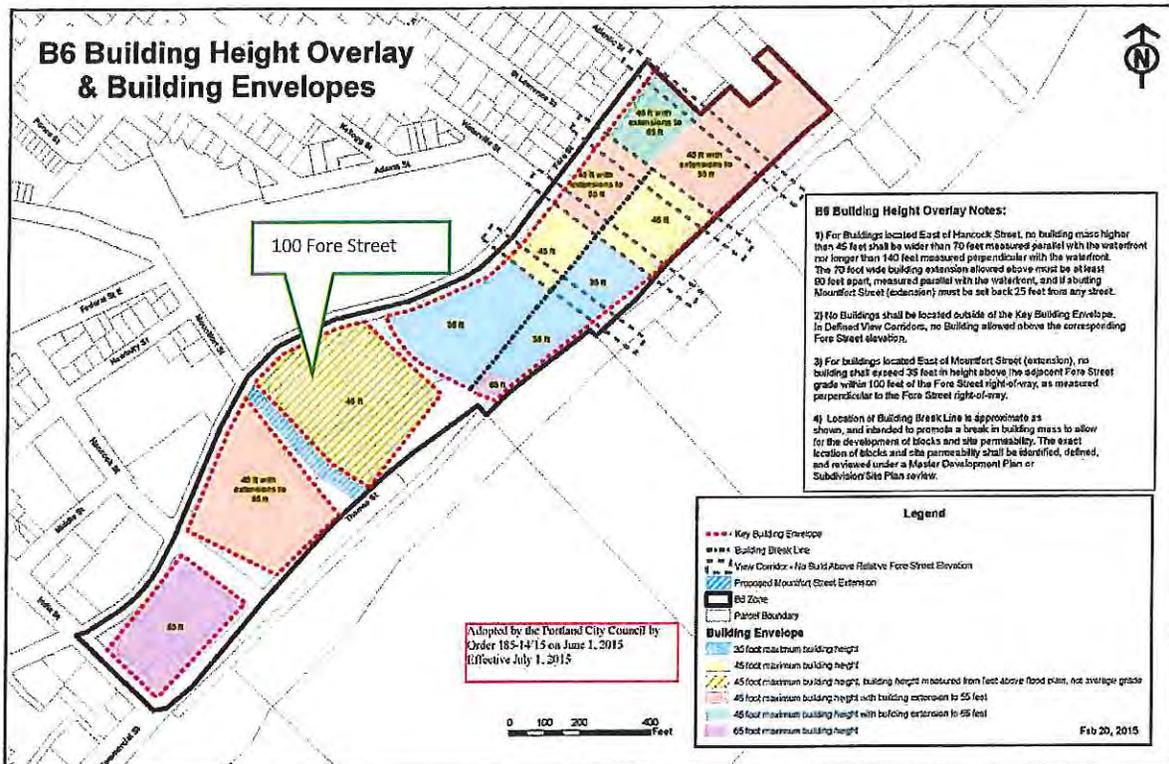


Figure 6, Current B-6 Height Overlay, with 100 Fore Street

V. POLICY ANALYSIS

The applicant has provided a detailed analysis (Attachment B) of the impact of the current Height Overlay on prospective build-out of the site. This document addresses the application’s request in light of City policies, including the Comprehensive Plan and plans specific to the Eastern Waterfront. The applicant maintains that the development potential under current zoning in regard to allowed heights at 100 Fore Street does not promote a built form or mix of uses consistent with City policy for the Eastern Waterfront. The analysis includes cross

sections of potential heights and masses on the site in relation to the surrounding streetscape, development patterns and grade changes, including illustrations of the site in relation to the residences at Munjoy South and more recent developments such as the new Wex building. The application addresses consistency with City policies through analysis of a Height Study for this area and of additional goals for the Eastern Waterfront, such as those for mixed use development, economic development, and parking that is not surface parking or single use structures.



Figure 7, Eastern, Central, Western Waterfronts

Policy background and elements of both Eastern Waterfront Masterplan documents and the Comprehensive Plan with relevance to this application follows.

The B-6 zone, though not a zone that directly abuts the waterfront, emerged out of the planning process for Portland's Eastern Waterfront. Thirty years of planning and policy have reinforced distinct policy directions for several subdistricts of the waterfront based on historic patterns, environmental conditions (such as water depths) and existing infrastructure. A 1992 *Waterfront Alliance Report* initially identified four areas which were later simplified into three subdistricts – the Eastern, Central, and Western Waterfronts - and which now have respective zoning districts and policy directions. Each of these areas has been revisited over the years to craft policy that helps them meet their intended purposes, and each may need to be revisited in the future to respond to changing conditions, but the overall intentions for them has not changed. Likewise, the overall use hierarchy of marine-dependent, marine-related, and marine-compatible uses in the City's waterfront zones remains in the requirements of each of the waterfront zones. *Portland's Plan 2030* also

supports continuing to approach these three recognized waterfront areas through this policy framework in its

Waterfront Goals (p. 34, *Recognize and reinforce the respective roles of the Eastern, Central, and Western Waterfronts*), and in Future Land Use (p. 86), where it identifies this area as one of multiple priority areas, categorized as *Enhance*, so that the area can continue to build on past planning initiatives.



Figure 8, Future Land Use

In the early 2000s a multi-year planning process resulted in *A Masterplan for Redevelopment of the Eastern Waterfront* (Eastern Waterfront Masterplan) comprised of three parts: the original masterplan document establishing goals and recommendations for the areas, *Design Guidelines for the Eastern Waterfront*, and the *Eastern Waterfront Building Height Study* (the full text of these combined documents is on the City's website here: <http://www.portlandmaine.gov/DocumentCenter/View/3391/Eastern-Waterfront--Master-Plan>). The Eastern Waterfront Masterplan is a central policy document for new development in this area. The study anticipates and encourages new development in the Eastern Waterfront, and emphasizes the importance of site permeability, quality design, traffic management, the retention of view corridors and sensitivity to surrounding neighborhoods as new and re-development unfolds. To date, many of the recommendations of the Eastern Waterfront Masterplan have been implemented in some form. A sample of significant initiatives in the vicinity of 100 Fore Street since adoption of the plan:

- Adoption of zoning, including the creation of the B-6 zone

- Adoption of a B-6 Height Overlay map (2004), patterned on recommendations from the height study portion of the Eastern Waterfront Masterplan
- Rezoning of 58 Fore Street in 2015 to a combination of the EWPZ and the B-6, including an expansion of the B-6 Height Overlay
- Portions of the study area blended with the India Street neighborhood, eventually being included in the IS-FBC zone
- Hancock Street was extended
- Thames Street and associated utilities to be extended to the Portland Company site
- The construction of Ocean Gateway Marine Passenger Terminal
- The Amethyst Lot, a waterfront parking lot between the Portland Company site and Ocean Gateway, is slated to be redesigned into a new public open space
- Significant new developments in the immediate vicinity including the new Wex site, the AC Hotel, and anticipated new development at 58 Fore Street

100 Fore Street falls into what the Eastern Waterfront Masterplan identifies as the Central Redevelopment Area (pg. 6) and identifies the following development considerations (pg. 7):

- *Currently home to poorly organized public and private surface parking lots.*
- *New streets to be extended from existing street grid.*
- *Provides significant opportunity for large-scale development of both City controlled and private properties.*
- *Promote consolidation of surface parking into shared parking structures.*
- *Integrate new streets serving the marine passenger terminal with redevelopment of lands north of an extended Commercial Street.*

It also identifies a series of principles for redevelopment of the Eastern Waterfront (pgs. 15, 18), under the headings of Character and Impact of Development, Mixed Use, Maritime Resources, and Economically Responsible Development. Several of the statements associated with these principles have direct implications for this application and subsequent development of the property:

- *Development within the eastern waterfront will be compatible with the surrounding areas, neighborhoods, natural environment and maritime uses (Character and Impact of Development).*
- *Development within the eastern waterfront will create a vital and active mixed-use urban area that generates life and use every day of the year and all hours of the day (Mixed Use).*
- *Development in the eastern waterfront will provide a significant benefit to the City and regional economy. (Economically Responsible Development. Broad in scope, this principle includes priorities such as water-related tourism, positive economic return, multi-modal transportation opportunities).*

The Design Guidelines section of the Eastern Waterfront Masterplan focuses on building design for new proposals, but also public spaces, view corridors, building orientation, height, and parking. It calls for buildings to be placed at the sidewalk edge with primary entrances to the street, and for building heights to be compatible with surrounding development and neighborhoods. It states that *above-grade parking structures should include usable retail, commercial, and/or residential uses along street frontages to create a high quality urban environment* (pg. 6) and that *the areas devoted to surface parking and vehicle queuing should be minimized as much as possible and visual impact of such areas should be mitigated through buffering and landscaping. Land devote to surface parking lots should be reduced over time through redevelopment and construction of structured parking facilities* (pg. 12).

The creation of Design Guidelines was followed by a Height Study in 2004 which recommended heights of 3-6 stories in this area (and some inclusion of 7 stories outside of the current B-6 zone), and avoidance of monolithic building heights and designs. It concluded that heights could not be divorced from the alignment of roads and open spaces in the Eastern Waterfront, and included recommendations for each of these things. A graphic of height recommendations, Illustration 33, included the India Street neighborhood, the Portland Company site and several other parcels, including 100 Fore Street. Illustration 33 informed many of the elements in the current Height Overlay, though implementation has required variations from the study through neighborhood concerns, property owner needs, and public deliberation.

Current differences between the Height Study vision and initial implementation of zoning include:

- The inclusion of flood plain measurement for one of the key building envelopes
- Reduction of heights on the 100 Street Building Envelope from 4 and 5 stories to 45 ft
- Reductions to 35 ft for new construction within 100 ft. of Fore Street
- Reduction of heights on the Building Envelope occupied by Wex from 4 and 6 stories ft to 45/55 ft
- No inclusion of the India Street neighborhood (with the exception of the western-most Building Envelope, now superseded by the IS-FBC).
- Changing of the no-build corridor running west to east through the Portland Co. site to a building break line, exact locations to be determined in the course of Planning Board review.
- Conversion of building stories to feet

Each of these variations from Illustration 33 resulted in zoning consistent with the overarching conclusions of the Height Study, including preservation of view corridors, promoting street extensions, and varying heights throughout the study area.

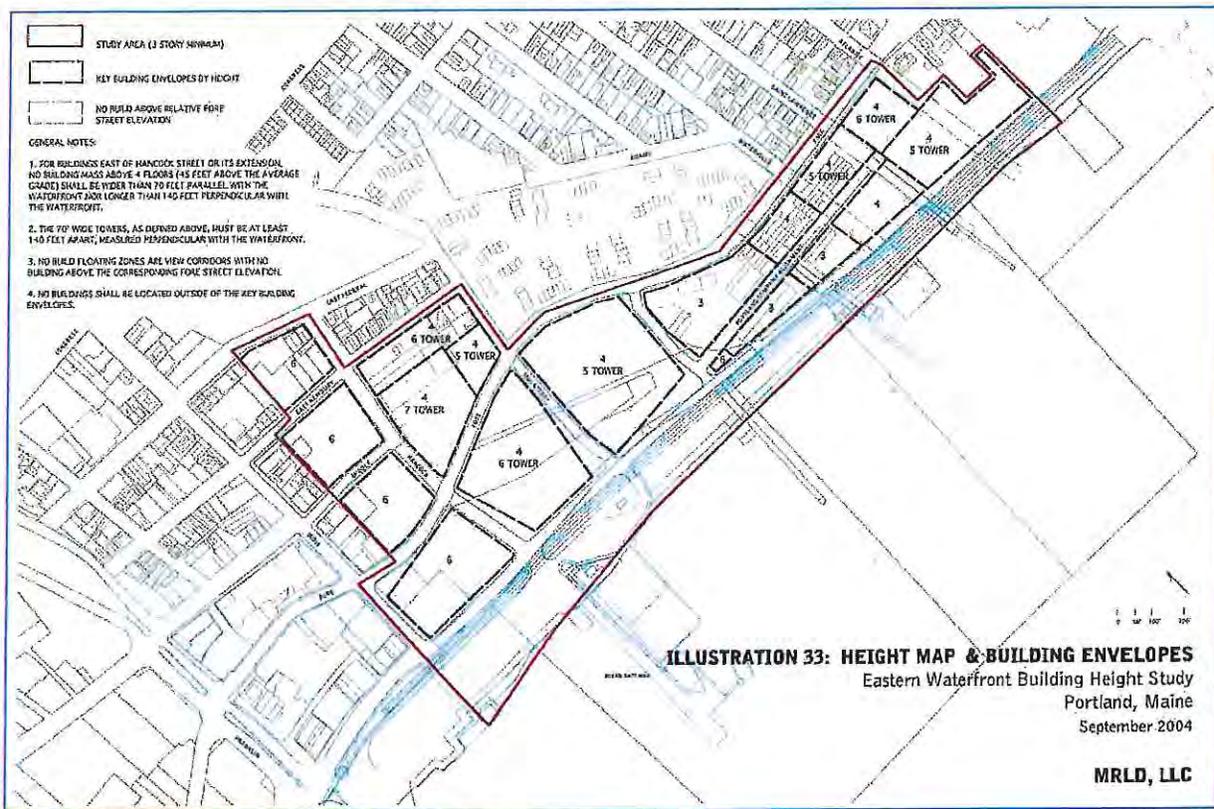


Figure 9, Illustration 33, Eastern Waterfront Height Study

The Eastern Waterfront Masterplan (the original masterplan, the design guidelines, and the height study), is a multi-faceted document. For the purposes of this application for a change to allowable heights, its pertinent elements have to do with the priorities of the height study as well as the additional recommendations of the Eastern Waterfront Masterplan such as fostering mixed-uses, multistory redevelopment, elimination of surface parking, provision of parking within a mixed-use structure, and maintaining view corridors and the potential for future street extensions.

The proposed heights for 100 Fore Street do not exceed the maximums envisioned in the Eastern Waterfront Masterplan, and the uses proposed to accompany those heights explicitly meet the stated goals of elimination of surface parking, structured and mixed-use parking when parking is proposed, and creation of a defined building edge at the street.

VI. PUBLIC COMMENT

Fifteen written comments were submitted to the Planning Board, in addition to the testimony given at the July 10th workshop and August 14th public hearing. Concerns and topics raised include:

- Traffic congestion and its potential for increased air pollution, climate change
- Traffic congestion as it will impact Portland's streets, including impact on Franklin Street, 295, Commercial Street, and the streets of Munjoy Hill
- Traffic congestion's negative impacts on the fishing industry in the Central Waterfront
- Parking impacts on the surrounding streets and on Munjoy Hill in particular
- Increased heights - concern with and/or objection to increased heights and the resulting change in views and visual character of the Eastern Waterfront

- Rising housing costs
- The need for open space
- Suggestions for alternative, sustainable approaches to off-set traffic and parking demand, such as: encouraging public transportation, required developer contributions to Metro Bus, shuttle service to the Eastern Waterfront and downtown areas, completion of a transportation Commercial Street study before any decision on the application
- Site Plan review – a request the map amendment be reviewed concurrently with the Site Plan review, out of a concern that the map amendment could result in a poor presence at street level, little pedestrian activity, negative historic district impacts (see below), and a lack of commodiousness for pedestrians at the entrances
- Historic preservation impacts, particularly in regard to Building 12, 58 Fore Street, which abuts 100 Fore Street

The neighborhood meeting was not attended by any abutters (Attachments E and F).

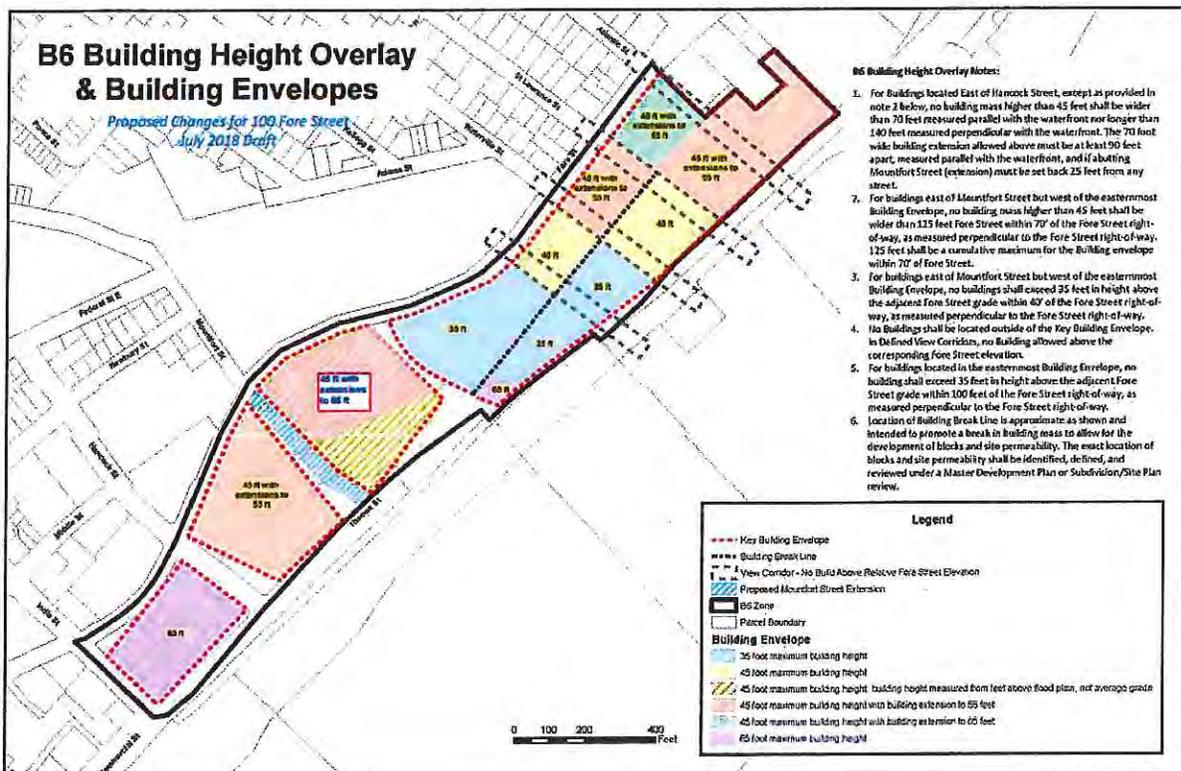


Figure 10, 100 Fore Street Map amendment with modifications to plan notes.

VII. DISCUSSION

100 Fore Street Overlay Edits

The applicant’s modified map showing the portion of the Building Envelope for which the height increase was proposed isolated half the envelope area and included two new notes for the Height Overlay in addition to the four existing plan notes (Figure 3, Attachment D). This change necessitated edits to other plan notes for

consistency. Below are the changes to the Height Overlay notes in Figure 10 (applicant's language is underlined; staff changes include new text in blue and struck-through text):

- 1) For Buildings located East of Hancock Street, except as provided in note 2 below, no building mass higher than 45 feet shall be wider than 70 feet measured parallel with the waterfront nor longer than 140 feet measured perpendicular with the waterfront. The 70 foot wide building extension allowed above must be at least 90 feet apart, measured parallel with the waterfront, and if abutting Mountfort Street (extension) must be set back 25 feet from any street.
- 2) For buildings east of Mountfort Street but west of the easternmost Building Envelope, no building mass higher than 45 feet shall be wider than 125 feet measured parallel with Fore Street within 70' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way. 125 feet shall be a cumulative maximum for the Building envelope within 70' of Fore Street.
- 3) For buildings east of Mountfort Street but west of the easternmost Building Envelope, no buildings shall exceed 35 feet in height above the adjacent Fore Street grade within 40' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.
- 2) 4) No Buildings shall be located outside of the Key Building Envelope. In Defined View Corridors, no Building allowed above the corresponding Fore Street elevation.
- 3) 5) For buildings located in the easternmost Building Envelope East of Mountfort Street (extension), no building shall exceed 35 feet in height above the adjacent Fore Street grade within 100 feet of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.
- 4) 6) Location of Building Break Line is approximate as shown; and intended to promote a break in building mass to allow for the development of blocks and site permeability. The exact location of blocks and site permeability shall be identified, defined, and reviewed under a Master Development Plan or Subdivision/Site Plan review.

