HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE

DATE: **February 26, 2014 (Wednesday)**
TIME: **5:30-7:30 p.m.**
LOCATION: **Room 209, Second Floor**
Portland City Hall

A G E N D A

1. Review and accept Minutes of previous meeting held on February 12, 2014.

2. Review and Recommendation to City Council (Public Comment will be accepted as time allows.)

   Housing Program Budget – Mary Davis, Jeff Levine

3. Review and Discussion (Public Comment will be accepted as time allows.)
   Note: Pursuant to 1 M.R.S.A. 405(6)(C) and (F) and 5 M.R.S.A. 13119-A, the Committee may go into Executive Session to discuss possible disposition of City property.

   Proposed City Sites for Residential Development – Mary Davis

4. Executive Session: Pursuant to 1 M.R.S.A. 405(6)(C) and (F) and 5 M.R.S.A. 13119-A, to provide City staff direction, the Committee will go into executive session to discuss facility/space lease negotiations on City property at Ocean Gateway Terminal with new Nova Scotia ferry operator.

Next Meeting: March 12, 2014

Councilor Kevin Donoghue
Chair

Housing & Community Development Committee

February 12, 2014

A meeting of Portland City Council's Housing and Community Development Committee (HCDC) was held on Wednesday, February 12, 2014 at 5:30 p.m. in Room 209 on the second floor of Portland City Hall. Present from the HCDC was its Chair Councilor Kevin Donoghue, and member Councilors Jon Hinck and Nicholas Mavodones; Committee member Councilor John Coyne could not be present. City staff present included Housing & Community Development Division Director Mary Davis, Facilities Management and Recreation Director Anita Lachance (for Item #2 only), Planning and Urban Development Director Jeff Levine, Economic Development Director Greg Mitchell, Senior Executive Assistant Lori Paulette, City Manager Mark Rees, Finance Director Ellen Sanborn (for Item #2 only), and Associate Corporation Counsel Lawrence Walden.

Item 1: Review and accept Minutes from previous meeting held on January 22, 2014.

On motion made and seconded, the Committee voted unanimously to accept the minutes as published.

Item 2: Review and recommendation to City Council on property lease and future acquisition of 212 Canco Road for City Department consolidation – Greg Mitchell (Public Comment will be accepted as time allows.)

Executive Session: Pursuant to 1 M.R.S.A. 405(6)(C) and (F) and 5 M.R.S.A. 13119-A, the Committee may go into executive session to discuss negotiations on this real estate lease/acquisition.

Mr. Mitchell said that this is being presented today for the Committee vote and recommendation to the City Council to enter into a lease with a purchase option for property

located at 212 Canco Road. He noted that if needed, the Committee could go into executive session to discuss confidential matters. In response to Councilor Hinck asking about the executive session, Mr. Mitchell said that executive session items could include discussion of existing tenant leases at the property and negotiations on the lease/purchase option.

Mr. Mitchell said that the City Council previously appropriated funds for the purchase to consolidate various City Departments/operations into this one facility – see attached table of Departments/operations to go into this facility. At that time, leasing was not planned in this appropriation, and staff is recommending that funding for the lease portion be through City property sales, i.e., Riverside Street and/or Bayside.

Mr. Mitchell said that 212 Canco Road is zoned industrial, and staff feels it is the best location for the Department consolidation and service delivery, particularly due to its close proximity to the peninsula area. The size and acreage are also a good fit for the consolidation.

Mr. Mitchell then highlighted the purchase price as $2.9 Million fixed for three years, noting that the market appraisal came in at $2.74 Million, and the assessed value is $3.05 Million. Regarding the leasing rates, he noted that it is approximately $39,000/year, which is very favorable, with no escalators – fixed for three years. Both the leasing rate and the purchase price are in the City's favor, i.e., below market.

Mr. Mitchell then noted that there are two commercial tenants leasing space at 212 Canco Road. These tenants take up approximately half of the space through Summer/Fall of 2018. The City will honor these existing leases until they expire, and the City will then occupy the entire premises.

Mr. Mitchell said that this Committee's recommendation to the City Council would be to authorize the City Manager move forward with the lease/purchase option. The Finance

Committee will be reviewing this at its meeting tomorrow for the recommendation to the City Council for the City Manager to move forward based on the financial aspects of this lease/acquisition.

Councilor Hinck asked if the City had any recourse if the owner decided not sell.

Mr. Mitchell said that the City has the right to purchase beginning March 1, 2017, but no later than October 31, 2018. This is written in the option to purchase.

Mr. Walden added that if the seller defaults, it is customary for the buyer to bring this to court as it has the right to purchase; it is a customary remedy. The City, however, is not required to purchase, noting it has that option.

Mr. Hinck asked about the favorable leasing/price terms, and Mr. Walden said that discussions on negotiations should be held executive session.

