

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
JUNE 18, 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:

Arts in the Chamber, Allan Monga, Poet

SPECIAL MEETING OF THE PORTLAND DEVELOPMENT CORPORATION

A Special meeting of the Portland Development Corporation will be held by the City Council on June 18, 2018, at 5:30 p.m. in City Council Chambers to request modifications to the guidelines for the Business Assistance Program for Job Creation (BAP).

**Order 250-17/18
(Tab 1)**

Order Amending the Portland Development Corporation's Business Assistance Program for Job Creation Guidelines – Sponsored by Tim Agnew, President, Portland Development Corporation Board.

The Portland Development Board met on May 31, 2018 and voted unanimously (7-0) to forward the proposed amendments to the City Council with a recommendation for passage.

The PDC will shortly launch the fifth round of the BAP accepting applications from Portland businesses seeking grants to create jobs for low/moderate income individuals. Before doing so, the PDC would like to modify the program guidelines so that it has stronger and clearer criteria to consider when making its decisions on which applications to award job grants.

Five affirmative votes are required for passage after public comment.

APPROVAL OF MINUTES OF PREVIOUS MEETING:

(Tab 2) June 4, 2018 Draft Regular City Council Meetings Minutes

PROCLAMATIONS:

Proc 39-17/18 (Tab 3) Proclamation Honoring Deering High School Student Allan Monga for becoming Maine’s 2018 Poetry Out Loud Champion and Representing Maine in the National Finals in Washington D.C. – Sponsored by Councilor Pious Ali.

Proc 40-17/18 (Tab 4) Proclamation Honoring Deering High School Staff and Students for Supporting Student Allan Monga in His Quest to Compete in the Poetry Out Loud Competition – Sponsored by Councilor Pious Ali.

APPOINTMENTS:

Order 251-17/18 (Tab 5) Order Appointing Members to Various Board and Committees – Sponsored by the Legislative/Nominating Committee, Councilor Pious Ali, Chair.

Landmark Commission	Expiration
*Kara Wooldrik	06/30/2021
*Andrew Butcher	06/30/2021
Patrizia Baily	06/30/2021

Parks Commission, Friends of Deering Oaks	Expiration
*Marie Gray	06/30/2021

Parks Commission	Expiration
Nathan Robbins	06/30/2021
Craig Lapine	06/30/2021
Cynthia Loebenstein	06/30/2021
*Ana Lagunez	06/30/2021

Civil Service Police Citizen Review Subcommittee	Expiration
*Maria Testa	03/30/2021

Portland Public Art Committee	Expiration
*Kifah Abdulla	06/30/2021
*Jess Lipton	06/30/2021
James Cradock	06/30/2021

Civil Service Employment Subcommittee	Expiration
*Elaine Edwards	06/30/2021
Margery Niblock	06/30/2021

*New board and commissions members

Five affirmative votes are required for passage after public comment.

CONSENT ITEMS:

Order 252-17/18 (Tab 6) Order Declaring July 4, 2018 the July 4th Fireworks Festival – Sponsored by Jon P. Jennings, City Manager.

This order declares Wednesday, July 4, 2018, the July 4, 2018 Fireworks Festival. Rain date will be on Thursday, July 5, 2018.

This year's festival runs from 10:00 a.m. to 10:00 p.m. and will include food and entertainment vendors and a 25-minute fireworks display. Street closures are included in the agenda backup.

Five affirmative votes are required for passage after public comment.

LICENSES:

Order 253-17/18 (Tab 7) Order Granting Municipal Officers' Approval of Bujabelle LLP dba Bujabelle. Renewal application for an Entertainment with Dance at 249 St John Street – Sponsored by Michael Russell, Director of Permitting and Inspections.

Original application was filed on 3/8/2017. Applicant holds a current Class XI License with Entertainment with Dance and Outdoor Dining on Private Property.

Five affirmative votes are required for passage after public comment.