Complete Overlay Amendment

This application provided an opportunity to make additional changes to the Height Overlay to make it more practical to administer and up to date with changing conditions in the Eastern Waterfront since the Overlay was first implemented. The Height Overlay was originally patterned on visuals that were helpful in the context of the Eastern Waterfront Height Study but that are unwieldy to administer in the form of a zoning map. Many of the boundary lines in the map – view corridors, no-build zones, Building Envelopes, and breaks between height blocks – do not follow parcel or ROW lines and are consequently difficult to interpret. The creation of the IS-FBC means that the westernmost building envelope has now been superseded, but still exists in both the IS-FBC and the Height Overlay and should be removed from the latter. Changes that have occurred since the Height Study, such as the alignment of the Thames Street Extension and the future connection between Thames and Fore Street, have implications for the Building Envelopes and the white no-build areas - the final design of both the connection between Fore Street and the Thames Street Extension, as well as any future design of Mountfort Street Extension, will be determined by engineering requirements, access requirements and the challenges of the Eastern Waterfront's grade changes as well as the policy direction established by the Height Study. Lastly, the application for 100 Fore Street splits an existing Building Envelope, the remainder of which is City-owned land. The Board recommends the following changes in addition to the narrower changes of the application (Figure 11/Attachment 3):

- Removal of the westernmost building envelope (now in IS-FBC).

- No-build areas replaced with view protection splays and street extension areas, final layout to be determined in the course of Site Plan or Master Development Plan Review. Street extension areas are preserved.
- Removal of a 65 ft. Building Envelope, since it is anticipated that the extension of Thames Street will cross through enough of this area to make it impractical. Replaced with a maximum of 35ft.
- Change to the remainder of the parcel with the floodplain measurement requirement to measurement taken from average grade.
- New notes 7, 8, and 9, including notes on measurements and interpretation:
 - 7) *There shall be no new buildings in the areas of the Mountfort Street Extension and the Fore Street Connector Road, which shall be reserved for protection of public views and future extension of streets built to City street design standards. Precise layout and design shall be identified, defined, and reviewed under a Master Development Plan or Site Plan Review.*
 - 8) *View Protection Splays. These areas shall be prioritized for view protection, site circulation, and active public space.*
 - 9) *Interpretation of Boundaries. View Corridor limits shall be drawn from an extension of the corresponding streets where these streets meet Fore Street, or in the case of Kellogg Street where it meets Adams Street. Building Envelope boundaries shall take their boundaries from the nearest view corridor and/or street extension boundaries where applicable; when a Building Envelope does not align with a view corridor or street extension, the boundary shall be the parcel boundary.*

Mountfort Street Extension

The no-build area on included in the area of Mountfort Street shows a retaining wall and plantings to support the conceptual site plan (Plan 2). Though no new buildings are proposed here, and there would be fewer obstructions in this corridor than under existing conditions, any future site plan for this application will need to include insure that no new development precludes a future street extension.

Connector Road

The conceptual site plan (Plan 2) included with this application shows a cul-de-sac off Fore Street in the vicinity of one of the current site entrances. This depiction of a cul-de-sac on this conceptual site plan should be eliminated and the entrance extended to integrate with the design for the Thames Street extension in any future submission, and should address the interface of this parcel with circulation for the Portland Company site. Depiction of the connector road on the conceptual site plan is not an indication of support for this configuration in any future design.

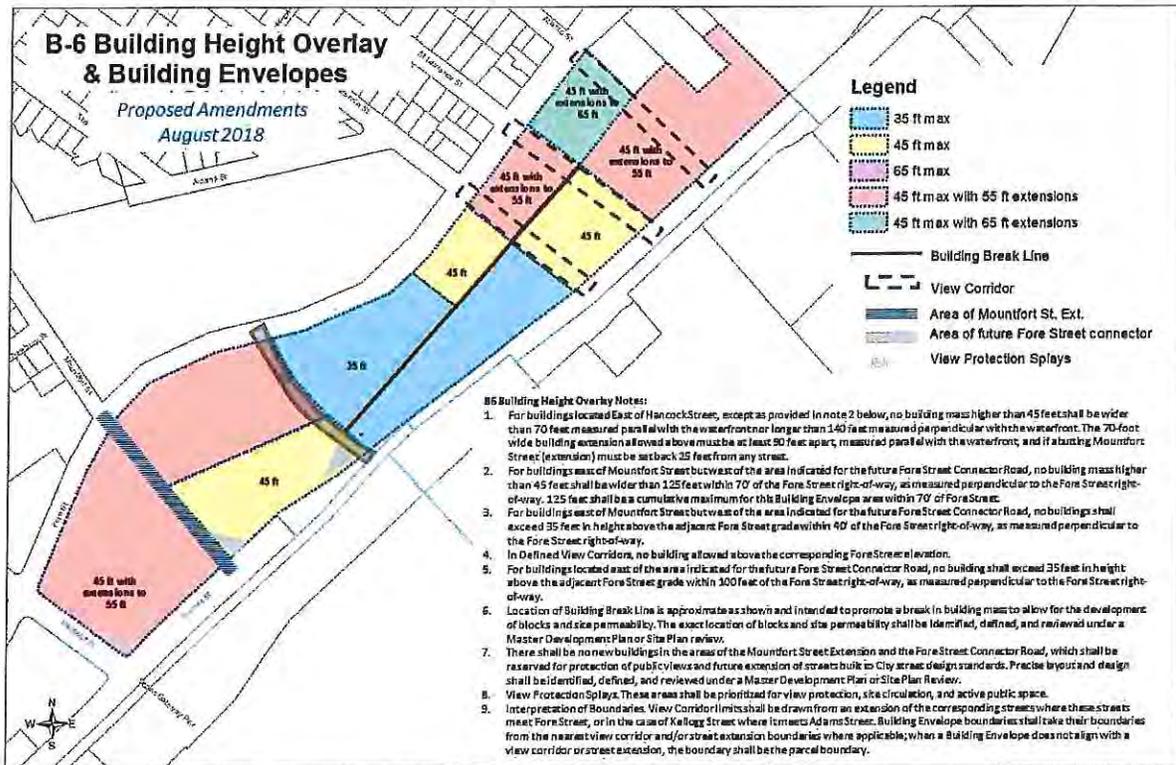


Figure 11, B-6 Height Overlay with proposed additional changes

VIII. BOARD DELIBERATION AND RECOMMENDATION

As is customary for zoning amendment applications, the Planning Board considered whether broader changes beyond the application for 100 Fore Street amendment would make for a more holistic amendment. Consideration of the amendment requested for 100 Fore Street presented an opportunity to make additional changes to the B-6 Height Overlay that remain consistent with the Eastern Waterfront Masterplan and the Comprehensive Plan, but result in a more internally consistent and practical to administer document. In regard to concerns raised in public comments, there was agreement among members that many of the issues raised were topics that would be addressed in the course of a site plan review. Ultimately, the Planning Board found that the proposed amendment was consistent with the City's Comprehensive Plan and City plans, specifically the Eastern Waterfront Masterplan, and voted (5-0 in favor. Austin Smith absent, Lisa White recused) as follows:

On the basis of the material provided in this report for of Project # ZN-000114-2018, public testimony, a review of applicable policies, and other information, the Planning Board finds that the proposed amendments to the B-6 Building Height Overlay & Building Envelopes map consistent with the Comprehensive Plan and recommends adoption of the proposed amendment to the City Council.

IX. ATTACHMENTS

1. Adopted B-6 Building Height Overlay
2. B-6 Building Height Overlay w/ 100 Fore Street proposed changes
3. B-6 Building Height Overlay w/full changes (Planning Board recommended)

Applicant's Submittal

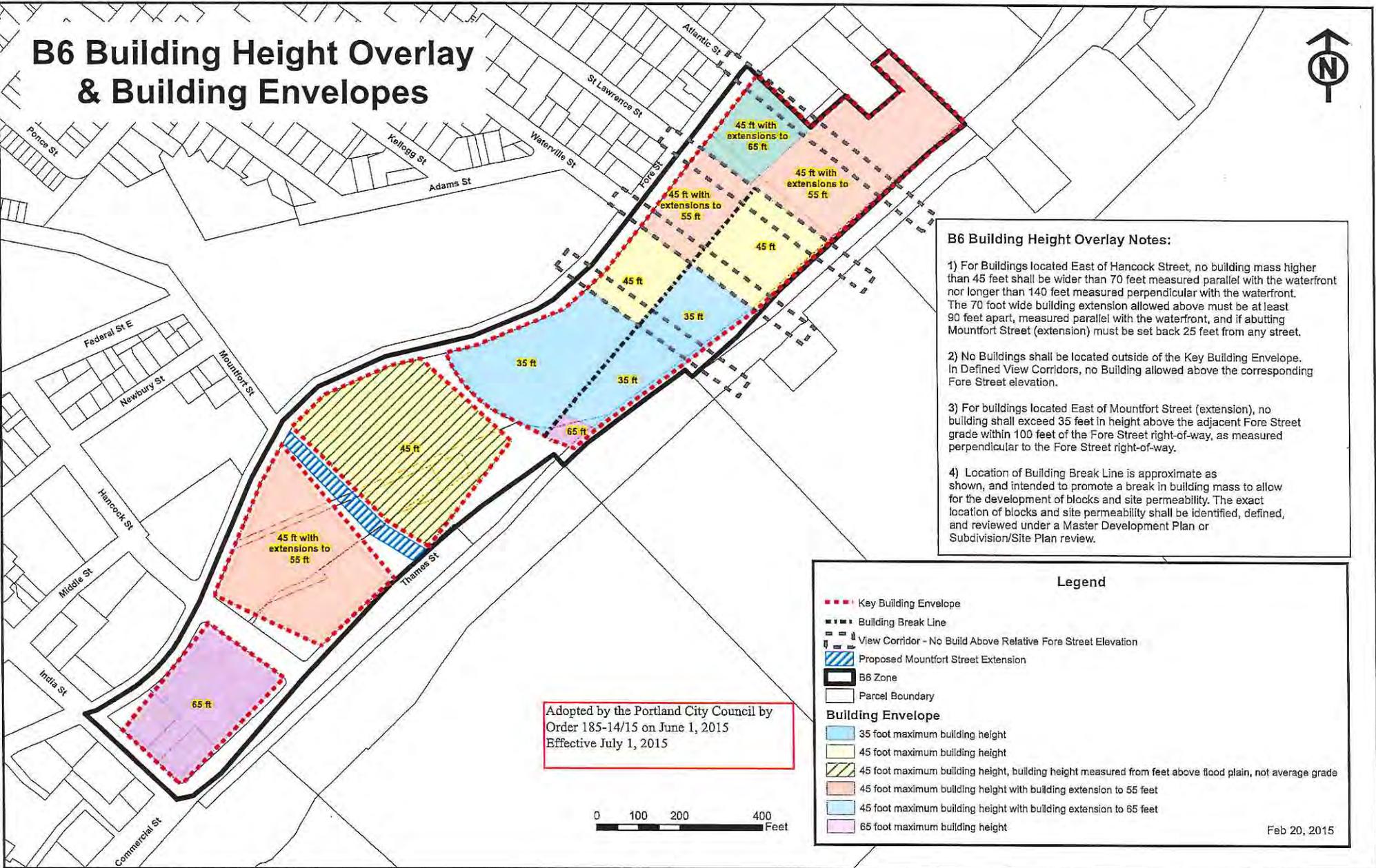
- A. Zoning Request Summary

- B. 100 Fore Street Policy Narrative
- C. Quitclaim Deed
- D. Proposed B-6 Height Overlay Amendments
- E. Neighborhood Meeting Notice
- F. Neighborhood Meeting Certification
- Plan 1. Existing Conditions Plan
- Plan 2. 100 Fore Street Concept Plan
- Plan 3. Contextual Massing
- Plan 4. Massing under current zoning w/maximum sf
- Plan 5. Massing under proposed zoning w/ maximum sf
- Plan 6. Massing with office overlay w/anticipated maximum sf
- Plan 7. Site lines w/setbacks
- Plan 8. Massing looking up For Street

Public Comment

- PC1. Murray 6-25-2018
- PC2. Wolf 7-3-2018
- PC3. Snyder 7-6-2018
- PC4. Medina 7-6-2018
- PC5. Day Petit 7-6-2018
- PC6. Ryan 7-9-2018
- PC7. Lawson 7-9-2018
- PC8. Gaal 7-10-2018
- PC9. Holden 7-10-2018
- PC10. Cousins 7-10-2018
- PC11. Guay 7-10-2018
- PC12. Berkow 7-11-2018
- PC13. Greater Portland Landmarks 7-25-2018
- PC14. Marle 7-30-2018
- PC15. Wright 8-2-18

B6 Building Height Overlay & Building Envelopes



- B6 Building Height Overlay Notes:**
- 1) For Buildings located East of Hancock Street, no building mass higher than 45 feet shall be wider than 70 feet measured parallel with the waterfront nor longer than 140 feet measured perpendicular with the waterfront. The 70 foot wide building extension allowed above must be at least 90 feet apart, measured parallel with the waterfront, and if abutting Mountfort Street (extension) must be set back 25 feet from any street.
 - 2) No Buildings shall be located outside of the Key Building Envelope. In Defined View Corridors, no Building allowed above the corresponding Fore Street elevation.
 - 3) For buildings located East of Mountfort Street (extension), no building shall exceed 35 feet in height above the adjacent Fore Street grade within 100 feet of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.
 - 4) Location of Building Break Line is approximate as shown, and intended to promote a break in building mass to allow for the development of blocks and site permeability. The exact location of blocks and site permeability shall be identified, defined, and reviewed under a Master Development Plan or Subdivision/Site Plan review.

Adopted by the Portland City Council by Order 185-14/15 on June 1, 2015 Effective July 1, 2015

Legend

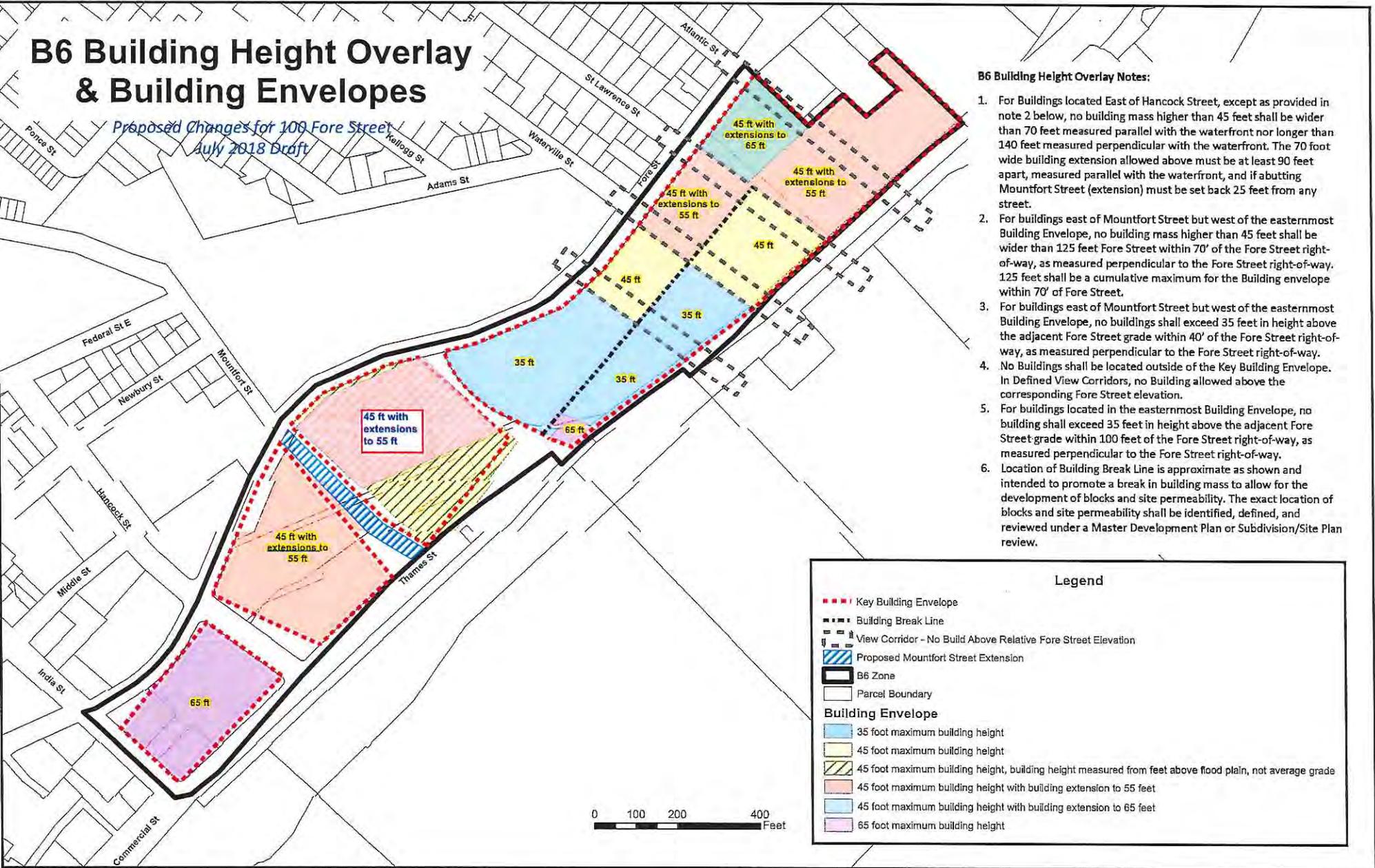
- Key Building Envelope
- Building Break Line
- View Corridor - No Build Above Relative Fore Street Elevation
- Proposed Mountfort Street Extension
- B6 Zone
- Parcel Boundary

Building Envelope

- 35 foot maximum building height
- 45 foot maximum building height
- 45 foot maximum building height, building height measured from feet above flood plain, not average grade
- 45 foot maximum building height with building extension to 55 feet
- 45 foot maximum building height with building extension to 65 feet
- 65 foot maximum building height

B6 Building Height Overlay & Building Envelopes

Proposed Changes for 100 Fore Street
July 2018 Draft



B6 Building Height Overlay Notes:

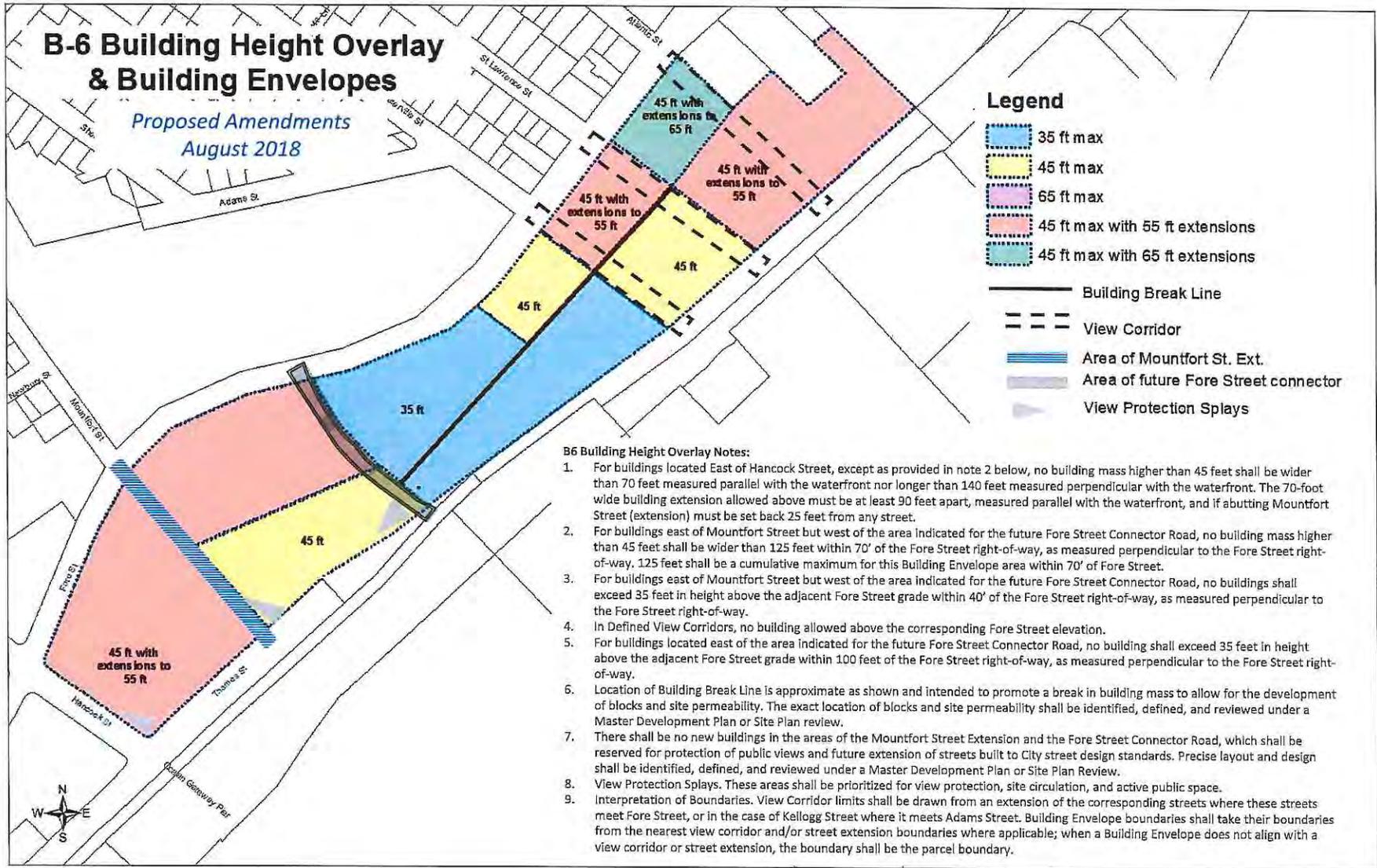
1. For Buildings located East of Hancock Street, except as provided in note 2 below, no building mass higher than 45 feet shall be wider than 70 feet measured parallel with the waterfront nor longer than 140 feet measured perpendicular with the waterfront. The 70 foot wide building extension allowed above must be at least 90 feet apart, measured parallel with the waterfront, and if abutting Mountfort Street (extension) must be set back 25 feet from any street.
2. For buildings east of Mountfort Street but west of the easternmost Building Envelope, no building mass higher than 45 feet shall be wider than 125 feet Fore Street within 70' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way. 125 feet shall be a cumulative maximum for the Building envelope within 70' of Fore Street.
3. For buildings east of Mountfort Street but west of the easternmost Building Envelope, no buildings shall exceed 35 feet in height above the adjacent Fore Street grade within 40' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.
4. No Buildings shall be located outside of the Key Building Envelope. In Defined View Corridors, no Building allowed above the corresponding Fore Street elevation.
5. For buildings located in the easternmost Building Envelope, no building shall exceed 35 feet in height above the adjacent Fore Street grade within 100 feet of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.
6. Location of Building Break Line is approximate as shown and intended to promote a break in building mass to allow for the development of blocks and site permeability. The exact location of blocks and site permeability shall be identified, defined, and reviewed under a Master Development Plan or Subdivision/Site Plan review.

Legend

- Key Building Envelope
 - - - Building Break Line
 - View Corridor - No Build Above Relative Fore Street Elevation
 - Proposed Mountfort Street Extension
 - B6 Zone
 - Parcel Boundary
- Building Envelope**
- 35 foot maximum building height
 - 45 foot maximum building height
 - 45 foot maximum building height, building height measured from feet above flood plain, not average grade
 - 45 foot maximum building height with building extension to 55 feet
 - 45 foot maximum building height with building extension to 65 feet
 - 65 foot maximum building height

B-6 Building Height Overlay & Building Envelopes

Proposed Amendments
August 2018



Legend

- 35 ft max
- 45 ft max
- 65 ft max
- 45 ft max with 55 ft extensions
- 45 ft max with 65 ft extensions
- Building Break Line
- View Corridor
- Area of Mountfort St. Ext.
- Area of future Fore Street connector
- View Protection Splays

B6 Building Height Overlay Notes:

1. For buildings located East of Hancock Street, except as provided in note 2 below, no building mass higher than 45 feet shall be wider than 70 feet measured parallel with the waterfront nor longer than 140 feet measured perpendicular with the waterfront. The 70-foot wide building extension allowed above must be at least 90 feet apart, measured parallel with the waterfront, and if abutting Mountfort Street (extension) must be set back 25 feet from any street.
2. For buildings east of Mountfort Street but west of the area indicated for the future Fore Street Connector Road, no building mass higher than 45 feet shall be wider than 125 feet within 70' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way. 125 feet shall be a cumulative maximum for this Building Envelope area within 70' of Fore Street.
3. For buildings east of Mountfort Street but west of the area indicated for the future Fore Street Connector Road, no buildings shall exceed 35 feet in height above the adjacent Fore Street grade within 40' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.
4. In Defined View Corridors, no building allowed above the corresponding Fore Street elevation.
5. For buildings located east of the area indicated for the future Fore Street Connector Road, no building shall exceed 35 feet in height above the adjacent Fore Street grade within 100 feet of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.
6. Location of Building Break Line is approximate as shown and intended to promote a break in building mass to allow for the development of blocks and site permeability. The exact location of blocks and site permeability shall be identified, defined, and reviewed under a Master Development Plan or Site Plan review.
7. There shall be no new buildings in the areas of the Mountfort Street Extension and the Fore Street Connector Road, which shall be reserved for protection of public views and future extension of streets built to City street design standards. Precise layout and design shall be identified, defined, and reviewed under a Master Development Plan or Site Plan Review.
8. View Protection Splays. These areas shall be prioritized for view protection, site circulation, and active public space.
9. Interpretation of Boundaries. View Corridor limits shall be drawn from an extension of the corresponding streets where these streets meet Fore Street, or in the case of Kellogg Street where it meets Adams Street. Building Envelope boundaries shall take their boundaries from the nearest view corridor and/or street extension boundaries where applicable; when a Building Envelope does not align with a view corridor or street extension, the boundary shall be the parcel boundary.

5-22-2018

100 Fore Street

Application for zoning map and text amendment

Project Summary

After thorough analysis of the Eastern Waterfront Master Plan, we have come to the conclusion the B6 Building Height Overlay & Building Envelopes does not match the intent of the plan as related to our site located at 100 Fore Street to the east of Mountfort Extension. The overlay does not appropriately account for existing site conditions so the desired relationship to Fore Street and the surrounding neighborhoods differs from the intentions set up both in section and plan by the master plan.

The current zoning allows for 45' from flood plain on the area we are looking to have re-zoned. This is the only parcel on the B6 overlay that measures from flood plain and when flood plain is examined at this location, it is actually below existing grade. Our proposal asks for the height measurement to be taken from average grade, just as all of the other sites on the B6 height overlay are. When the sections along Fore Street are studied in the EWMP, a relationship between Fore Street and it's existing buildings across the street from our parcel are set up that require a sensitivity in height and show massing approximately 3 stories high along the street. Because of the grade change that occurs at our site, the existing zoning would only allow us to be about 1.5 stories at Fore Street whereas our proposal will allow for 2.5 with the top level setback from the road.

We are proposing revised zoning on the B6 map for our site that we believe allows development to respond better to the major principles of the EWMP including character and impact of development, mixed-use and economically responsible development. A revised map with text amendments is included with this submission and it shows that we are asking for the site to be 45' from average grade with extensions to 55' based on the development's relationship to Fore Street. There is also a height restriction put in place as to how high the building can be within 40' of the Fore Street right-of-way. This edits the existing zoning which has a setback to 100' from Fore Street.

A R C H I T E C T U R E

100 Fore Street Zoning Map and Text Amendment Narrative

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The parcel located at 100 Fore Street is a piece of the urban landscape that has the opportunity to provide Portland with multiple uses encouraged by Portland's Comprehensive Plan and the Eastern Waterfront Master Plan. The proposed development has the potential to help relieve the need for parking through a design that would stack and conceal the parking rather than adding to the unwelcome standard surface level parking in the area. It would also add mixed-uses that would be activated throughout the year. Following an analysis of zoning and the existing conditions of the site and surrounding properties, we discovered that a modification to the existing height overlay map is necessary for all aspects of the proposed development to succeed. The requested map amendment would provide consistency in the overlay map by bringing this parcel in line with all other parcels in terms of height measurement and would allow a development that is more compatible with the surrounding uses, all while keeping with the goals of the Eastern Waterfront Master Plan and the Comprehensive Plan.

Zoning and Master Planning Pertaining to the Site

The Goals of the B-6 Zone

- Eastern Waterfront mixed zone
- Distinctly urban form
 - Quality pedestrian experience
 - Promotion of public transit
 - Exemplary urban design
 - Multiple uses to achieve activity throughout the day and week
 - Shared parking infrastructure

The Key Principles of the Eastern Waterfront Master Plan

-Character and impact of development

-Mixed-Use

-Maritime Resources

-Economically Responsible Development

(The three highlighted principles relate directly to the site)

Major Related Goals of Portland's Comprehensive Plan

- Growth for Portland's economy
 - Buy local
 - Strengthen neighborhoods
- Improve upon and expand street system
 - Connectivity for people, cars and bikes
 - Through both public and private investment
 - Expand access to the waterfront

A R C H I T E C T U R E

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- Include well-lit crosswalks, sidewalk and bike lanes
- Improve sidewalks and streetscapes
- Reduce Impervious surfaces
- Plan and **zone** for parking needs
- Create inviting environment for current and future employers both large and small
 - attract and create a workforce with the skills needed in today's economy
 - in response to low household income, low population growth, rising housing costs
- Support job creation and business growth through public initiatives and private partnerships
 - Modify ordinances to do so**
- Density by design
 - If well designed, density can add to the quality of life
 - Density can be environmentally friendly
 - It promotes transit use
 - provides customers for local businesses – during non-tourist season as well

Existing Site Uses

The structures currently on site are single story warehouse buildings that are being used for mixed-use purposes including office space, retail and other services. Despite the uses, the building siting is not pedestrian friendly nor does it provide the density that would make the site truly beneficial to the developing eastern waterfront. The site also has a surface parking lot and a moderate grade change of approximately fourteen feet from Fore Street to the buildings



The Problem

As shown on the B6 Building Height Overlay map, the block between a future extension of Mountfort Street and a future Connector Road is labeled as allowing maximum heights of 45 feet measured from flood plain. The block contains the 100 Fore Street parcel and the city-owned dirt

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parking lot parcel. This is the only block on which heights are measured from flood plain; all other parcels in the B6 are measured from average grade. The 100 Fore Street parcel extends across the future Mountfort Street extension onto the block to the west that does not contain the flood plan restriction. There is no current rationale for measuring building height from flood plain on this parcel, particularly in light of the development that has occurred in the area since the initial adoption of the overlay in 2004. .

When the Portland Company property was added to the Building Height Overlay in 2015, there was a lot of discussion and research as to the origin of the flood plain measurement. It is important to note that the flood plain measurement for that block was adopted as part of the zoning and not adopted into the Eastern Waterfront Master Plan. The attached Illustration 33 is from the Eastern Waterfront Master Plan and does not mention the measurement from flood plain. Thus, amending the overlay to allow measurement from average grade for all property in the B6 is consistent with the Eastern Waterfront Master Plan.

The following limitations on building height currently apply to 100 Fore Street:

- 45 foot maximum building height measured from feet above flood plain, not average grade
- For buildings located east of Mountfort Street (extension), no building shall exceed 35 feet in height above the adjacent Fore Street grade within 100 feet of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.
- For buildings located east of Hancock Street, no building mass higher than 45 feet shall be wider than 70 feet measured parallel with the waterfront nor longer than 140 feet measured perpendicular with the waterfront. The 70 foot wide building extension allowed above must be at least 90 feet apart, measured parallel with the waterfront, and if abutting Mountfort Street (extension) must be set back 25 feet from any street.

When all of the above restrictions from the overlay map are used to layout massing on our site with the existing topography, it limits the massing to that which is smaller in scale in relation to Fore Street and the neighboring development. Using a flood plain measurement results in a building that is four stories total and only two stories above Fore Street. If the height were to be amended to match the neighboring parcel and allow buildings of 45' in height measured from average grade, with 55' extensions, we could have a building that is 5 stories total and is 30' above Fore Street for a depth of 40' from Fore Street, where the 5th story will begin and rise to a total of 42' above the grade of Fore Street. Allowing the 5th story and the few extra feet above Fore Street will allow for three levels of parking and two levels of office space. It will also allow for the parking garage to be wrapped in retail. Measurement from flood plain would require elimination of one level of parking or office space and could result in office, rather than retail on

A R C H I T E C T Y P E

the ground level perimeter. Amending the height overlay would create consistency in height measurement for the entire zone and would result in a more desirable development pattern, as the parcel relates to the surrounding development. It will further allow for more parking in an area in great need of off street parking.

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How Does the Project Respond to the Principles of the Eastern Waterfront Master Plan

How the Proposed Development is Economically Responsible

- The intention is to balance the need for good architectural planning with financial viability
- The architecture should present a mixed-use project, particularly when dealing with a garage – we are aiming for a 600+/- car garage
 - This fulfills our obligations to other projects around us, taking care of new uses and providing a substantial increase in public parking
- Our experience in commercial development tells us that the preferred target for office size is about 70,000 SF satisfying the need of larger uses as well as generating enough revenue to help the garage's viability
- The balance will produce a project that helps alleviate parking problems in the neighborhood, produces much needed tax revenue and jobs and blends in to the city at the pedestrian scale

How the Development is Compatible with its Surroundings in Character and Impact of Development

The Evolution of the Eastern Waterfront Master Plan as Related to our Site

- Looking back to the early plans proposed for the EWMP in 2002, you will see that the area in question was originally designated to be from 3-5 stories with the taller structure wrapping around structured parking that is topped with a plaza
- At a neighborhood meeting, the height of buildings proposed for the initial Master Plan were discussed and there was concern with how the new development approached Fore Street and it was recommended that they not be higher than those across the street
- A new height and building envelope map was released in 2004 that called out for 4 stories with towers to 5 on our lot
 - There were specific width restrictions put in place on the tower elements and the restrictions were set up in relation to Hancock Street and the waterfront
 - Because of our specific location, it is more important to address how it relates to Fore Street than to Hancock and the waterfront.

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-There was sectional analysis included in the Master Plan analysis that gives better guidance on massing goals for our site and surrounding sites in terms of their relationship to Fore Street

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-Hancock Street section – The buildings look to be 3-5 stories at Fore Street



EASTERN WATERFRONT HEIGHT STUDY

Portland, Maine

SCALE

0 10 20 30 40 50 60 70 80 90 100

-Mountfort Street section – The buildings look to be at least 3 stories at Fore Street, and are taller than the existing buildings across the street



EASTERN WATERFRONT HEIGHT STUDY

Portland, Maine

SCALE

0 10 20 30 40 50 60 70 80 90 100

- As noted above, when the B6 Height overlay map was adopted in 2004, it allowed for 45' building height as measured from flood plain on the 100 Fore Street parcel – it is the only block on the map that is measured from flood plain

-In 2015 the map was amended to add a 100' setback from Fore Street for any structure that is more than 35' above the Fore Street grade

How Does our Site Actually Relate to Fore Street?

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-There is a steep grade change at the Fore Street border of our site – a steeply banked slope ranging from 12’-15’ in height from the Mountfort Extension to the corner of what would be the extension road.

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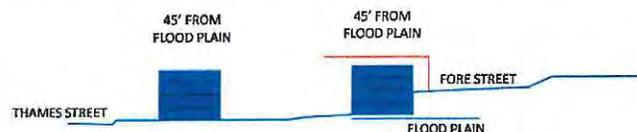


-The grade on the other side of Fore Street immediately goes up with a retaining wall and continues up the East End from there.



-The flood plain actually sits several feet below our existing grade, dropping our height in relation to Fore Street even more.

What Does this Mean for the Structure Based on the Zoning that is Currently Allowed?



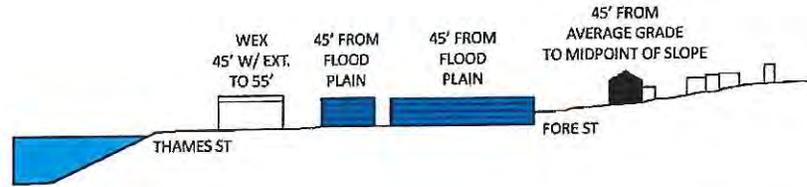
NOTE: 100' SETBACK WHEN ABOVE 35' FROM FORE. WITH GRADE CHANGE SHAPE DOES NOT CHANGE.

-With the allowable zoning our building would site almost 2 stories below grade at Fore Street allowing for only 2 stories at the street level.

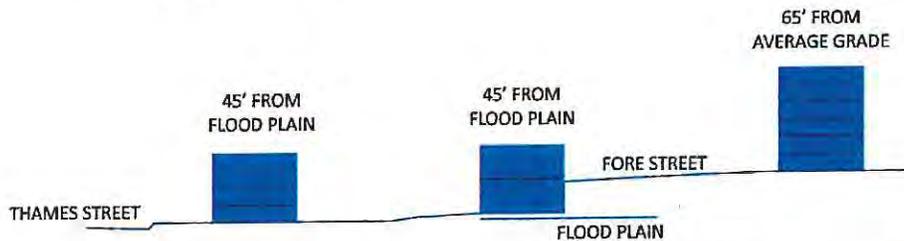
-The building allowed across the street by zoning can potentially be 20' higher.

A R C H I T E C T U R E

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-The zoning for property located diagonally across Fore, on the other side of Mountfort, allows building heights 45' higher than what is allowed on our site.

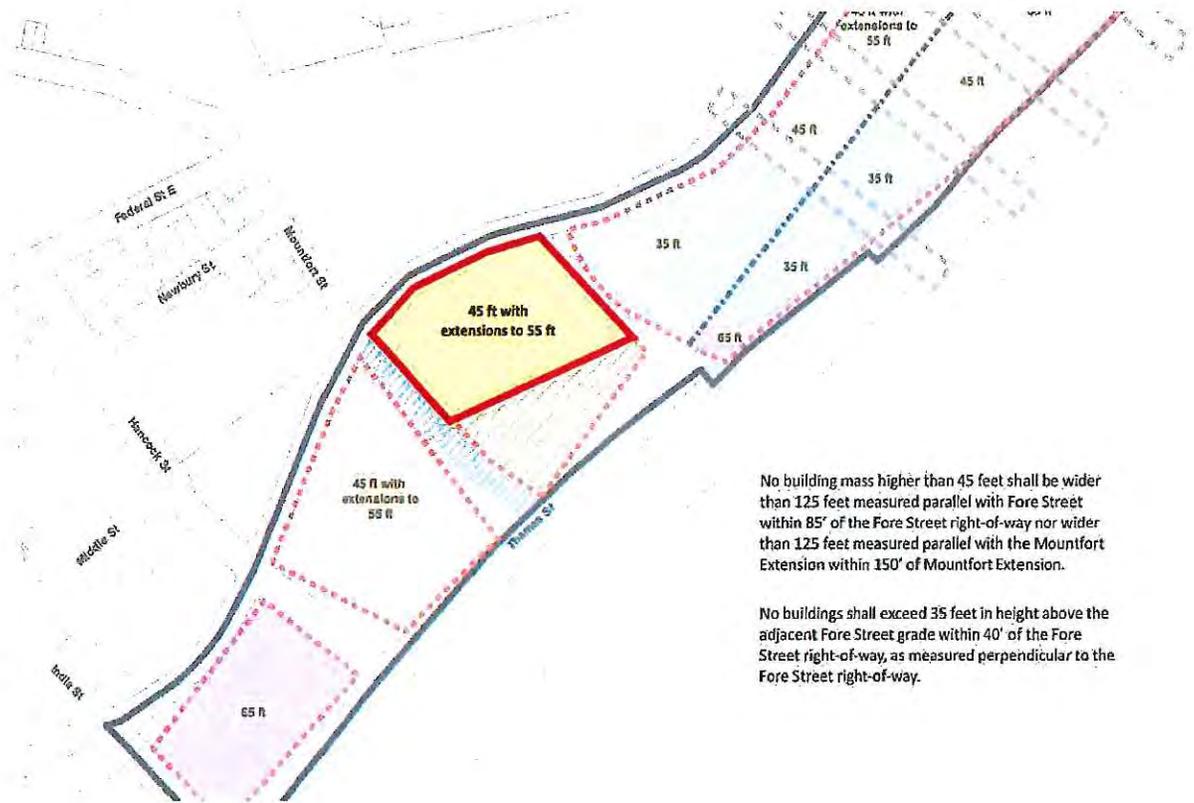


What are the Zoning Text and Map Amendments we are asking for?