Chair Donoghue said that he had a couple of questions regarding the current leases, and Mr. Walden said that the Seller has provided confidential information to the City on the tenant leases, and, again, this is appropriate for an executive session discussion.

On motion then made and seconded, the Committee voted unanimously at approximately 6:00 p.m. to go into executive session pursuant to 1 M.R.S.A. 405(6)(C) and (F) and 5 M.R.S.A. 13119-A to discuss negotiations on this real estate lease/acquisition and tenant leases. At approximately 6:10 p.m., the Committee came out of executive session.

Chair Donoghue asked if there was any further Committee discussion. There being none, he asked if there was any public comment.

Robert Hains said that 212 Canco is primarily warehouse space, asking how it would be used.

Tom Blackburn said that he supports the lease/purchase proposal, and looked forward to an adaptive reuse of the City's Bayside property that will be vacated.

There being no further public comment, Chair Donoghue closed the public comment session.

Mr. Mitchell then addressed Mr. Hains' question describing how the space would be used on both floors, with Ms. Lachance adding that the City and School Trades Divisions will be moved when the purchase is completed, together with their associated maintenance equipment and vehicles. Also moving into this space will include office use for the emergency operations center, as well as staff from Recreation and Public Assemblies Facilities.

Chair Donoghue asked if there were further questions/comments. There being none, a motion was made and seconded to forward this to the City Council with a recommendation that it authorize the City Manager to move forward to execute the necessary documents for the City to enter into a lease/purchase agreement for 212 Canco Road. A vote was then taken on the motion and it passed unanimously.

Item #3: Review and Discussion (Public Comment will be accepted as time allows.)

Begin discussion on the possible creation of a Downtown/Transit-Oriented Tax Increment Finance District, and give guidance to staff – Greg Mitchell

Mr. Mitchell said that this is the beginning of the discussion for the creation of a Downtown and/or Transit Oriented Development (TOD) Tax Increment Financing (TIF). The City Council recently adopted a new TIF Policy, which favors more area-wide TIF Districts, rather than individual TIF projects through a Credit Enhancement Agreement, although there is still flexibility for the latter to be approved. The Council felt area-wide TIF Districts could assist with City public infrastructure investment to support growth and development. TOD TIF

Districts use new tax revenue to enhance and/or create new transit services, including equipment purchases and operator salaries, in addition to funding capital investments.

Mr. Mitchell said that one of the first items for discussion is the proposed geographical boundary for this new TIF District, after which an Original Assessed Value (OAV) would then be established. The timing for this OAV is that, for instance, if this TIF District were approved anytime between 4/1/2014 and 3/31/2015, the values of the properties in the new district would be the value as of 4/1/2013.

Regarding the OAV, Mr. Mitchell said that this value and associated taxes would all go to the General Fund. Any increased assessed value from the OAV in the TIF District is captured and the new taxes from the increased assessed value are reserved for eligible and approved TIF/TOD District projects.

Councilor Mavodones said that he would need to see an analysis of the impact on the General Fund in not seeing these new taxes.

Chair Donoghue said that the impact will also depend on how the TIF funds are programmed, i.e., for CIP projects, staffing, transit - so there may be some offsetting from General Fund expenses.

Mr. Rees said that staff is currently formulating the CIP and prioritizing requests. It will be interesting to see what funds could free up from the General Fund by funding some projects with TIF revenue. It could be a win/win for both funding sources.

Mr. Mitchell said that he recommends establishing boundaries and developing a long list of potential Downtown/TOD TIF investment projects, to also include CIP projects, among others.

Mr. Mitchell then highlighted the percentage captures for TIF Districts. He said that the City is approved to capture 100% of the new taxes in all its current area wide TIF districts (Bayside, Arts, and Waterfront); it can do the same with any new TIF district. This results in tax sheltering savings to the City. Mr. Mitchell noted that the City has the flexibility to go lower than an approved 100% capture without needing a TIF amendment. MDECD has stated that a municipality can administratively go lower than an approved captured percentage without amending a TIF District program; however, a municipality cannot go higher than the approved captured percentage without a TIF amendment. During certain years, Mr. Mitchell said that the City has administratively captured lower than the 100% capture allowable in its existing area-wide TIF districts.

Mr. Rees said the CIP process first prioritizes projects and then looks to see how to finance those projects; TIF revenue could be added as a funding source.

Councilor Mavodones said that he would need to know the impact on the General Fund, as this has historically provided issues for debate between the Council and Manager.

Chair Donoghue asked about other items to fund besides the CIP, and Mr. Mitchell then handed out a document which shows how TIF funds can be utilized – copy attached.

Mr. Mitchell noted TIF funds can be used for equipment, infrastructure, environmental projects, transit development, and staff salaries, to name a few. He then noted, for instance, if TIF funds were to be used for a fire truck that would serve both in and outside a TIF District, TIF funds could be used to pay for a pro-rata share of the cost of that fire truck based upon the TIF District geography and development needs. There are a number of creative ways to use TIF funds.