Order 254-17/18 (Tab 8) Order Granting Municipal Officers' Approval of Portland Harbor Hotel Associates dba Portland Harbor Hotel. Renewal application for an Entertainment without Dance at 468 Fore Street – Sponsored by Michael Russell, Director of Permitting and Inspections.

Renewal application was filed on 5/23/2018. Applicant holds a current Class I-A FSE 40+ Rooms License with Entertainment without Dance and Outdoor Dining on Private Property.

Five affirmative votes are required for passage after public comment.

Order 255-17/18 (Tab 9) Order Granting Municipal Officers' Approval of Oxbow Brewing Company LLC dba Oxbow Brewing Co. Renewal application for an Entertainment with Dance at 49 Washington Avenue – Sponsored by Michael Russell, Director of Permitting and Inspections.

Renewal application was filed on 5/3/2018. Applicant holds a current Class A Lounge License with Entertainment with Dance and Outdoor Dining on Private Property.

Five affirmative votes are required for passage after public comment.

**Order 256-17/18
(Tab 10)**

Order Granting Municipal Officers' Approval of Illmadic LLC dba Illmadic. Application for a Class A Lounge at 41 Fox Street – Sponsored by Michael Russell, Director of Permitting and Inspections.

Application was filed on 5/24/2018. New City and State applications. Location was formerly One Eye Open Brewing Co.

Five affirmative votes are required for passage after public comment.

**Order 257-17/18
(Tab 11)**

Order Granting Municipal Officers' Approval of TOC Industries dba The Escape Room. Application for a Class III & IV at 492 Congress Street – Sponsored by Michael Russell, Director of Permitting and Inspections.

Application was filed on 5/25/2018. New City and State applications.

Five affirmative votes are required for passage after public comment.

**Order 258-17/18
(Tab 12)**

Order Granting Municipal Officers' Approval of Nguoi Dep LLC dba Cong Tu Bot. Application for Outdoor Dining on Public Property at 57 Washington Avenue – Sponsored by Michael Russell, Director of Permitting and Inspections.

Application was filed on 5/25/2018. New City application. Applicant currently holds a Class I License.

Five affirmative votes are required for passage after public comment.

**Order 259-17/18
(Tab 13)**

Order Granting Municipal Officers' Approval of TRL, LLC dba 371. Application for a Class III & IV at 371 Forest Avenue – Sponsored by Michael Russell, Director of Permitting and Inspections.

Application was filed on 5/29/2018. New City and State applications. This is a new owner of an existing business.

Five affirmative votes are required for passage after public comment.

**Order 260-17/18
(Tab 14)**

Order Granting Municipal Officers' Approval of BBS Enterprises, Inc dba 66S Fusion. Application for a Class I FSE at 425 Fore Street – Sponsored by Michael Russell, Director of Permitting and Inspections.

Application was filed on 5/29/2018. New City and State Applications.

Five affirmative votes are required for passage after public comment.

BUDGET ITEMS:

COMMUNICATIONS:

RESOLUTIONS:

Resolve 11-17/18 (Tab 15) Resolution Honoring the Gift of Scholarships from the Late Raymond W. Allen, Jr. – Sponsored by Jon P. Jennings, City Manager.

This Resolve is a joint resolution between the Portland Board of Public Education and the Portland City Council. Raymond W. Allen, Jr., who died on September 4, 2015, was born in the 1920s, when he was taken in by a kind woman named Mabel C. Anderson, who was the mother of a friend of his mother. During his energetic life, with more than 20 years spent teaching mathematics at Portland High School, Mr. Allen became known for his generosity and kindness. He gave Christmas presents to the children of his neighbors on Valley Street, supported some in college, and showed many how to use “the next big thing,” a computer, which he bought for Portland High School. His devotion to others led to his creating a scholarship fund called the Mabel C Anderson Scholarship Fund. His frugal life led to a large amount of savings, most of which he poured into that fund, on his death.

This year, that fund totaled \$1,190,733.62, and a total of six \$8,000 scholarships were awarded in 2016, 2017 and in 2018. This Resolve honors Mr. Allen’s generosity to the past, present and future students of Portland High School who will be helped in their science and math studies in college by these scholarships. This Resolution will be taken up at the June 19, 2018 Regular Meeting of the Portland Board of Public Education.