-The proposed amendments to the height overlay map are as follows:

- 45' with extensions to 55' from average grade as measured from average grade.
- No building mass higher than 45 feet shall be wider than 125 feet measured parallel with Fore Street within 85' of the Fore Street right-of-way
- No building mass higher than 45 feet shall be wider than 125 feet measured parallel with Mountfort Extension within 150' of the Mountfort Extension right-of-way.
- No buildings shall exceed 35 feet in height above the adjacent Fore Street grade within 40' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.

A R C H E T Y P E

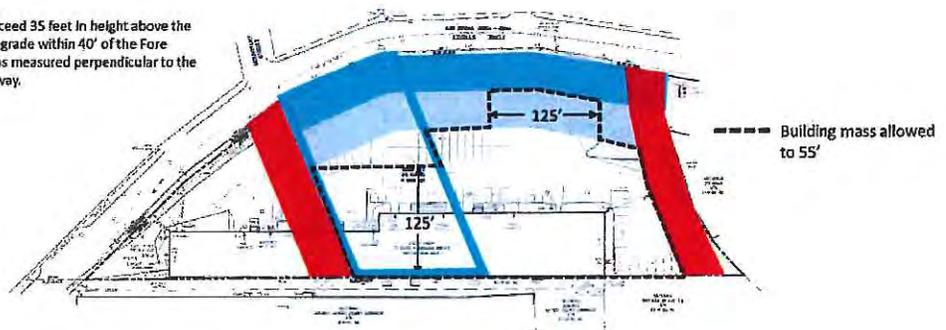


No building mass higher than 45 feet shall be wider than 125 feet measured parallel with Fore Street within 85' of the Fore Street right-of-way nor wider than 125 feet measured parallel with the Mountfort Extension within 150' of Mountfort Extension.

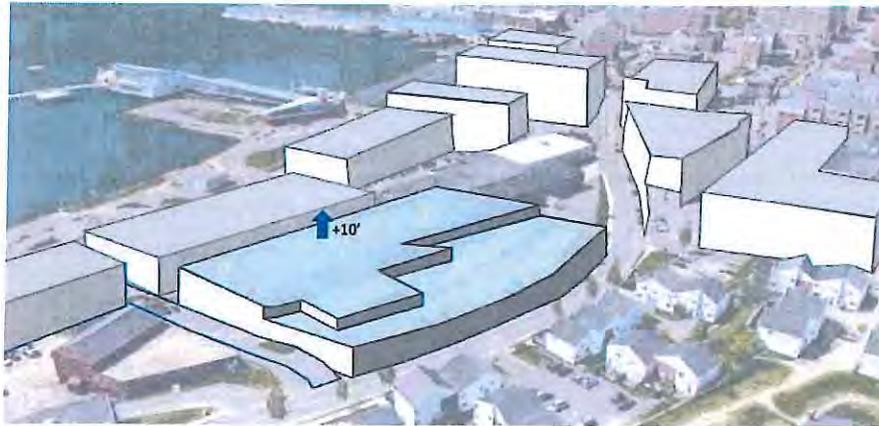
No buildings shall exceed 35 feet in height above the adjacent Fore Street grade within 40' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.

-What these changes would do to the allowable massing is the following:

- No building mass higher than 45 feet shall be wider than 125 feet measured parallel with Fore Street within 85' of the Fore Street right-of-way nor wider than 125 feet measured parallel with the Mountfort Extension within 150' of Mountfort Extension.
- No buildings shall exceed 35 feet in height above the adjacent Fore Street grade within 40' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.



A R C H E T Y P E

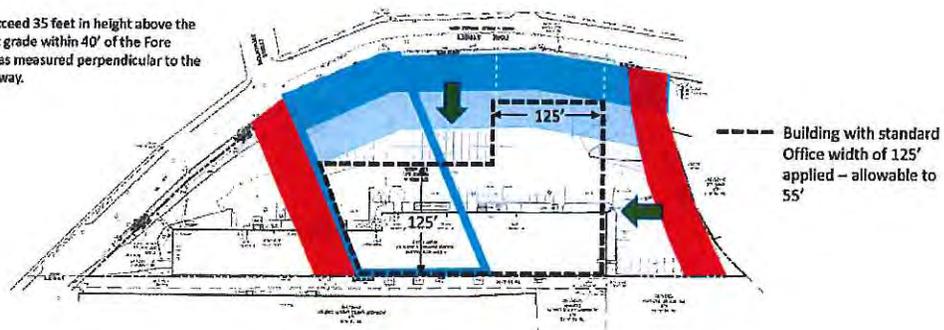


PROPOSED ZONING

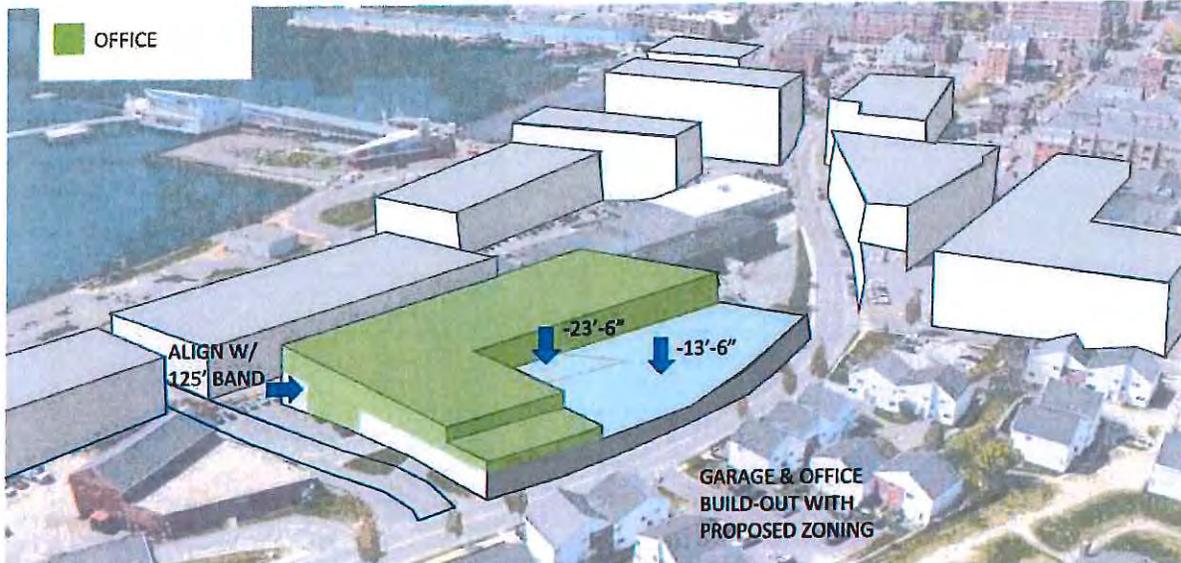
- At Fore Street, the building would approach the street as slightly above two stories.
- Once 40' back from Fore Street, an additional story could be added to the overall massing in comparison to what is currently allowed making the building slightly higher than 3 stories above Fore Street with the 3rd story stepped back from the street.
- when the proposed height is analyzed in section in relation to development up the hill, it is in keeping with sight lines allowed by the surrounding zoning?

What happens when office levels are applied to the two upper stories of this massing?
Standard office space would be maximum 125' wide creating a building shape such as is shown in this diagram.

-  No building mass higher than 45 feet shall be wider than 125 feet measured parallel with Fore Street within 85' of the Fore Street right-of-way nor wider than 125 feet measured parallel with the Mountfort Extension within 150' of Mountfort Extension.
-  No buildings shall exceed 35 feet in height above the adjacent Fore Street grade within 40' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.



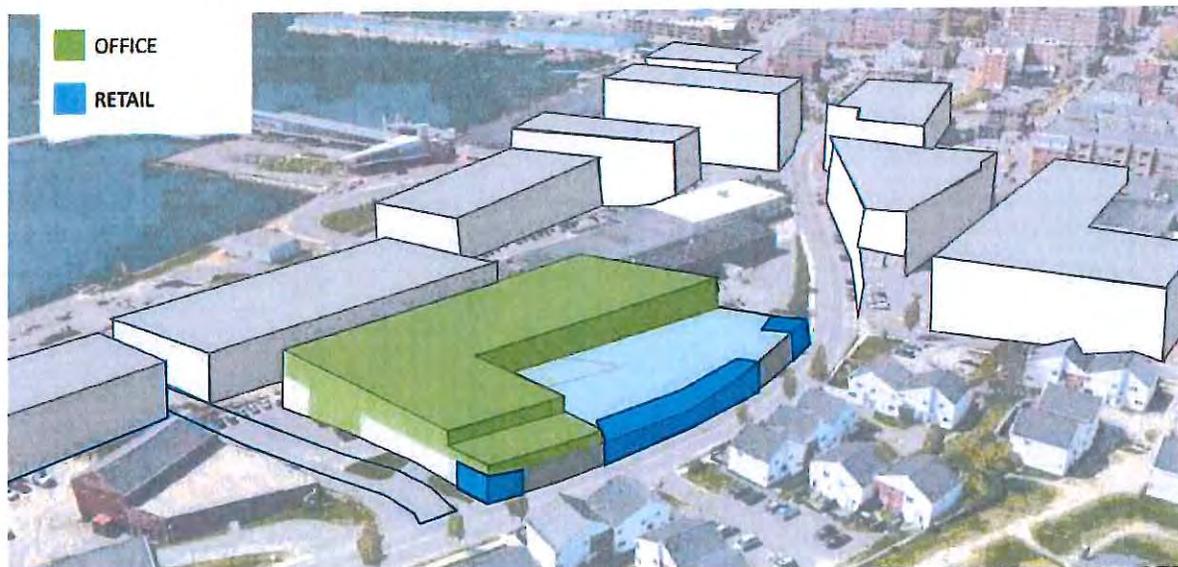
A R C H E T Y P E



How Does the Development Lend itself to Mixed-Use?

What the Master Plan is looking for with mixed-use development?

- The development should encourage life and use throughout the day and year
- Development should work to eliminate surface level parking while addressing short and long-term parking needs in the city
- It should include a mix of compatible uses
- It should encourage a walkable city with an enjoyable pedestrian environment
 - Blank walls should be avoided and there should be frequent street level entries



A R C H E T Y P E

How does the amendment to the height overlay map allow us to better meet these goals?

Page | 11

-Rather than having 4 stories – 2 parking and 2 office as is possible with the current zoning, there can now be an additional level of parking.

-This minimizes the need for surface level parking in the area.

-This allows the level that meets Fore Street to be one of the parking levels which means we can wrap the garage level in retail opportunities (an office use will want to use as much of the perimeter of its levels as possible for its own users).

-This increases public use of the project.

-This masks the parking with a more interesting/interactive use.

-It increases the opportunity for entrances on Fore Street.

**How Does the Project Meet the Goals of Portland's Comprehensive Plan
How the Proposed Development is Economically Responsible?**

-Please refer to economic section in response to EWMP.

-Within Comp Plan

-Snapshot: Waterfront – Invest in Infrastructure p 35

-Public Private Partnerships – Approach Funding Strategically p 58

How Does the Project Alleviate Issues with Impervious Surfaces and the need for Parking in the Area?

- Within Comp Plan

-Policy Guide: Environment p. 20

-Policy Guide: Transportation, Manage Parking Strategically p. 75

-We are hoping to have 3 levels of parking beneath 2 levels of office. This would provide 600+/- parking spaces with a building footprint of approximately 66,500 SF.

-By stacking parking, and being able to have three levels, we address both the need to decrease impervious surface and the need for more parking in the area as that gives us enough to feed both our building and additional needs in the area.

-The Comprehensive Plan suggests that the city zones for the ability to create the necessary parking.

How Does the Project Invite Current and Future Employers, Attract a New Workforce and Create New Jobs?

-Within Comp Plan

-Policy Guide: Economy - A Vibrant City p. 39 & 40

A R C H E T Y P E

Page | 12

- Policy Guide: Economy – Support Local Business Retention & Recruitment p. 44
- Target Areas for Job Growth, Modify Ordinances to do so p. 44
- We are proposing two levels of office space coming out to almost 80,000 SF that would provide many jobs.
- The site is in a very opportunistic location to attract businesses.
 - It is located in close proximity to a residential neighborhood and to the Old Port.
 - Wex has already set a precedent for offices moving to this area of the waterfront.
 - The location provides water views and views into the Old Port for the office space.
 - The site is easily accessible by foot and bike paths that extend to many residential areas and it is near bus stops.
- The project would provide parking for the offices which is a current issue for companies trying to move downtown.

How Does the Project Successfully Create Density by Design?

- Within Comp Plan
 - Density by Design p. 49
- This sight aims to use height, while appropriately scaled to its surroundings, to add a mixed-use concept that benefits users in multiple ways.
- It provides much needed parking with a smaller footprint.
- It creates office space for many new jobs.
- It creates retail opportunities that create jobs, opportunities for local businesses and enhance the pedestrian opportunity and interaction with the public.
- The parking can be utilized by both the tenants, nearby businesses and the public
- Stacking development is more environmentally friendly.

By analyzing the intent of the Eastern Waterfront Master Plan and its height analysis and design guidelines and Portland's Comprehensive Plan, not only are the proposed amendments consistent with the Comprehensive Plan, but the proposed development can best meet the goals laid out by the city if the current overlay map is amended. Because of the existing site conditions and because of the limits of height being measured from flood plain, which is particular to only this site, the development would not currently be able to approach Fore Street in a way that allows for the desired uses and appropriately scaled massing in relation to its surroundings. The amended zoning would allow for a building that would meet the needs of the city and remain contextually appropriate for the newly developing waterfront growing northeast of the old port.

SHORT FORM QUITCLAIM DEED WITH COVENANT

HOPE 1, LLC, a Maine limited liability company with a place of business in Portland, Maine (“Grantor”) FOR CONSIDERATION PAID, grants to **100 FORE STREET, LLC**, a Maine limited liability company with a mailing address of P.O. Box 910, Westbrook, Maine 04098-0910 (“Grantee”) with QUITCLAIM COVENANT, certain real property, with any improvements thereon and all rights and easements appurtenant thereto, located at or near 100 Fore Street, Portland, Cumberland County, Maine, and more particularly described on **Exhibit A** attached hereto and made a part hereof.

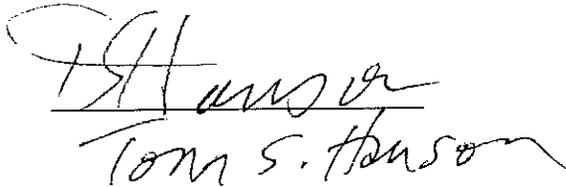
The conveyance herein is made subject to all easements, covenants, restrictions and agreements of record, to the extent in effect and applicable, to leases and licenses disclosed to Grantee, and to real estate taxes not yet due and payable.

Being the same premises conveyed to the Grantor by Quitclaim Deed with Covenant from Avidity Partners, LLC, Trustee of the FOL Liquidation Trust, dated January 19, 2005, and recorded in the Cumberland County Registry of Deeds in Book 22261, Page 50.

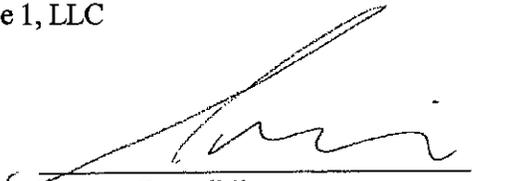
IN WITNESS WHEREOF, Grantor has caused this instrument to be executed and delivered by its duly-authorized Chief Operating Officer below this 6th day of January, 2017.

WITNESS:

Hope 1, LLC


Tom S. Hanson

By:

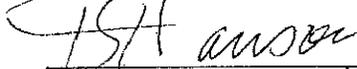

George Cacoulidis
Duly authorized Chief Operating Officer

State of Maine
County of Cumberland

January 6, 2017

PERSONALLY APPEARED before me the above-named George Cacoulidis, Chief Operating Officer of Hope 1, LLC, and acknowledged the foregoing instrument to be his free act and deed in his said capacity and the free act and deed of said limited liability company.