For the recently created Thompson's Point TOD TIF District, Mr. Mitchell said that the Council's Transportation and Sustainability Committee is formulating a list of projects that could be funded through this TOD TIF. With TOD TIF Districts, you can invest those TIF funds both inside and outside the district, while a Downtown TIF District is more boundary sensitive. Mr. Mitchell then referred to the transportation initiatives map that the City Manager and Deputy City Manager Sheila Hill Christian are leading the effort on, highlighting the various corridors and areas of investment for improvements to the transportation system.

Mr. Mitchell continued saying that it will be a policy decision as to how much the City wants to capture in a Downtown/TOD District. TIF funds should be directed to support community economic growth.

Mr. Levine said that PACTS has a hublink study with $40,000 to formulate transit options out of the Thompson's Point TOD TIF. This will be managed by a new staff person to be hired in Planning, and will be coordinated with the Metro System. He added that with more local funding, perhaps through the TIF program, the City will be able to better access Federal grant funds.

Chair Donoghue said that CIP projects and transit service projects should be looked at together for marrying up for maximizing investment dollars.

Mr. Mitchell that for maximum flexibility for the use the TIF funds he would recommend creating a listing of investments that could be made by the City, both short and long term. As staff and the Committee moves forward on the creation of the Downtown and/or TOD TIF District, an analysis will be done of estimated TIF funds for future investment – once the geographic boundaries for the district have been established.

Councilor Mavodones said that he recognizes the benefits of a broad TIF district, and he would like the City to have a policy statement on how it will determine annual percentage captures, most likely done as part of the annual budget process. He also commented that, at some point, a joint Finance Committee/HCDC meeting may be appropriate.

Council Hinck asked about the variables involved with setting percentage rates.

Mr. Rees said that each year the City does not know what it will get from the State through municipal revenue sharing, and there are also county taxes and State aid for education which also fluctuate. These are variables each year. Estimates on these variables will be included in various TIF models for the Committee's review.

Chair Donoghue said that the CIP is also different each year with projects in and out of the downtown. He sees this TIF funding as a means to offset some CIP costs and augment transit services.

Councilor Hinck said that there should be controls for protecting the entire City's interest and not individual City Councilor/staff preferences.

Chair Donoghue then opened the meeting for public comment.

Robert Hains said that he understands that TIF is the only tool for cities, but he does not always agree with the percentages captured for individual applicants/CEAs. He felt the proposed Downtown/TOD TIF should have all the taxes go to the General Fund without designating projects since that is an unknown.

Joan Fortin said that it is good to hear this discussion and the City being proactively looking at a Downtown TOD/TIF district. She fully supports what has been presented to the Committee by staff. In her work as an attorney with Bernstein Shur, TIFs have proved to be very successful for municipalities/towns to offset costs and save from tax sheltering. As a Portland

resident, she is would like to see TIF funding go to schools and teachers. Only some of new tax money goes to the General Fund due to tax shifts, unless in a TIF District. The City should use TIF money for things it needs to pay for anyway. With the tax sheltering savings from TIF – avoided loss of State Aid for Education, State Municipal Revenue sharing, and County tax – the City would keep 100% of every new tax dollar in a TIF district, rather than approximately 60% - saving 40% on every dollar.

Ms. Fortin said that the City should look at General Fund items – infrastructure, salaries, transportation – and, as Mr. Mitchell indicated, prepare a list of items that TIF funds could be used to pay for those items as allowable uses of TIF funds. She also recommended that for the Downtown TIF/TOD District, the City Council should automatically capture 100% every year. That way, if there is a year the Council want to go lower than the 100% it can without amending the TIF District each time.

Chair Donoghue asked if there was any further public comment, there being none, the public comment session was closed.

Councilor Hinck asked why wouldn't the City capture the highest percentage possible.

Mr. Rees said that if there were no TIFs, property taxes could be used throughout the City, which may sit better for the public. For TIF Districts, new taxes would generally be spent in the TIF Districts.

Councilor Hinck said that he would like to see an approach that maximizes TIF fund investment possibilities.

Mr. Mitchell said that he would come back to the Committee with proposed geographical boundaries and CIP review of projects.

Councilor Mavodones said that he understands the argument to have the entire peninsula part of a Downtown TOD TIF district, but he would also like to see a comparison with a smaller boundary.

Mr. Mitchell said that additional options are to marry up the lines to go around existing TIF districts, or terminate the existing TIF districts and replace it with one new district.

There was discussion on this with a favoring towards marrying up the larger new district to go around existing TIF districts. However, a look at how it would work if they were combined would be helpful to understand.

Mr. Levine mentioned that a downtown redevelopment plan is required by MDECD for a Downtown TIF District.

Mr. Mitchell agreed, and also noted that he would check in with MDECD about having the entire peninsula part of a Downtown TOD/TIF District to be sure that it was comfortable with that geographic area.