Five affirmative votes are required for passage after public comment.

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

UNFINISHED BUSINESS:

Order 242-17/18 (Tab 16) Order Expanding the Geographic Area of the Portland Downtown - Sponsored by the Economic Development Committee, Councilor Justin Costa, Chair.

The Economic Development Committee met on May 15, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage.

City Council authorization of the expansion of the Portland Downtown (PD) business improvement district and annual documents are needed for the continued operation of PD.

This includes: (1) Authorizing the proposed expansion; (2) Adopting Development Program for the PD for FY2019; (3) Assessing Maintenance and Implementation Assessments in the PD District for FY2019; (4) authorizing the Master Agreement for work to be done by PD; and (5) authorizing the Supplemental Services Agreement for work to be done by the City.

PD's FY2019 budget is funded from special assessments on all real estate in the current and/or expanded District to fund the PD development program expenses for FY2019.

The mill rate to raise this assessment is \$1.11 cents per \$1,000 of property value for the current district, or a total FY2019 budget of \$932,702. Should the City Council approve of the district expansion, this mill rate would be reduced to \$1.03 per \$1,000 of property value for both the current and expanded area, or a total FY2019 budget of \$962,162. The prior mill rate of \$.92 per \$1,000 of property value had been the same rate for the past nine (9) years.

Included in the City Council meeting packet is PD's 2018/2019 work plan, along with the Supplemental Services Agreement between PD and the City to contract with the City to provide specified Police public safety services and Public Works services to support downtown cleanliness such as sidewalk snow plowing and sweeping and Summer clean-up.

This item must be read on two separate days. It was given a first reading on June 4, 2018. Five affirmative votes are required for passage after public comment.

Orders 243-17/18, 244-17/18, 245-17/18 below are companion orders to Order 242-17/18.

**Order 243-17/18
(Tab 17)**

Order Adopting Development Program for Portland Downtown for Fiscal Year 2018-2019 - Sponsored by Jon P. Jennings, City Manager.

This item must be read on two separate days. It was given a first reading on June 4, 2018. Five affirmative votes are required for passage after public comment.

**Order 244-17/18
(Tab 18)**

Order Assessing Maintenance and Implementation Assessments for Portland Downtown for Fiscal Year 2018-2019 – Sponsored by Jon P. Jennings, City Manager.

This item must be read on two separate days. It was given a first reading on June 4, 2018. Five affirmative votes are required for passage after public comment.

**Order 245-17/18
(Tab 19)**

Order Approving and Authorizing the Fiscal Year 2019 Master Agreement and Supplemental Services Agreement with Portland Downtown – Sponsored by Jon P. Jennings, City Manager.

This item must be read on two separate days. It was given a first reading on June 4, 2018. Five affirmative votes are required for passage after public comment.

**Order 246-17/18
(Tab 20)**

**Amendment to Portland City Code Chapter 19 and Chapter 28
Re: Paying for Street Parking with an App – Sponsored by Jon P. Jennings, City Manager**

This amendment will allow people to pay at parking meters with a mobile payment app, which will also notify them when their parking session is about to expire, so they can extend their time at the meter without physically going to the meter, up to the two-hour maximum.

This item must be read on two separate days. It was given first reading on June 4, 2018. Five affirmative votes are required for passage after public comment.

**Order 247-17/18
(Tab 21)**

Amendment to Portland City Code Chapter 14 Re: Affordable Housing – Sponsored by the Planning Board, Sean Dundon, Chair.

The Housing Committee and Mayor Strimling asked the Planning Board to consider proposed amendments to Division 30 Affordable Housing of the Land Use Code and to make a recommendation to the City Council regarding the proposals. The Housing Committee took up four proposals, two from staff and two from Mayor Strimling, at their November 3 and 17 meetings and forwarded them to the Planning Board for their input:

A proposal from Mayor Strimling to increase the inclusionary zoning requirement from 10% to 20% (forwarded without a positive recommendation);

A proposal from Mayor Strimling to lower the income levels for affordable units from “workforce” to “low income (forwarded without a positive recommendation);

A proposal from staff to require that projects that provide units on- or off-site make a fee-in-lieu payment for any fractional units required (forwarded with a positive recommendation); and

A proposal from staff to eliminate the current sunset provision in the ordinance (forwarded without a positive recommendation.)