Before me,



Name: Tom S. Houlson

Notary Public/Attorney at Law

Commission Expires N/A

EXHIBIT A

A certain lot or parcel of land with the buildings thereon situated on the Southerly side of Fore Street in the City of Portland, County of Cumberland and State of Maine, bounded and described as follows:

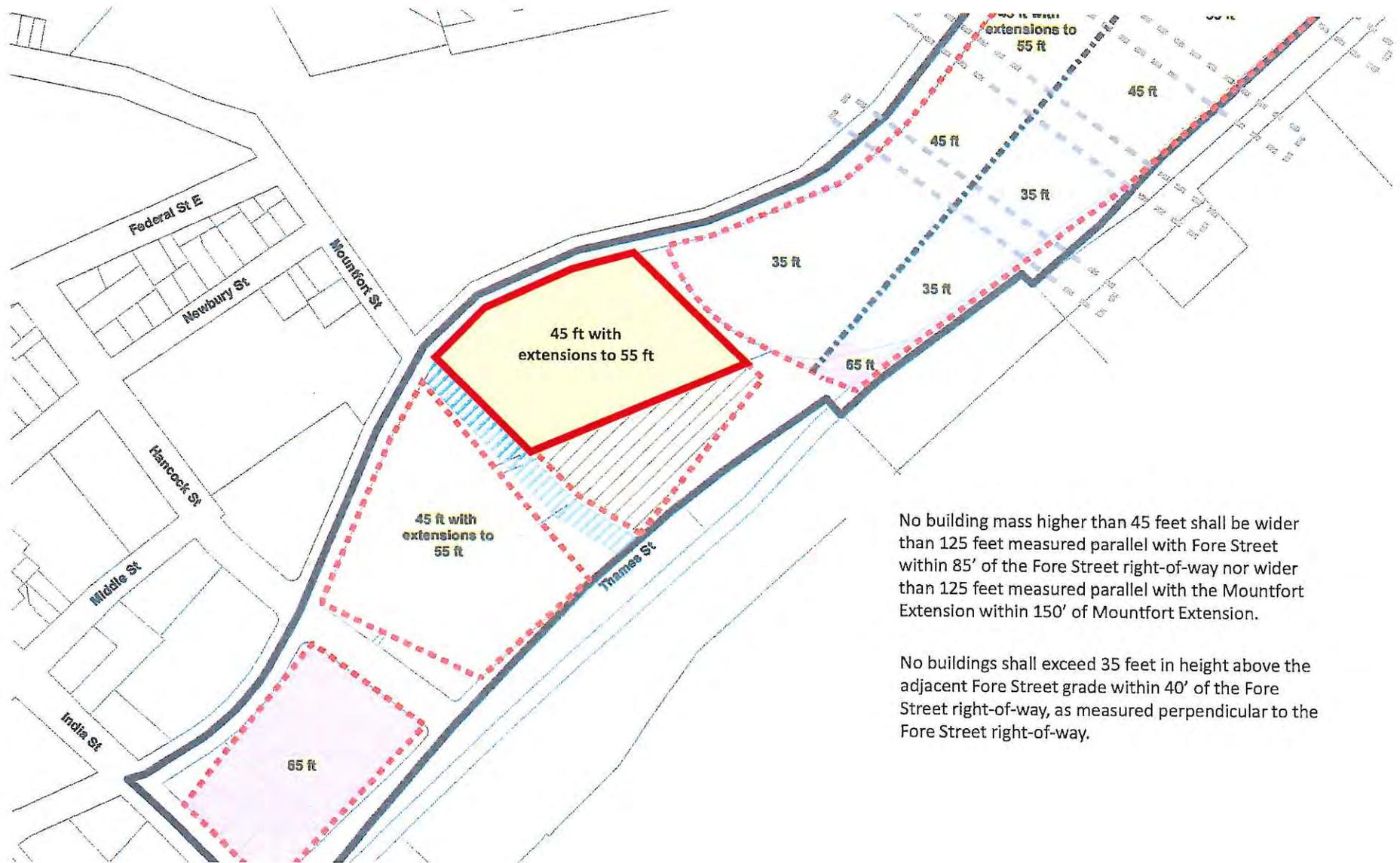
Beginning on the Southerly side line of Fore Street at the Northwest corner of the premises conveyed to Frank J. Gaziano et al. by Canadian National Railway Company by deed dated November 1, 1973 and recorded in the Cumberland County Registry of Deeds in Book 3502, Page 247;

Thence N 79°-46' E along said premises conveyed to Frank J. Gaziano, et al. and along land now or formerly of Canadian National Railway 742.42 feet to an iron pipe on the Westerly boundary of land now or formerly of The Portland Company;

Thence Northwesterly along land of The Portland Company, on a curve to the right whose radius is 274.33 feet, 248.66 feet to an iron pipe on the Southerly side line of Fore Street, said iron pipe being distant 240.23 feet to a bearing of N 32°-18' W from the iron pipe at the terminus of the last described line;

Thence by the following courses and distances along the Southerly side line of Fore Street;

S 89°-32'-30" W	143.31 feet to an iron pipe;
S 78°-29'-30" W	172.03 feet to an iron pipe;
S 58°-36'-30" W	109.63 feet to an iron pipe;
S 42°-27' W	157.24 feet to an iron pipe;
S 35°-40' W	155.46 feet to the point of beginning.



No building mass higher than 45 feet shall be wider than 125 feet measured parallel with Fore Street within 85' of the Fore Street right-of-way nor wider than 125 feet measured parallel with the Mountfort Extension within 150' of Mountfort Extension.

No buildings shall exceed 35 feet in height above the adjacent Fore Street grade within 40' of the Fore Street right-of-way, as measured perpendicular to the Fore Street right-of-way.



Stantec Consulting Services Inc.
482 Payne Road Scarborough Court, Scarborough ME 04074-8929

July 23, 2018

Dear Neighbor:

Please join us for a Neighborhood Meeting to discuss our request for Zoning Text and Map Amendments related to Building Heights within the B-6 Zoning District at 100 Fore Street (Tax Map 019, Lot A010) in Portland, Maine. The text amendments will be considered during a Public Hearing by the Portland Planning Board, which exact date is undetermined, but may be in August or September 2018 at which time the Board will make a recommendation to the City Council. The City Council is expected to take action in September, 2018.

Meeting Location: Project Site*
100 Fore Street
Portland, Maine
(park in the large onsite lot)

Meeting Date: Thursday, August 2, 2018

Meeting Time: 5:00 PM

*** In the event of inclement weather, the meeting will be held at the same time across the street at the Gateway Garage**

The City Code requires that property owners within 500 feet (except notices must be sent to property owners within 1,000 feet for industrial zoning map amendments and industrial subdivisions) of the proposed development and residents on an "interested parties list", be invited to participate in a neighborhood meeting. A sign-in sheet will be circulated and minutes of the meeting will be taken. Both the sign-in sheet and minutes will be submitted to the Planning Board. The meeting will last no more than 30-45 minutes.

If you have any questions, please feel free to contact Steve Bushey, P.E. at 207-883-3355.

Sincerely,

STANTEC CONSULTING SERVICES, INC.

Stephen R. Bushey, P.E.
Associate

V:\2108\active\210801622\civil\admin\permitting\local\neighborhood meeting\notice_neighborhood-meeting.docx

Note: Under Section 14-32(C) and 14-525 of the City Code of Ordinances, an applicant for a Level III development, subdivision of over five lots/units, or zone change is required to hold a neighborhood meeting within three weeks of submitting a preliminary application or two weeks of submitting a final site plan application, if a preliminary plan was not submitted. The neighborhood meeting must be held at least seven days prior to the Planning Board public hearing on the proposal. Should you wish to offer additional comments on this proposed development, you may contact the Planning Division at 874-8721 or send written correspondence to the Planning and Urban Development Department, Planning Division 4th Floor, 389 Congress Street, Portland, ME 04101 or by email to: bab@portlandmaine.gov



Stantec Consulting Services Inc.
482 Payne Road Scarborough Court, Scarborough ME 04074-8929

Neighborhood Meeting Certification

I, Stephen R. Bushey, P.E. of Stantec, hereby certify that a Neighborhood Meeting was held on Thursday, August 2, 2018 at 5:00 P.M. at the development site at 100 Fore Street, Portland, Maine for the proposed project located at 100 Fore Street, Portland, Maine.

I also certify that on Monday, July 23, 2018 (which is at least ten (10) days prior to the Neighborhood Meeting) invitations were mailed to the following:

1. All addresses on the mailing list provided by the Planning Division which includes property owners within 500 feet of the proposed development or within 1,000 feet of a proposed industrial subdivision or industrial zone change.
2. Residents on the "interested parties" list.

Signed,

Stephen Bushey, P.E.

August 3, 2018

Date

Attached to this certification are:

1. Copy of the invitation sent
2. Sign-in sheet
3. Meeting minutes



Stantec Consulting Services Inc.
482 Payne Road Scarborough Court, Scarborough ME 04074-8929

July 23, 2018

Dear Neighbor:

Please join us for a Neighborhood Meeting to discuss our request for Zoning Text and Map Amendments related to Building Heights within the B-6 Zoning District at 100 Fore Street (Tax Map 019, Lot A010) in Portland, Maine. The text amendments will be considered during a Public Hearing by the Portland Planning Board, which exact date is undetermined, but may be in August or September 2018 at which time the Board will make a recommendation to the City Council. The City Council is expected to take action in September, 2018.

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Sincerely,

STANTEC CONSULTING SERVICES, INC.

Stephen R. Bushey, P.E.
Associate

V:\2108\active\210801622\civil\admin\permitting\local\neighborhood meeting\notice_neighborhood-meeting.docx

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Stantec Consulting Services Inc.
482 Payne Road Scarborough Court, Scarborough ME 04074-8929

MEETING MINUTES

Project: 100 Fore Street, Portland, Maine
Job #: 210801622
Date: August 2, 2018 at 5:00 PM
Location: Project Development Site, 100 Fore Street, Maine
Subject: Neighborhood Meeting
Attendees: See attached sign-in sheet

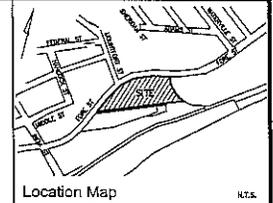
In accordance with the City of Portland Planning Board Requirements, a Neighborhood Meeting was scheduled to discuss the request for Zoning Text and Map Amendments related to the Building Heights within the B-6 Zoning District at 100 Fore Street, Portland, Maine.

The meeting was held on Thursday, August 2, 2018 at 5:00 P.M. and Steve Bushey, representative from Stantec, was present on site from 4:45 PM–5:30 PM. Zero (0) members of the public attended the meeting.



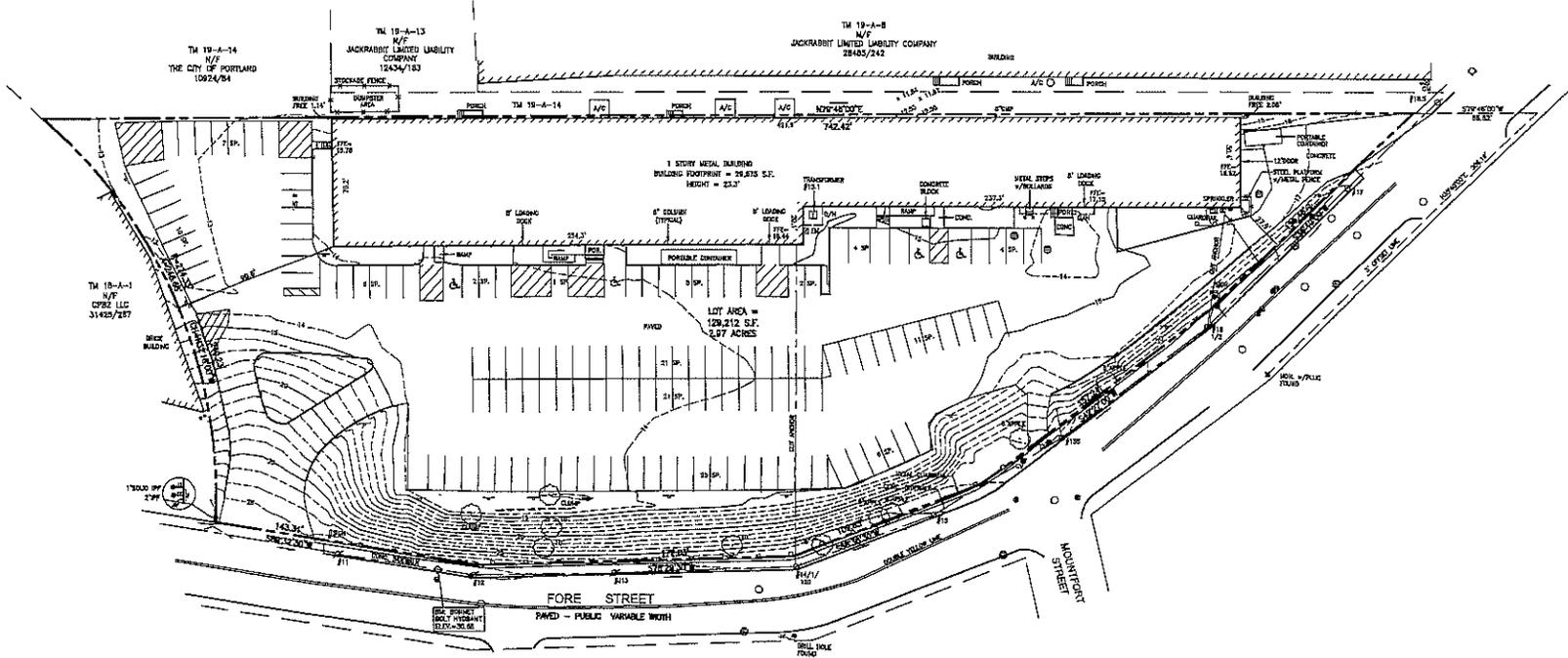
Legend

- MONUMENT FOUND
- IRON PIPE OR ROD FOUND
- 8" DI. GAS VALVE
- 8" DI. WATER VALVE
- HYDRANT
- UTILITY POLE
- MANHOLE
- CATCH BASIN
- LIGHT POLE
- SEWER
- ELECTRIC OR GAS METER
- BOLLARD
- CLUB
- CHARCOAL
- OVERHEAD WIRES
- FENCE
- ROW OR FORMERLY
- DOE/DOE
- CONC.
- CONCRETE
- OVERHANG
- A/C
- AIR CONDITIONING UNIT
- POUCH
- DECAIDED TREE



Location Map

H.T.S.



Utility Note:
 THE UNDERGROUND UTILITIES SHOWN HAVE BEEN LOCATED FROM FIELD SURVEY INFORMATION AND EXISTING DRAWINGS. THE SURVEYOR MAKES NO GUARANTEE THAT THE UNDERGROUND UTILITIES SHOWN COMPRISE ALL SUCH UTILITIES IN THE AREA, EITHER IN SERVICE OR ABANDONED. THE SURVEYOR FURTHER DOES NOT WARRANT THAT THE UNDERGROUND UTILITIES SHOWN ARE IN THE EXACT LOCATION INDICATED ALTHOUGH HE DOES CERTIFY THAT THEY ARE LOCATED AS ACCURATELY AS POSSIBLE FROM INFORMATION AVAILABLE. THE SURVEYOR HAS NOT PHYSICALLY LOCATED THE UNDERGROUND UTILITIES. CALL 1-800-GO-DIG AT LEAST THREE BUSINESS DAYS BEFORE PERFORMING ANY CONSTRUCTION.

- Plan References:**
- "ALTA/AMSA LAND TITLE SURVEY, 88 FORE STREET, PORTLAND, CLAMBERLAND COUNTY, MAINE MADE FOR CPEZ LLC" MAY 22, 2012 BY OWEN HASKELL, INC.
 - "PLAN OF LAND IN PORTLAND, MAINE FOR CROSSY GROUP" AUGUST 5, 1976 BY OWEN HASKELL, INC.
 - "ALTA/AMSA LAND TITLE SURVEY, 100 FORE STREET, PORTLAND, CLAMBERLAND COUNTY, MAINE MADE FOR HAI THE DURHAM GROUP" SEPTEMBER 2, 2013 BY OWEN HASKELL, INC.
 - "ALTA/AMSA LAND TITLE SURVEY, 100 FORE STREET, PORTLAND, CLAMBERLAND COUNTY, MAINE MADE FOR JONATHAN COHEN" OCTOBER 13, 2018 BY OWEN HASKELL, INC.

- Notes:**
- OWNER OF RECORD: 100 FORE STREET LLC, P.O. BOX 210, WESTBROOK, MAINE, CLAMBERLAND COUNTY REGISTRY OF DEEDS BOOK 33748, PAGE 1.
 - PROPERTY IS SHOWN AS LOT 1 BLOCK A ON CITY OF PORTLAND'S ASSESSORS MAP 18.
 - BEARINGS ARE BASED ON LOCALS DEED 2281/30 AND PLAN REFERENCE #2, WACHERE: 1955.
 - UTILITY SHOWN ARE OBSERVED EVIDENCE ONLY.
 - THERE ARE 128 REGULAR PARKING SPACES AND 4 HANDICAP SPACES.
 - BEARINGS LABELED ARE BASED ON LOCALS DEED, COORDINATES BASED ON CITY POINTS 3010 N301538.13, E2831222.72 & 3023 N301390.34 E2831423.08 OCEAN GARDEN PROJECT, REFERENCE: 3/07 MONUMENT CORNER OF HANCOCK STREET AND THAMES STREET ELEVATION 13.50' CITY DATUM.



Topographic Survey
 100 Fore Street
 100 Fore Street, Portland, Maine
 made for
 Jonathan Cohen
 P.O. Box 910, 865 Spring Street
 Westbrook, Maine 04092

OWEN HASKELL, INC.
 PROFESSIONAL LAND SURVEYORS
 390 U.S. ROUTE ONE, UNIT 10, FALMOUTH, MAINE 04103

DRAWN BY: R.S.L.W. DATE: DEC. 4, 2017 JOB NO.: 216-283-P
 CHECKED BY: EHC/PMBL SCALE: 1"=30' DRAWING NO.: 1

Stantec
483 Fane Road Scarborough, ME
Portland, ME 04104
Tel: 203.533.3255
www.stantec.com

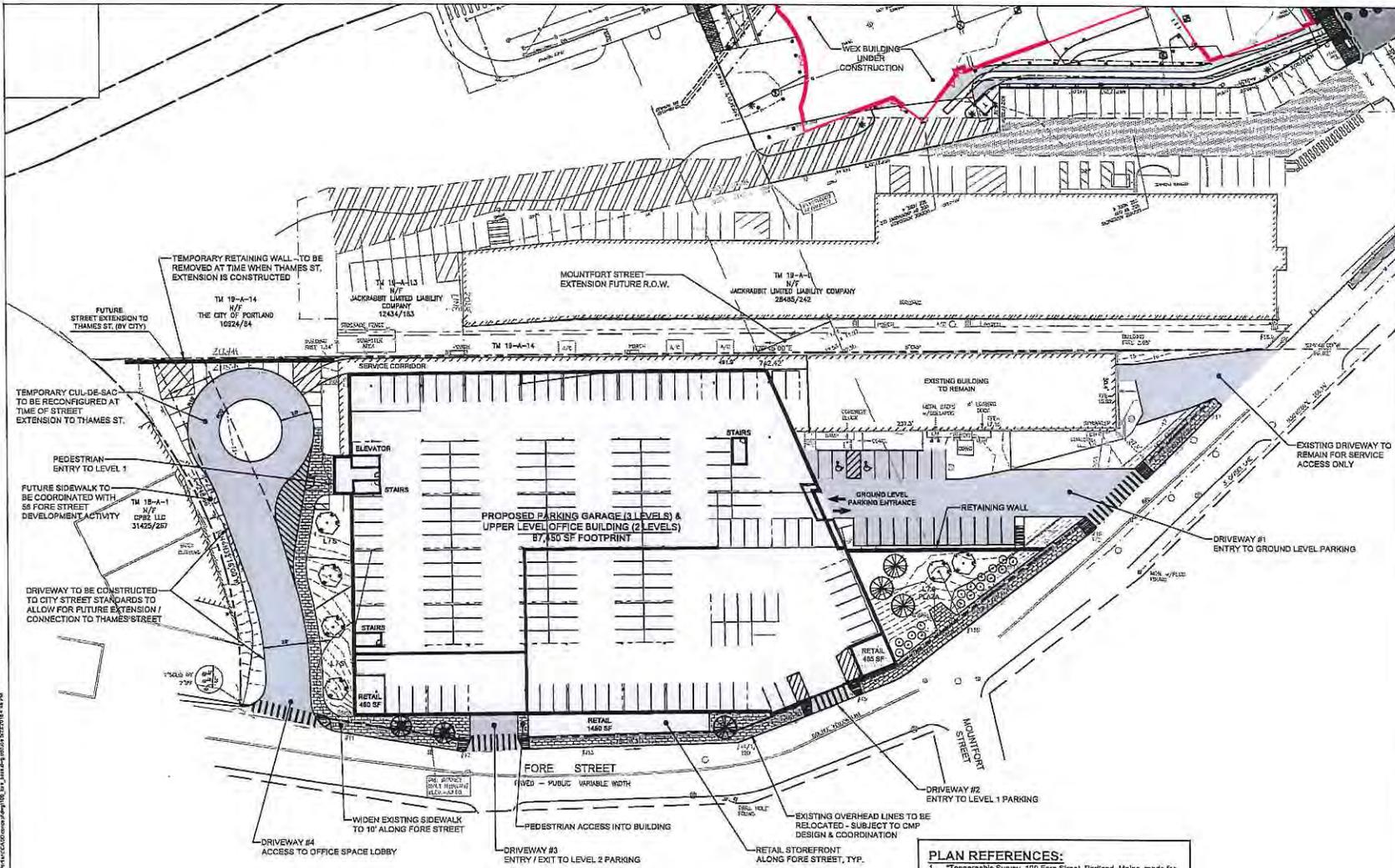
Copyright Reserved
The contractor shall verify and be responsible for all dimensions, and shall verify the accuracy of any data or information that has been reported in plans or other documents.
The contractor shall verify and be responsible for the accuracy of all data or information that has been reported in plans or other documents.