Mr. Mitchell said that TIF revenue is designed for commercial and industrial infrastructure needs, not for single family residential. Also, if you want transit investment, you need to include a TOD district.

Consensus of the Committee generally agreed with the creation of a combined Downtown/TOD TIF District, as well as for a term of 30 years – noting the captured percentages could be adjusted as recommended with a 100% capture rate approved.

The Committee then discussed uses for TIF revenue for Credit Enhancement Agreements, with Ms. Fortin recommending that there be flexibility built into the district to allow this for unforeseen developments that may come along.

Mr. Mitchell said that he would bring back to this Committee scenarios/financial models showing the entire peninsula TIFd, a smaller area TIFd – both with and without existing TIF Districts.

Councilor Donoghue asked about a timeline for this project, and Mr. Rees said that the timeline will be drawn up and presented.

Item #4: Communication Only (Public Comment will be accepted as time allows.)

Update on Housing Plan and Consultant Services RFP– Mary Davis, Jeff Levine

Mr. Levine updated the Committee regarding two RFPs issued by the Housing and Community Development Division – one for "Development of Strategic Housing Investment and Financing Policy" and one for "Housing Market Analysis". They received two responses for each RFP but, after review, staff determined that the responses did not meet staff's goals and proposed fees.

Mr. Levine said that staff will be re-evaluating the scope of the work and will re-issue in the future.

Item #5: Review and Discussion (Public Comment will be accepted as time allows.)

2014 HCDC Work Plan for review and discussion – Mary Davis, Jeff Levine, Greg Mitchell

Chair Donoghue asked if there were questions/comments regarding the updated work plan calendar. There being none, he thanked staff for the updated work plan calendar.

There being no further business, the meeting then adjourned at 7:30 p.m.

Respectfully,

Lori Paulette

City Operations Consolidation Plan

Departments Moving	Space Vacated	Efficiencies/Benefits
Currently at 212 Canco:		
Fire Electrical Tactical Equipment New Emergency Command Post	Presumpscot St. (rented space) Presumpscot St. and POT	Allows for leasing opportunities at POT. Provides adequate space for Command Post.
Move to 212 Canco w/Lease:		
Traffic Division City Trades Division	65 Hanover Street 65 Hanover Street	Puts all maintenance in same space allows better standardization. Property available for sale.
To Move to 212 Canco When Purchase Complete:		
Emergency Operations Center (EOC) School Trades Division	Classroom at PATHS Classroom at PATHS	Allows consistent setup for EOC operations. Creates additional space for Casco Bay High School. Put all maintenance in same space.
Playground/Irrigation Crews	90 Anderson Street	Central to all fields and better efficiencies. Property available for sale.
Recreation & Public Assembly Staff from Cummings Center and Expo	Cummings Center Expo Office Area	Better coordinated and more efficient administration of the Recreation and Facilities Management Division. Provides space for Public Health growth.

Possible Public Investments for a New Downtown/Transit Oriented Development TIF District

Downtown TIF District (Investment Examples)

Public Infrastructure (investment within District)

- Sidewalks
- Street Lighting
- Road Improvements (paving and reconstruction)
- Parking Facilities
- Traffic Signals
- Undergrounding of Overhead Power Lines (commercial service)

Equipment (use within District)

- Public Services Equipment
- Rescue/Fire Safety

Portland's Downtown District (community wide any TIF)

- A portion of annual funding related to marketing and events promotion.

City Staff Salaries (community wide any TIF)

- Economic Development
- Portion of City Manager, Planning Director and Finance and Assessor.

Existing or new trails (any TIF)

Environment Improvement Projects (any TIF)

- Impaired streams
- Watershed Projects

Other Uses as Allowed by TIF Law

Transit Services

- New or expanded services, including equipment and operator salaries
- Inter-related with Thompson's Point TOD TIF Transit Planning

Payment options for City TIF investments

- Pay-As-You-Go
- Local Cash Match for State or Federal Projects
- Debt service for projects

Mary Davis
Division Director, Housing & Community Development Division

AGENDA ITEM #2

TO: Councilor Donoghue, Chair
Members of the Housing and Community Development Committee

FROM: Mary Davis, Division Director
Housing and Community Development Division

DATE: February 20, 2014

SUBJECT: 2014-2015 Housing Program Budget

I. SUMMARY OF ISSUE

Review and recommendation to the City Council of the 2014-2015 Housing Program Budget.

II. REASON FOR SUBMISSION

A recommendation from the Housing and Community Development Committee is necessary to forward the Housing Program Budget to the City Council for final approval.