The Planning Board held a workshop on February 13 and a public hearing on May 8, 2018. After their hearing and discussion, the Board voted as follows:

To recommend an amendment to the Inclusionary Zoning Ordinance to include a fractional fee-in-lieu payment when units are provided on site.

To recommend an amendment to the Inclusionary Zoning Ordinance to remove the sunset clause.

Not to recommend the Mayor's proposal to amend the Inclusionary Zoning Ordinance to increase the percentage of mandatory affordable units from 10% to 20%, which was not recommended by the Planning Board.

Not to recommend the Mayor's proposal from the Mayor to amend the Inclusionary Zoning Ordinance to change the current workforce housing requirement to a low-income housing requirement.

In addition, the Board recommends the amendments prepared by staff (attachment 1 in the agenda backup) that are clarifying or housekeeping amendments.

This item must be read on two separate days. It was given a first reading on June 4, 2018. Five affirmative votes are required for passage after public comment.

**Order 248-17/18
(Tab 22)**

**Amendment to Portland City Code Chapter 14 Re: Street Access
- Sponsored by the Planning Board, Sean Dundon, Chair.**

The Planning Board met on May 17, 2018, and voted unanimously (6-0, Whited absent) to forward this item to the City Council with a recommendation for passage.

Section 14-403 Street Access is contained within Division 24, Use Regulations and Exceptions of the Land Use Code. It applies to both developed and undeveloped streets by establishing minimum street requirements to be met prior to obtaining building permits.

The goals of the text amendments are to increase the predictability and clarity of Section 14-403 while managing the competing needs of new housing construction, sustainability of infrastructure, and public safety. Maintenance of public roadways and related infrastructure is a significant expense for the City and one where our priority must be addressing deferred maintenance and existing needs.

As required by the Portland's Plan 2030, the city must try to find a balance between the sometimes competing needs of a sustainable, equitable, secure and connected community. The proposed amendments, unanimously recommended by the Planning Board, seek to achieve that balance by allowing development on undersized built streets that meet minimum standards for emergency services and to continue to require undeveloped streets to be improved to meet current city street standards.

The substance of proposed amendments remains consistent with current policy, while seeking to simplify and clarify the regulations.

This item must be read on two separate days. It was given a first reading on June 4, 2018. Five affirmative votes are required for passage after public comment.

**Order 249-17/18
(Tab 23)**

**Amendment to Portland City Code Chapter 25. Streets, Sidewalks, and
and Other Public Places Article VIII. Removal of Snow and Ice -
Sponsored by the Sustainability and Transportation Committee,
Councilor Spencer Thibodeau, Chair.**

The Sustainability and Transportation met on April 23, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage.

The proposed amendments enhance the ability of City staff to enforce provisions of City Code that require the owners of property abutting sidewalks and ADA ramps to make them safe for pedestrian use by clearing accumulations of snow and ice. The specifically define the responsibilities of commercial property owners to create and maintain passage 4 feet wide within 12 hours after snow ceases to fall. Residential property owners must create and maintain passage 4 feet wide 18 hours after City snow clear efforts end. The ordinance contains escalating penalties for non-compliance that reach \$1000 for commercial property owners and \$250 for residential property owners.

Any property owner who commits three offenses in one winter season may be declared a repeat offender and the City may act to remove snow immediately after snow has ceased to fall and to recover costs from the property owner.

This item must be read on two separate days. It was given a first reading on June 4, 2018. Five affirmative votes are required for passage after public comment.