Consultants

Notes

OWNER OF RECORD:

100 FORE STREET LLC
P.O. BOX 910
WEST BROMFIELD, ME 04098
CCRD BOOK 33746, PAGE 001



Revision	1	DATE	11/16/2017
Revision	2	DATE	11/16/2017
Revision	3	DATE	11/16/2017
Revision	4	DATE	11/16/2017
Revision	5	DATE	11/16/2017

Permit-Set

Client/Project
ARCHETYPE ARCHITECTS
48 UNION WHARF, PORTLAND, ME
100 FORE STREET
PORTLAND, MAINE
Title
CONCEPT PLAN - IN SUPPORT OF ZONING APPLICATION

Project No. _____ Scale 1" = 30'
Sheet _____

DIMENSIONAL REQUIREMENTS FOR THE B-6 EASTERN WATERFRONT BUSINESS ZONE		
ITEM DESCRIPTION	LAND USE ORDINANCE REQUIREMENT	PROPOSED
MIN. LOT SIDE	NONE	2.97 ACRES
MIN. FRONTAGE	NONE	737.63 FEET
MIN. FRONT SETBACK	NONE (BUILD TO KEY BLDG. ENVELOPES SHOWN ON 88 BLDG. HEIGHT OVERLAY & BLDG. ENVELOPES MAP)	8 INCHES ±
MIN. SIDE SETBACK	NONE	71 FEET
MIN. REAR SETBACK	NONE	10.67 FEET
MAX. BUILDING SETBACK FROM STREET LINE	10 FEET (BUILD TO KEY BLDG. ENVELOPES SHOWN ON 88 BLDG. HEIGHT OVERLAY & BLDG. ENVELOPES MAP)	6 INCHES ±
MIN. LENGTH OF BLDG. WALL REQUIRED TO BE LOCATED ALONG STREET FRONTAGE OF LOT	70% OF LOT STREET FRONTAGE OR 25% OF BUILDING PERIMETER	30% OF BUILDING PERIMETER
MAX. LOT COVERAGE	100%	80% ±
MAX. BLDG. HEIGHT	45 FEET	
MIN. BLDG. HEIGHT	3 FLOORS OF HABITABLE SPACE ABOVE THE AVERAGE ADJACENT GRADE WITHIN 20' OF ANY PUBLIC STREET	

- PLAN REFERENCES:**
- Topographic Survey, 100 Fore Street, Portland, Maine, made for Jonathan Cohen, P.O. Box 910, 865 Spring Street, Westbrook, Maine 04092, by Owen Haskell, Inc., Dated Dec. 4, 2017.
 - Conceptual building plans by Archetype, P.A., Dated December 4, 2017, Sheets A0.00 through A1.04.
 - Site Development Plans for a commercial office building on Thames Street Property (One Hancock Street), Portland, Maine, November 2017, Construction Set, (Wex project), prepared by Stantec.

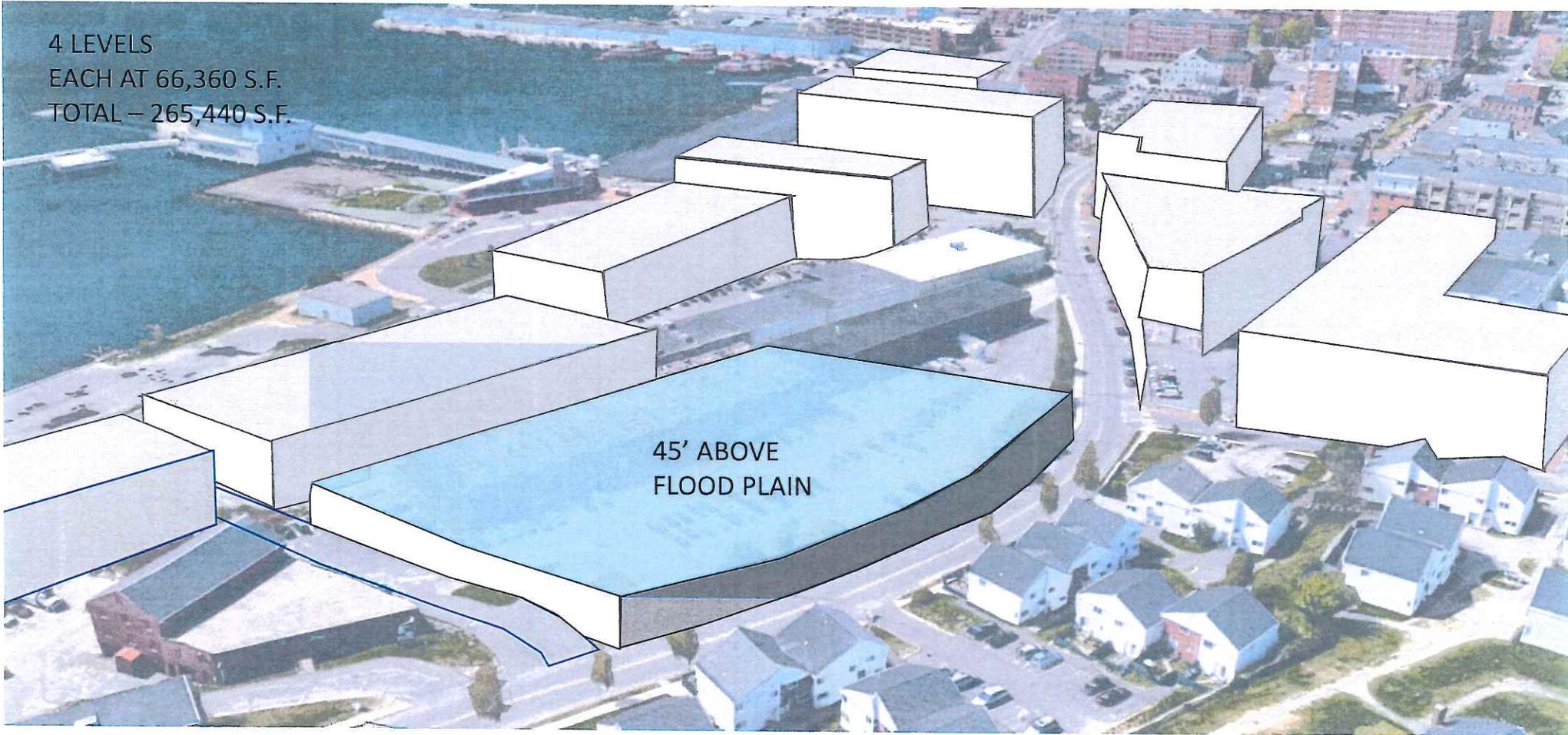
LEVELS - APPROXIMATE GRADES:

PARKING GARAGE
GROUND - 13.0'
LEVEL 1 - 22.2'
LEVEL 2 - 32.0'
OFFICE SPACE
LEVELS 3-4 - T.B.D.

PRELIMINARY - NOT FOR CONSTRUCTION

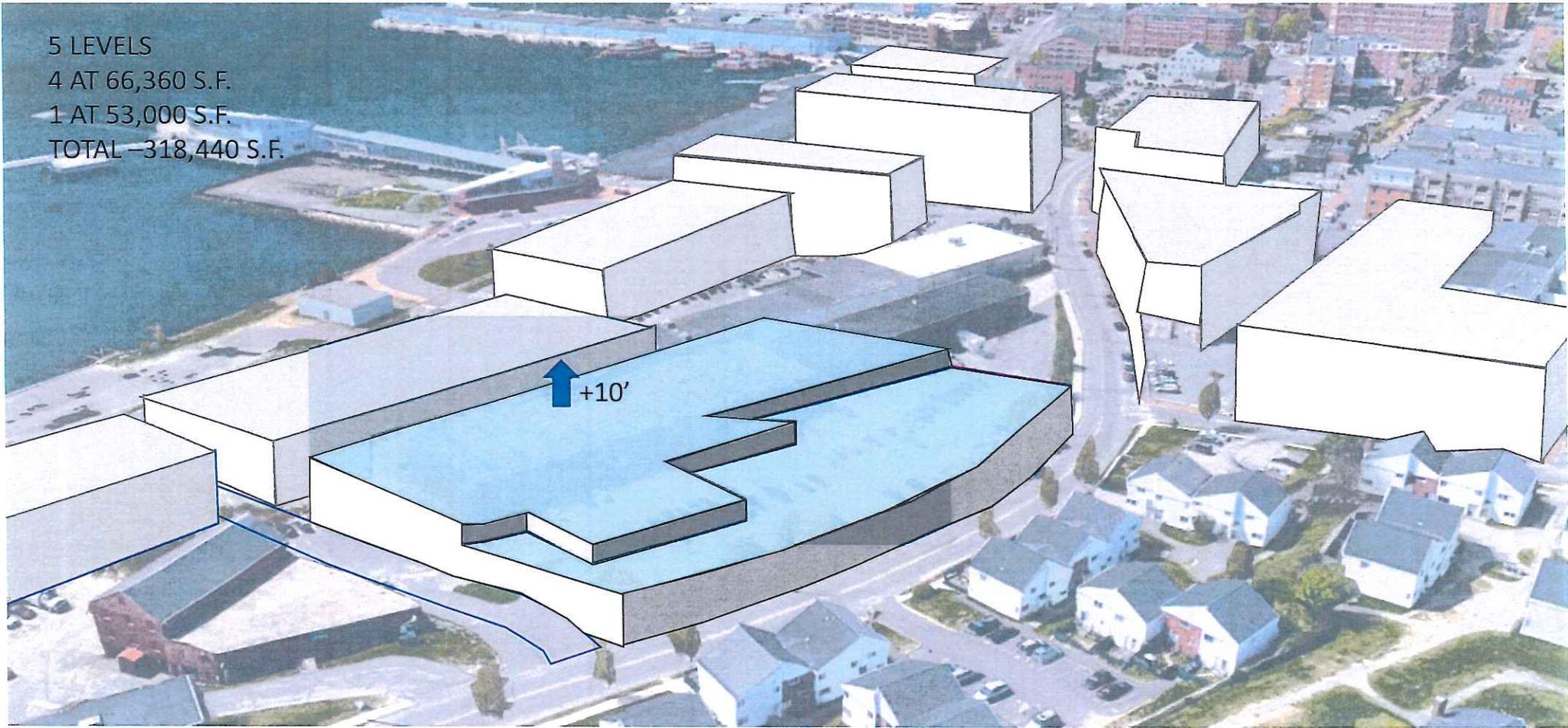


4 LEVELS
EACH AT 66,360 S.F.
TOTAL – 265,440 S.F.



MASSING ALLOWED WITH EXISTING ZONING

5 LEVELS
4 AT 66,360 S.F.
1 AT 53,000 S.F.
TOTAL -318,440 S.F.



PROPOSED ZONING

OFFICE

5 LEVELS

3 AT 66,360 S.F.

1 AT 48,000 S.F.

1 AT 43,000 S.F.

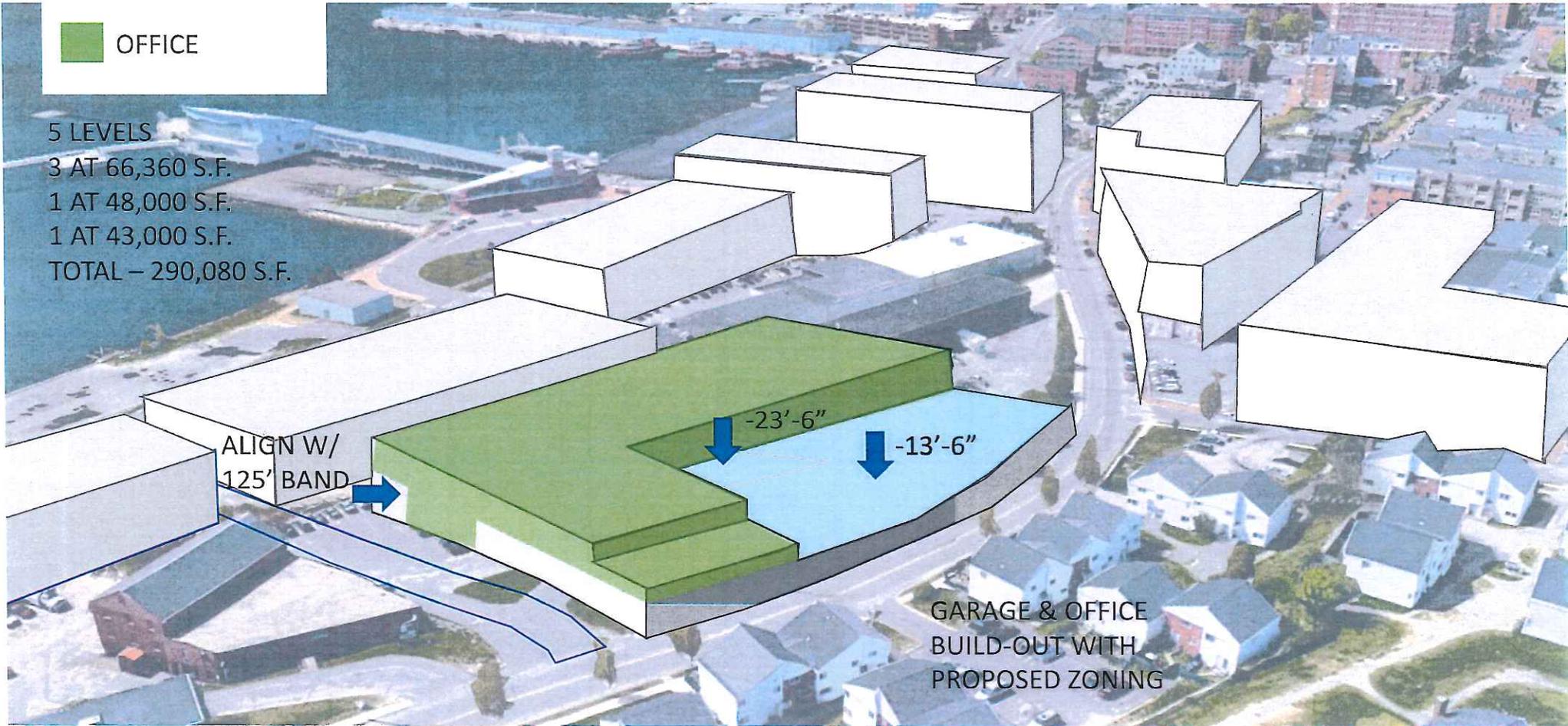
TOTAL – 290,080 S.F.

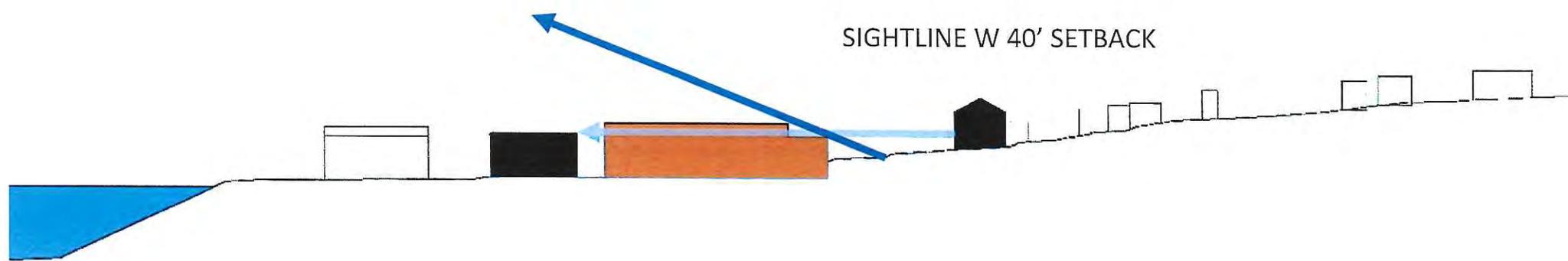
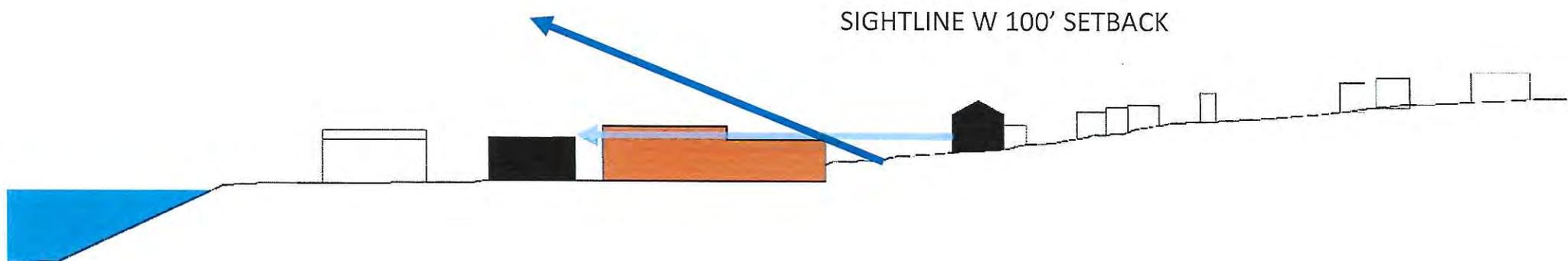
ALIGN W/
125' BAND

-23'-6"

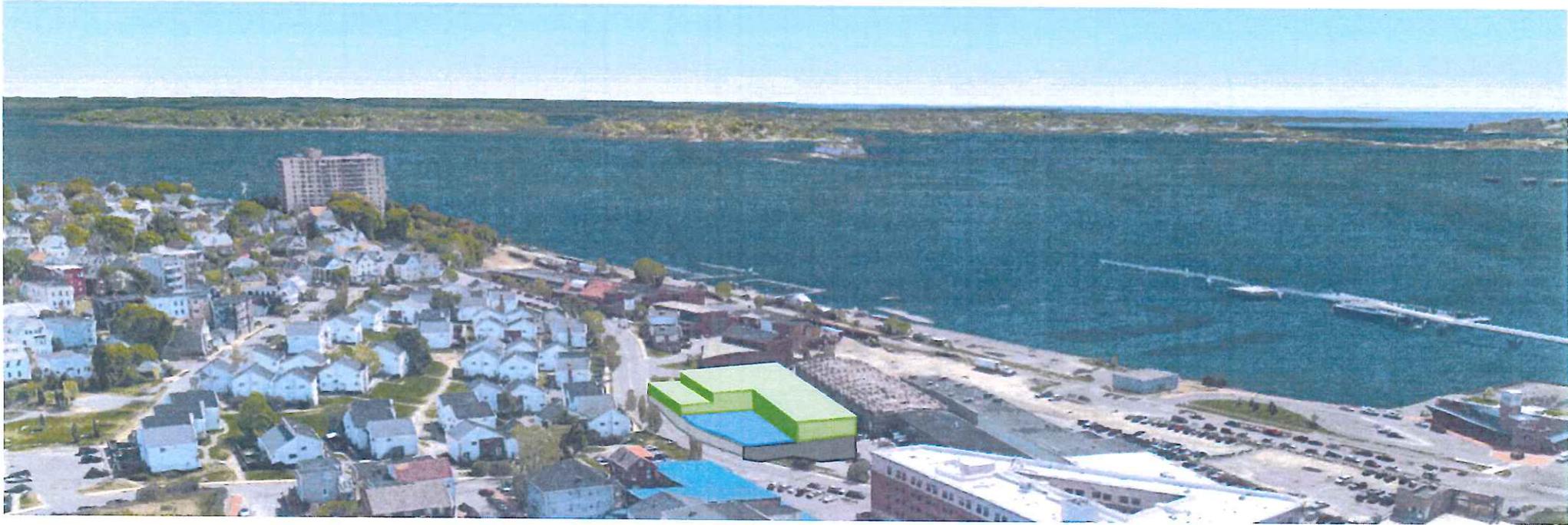
-13'-6"

GARAGE & OFFICE
BUILD-OUT WITH
PROPOSED ZONING





OFFICE



Google Groups

100 Fore St, 86 Newbury St,

Debby Murray <debbym@gwi.net>

Jun 25, 2018 5:12 PM

Posted in group: **Planning and Urban Development**

I am lumping these two issues I'd like to protest together because they make me want to scream. WHERE ARE WE PUTTING ALL THE CARS? What's the traffic plan? HELP! No one lives or works in these glass monstrosities down by the Wex etc project and the driving is already horrendous. WHAT HAPPENS WHEN THEY ALL LEAVE FOR WORK?