III. INTENDED RESULT

HOME Program: The Home Investments Partnerships Program (HOME) was established by Congress in 1992. Since 1992, the City of Portland and the Cumberland County HOME Consortium have received over $16.3 million dollars in HOME funding. In 2009 the City became the lead entity in the Cumberland County HOME Consortium. The Consortium is a partnership of the communities in Cumberland County that administers HOME Program funds in Cumberland County. The creation of the consortium expanded the financial resources for affordable housing activities in the region. The City retains independent operation of its HOME program. Because the City serves as the "Lead Entity" and City staff administers the County portion of the funding, all administrative funds are retained by the City. The County's Municipal Oversight Committee controls the allocation of County's portion of the HOME funds.

The budget proposal assumes level HOME funding. Based on an OMB Report to Congress, the National Community Development Association is estimating that the HOME program will see a slight increase in funding (nationwide an increase from $998 million to $1 billion). However, HUD has not provided any final funding allocations.

When a final allocation is received, staff is recommending a proportional distribution of funds based on the appropriations in the budget presented here.

The budget proposal was developed after a historical review of HOME funding allocations, previous year's budget allocations, program expenditures and program income (loan repayments) received.

Currently, the City's HOME Program is divided into three funding categories:

1. Housing Rehabilitation
2. Tenant Based Rental Assistance
3. Affordable Housing Development [including the required Community Housing Development Organization (CHDO) set-aside mandated by HUD]

CDBG/Housing Development Fund: Housing and Community Development Division did not request funding from the FY 14/15 CDBG process. Staff and housing program costs normally funded through CDBG, are being funded through the Housing Development Fund (HDF). HDF is the program income account funded by CDBG housing loan repayments.

IV. FINANCIAL IMPACT

This budget is based on the CDBG and HOME Program Allocations from the U.S. Department of Housing and Urban Development and the HDF Program Income Account.

V. STAFF ANALYSIS AND RECOMMENDATION

Staff recommends the funding levels presented here. These budget lines can be adjusted as necessary throughout the year with appropriate analysis and public notice as required by our Consolidated Annual Action Plan. This budget, as may be amended by the Housing and Community Development Committee, will be forwarded to the full City Council for two Public Hearings on March 10th and March 17th, as part of the overall HCD budget. The final budget allocations and Annual Action Plan are submitted to HUD on May 15 for the fiscal year beginning July 1, 2014.

Staff Recommendation: Approval and recommendation to the City Council of the attached Housing Program Budget with authority given to staff to make a proportional distribution of funds when a final allocation amount is received from HUD. The proportional distribution will be based on the appropriations in the budget presented here.

2014-2015 HOME Consortium Allocation ***HUD HOME Allocation =*** **$ 866,153.00**

ESTIMATE AS OF 02.04.2014

Total Entitlement Allocation	866,153
Portland Portion	515,239
County Portion	350,914

REVENUES- Housing Programs	*HOME Portland*	*CDBG Allocation*	*HDF Allocation*	***TOTAL BUDGET***
2014-15 HOME Consortium Admin (10% of allocation)	86,615			*86,615*
2014-15 HOME Consortium Programming	428,623			*428,623*
2013-14 HOME Program Income	200,000			*200,000*
Re-Allocated HOME Funds (funding from previous years)				*0*
2014-15 CDBG Administration				*0*
2014-15 CDBG Programming				*0*
2013-14 HDF Program Income			213,335	*213,335*
	715,239	0	213,335	***928,574***

EXPENDITURES= Housing Programs	*HOME Portland*	*CDBG Allocation*	*HDF Allocation*	***TOTAL BUDGET***
Administration				*149,771*
HOME Admin Allocation (2014-15)	86,615			
HDF/CDBG Housing Staff (2014-15)			63,156	
Programming				*778,802*
HOME Consortium (2014-15)	428,623			
HOME Program Income (2013-14)	200,000			
Re-Allocated HOME Funds				
CDBG Programming (2014-15)				
HDF Program Income (2013-14)			150,179	
TOTAL BUDGET	715,239	0	213,335	***928,574***

2014-15 HOUSING PROGRAMS PORTLAND

2014-15 HOUSING Budget by Activity	*HOME Portland*	*CDBG Allocation*	*HDF Allocation*	***TOTAL BUDGET***
Administration (10% allocation + 10% PI) PL1501	106,615		63,156	*169,771*
Housing Rehabilitation (10 Projects @ $15,000/project) QM1500	100,000		150,179	*250,179*
Homeownership Assistance QJ1500	0			*0*
Tenant-Based Rental Assistance QT1501	130,000			*130,000*
Affordable Housing Development QK1500	307,186			*307,186*
CHDO QL1500	71,437			*71,437*
	715,239		213,335	***928,574***

2014-15 HOME Consortium COUNTY

County HOME Program budget provided for reference only; allocation of County funds is done by the County's Municipal Oversight Committee

REVENUES- Housing Programs	*HOME Consortium*
2014-15 HOME Consortium Non-Portland Programming	350,914
2013-14 HOME County Program Income	10,000
	360,914

2014-15 HOUSING Budget by Activity	*HOME County*
Housing Rehabilitation (13 projects @ $15,000/project) QP1500	212,428
Home Ownership (3 projects @ $30,000/project) QQ1500	90,000
Affordable Housing Development	0
CHDO QR1500	58,486
	360,914

Portland, Maine Yes. Life's good here.