ORDERS:

**Order 261-17/18
(Tab 24)**

**Order Accepting Fiscal Year 2018 Annual Report and 2019 Budget
Plan of the Portland Public Art Committee – Sponsored by the
Portland Public Art Committee, Julia Kirby, Chair.**

The Portland Public Art Committee met on May 16, 2018 and voted unanimously (6-0) to forward this item to the City Council with a recommendation for passage.

The Portland Public Art Ordinance requires the Portland Public Art Committee to make an Annual Report to the Council to present an Annual Public Art Plan with proposed budget for the Council's consideration.

Five affirmative votes are required for passage after public comment.

**Order 262-17/18
(Tab 25)**

Order Approving Ground Lease Agreement with Duluth Holdings, Inc. - Sponsored by Jon P. Jennings City Manager.

The Portland International Jetport is requesting approval for a non-aeronautical ground lease of 0.3 acres of Jetport land west of the intersection of Maine Mall Road and Western Avenue. This land has been approved for a non-aeronautical use lease by the Jetport and the FAA. Duluth Holdings, Inc. is constructing a retail store adjacent to the proposed ground lease and will use the leased land for a parking lot. The terms of the lease are outlined below.

- **Lease Term:** Fifteen (15) years with option to extend for four (4) additional five (5) year terms providing a maximum lease term of thirty five (35) years.
- **Rate:** Duluth Holdings, Inc. will pay annual rent of \$6,700 per year. The rent will increase by 10% every five years.
- **Area:** The leased area is approximately 0.3 acres.
- **Permitted Use:** Construction and operation of a parking lot for use in connection with Duluth Holdings, Inc.'s adjacent retail store.

Five affirmative votes are required for passage after public comment.

**Order 263-17/18
(Tab 26)**

Order Accepting and Adopting the 2018 Housing Trust Fund Annual Plan - Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.

The Housing Committee met on May 23, 2018 and voted unanimously (3-0) 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 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...". At this time, Housing Trust Fund revenue is generated from fees triggered by the Housing Preservation and Replacement Ordinance, fee-in-lieu contributions from the Inclusionary Zoning Ordinance, revenue from the Short Term Rental Registration Program, and other funding resources under Council consideration.

Five affirmative votes are required for passage after public comment.

**Order 264-17/18
(Tab 27)**

Order Proposing the Discontinuance of Public Easement on Lancaster Street – Sponsored by the Economic Development Committee, Councilor Justin Costa, Chair.

The Economic Development Committee met on June 5, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage.

On October 2, 2017, the City Council approved the Purchase and Sale Agreement with Tom Watson of Watson & Co., LLC (“Purchaser”) for its purchase of approximately 1.25 acres of land located at 82 Hanover Street for the purchase price of \$2,350,000. The Purchase and Sale Agreement is included in the agenda backup.

The Purchaser then submitted a Site Plan application to the Portland Planning Board, which was approved on May 17, 2018. All site plan improvements proposed for the Lancaster Street right-of-way were conditioned upon the discontinuance of the public easement and the provision of a 10-foot wide public pedestrian easement to provide midblock permeability. The 10-foot wide pedestrian easement will be located on the 82 and 44 Hanover Street property line – 5 feet on 82 Hanover Street and 5 feet on 44 Hanover Street. The 30-foot wide utility easement will be retained and will restrict development activity within the utility corridor.

The approved Site Plan and project includes adaptive reuse of the 1940 Department of Public Works building with retail, restaurant, bar/eatery, brewery, fitness center, office space, and the following improvements: 39 newly paved parking spaces with landscaping, new concrete sidewalks, street trees, and lights along Parris and Hanover Streets. The site plan also includes outdoor seating areas within the Lancaster Street right-of-way and a 10' wide public pedestrian easement to provide midblock permeability.

At tonight's meeting on June 18, the City Council will vote on the Order Proposing the Discontinuance of a Public Easement on Lancaster Street, which is found in the back up material. This order, if approved, will be posted in the Clerk's Office. The purpose of this order is, again, simply to propose the discontinuance. After the vote on to propose the discontinuance and to post the notice in the Clerk's office, the Council will take public comment on the proposal. Then, at its meeting on July 16, the City Council will vote on the Order of Discontinuance of a Public Easement on Lancaster Street. That vote, if in the affirmative, will finally approve the discontinuance of the public easement. Public comment is not required on July 16 but is, of course, permitted at the Council's discretion.