And height. Think about places you love to visit or live, like Brooklyn or Charleston....the sky is not cluttered with high rise buildings. It's like a game of dominoes right now- one developer blocks residents- a new developer blocks that one and soon the richest developer wins. His buyers get the view AND NO ONE ELSE DOES.

These are Two huge things to consider when you vote on these projects. Cars, parking, pollution, noise, safety all come under one umbrella - beauty, accessibility, and sensitivity come under the other.

Debby Murray

Debby Murray ✉
104 North St.
Portland, ME 04101

86 Newbury and 100 Fore Street

Maggy W <mstownola@gmail.com>

Jul 3, 2018 4:03 PM

Posted in group: **Planning Board**

TO members of the Planning Board:

I was recently so pre-occupied with the zoning on Munjoy Hill that I failed to keep abreast of the 100 Fore Street and 86 Newbury Street proposed site plan applications. I understand that both of these projects are requesting zoning variances to allow increased height. Also I have read that 100 Fore Street seeks to use the average grade of Fore Street to calculate the height even though there is a sharp slope and no buildable square footage on Fore Street.

Please do not allow any variance to the current zoning for either site. We need to rely on zoning laws being enforced and we do NOT want a high wall shutting all of the India Street and East End residents off from the Old Port and the waterfront, especially if that high wall is to be used for parking spaces. The streets servicing these areas cannot handle the number of cars planned for these developments - the traffic is already congested and with 600-900 more cars per day on Franklin, India, Mountfort, Fore St, Commercial Street and the Eastern Prom, we are looking at a major problem, and this number does not even include the projected parking spaces included in the site plan for 58 Fore Street, for which I still have not seen the "pending" traffic study which was not available at the time the master site plan was approved. This huge increase in car traffic will further erode the quality of life to the East of Franklin Street.

As a citizen who is deeply concerned about climate change, I am asking the city to implement policies and infrastructure which encourage public transportation. We need to implement more satellite parking and work with WEX and other employers who wanted to bring more employees downtown to create a state of the art shuttle system from satellite locations. We should be keeping cars and their pollution away from the waterfront, not building walls of parking garages.

Furthermore, the Newbury Street site currently includes a beautiful historic brick building on Mountfort Street and another multi-family house on Newbury which should be preserved if Portland is to retain any residences of character in the India Street neighborhood. The poor Abyssinian Meeting House will be facing a huge modern structure which will further undermine its context.

Thank you for considering my point of view.

Maggy Wolf
28 Saint Lawrence

100 Fore St Planning Board Workshop - 7/10/2018

Karen Snyder <karsny@yahoo.com>

Jul 6, 2018 8:39 AM

Posted in group: **Planning Board**

Friday, 7/6/2018

Portland Planning Board:
Sean Dundon, Chairperson
Brandon Mazer, Vice Chairperson
David Eaton
David Silk
Austin Smith
Maggie Stanley
Lisa Whited

Re: 100 Fore St

Dear Chairperson Dundon and Portland Planning Board Members,

I am requesting that the Planning Board to NOT give 100 Fore Street a zoning height waiver change just to support more parking spaces.

I am very concerned about the 100 Fore St. at the base of Munjoy Hill. As you are well aware, we all ready have parking issues of downtown Portland workers, tourists, city employees parking on Munjoy Hill and it will only get worse. Also, there is great traffic congestion during rush hours on Franklin Arterial and Washington Avenue which will only get worse as well.

It was also reported in the Portland Press Herald that I-295 traffic is bad now. How can it not only exacerbate the current traffic and parking issues?

<https://www.pressherald.com/2018/06/26/state-study-calls-for-traffic-flow-and-safety-improvements-along-congested-i-295/>

Just simply adding 600 parking spaces to this site is a very short sighted and "car-centric" mind set. This will create further traffic congestion and pollution on Franklin Arterial and Washington Avenue during the rush hours which are all ready cause for avoidance for Munjoy Hill residence, India St residence, and the fisherman on the working waterfront on Commercial street. Please note the commuter park and ride parking lot at I-295 and Marginal Way is currently under-utilized.

If Portland government and developers are chanting Portland as wanting to be a "world" class city, just creating a massive amount of more parking spaces to create even more gridlock and pollution in the city is NOT a world class solution for this day and age. Mass transit should be pursued to push as much parking and traffic congestion off the peninsula rather than the City encouraging it.

Potential Solutions to Portland's Parking and Traffic Congestion Issues:

Short-Term Solutions:

- 1) Use satellite parking to shuttle in the top employers employees in town from the satellite parking lots.
- 2) Set staggered hours for the largest employers for employees to ease traffic congestion on I-295.

Long-Term Solutions:

- 1) **Obtain funding to build up on the commuter park and ride right off of I-295 on Marginal Way.** This parking lot is extremely under-utilized.
 - Have city investigate getting funding to build this by either Federal grants, DOT, Dept of Energy, developers, etc.
 - Make it 4 to 5 stories to move the parking off to the highway (800-1,000 parking spaces).
 - Have City enforce that companies > 50 employees start using this park and ridge garage off of I-295 that work in town.

- Why can't WEX help fund this? Their employees will have the biggest impact on the city of over 600 employees.

2) Obtain funding to create a solar/electric street cars/tram/light rail going from this garage, up Franklin Arterial with a turn about at Middle street.

-Have city investigate getting funding to build this by either Federal grants, DOT, Dept of Energy.

3) I am sure there are great other ideas out there....

I urge the Planning Board to find more progressive and environmental sustainable solutions for the Portland residents and fishermen affected by this development rather than thinking that creating more parking spaces will solve current traffic/parking problems because it won't. It will only further exasperate the traffic congestion/parking problems besides increased pollution that we currently have in Portland.

Regards,

Karen Snyder

Munjoy Hill Resident and Property owner

100 Fore Street - Hamilton Marina/Xpress Copy Building NO zoning height change please

Anna Medina <fruity.gemini@gmail.com>

Fri, Jul 6, 2018 at 11:39 AM

To: planningboard@portlandmaine.gov, jlevine@portlandmaine.gov, planning@portlandmaine.gov, cdg@portlandmaine.gov, bsr@portlandmaine.gov, jpj@portlandmaine.gov

Good afternoon,

I write with a plea concerning 100 Fore St - Hamilton Marina/Xpress Copy building. I would like to encourage you to **not** give a zoning height change. Please help remove congestion off of the peninsula. Consider mass transit capability to remove the traffic congestion.

This development will add additional traffic, pollution, and more potential parking issues going up Munjoy Hill. Please help preserve this precious place in our great city.

Thank you for your time.

Anna Medina



Christine Grimando <cdg@portlandmaine.gov>

App 6-19-18 ZN-000114-2018

Pamela Day <pday2304@gmail.com>

Fri, Jul 6, 2018 at 11:42 AM

To: planningboard@portlandmaine.gov, Jeff Levine <jlevine@portlandmaine.gov>, planning@portlandmaine.gov, cdg@portlandmaine.gov, Belinda Ray <bsr@portlandmaine.gov>, jpj@portlandmaine.gov

Planning Board Members:

We oppose this proposed development because it further degrades the waterfront near our home on Waterville Street. The India Street corridor has already become a dark, faceless area that is increasingly congested and unfriendly to pedestrians and others who seek to enjoy east end access to the water.

We find it ironic that the city would even contemplate locating a 600 car garage in such a potentially lovely space. Developers should be challenged to create a building with green space that complements the pedestrian friendly Old Port waterfront, Eastern Prom and Ft. Williams Park areas.

Please do NOT grant this project a zoning height change or approval to add the 600 car parking structure.

Respectfully,

Pamela Day & Michael Petit

Pamela Day
207-461-1461

100 Fore St, 86 Newberry Street, Hancock - WEX

Patricia Ryan <pryan2@maine.rr.com>

Jul 9, 2018 4:05 PM

Posted in group: **Planning and Urban Development**

These development projects present serious issues for Munjoy Hill's viability as a unique neighborhood and historic district. Because of traffic congestion, pollution, greater parking issues on the Hill, and the slimmer and slimmer chances of affordable housing on the Hill, I am requesting that you do not grant the zoning height waivers to 100 Fore Street and 86 Newberry St., and that WEX provide a shuttle service for it employees, thereby lessening congestion on Franklin Arterial by elimination of 600cars commuting on Franklin Arterial. Please help preserve Munjoy Hill's unique historic significance.

Patricia Ryan LCSW
60 Montreal St.
Portland, Me 04101
207-749-8385

100 Fore St/ Wex building

Kristin Lawson <klaws18@gmail.com>

Jul 9, 2018 10:40 PM

Posted in group: **Planning and Urban Development**

To Whom It May Concern:

I am a Munjoy Hill resident and home owner. I am taking the time to write and sincerely voice my concerns about the proposed plans for 100 Fore St.-Hamilton Marina/Xpress Copy Building. The roads and layout of Portland given that it is a peninsula and there are very limited ways on and off the peninsula is reason alone to seriously think about before allowing another 600 cars commuting to and from that area on Fore St. every day. I am a working professional who witnesses first hand how congested the Franklin St. area is everyday during work commuting hours. It would be a disaster and commercial street is even more congested than Franklin St. that time of day. Mass transit options should be utilized instead of adding to congestion and traffic downtown. Additional cars also add to unnecessary air pollution and green house gases since most of those cars will be sitting in traffic.

I am also strongly against allowing a zoning height waiver on this project.

Sincerely,

Kristin M. Lawson

100 Fore Street 86 Newbury WEX

Stephen Gaal <steve@gaal.com>

Jul 10, 2018 9:47 AM

Posted in group: **Planning and Urban Development**

Dear Planning Board members, City Council members and staff,

The requested zoning changes to waive or revise height limits and add nearly 1,000 parking spaces in the India Street area defy description. Why do we have zoning rules that protect us all and make it possible to live in close proximity and in relative harmony when they can be easily circumvented? These property owners knew what the rules were when they purchased and planned their developments. Hold them accountable to the rules. Please, DO NOT grant the waivers.

The idea of adding 950 parking spaces is astonishing. Just 3-4 years ago, when the planning board was considering the contract zone for the new 400 seat theater at the St. Lawrence, neighbors objected saying the additional 200 cars per performance would be an issue without additional parking and the project was approved anyway saying the city's strategy is to NOT make parking more available and to encourage public transportation. What is good for the goose is good for the gander. Please do not approve these waivers. Let them take public transportation. Perhaps they can "subsidize" the Metro like the St. Lawrence promised to do.

Respectfully,

Stephen Gaal
Portland ME
steve@gaal.com
(603) 651-9183 mobile

The Russian dissident and chess grandmaster Garry Kasparov drew upon long familiarity with that process when he tweeted: "The point of modern propaganda isn't only to misinform or push an agenda. It is to exhaust your critical thinking, to annihilate truth."

100 Fore Street - Hamilton Marina/Xpress Copy Building

Mark Holden <mark.k.holden@gmail.com>

Jul 10, 2018 8:33 AM

Posted in group: **Planning Board**

Dear Members of the Planning Board and staff of the Portland Government:

Please do not permit a variance in the ordinance to allow a 600 unit garage next to the Wex development.

Emphasis should be placed on limiting traffic congestion and getting the new companies to development more thoughtful plans for helping their employees and visitors to arrive via commuter vans, and other forms of mass transit.

This will the end provide a less polluted, less congested Portland waterfront and city in general with less air pollution and stress.

There is a lot going on and a lot of pressure on all of you to give in to the interests of these large developments. But sensible decisions now will make for a better city for everyone in future years.

Yes of course there should be provisions for parking but it doesn't have to be over the top. It is OK for you to set some limits and let the developing company figure out options for reducing congestion and pollution.

Please also consider limiting the height of these developments for the sake of everyone's viewspace including you very proximal neighbor's on the edge of Munjoy Hill.

Sincerely

Mark Holden
37 Saint Lawrence Street
Portland Maine 04101
207-522-0944

100 Fore Street - Hamilton Marina/Xpress Copy Building

R Cousins <rcousins@hotmail.com>

Jul 10, 2018 11:49 AM

Posted in group: **Planning and Urban Development**

My vote is that the Zoning height waiver be NOT given.

We have zoning rules and regulations for reasons. One is to maintain some sort of cohesiveness to the surrounding area. Also to maintain similar height and mass restrictions.

I think it's time to reassess the need or desire to clog some of our most desirable land areas with parking garages. I would suggest this parking garage and future parking garages be located nearer to the 'gateways' to our city and then public transportation used to move about the city. This could do a lot to alleviate congestion in the city overall and in this case the immediate neighborhood and Munjoy Hill. When BIW was operating there were certain times of day when getting through nearby intersections, Congress-Mountford in particular, was next to impossible. Many vehicles ignored the lights and continued through the intersections as a train might. When the rush was over then back to normal. I fear that if we continue to add to the number of vehicles rushing through our neighborhood it will only get worse. It really is time to give the 'locals' safety concerns a priority over providing 'dead zones' when there could be more suitable alternatives if you applied some logical thought processes about what kind of city we really want. Haven't we done many studies about transportation viabilities in Portland. Why do we spend money on these studies if we don't learn anything or enact some of the recommendations?

Sincerely,
Rae Cousins
Munjoy Hill resident

Google Groups

July 10, 2018 Workshop - 100 Fore Street

Sandra Guay <slg@woodedlaw.com>

Jul 10, 2018 2:12 PM

Posted in group: **Planning Board**

Dear Planning Board Members:

Please review and circulate to all Planning Board Members the attached letter concerning the zoning amendment proposal for 100 Fore Street.

Thank you for your assistance and for your attention to this very important issue.

Sandra Guay

SANDRA L. GUAY, ESQUIRE

Partner

WOODMAN EDMANDS DANYLIK

AUSTIN SMITH & JACQUES, P.A.

234 MAIN ST., P. O. BOX 468

BIDDEFORD, ME 04005

T: (207) 284-4581 F: (207)284-2078

slg@woodedlaw.com

www.woodedlaw.com

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WOODMAN EDMANDS DANYLIK AUSTIN
SMITH & JACQUES, P.A.

ATTORNEYS-AT-LAW

ROBERT B. WOODMAN
PETER L. EDMANDS
THOMAS DANYLIK
RALPH W. AUSTIN
JAMES B. SMITH
KEITH R. JACQUES
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www.woodedlaw.com

July 10, 2018

Via Email

Portland Planning Board
Sean Dundan, Chair
City of Portland
Planning Division
389 Congress Street
Portland, ME 04101

Re: 100 Fore Street LLC
Zoning Map Amendment

Dear Mr. Dundan and Planning Board Members:

This law firm represents a large group of Portland fishermen and merchants who call themselves the Portland Working Water Front Group ("PWWG"). This letter addresses the apparent purpose of the zoning amendment proposed by 100 Fore Street LLC, to enable 100 Fore Street LLC to increase occupancy and parking at the 100 Fore Street location. The PWWG opposes this zoning amendment request for several reasons.

First and foremost, there should be no consideration of any zoning amendments in the Commercial Street area without the applicant first submitting a peer reviewed traffic study addressing the additional impact on Commercial Street from the increased development made possible by the amendment. As the City's recent *West Commercial Street Multi-Model Corridor Study* (the "Study") and other recent studies report, the present traffic on Commercial Street is already having a significant and negative impact on the fishermen, fisheries and marine related businesses that are dependent on the Commercial Street docks and wharves. While parking garages, condominiums, hotels and retail outlets can locate anywhere on the peninsula, "[t]he fisheries and other marine

WOODMAN EDMANDS DANYLIK AUSTIN SMITH & JACQUES, P.A.

Portland Planning Board
Sean Dundan, Chair
July 10, 2018
Page 2 of 3

businesses that dominate the waterside of Commercial Street have no alternative locations within which to operate.” *Study* at 6.

As an example of the existing and ongoing issues caused by the ever increasing traffic on Commercial Street, just this past month, fishermen and others on a wharf were trapped *for over an hour* while a semitrailer truck unloaded produce to a restaurant causing significant public safety issues, in addition to blocking access to the wharf. Trucks loaded with fresh fish, lobster and bait are consistently held up for prolonged periods of time in traffic while attempting to access 295. The *Study* predicts that the already proposed Commercial Street area development/redevelopment “would be expected to generate 3,300 weekday PM peak hour trips” within the next 10 years. *See* Memo from Christine Grimando to Portland Planning Board (July 6, 2018).

As adopted in Portland’s recent Comprehensive Plan, the State goal is to “protect the State’s marine industry, ports and harbors from incompatible development.” The City’s goal is to “celebrate, promote, and protect Portland’s lobster and fishing industry as a foundation of the region’s economy and a feature of civic pride.” The City of Portland is blessed with the country’s oldest fishing community. Today, these fishermen and lobstermen bring in a catch worth over \$750 million annually to contribute to the local economy. In addition to the fishermen and lobstermen, the many businesses that support this fishery must be located on the wharves and piers along Commercial Street – they cannot relocate to any other location and still function in their industry service capacities. The City cannot have it both ways – unrestricted continued development, which daily increases inaccessibility to the wharves, and deteriorating transportation facilities and access for the fishing community, will destroy the fishing industry in Portland unless the City takes action to slow (rather than allow for zoning amendments to increase) development.

In addition to the above traffic and access related concerns, the PWWG views the continued and piecemeal zoning amendment and relaxation requests for development in the Commercial Street area as a slippery slope that can only result in creating an ever-increasing logjam of congestion on Commercial Street, and decreased accessibility to the wharves. Bending to a developer’s vision of how to maximize his or her property in this fashion is the antithesis of good planning and the PWWG respectfully asks this Board to put the brakes on and as provided for in the Comprehensive Plan, to consider further study of the effects and impact of traffic on the marine industry from the plethora of proposed, nonstop Commercial Street development.

WOODMAN EDMANDS DANYLIK AUSTIN SMITH & JACQUES, P.A.

Portland Planning Board
Sean Dundan, Chair
July 10, 2018
Page 3 of 3

Commercial Street has reached a tipping point. It simply cannot accommodate continued increased traffic – and provide safe and reliable access to support the marine industry. The Planning Board, as the guardians of public safety, health and welfare, must begin to more closely scrutinize development in the Commercial Street area, and especially on development proposals that seek relaxation or amendment of the present zoning requirements.

Thank you for your consideration of these very important issues.

Very Truly Yours,



SANDRA L. GUAY

SLG/lb

Copy to:
Members of the Portland Working Water Front Group

Google Groups

100 Fore Street - Hamilton Marina/Xpress Copy Building

Stan Berkow <stan.berkow@gmail.com>

Jul 11, 2018 2:59 PM

Posted in group: **Planning Board**

To whom it may concern:

As residents of Munjoy Hill, we ask that this project NOT receive a zoning height change, include affordable housing, and encourage mass transit options vs. extensive parking which will bring significant traffic to the area.

Thank you,
Stan and Christina Berkow

Fwd: Comments regarding 100 Fore Street Proposed Rezoning and Map Amendments

Jeff Levine <jlevine@portlandmaine.gov>

Wed, Jul 25, 2018 at 6:41 PM

To: Jennifer Munson <jmy@portlandmaine.gov>, Planning Board <planningboard@portlandmaine.gov>, Stuart O'Brien <sgo@portlandmaine.gov>

----- Forwarded message -----

From: **Hilary Bassett** <hbassett@portlandlandmarks.org>

Date: Tue, Jul 24, 2018 at 12:29 PM

Subject: Comments regarding 100 Fore Street Proposed Rezoning and Map Amendments

To: Christine Grimando <cdg@portlandmaine.gov>, Jeff Levine <jlevine@portlandmaine.gov>, Deb Andrews <DGA@portlandmaine.gov>

Hi Christine, Jeff and Deb – Attached please find Landmarks' comments regarding the proposed rezoning and map amendments for 100 Fore Street. I have not sent directly to Sean Dundon and Julia Sheridan, assuming that they will receive this as part of their information packets. Thanks very much for considering our views.