Mary Davis
Division Director, Housing & Community Development Division

AGENDA ITEM #3

TO: Councilor Donoghue, Chair
Members of the Housing and Community Development Committee

FROM: Mary Davis, Division Director
Housing and Community Development Division

DATE: February 21, 2014

SUBJECT: Review of City Sites for Residential Development
83 Middle Street and Remaining portion of former Adams School parcel

Over the last several years, it has been a goal of the City Council and the Housing and Community Development Committee to increase the availability of housing in the City of Portland. The use of city sites for residential development has been one of the tools suggested to meet this goal.

Committee Goal/Council Goal Addressed

Increase overall housing to support population growth
- Develop a housing plan (including use of city property)
- Increase availability of affordable housing
- Revise zoning to support housing

Staff is seeking direction and feed-back from the Housing and Community Development Committee as to future action on two city-owned sites:

1. 83 Middle Street
2. Remaining portion of former Adams School parcel

STAFF ANALYSIS AND RECOMMENDATION

The Tax Acquired Property Committee (TAPC) conducted a survey of all City Departments, the District Councilor and the Land Bank regarding both lots.

1. 83 Middle Street:

This parking lot is currently used by the police department for employee parking. The lot contains 23 parking spaces which are used by over 50 employees throughout the day.

The property has an assessed land value of $277,800 (FY14). It is located in a B-2b zone and contains approximately 9,511 sq. ft. of land. The B-2b zone requires 435 sq. ft. of land area per dwelling unit which means a maximum of 21 dwelling units could be developed on this site.

In response to the survey from the TAPC, the City's Parking Manager and Police Chief indicate support to maintain the use of this lot as parking for Police Department employees. The Planning Division Director recommends that any development of this lot be postponed until the conclusion of the India Street area plan.

To use this parcel for housing development, alternative parking would need to be obtained for the police department. Possible parking alternatives include:

Parking Location	Cost per space/month	Estimated Annual Cost to the City
Cumberland County Garage (full)	$120	$76,320
Custom House Garage	$135	$85,860
Middle & Pearl Lot	$140	$89,040
Top of the Old Portland Lot	$80	$50,880

As a point of reference to evaluate the cost of parking vs. potential real estate tax generated by development, I looked at three housing developments containing 20-25 units.

Development- Location	# of Units	Assessed Value	Property Tax
Fore River – 63 Frederic Street	20	$1,352,700	$26,255.92
Bayside East 47-55 Smith Street	20	$1,302,000	$25,271.82
315 Valley Street	24	$1,672,100	$32,455.46

It is unlikely that future residential development would generate sufficient tax revenue to off-set the cost of parking required by the Police Department.

The Tax Acquired Property Committee recommended that the lot at 83 Middle Street be retained until the India Street area plan is final. Also, if development is pursued in the future, TAPC suggested an arrangement which would preserve parking for Police Department use.

Housing and Community Development staff is not recommending action on this parcel at this time. Staff proposes that the HCDC re-visit the future development of this site after the India Street area plan is finalized.

2. Remaining portion of former Adams School site

The area outlined in blue on the attached map contains 32,960 square feet. The property is located in an R-6 zone which would allow a maximum of 27 dwelling units on this site.

The area in yellow contains approximately 6,771 square feet and would have an estimated assessed value of $162,000. Based on the square footage, zoning would allow a maximum of 6 units.

The Tax Acquired Property Committee supported the sale of these parcels for residential use with the recommendation that further due diligence be given to any remaining VRAP conditions, review of the site plan approval and exploration of potential residential uses.

Environmental Issues:

As part of the Avesta/Adams School project, the City received a VRAP No Action Assurance Letter for the parcels on the attached map hatched in pink. The section outlined in yellow, was not included in this VRAP.

If the HCDC were to recommend sale of all or a portion of the property hatched in blue, a Phase II Site Assessment would need to be completed prior to any development. Estimated cost of the Phase II is $10,000 - $15,000.

Housing and Community Development is providing the following options for HCDC consideration:

The Committee should enter into executive session to discuss any specific property disposition approach.

Option 1 for property outlined in yellow on attached map: RFP process for the development of 6 units of affordable rental housing with the land offered at market value or less than market value as an incentive for affordable housing development. This would be an investment of up to $27,000 per unit. Units would be affordable at 60% to 80% of area median income. .

Option 2 for property outlined in yellow on attached map: RFP process for the development of homeownership housing affordable to households at 80% of area median

income. Land offered at market value or less than market value as an incentive for affordable development. This would be an investment of up to $27,000 per unit. This could be condominiums or two 2 to 3 unit owner occupied buildings.