Five affirmative votes are required for passage.

**Order 265-17/18
(Tab 28)**

Order Appropriating \$1,850,000 for Improvements to the Portland International Jetport Passenger Terminal – Sponsored by Jon P. Jennings, City Manager.

The Portland International Jetport is requesting an appropriation from its unrestricted fund balance to make further improvements as it responds to significant passenger growth this year. Outbound capacity is up 109,000 seats or 17% in the 2nd and 3rd quarters. The Jetport completed a significant expansion in 2012, which greatly improved the passenger experience; this was followed by a \$3.975 million appropriation by the Council for passenger terminal improvements last year which are now currently underway.

In 2017, the Jetport was awarded the best airport under 2 million passengers in North America for service under the Airport Council International’s Airport Service Quality program. In order to maintain this level of service with rising passenger counts it is critical that infrastructure investments at the Jetport continue. This appropriation is proposed to fund the following infrastructure improvements.

Terminal Building Improvements	\$ 1,260.00
Parking Facility Improvements	\$ 265,000
Site Improvements:	
Roadwalk, Sidewalk, and Directional Sign Renovations	\$ 50,000
Phase 1 Funding for Trail Along Yellow Bird Road	\$ 50,000
Ground Service Equipment Storage Structure	\$ 130,000
Passenger Boarding Ramp	<u>\$ 75,000</u>
Total	\$1,850,000

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

**Order 266-17/18
(Tab 29)**

Order Amending the Bayside Tax Increment Financing District to Support the Establishment of an Affordable Housing District for the 178 Kennebec Street Elderly Affordable Housing Project – Sponsored by the Economic Development, Councilor Justin Costa, Chair.

This item will be presented to the Economic Development Committee on June 19, 2018 for its recommendation and vote to the City Council.

City Council approval is proposed to amend the Bayside TIF District to establish an Affordable Housing TIF District for the 178 Kennebec Street elderly affordable housing project.

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

**Order 267-17/18
(Tab 30)**

Order Designating 178 Kennebec Street Affordable Housing Development District and Tax Increment Financing District and Adopting the Municipal Development Program for the District – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair, and the Economic Development Committee, Councilor Justin Costa, Chair.

At a joint meeting held on June 5, 2018, both the Housing Committee (3-0) and the Economic Development Committee (3-0) voted to forward this item to the City Council with a recommendation for passage.

Maine Workforce Housing (MWH) is proposing to construct 46 1-bedroom units for seniors (55+) on a site located at 178 Kennebec Street. MWH is requesting financial assistance from the City in the form of an Affordable Housing TIF (AHTIF) to assist with the project. If approved, the AHTIF financing will be provided through a Credit Enhancement Agreement at 75% of the increased taxable value, currently estimated at an average \$96,305 annually over 30 years.

The developer has requested two forms of financial assistance.

(1) HOME funds request: \$400,000; the Housing Committee will make final HOME funding recommendations which will be forwarded to the City Council for final approval at a later date.

(2) Tax Increment Financing (TIF) 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 \$96,305, with an estimated total of \$2,889,164 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 \$4,300,000 and estimated annual tax of \$93,095. The remaining increased taxable value will be general fund revenue. TIF projections and proposed district map are included in the backup to this memo. Maine Workforce Housing is proposing to construct 46 1-bedroom units for seniors (55+).

The development will include:

178 Kennebec Street		
1-Bedroom Units (46)	at or below 40% area median income	0
	at or below 50% area median income	15
	at or below 60% area median income	21
	Market Rate	10
Total Units		46

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 will submit an application with MaineHousing’s Low Income Housing Tax Credit program contingent upon a reduction in operating costs through a tax increment financing program that provides for a minimum of 75% of the projects annual property tax revenue to be returned to the developer.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for all City funding requests. The third party analysis is included in the. 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 funding recommendation noted below. With that being said, the third party report makes the following recommendations:

Affordable Housing TIF financing through a Credit Enhancement Agreement at 75% of the increased assessed value for 30 years.