Hilary

Hilary Bassett

Executive Director

Greater Portland Landmarks

207 774-5561 ext 101

hbassett@portlandlandmarks.org

www.portlandlandmarks.org

--

Jeff Levine, AICP

Director

Planning & Urban Development Department

389 Congress Street 4th Floor

Portland, Maine 04101

Phone (207)874-8720

Fax (207)756-8258

<http://www.portlandmaine.gov/planning>

@portlandplan



Greater Portland Landmarks_100 Fore Street_Public Comment_pre-Public Hearing_07242018 - FINAL.pdf
437K



24 July 2018

Sean Dundon, Chair, Planning Board
City of Portland
389 Congress Street
Portland, ME 04101

RE: 100 Fore Street Proposed Zoning and Map Amendments

Dear Chair Dundon and members of the Planning Board:

Greater Portland Landmarks has two concerns about the impact of the proposed zoning and map changes.

One concern is the potentially adverse impact of the proposed development at 100 Fore Street on Building 12 on the 58 Fore Street parcel, which is a contributing building in the Portland Company Historic District. During the 58 Fore Street master development planning process, the impact of the future Thames Street extension on the building was a serious concern that led the Historic Preservation Board to agree to its future relocation. In its current location, much of the new street extension would be above the ground floor level of the historic building, which could potentially damage it. We believe it is essential that the planning board and the applicant address how this historic building will be protected from adverse impacts if the temporary driveway is built before Building 12 is relocated.

Our other concern is that the application is not consistent with goals in the City's new Comprehensive Plan. The Plan envisions Portland as an authentic city and states "we will maintain our character thorough preservation, innovation, and excellence in design for the built environment." The Transportation Policy Guide further states that the city will "enhance the pedestrian realm through investment," in among other elements, "strong urban design."

The proposed zoning and map changes are for a project, incorporating a specific use and building form on one parcel, that is not yet under site plan review. Landmarks is very concerned that evaluating the proposed text and map amendments without simultaneous consideration of the site application will not result in strong urban design or design excellence as envisioned in the Comprehensive Plan.

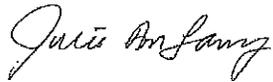
The applicant has requested additional height to accommodate a third parking deck accessible from Fore Street and to maximize development on the upper floors of the water/service alley side of the building while providing very limited enhancements to the public realm. There is a very small retail frontage at Fore Street shown on the massing plan along with three garage entrances and five proposed curb cuts on Fore Street. The three levels of parking will generate very little pedestrian activity on the future Thames Street and Mountfort Street streetscapes. There is no commodious public pedestrian entrance to the building on Fore Street or to the garage. As depicted in the massing plan the proposed building does not even meet the sidewalk on

Thames Street Extension or Fore Street, which is uncharacteristic of the strong urban character that has been encouraged in other new construction in this neighborhood.

Although the plan details are not yet under consideration, we believe that the zoning requests will in effect dictate a very specific building form, which will have negative impacts on the pedestrian realm that are inconsistent with the goals of the Comprehensive Plan.

Overall, we encourage the Board to demand excellence in design before accommodating a request for additional height from any applicant. We believe that discussing design during the zoning process is essential, as zoning parameters determine a building's form. The Comprehensive Plan recognizes that "our unique quality of place is key to our current and future economic success," and we should demand that new construction projects enhance quality of place and improve the public realm for all users.

Thank you for considering our views,



Julie Ann Larry
Director of Advocacy

cc: Christine Grimando
Jeff Levine
Deborah Andrews
Julia Sheridan, Chair of the Historic Preservation Board

100 Fore Street zoning height change

Amy Marie <amymari333@gmail.com>

Jul 30, 2018 3:34 PM

Posted in group: **Planning Board**

Good afternoon,

As a resident of Munjoy Hill, specifically Waterville Street, I am writing to strongly urge you **NOT** give a zoning height change to 100 Fore Street. Instead, I urge you to include affordable housing. I am lucky that my landlord, who lives on site at our Waterville Street location, cares about living wages and livable rents. My rent is affordable for my Portland salary. Across the street, an apartment smaller than mine is on the market for a rent of nearly \$3,000. I don't even make \$3,000 a month after taxes and I have a well paying hourly job. I don't know how anyone starting out in Portland, with dreams of making this their home, would be able to pay a \$3,000 rent, with **nothing** included.

I also urge you to **encourage** the use of mass transit and work to increase the capability of the Metro to remove traffic congestion off the peninsula instead. Again, as a Waterville Street resident, these days I'm often parking a block or two away from my apartment, as the proverbial cat is out of the bag regarding the free parking available on my street and the streets surrounding. It's sad to plan my days on the weekends around whether I feel I'll be able to find a parking spot to get back home. I tend to plan my evenings after work rushing home to get a spot as well, and agree to plans that allow me to walk or someone to pick me up. It's gotten that bad on our street. Aside from urging public transportation and lots for parking off the peninsula with direct runs of public transportation in, please consider resident only parking stickers, similar to that of the West End. I lived in the West End for 8 years, had my parking sticker, and never had such an issue with parking for my home. I realize we want the money in Portland - I want my city to prosper and be the tourist destination that it is. However, there's a way to do so and not have it displace residents, who live here year round and spend all of their paycheck in this zip code.

Thank you.

Best,
Amy

Munjoy Hill Planning

Miss M <missmasina@gmail.com>

Aug 2, 2018 1:11 PM

Posted in group: **Planning Board**

As a Munjoy Hill and Saint Lawrence Street resident, I have seen our street changing drastically. Some buildings have been upgraded by the owners, and kept the lovely charm that is our seaside town. Others have been torn down and replaced by the blocky-modern buildings that are all the rage on the hill. Please consider that part of the charm and desirability of our neighborhood IS the old seaport nature it holds, and dont allow every single investor to come in and tear down the buildings to make a profit with the highest possible-building that can contain the smallest possible condos for a single person to inhabit.

This neighborhood needs to become a historic district to preserve what is left.

Sincerely,
Masina Wright

*Order 69-18/19
Tab 25 9-5-18*

ETHAN K. STRIMLING (MAYOR)
BELINDA S. RAY (1)
SPENCER R. THIBODEAU (2)
BRIAN E. BATSON (3)
JUSTIN COSTA (4)

**CITY OF PORTLAND
IN THE CITY COUNCIL**

KIMBERLY COOK (5)
JILL C. DUSON (A/L)
PIOUS ALI (A/L)
NICHOLAS M. MAVODONES, JR (A/L)

**AMENDMENT TO THE PORTLAND CITY CODE CHAPTER 17 RE:
MORATORIUM ON MEDICAL MARIJUANA RETAIL STORES, MEDICAL MARIJUANA
TESTING FACILITIES, AND MEDICAL MARIJUANA MANUFACTURING
FACILITIES**

WHEREAS, the Maine Medical Use of Marijuana Act (the "Act"), codified in the Maine Revised Statutes in Title 22, Chapter 558-C, authorizes registered caregivers to possess, cultivate, and transfer medical marijuana to qualifying patients, as those terms are defined by 22 M.R.S. § 2422; and

WHEREAS, on July 9, 2018 the Maine Legislature enacted as emergency legislation PL 2017, c. 447 (LD 239), An Act to Amend the Maine Medical Marijuana Law, which expressly recognizes municipal home rule authority to regulate registered caregiver operations; and

WHEREAS, on July 9, 2018, the Maine Legislature also enacted PL 2017, c. 452 (LD 1539), An Act to Amend Maine's Medical Marijuana Law ("LD 1539"); and

WHEREAS, LD 1539 includes express authorization for registered caregivers to 1) operate retail stores for the sale of harvested medical marijuana to qualifying patients, 2) conduct marijuana testing for research and development purposes, and 3) manufacture marijuana products and marijuana concentrates for distribution to patients; and

WHEREAS, the unregulated location and operation of medical marijuana retail stores, testing facilities, and manufacturing facilities within the City of Portland (the "City") raises legitimate and substantial questions about the impact of such activity on the City, including questions as to compatibility with existing land uses and developments in the City; the sufficiency of municipal infrastructure to accommodate

such activity; and the possibility of unlawful sale of medical marijuana and medical marijuana products; and

WHEREAS, as a result of the foregoing issues, the location and operation of medical marijuana retail stores, testing facilities, and manufacturing facilities within the City have potentially serious implications for the health, safety and welfare of the City and its residents; and

WHEREAS, existing ordinances are insufficient to prevent serious public harm that could result from the unregulated development of medical marijuana retail stores; and

WHEREAS, the City needs time to understand the impact of the amendments to the Act on the City's existing rules and ordinances regarding, among other things, zoning, land use, and fire and life safety requirements; and

WHEREAS, in the judgment of the City Council, the foregoing findings and conclusions constitute an emergency within the meaning of 30-A M.R.S. § 4356 requiring immediate legislative action; and

WHEREAS, a temporary prohibition on medical marijuana retail stores, testing facilities, and manufacturing facilities is therefore appropriate in order to determine what regulations, if any, are necessary within the City as a result of the amendments to the Act:

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND, that the Portland City Code is hereby amended by adding an Article, to be numbered X, which said Article reads as follows:

**ARTICLE X. MORATORIUM ON MARIJUANA CAREGIVER RETAIL STORES,
TESTING FACILITIES, AND MANUFACTURING FACILITIES**

Sec. 17-124. Necessity.

Municipalities are authorized by 30-A M.R.S. § 4356(1)(a) and (b) to enact moratoria for the following reasons:

a. To prevent a shortage or an overburden of public facilities that would otherwise occur during the effective

period of the moratorium or that is reasonably foreseeable as a result of any proposed or anticipated development; or

b. Because the application of existing comprehensive plans, land use ordinances or regulations or other applicable laws, if any, is inadequate to prevent public harm from residential, commercial or industrial development in the affected geographic area.

In accordance with 30-A M.R.S. § 4356(1)(a) and (b) and for the reasons stated above, the Portland City Council hereby finds that a moratorium on medical marijuana retail stores, medical marijuana testing facilities, and medical marijuana manufacturing facilities is necessary and warranted in the City of Portland.

Sec. 17-125. Definitions.

Except as otherwise provided, the following definitions shall apply to this Article:

Marijuana extraction means the process of extracting marijuana concentrate from harvested marijuana using water, lipids, gases, solvents or other chemicals or chemical processes.

Manufacturing or manufacture means the production, drying, blending, infusing, compounding or other preparation of marijuana and marijuana products, including the preparation of food, drink, or similar products from marijuana or marijuana products. Manufacturing includes, but is not limited to, marijuana extraction or preparation by means of chemical synthesis.

Medical marijuana manufacturing facility means an establishment that manufactures marijuana and marijuana products produced by a registered caregiver. Medical marijuana manufacturing facility does not include a single registered caregiver who solely manufactures marijuana and marijuana products out of marijuana legally grown by that caregiver for distribution to that caregiver's own patients.

Medical marijuana retail store means an establishment having the attributes of a typical retail establishment, such as, but not limited to, signage, regular business hours, accessibility to the public, regular sales to more than five individual qualifying patients in any one week, and sales

directly to the consumer of the product. This includes, but is not limited to, an establishment meeting the definition of a retail establishment in Sec. 14-47 of this Code that is used by a registered caregiver to offer harvested medical marijuana or marijuana products for sale to qualifying patients.

Medical marijuana testing facility means an establishment that tests marijuana produced by a registered caregiver. Medical marijuana testing facility does not include a single registered caregiver who solely tests the marijuana legally grown by that caregiver for distribution to that caregiver's own patients.

Sec. 17-126. Conflicts/Savings Clause.

Any provisions of this Code that are inconsistent or conflicting with the provisions of this Article are hereby repealed to the extent applicable for the duration of this moratorium. If any section or provision of this Code is declared by any court of competent jurisdiction to be invalid, such a declaration shall not invalidate any other section or provision.

Section 17-127. Violations.

If any medical marijuana retail store, medical marijuana testing facility, or medical marijuana manufacturing facility is established in violation of this Article, it shall be subject to the penalties provided for in Sec. 1-15 of this Code.

Sec. 17-128. Term.

This moratorium shall continue for 180 days from July 9, 2018 to January 5, 2019. It may be extended for additional 180 day periods by the City of Portland in accordance with 30-A M.R.S. § 4356(2).

Sec. 17-129. Applicability.

Notwithstanding the provisions of 1 M.R.S. § 302, this moratorium shall apply retroactively and include any and all actions and proceedings pending on July 9, 2018 or thereafter, including any proposed medical marijuana retail store, medical marijuana testing facility, or medical marijuana manufacturing

facility for which an application for a building permit, certificate of occupancy, site plan or any other required approval has been submitted to the City.

BE IT FURTHER ORDERED, that this Moratorium shall go into effect and be applicable as of July 9, 2018, and remain in effect for one hundred and eighty (180) days thereafter, unless extended, repealed, or modified by the Portland City Council; and

BE IT FURTHER ORDERED, that this amendment is enacted as an Emergency, pursuant to Article II, Section 11 of the Portland City Charter, to make it effective immediately in order to protect the public safety and welfare of the City of Portland.

MEMORANDUM
City Council Agenda Item

DISTRIBUTE TO: City Manager, Mayor, Michael Sauschuck, Sonia Bean, Danielle West-Chuhta, Nancy English, Deivy Periana

FROM: Jon P. Jennings, City Manager

DATE: August 16, 2018

SUBJECT: Caregiver Facility Moratorium

SPONSOR: Jon P. Jennings, City Manager
(If sponsored by a Council committee, include the date the committee met, the results of the vote, and the meeting minutes.)

COUNCIL MEETING DATE ACTION IS REQUESTED:
1st reading _____ **X** _____ **Final Action** _____

Can action be taken at a later date: ___ Yes ___ No (If no why not?)

PRESENTATION: (List the presenter(s), type and length of presentation)

Acting Police Chief, Vern Malloch, and Associate Corporation Counsel, Anne Torregrossa, will provide an overview of recent changes in state law with respect to medical marijuana, as well as the need for a moratorium to give the City time to put in place rules and regulations governing caregiver medical retail stores, manufacturing facilities, and testing facilities.

I. ONE SENTENCE SUMMARY

The agenda item proposes a moratorium on registered marijuana caregiver retail stores, manufacturing facilities, and testing facilities.

II. AGENDA DESCRIPTION

Proposal to place a temporary moratorium on new marijuana caregiver retail stores, manufacturing facilities, and testing facilities to give the City time to implement zoning, licensing, and other regulatory ordinances to minimize any potential adverse impacts from their operation in the City. This moratorium will not impact legally existing caregiver operations in the City.

III. BACKGROUND

In July of this year, the state legislature enacted two statutes that impacted medical marijuana caregivers. The statutes allow medical marijuana caregiver retail stores, manufacturing and testing. They also changed the rules for the number of plants a caregiver can grow and eliminated the cap of five patients. The new statutes also expressly gives municipalities the right to regulate caregivers under their home rule authority.

Without a moratorium in place to allow the City to adopt zoning and performance standards, these facilities may be able to open under current regulations that are not designed to address marijuana caregiver facilities. The moratorium will give the City time to consider the potential impacts on the community and craft ordinances to mitigate any potential negative impacts.

This moratorium does not impact caregivers who are not operating a retail store, manufacturing facility, or a testing facility.

IV. INTENDED RESULT AND OR COUNCIL GOAL ADDRESSED

Moratorium to allow for the development of ordinances to govern the location and operation of medical marijuana caregiver retail stores, manufacturing facilities, and testing facilities.

V. FINANCIAL IMPACT

None anticipated.

VI. STAFF ANALYSIS AND BACKGROUND THAT WILL NOT APPEAR IN THE AGENDA DESCRIPTION

City staff has an internal working group that has been meeting for several months to work towards regulating the recreational marijuana industry when it is eventually licensed by the state. Because of this work, staff anticipates being able to present proposals to the Council with respect to the medical industry within the next several months. The moratorium will give staff the time needed to ensure that its recommendations are thoughtful and complete to facilitate Council decision making.

VII. RECOMMENDATION

Staff recommends that this moratorium be approved.

VIII. LIST ATTACHMENTS

Draft moratorium.

Prepared by: Anne Torregrossa, Associate Corporation Counsel
Date: August 16, 2018

MORATORIUM

RE: MEDICAL MARIJUANA RETAIL STORES, MEDICAL MARIJUANA TESTING FACILITIES, AND MEDICAL MARIJUANA MANUFACTURING FACILITIES

WHEREAS, The Maine Medical Use of Marijuana Act (the "Act"), codified in the Maine Revised Statutes in Title 22, Chapter 558-C, authorizes registered caregivers to possess, cultivate, and transfer medical marijuana to qualifying patients, as those terms are defined by 22 M.R.S. § 2422; and

WHEREAS, On July 9, 2018 the Maine Legislature enacted as emergency legislation PL 2017, c. 447 (LD 239), An Act to Amend the Maine Medical Marijuana Law, which expressly recognizes municipal home rule authority to regulate registered caregiver operations; and

WHEREAS, On July 9, 2018, the Maine Legislature also enacted PL 2017, c. 452 (LD 1539), An Act to Amend Maine's Medical Marijuana Law ("LD 1539"); and

WHEREAS, LD 1539 includes express authorization for registered caregivers to 1) operate retail stores for the sale of harvested medical marijuana to qualifying patients, 2) conduct marijuana testing for research and development purposes, and 3) manufacture marijuana products and marijuana concentrates for distribution to patients; and

WHEREAS, the unregulated location and operation of medical marijuana retail stores, testing facilities, and manufacturing facilities within the City of Portland (the "City") raises legitimate and substantial questions about the impact of such activity on the City, including questions as to compatibility with existing land uses and developments in the City; the sufficiency of municipal infrastructure to accommodate such activity; and the possibility of unlawful sale of medical marijuana and medical marijuana products; and

WHEREAS, as a result of the foregoing issues, the location and operation of medical marijuana retail stores, testing facilities, and manufacturing facilities within the City have potentially serious implications for the health, safety and welfare of the City and its residents; and

WHEREAS, existing ordinances are insufficient to prevent serious public harm that could result from the unregulated development of medical marijuana retail stores; and

WHEREAS, the City needs time to understand the impact of the amendments to the Act on the City's existing rules and ordinances regarding, among other things, zoning, land use, and fire and life safety requirements; and

WHEREAS, in the judgment of the City Council, the foregoing findings and conclusions constitute an emergency within the meaning of 30-A M.R.S. § 4356 requiring immediate legislative action.

WHEREAS, a temporary prohibition on medical marijuana retail stores, testing facilities, and manufacturing facilities is therefore appropriate in order to determine what regulations, if any, are necessary within the City as a result of the amendments to the Act;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF PORTLAND AS FOLLOWS, that a moratorium on medical marijuana retail stores, medical marijuana testing facilities, and medical marijuana manufacturing facilities is hereby enacted as follows:

**ARTICLE X. MORATORIUM ON MARIJUANA CAREGIVER RETAIL STORES,
TESTING FACILITIES, AND MANUFACTURING FACILITIES**

Sec. 17-124. Necessity.

Municipalities are authorized by 30-A M.R.S. § 4356(1)(a) and (b) to enact moratoria for the following reasons:

a. To prevent a shortage or an overburden of public facilities that would otherwise occur during the effective period of the moratorium or that is reasonably foreseeable as a result of any proposed or anticipated development; or

b. Because the application of existing comprehensive plans, land use ordinances or regulations or other applicable laws, if any, is inadequate to prevent public harm from