Option 3 for property outlined in blue on attached map: RFP process for the development of up to 27 units of affordable rental housing. Land offered at market value or less than market value as an incentive for affordable development.

Assessor's Office | 389 Congress Street | Portland, Maine 04101 | Room 115 | (207) 874-8486

This page contains a detailed description of the Parcel ID you selected. Press the **New Search** button at the bottom of the screen to submit a new query.

Current Owner Information:

CBL	028 O017001
Land Use Type Verify legal use with Inspections Division	GOVERNMENTAL
Property Location	83 MIDDLE ST
Owner Information	CITY OF PORTLAND 389 CONGRESS ST PORTLAND ME 04101
Book and Page	
Legal Description	28-O-17 MIDDLE ST 83-85 NEWBURY ST 164 9511SF
Acres	0.2183

Services

Applications

Doing Business

Maps

Tax Relief

Tax Roll

Q & A

browse city services a-z

browse facts and links a-z

Best viewed at 800x600, with Internet Explorer

Current Assessed Valuation:

TAX ACCT NO.	3896
LAND VALUE	$277,800.00
BUILDING VALUE	$0.00
PORTLAND, CITY OF	($277,800.00)
NET TAXABLE - REAL ESTATE	$0.00
TAX AMOUNT	$0.00

OWNER OF RECORD AS OF APRIL 2013
CITY OF PORTLAND

389 CONGRESS ST
PORTLAND ME 04101

Any information concerning tax payments should be directed to the Treasury office at 874-8490 or e-mailed.

View Map

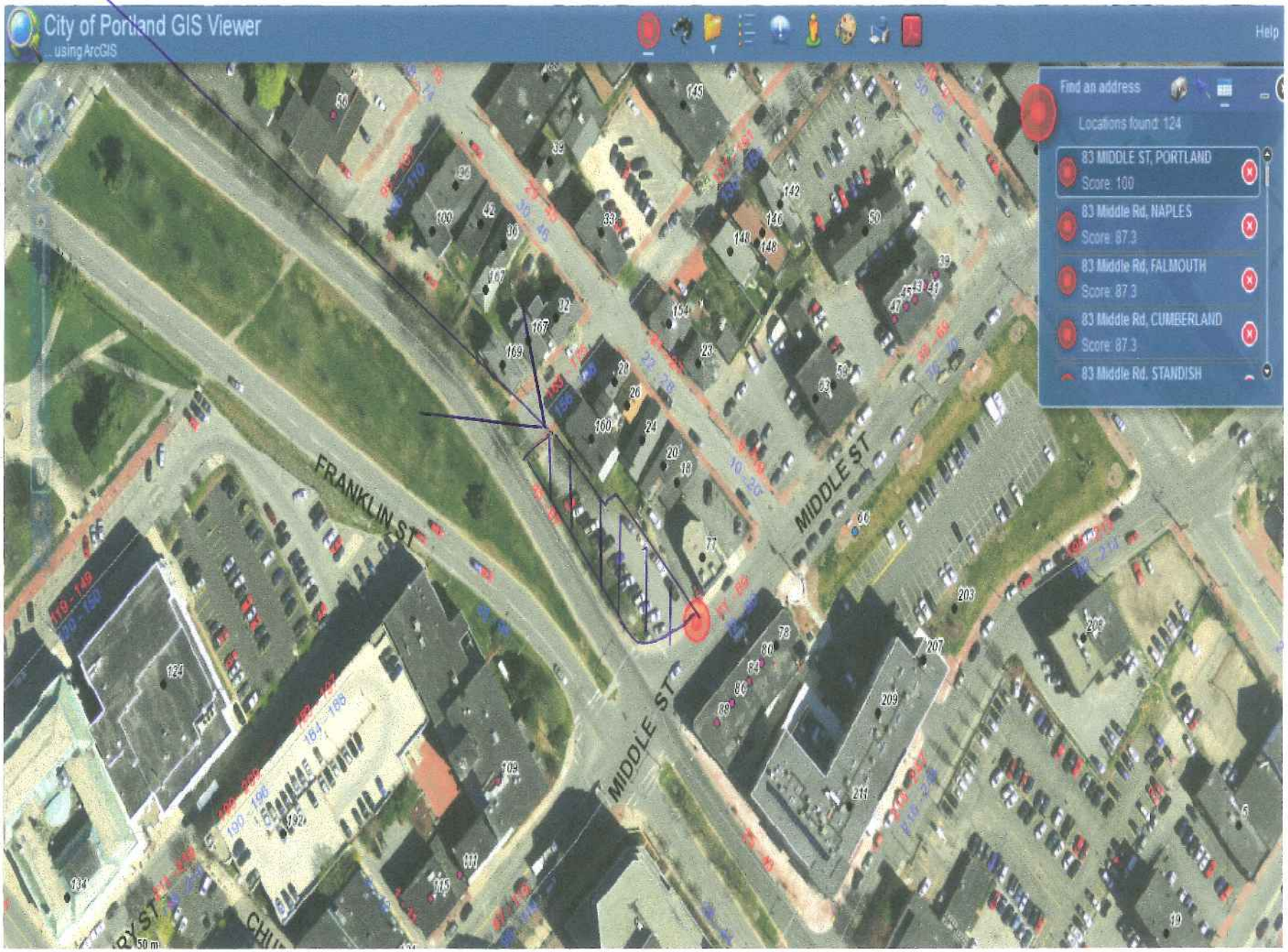
Sales Information:

Sale Date	Type	Price	Book/Page
8/20/1993	LAND + BUILDING	$0.00	10985/260

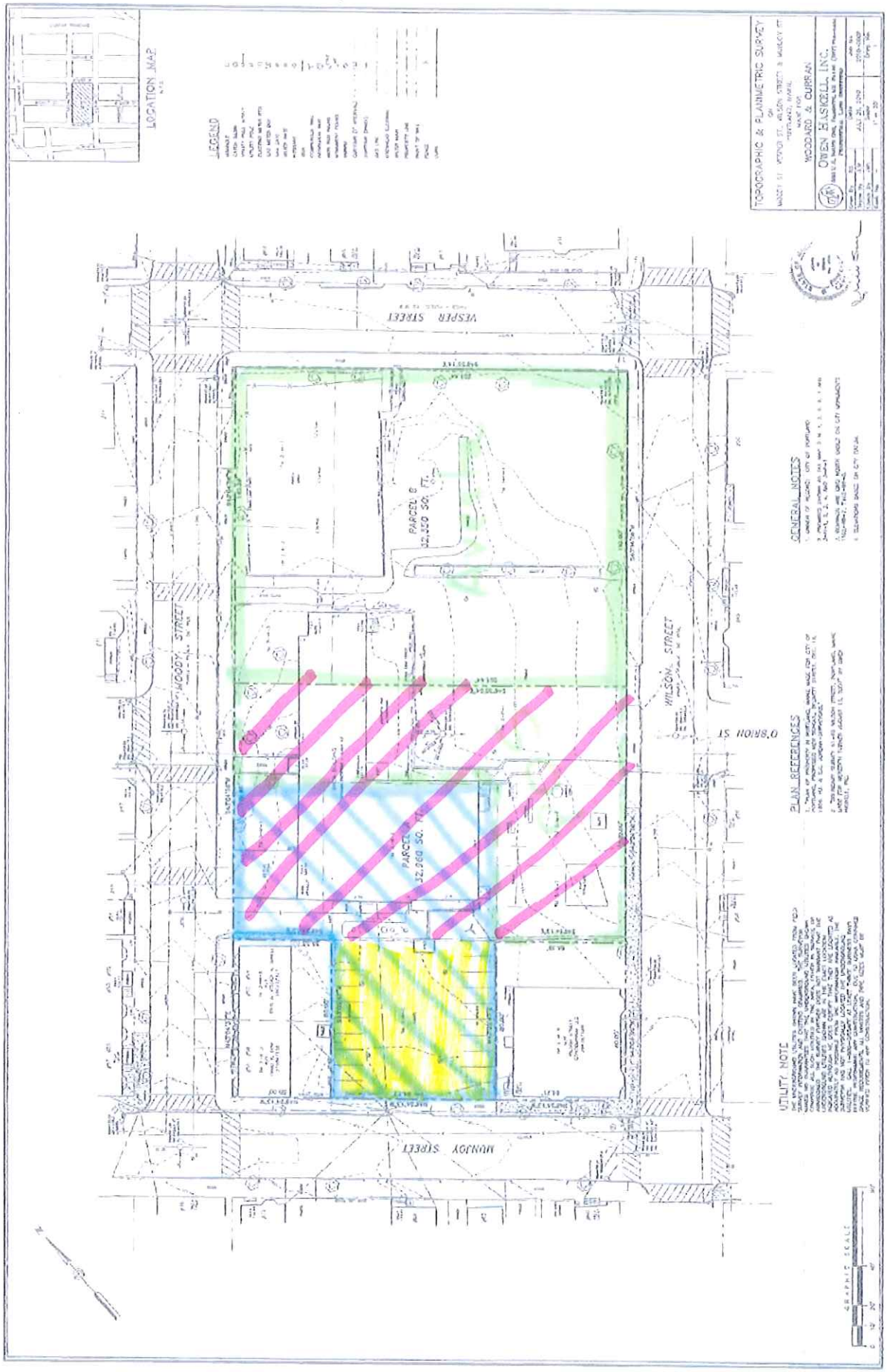
New Search!

April 1 2012 fy 2013 Tax Map Index; http://www.portlandassessors.com/taxmaps.htm Index Number - F10NW

83 Middle St., Parking Lot used by Police Dept., 28-0-17



Adams School Site



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