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

**Order 268-17/18
(Tab 31)**

Order Approving and Authorizing the City Manager to Enter into The Credit Enhancement agreement with 100 Parris Street, LP – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair, and the Economic Development Committee, Councilor Justin Costa, Chair.

At a joint meeting held on June 5, 2018, both the Housing Committee (3-0) and the Economic Development Committee (3-0) voted to forward this item to the City Council with a recommendation for passage.

This is a companion order to Order 267-17/18 above.

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

**Order 269-17/18
(Tab 32)**

Order Designating 977 Brighton Avenue Apartments Affordable Housing Development District and Tax Increment Financing District and Adopting the Municipal Development Program for the District – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair.

The Housing Committee met on May 22, 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. AHDC is requesting financial assistance from the City in the form of an Affordable Housing Tax Increment Financing (AHTIF) to assist with the project. If approved, the AHTIF financing will be provided through a Credit Enhancement Agreement at 75% of the increased taxable value currently estimated at an average \$65,150 annually over 30 years.

AHDC has requested two forms of financial assistance.

(1) HOME funds request: \$300,000; the Housing Committee will make final HOME funding recommendations which will be forwarded to the City Council for final approval at a later date.

(2) Tax Increment Financing request: If approved, the AH 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 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.”

The developer will submit an application with MaineHousing's Low Income Housing Tax Credit program contingent upon a reduction in operating costs through a tax increment financing program that provides for a minimum of 75% of the projects annual property tax revenue to be returned to the developer.

The Housing and Community Development Division works with an independent consultant who performs third party underwriting reviews of requests for all City funding requests. 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 funding recommendation noted below. With that being said, the third party report makes the following recommendations:

AH TIF financing through a Credit Enhancement Agreement at 75% of the increased assessed value for 30 years.

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

**Order 270-17/18
(Tab 33)**

Order Approving and Authorizing the City Manager to Enter into the Credit Enhancement Agreement with Avesta 977 Brighton LP – Sponsored by the Housing Committee, Councilor Jill C. Duson, Chair, and the Economic Development Committee, Councilor Justin Costa, Chair.

At a joint meeting held on June 5, 2018, both the Housing Committee (3-0) and the Economic Development Committee (3-0) voted to forward this item to the City Council with a recommendation for passage.

This order is a companion to Order 269-17/18 above.

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

AMENDMENTS:

**Order 271-17/18
(Tab 34)**

Amendment to Portland City Code Chapter 6 Re: Disorderly Houses – Sponsored by the Housing Committee, Council Jill C. Duson, Chair.

The Housing Committee met on April 25, 2018 and voted unanimously (3-0) to forward this item to the City Council with a recommendation for passage.

The Police Department requests the amendment of the disorderly house ordinance (City Code of Ordinances, Section 6-202) to provide notice to tenants when the enforcement of the disorderly house ordinance against the landlord may impact the interests of the tenants.

Providing notice will ensure transparency and accountability while affording due process protections to all parties involved.

The first amendment to the disorderly house ordinance requires the City to provide notice to tenants once a formal complaint (e.g. typically a Rule 80(k) action) is filed in court against the landlord/owner for enforcement of the ordinance. The tenants would receive notice of the complaint by posting at the premises or regular mail. Following receipt of said notice, tenants would be allowed to join in the matter as interested parties. This provision is important to protect the rights of all tenants, especially those tenants that may not have contributed to the incidents that gave rise to the designation of the property as a disorderly house but may be impacted by the relief granted by the Court.

The second amendment requires the City to provide all tenants of the building with “reasonable written notice of said condemnation or posting against occupancy.” With regard to enforcement against disorderly houses involving an immediate threat to the health and safety of the tenants, the City may be required to move forward with condemnation of the property. The proposed amendment will allow tenants adequate time to seek alternate housing or retain counsel if additional relief is required.

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