HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE

DATE: **May 14, 2014 (Wednesday)**
TIME: **5:30-7:00 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 April 23, 2014.

2. **Review and Recommendation to City Council** – Avesta 134 Washington Avenue Affordable Housing TIF Request - See enclosed Memorandum from Mary Davis

3. **2014 HCDC Work Plan for Review and Discussion** – See enclosed Memorandum from Jeff Levine, Greg Mitchell and 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, the Committee will go into executive session to provide City staff direction regarding real estate negotiations associated with the Federated Companies Midtown Project and their financial contribution toward the cost of Somerset Street reconstruction.

Public Comment will be accepted on action items.

Next Meeting: May 28, 2014 **Councilor Kevin Donoghue, Chair**

Housing & Community Development Committee
Minutes of April 23, 2014 Meeting

A meeting of the Portland City Council's Housing and Community Development Committee (HCDC) was held on Wednesday, April 23, 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, Economic Development Director Greg Mitchell, Senior Executive Assistant Lori Paulette, Parking Manager John Peverada, and Associate Corporation Counsel Lawrence Walden.

<u>Item 1: Review and accept Minutes from previous meeting held on April 9, 2014.</u>

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

<u>Item 2: Review and Recommendation to City Council of Portland Pirates Proposed Spring Street Garage Space Lease</u>

Mr. Mitchell said that the Portland Pirates is currently a tenant for this space, but is now a tenant-at-will due to lease expiration. This replaces the current lease with a five-year term, and a five-year option to renew. This lease was negotiated at the direction of this Committee, with the Pirates wishing to continue to lease the space they are in and not expanding into the next door space. Lease rental charges are at $9.44 psf for this space, as well as market value payment for up to 15 parking spaces in the Spring Street Garage. Mr. Mitchell noted that Sam Frost from the Pirates was present should there be any questions for the Pirates.

Councilor Donoghue asked if there was any public comment. There being none, the public comment session was closed.

Councilor Donoghue asked if there were any questions/comments from the Committee. 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 execute the lease in substantially the form as presented. A vote was taken on the motion, and it passed unanimously.

<u>Item #3: Review and recommendation to City Council on Proposed Donation of Property to City on Rowe Avenue.</u>

Mr. Mitchell said that the Tax-Acquired Property Committee (TAPC), staffed by Lori Paulette, and which he is a member, reviewed this request for a donation by Theodore Dube to the City of 109 Rowe Avenue. This review highlighted that it would be beneficial for the City to accept the donation as it provides some stormwater managements benefits to Dole Brook, provides wildlife habitat, and helps to slow down, absorb, and clean runoff before it gets to the impaired Dole Brook. Therefore, TAPC is recommending accepting the donation and writing off taxes for FY14.

Chair Donoghue asked about buildability of the Dube lot and/or the City lots directly abutting it. Ms. Paulette indicated that the Dube lot is not buildable on its own. The four City lots abutting it could be buildable together, but this is a natural wet/drainage area to Nason's Brook. The Dube lot, to make it buildable requires at least 6,500 sq. ft., and would have to be combined with the City lots.

Chair Donoghue asked if there were regulations that would preclude development in the future, as well as if District Councilor Suslovic had been consulted. Ms. Paulette said that accepting the donation would not preclude development in the future, and that Councilor

Suslovic had not been notified. (Post Note: Staff notified Councilor Suslovic the following day, and notices were sent to property owners within a 750-foot radius of the subject property that the City Council would be voting on this donation at its May 5, 2014 Council meeting.)

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

Chair Donoghue asked if the Committee had any questions/comments. There being none, a motion was made and seconded to forward this item to the City Council with a recommendation that it accept the donation and write off FY14 taxes. A vote was taken on the motion and it passed unanimously.

Item #4: Discussion and Possible Recommendation to City Council on Housing First RFP Response

Ms. Davis said that the City Council previously approved the allocation of $50,000 from the Housing Trust Fund for this RFP for pre-development activities associated with the development of a Housing First project. The RFP was then issued, with two responses received – one from Avesta, and one from CHOM. The review committee liked both proposals, with Avesta's being more traditional, and CHOM's being a blended housing similar to its Elm Terrace and Danforth on High projects. The review committee would like to fund both proposals and is recommending that the original $50,000 be awarded to Avesta, which can be done administratively and does not need this Committee's approval; endorsement would be respectfully received.

The review committee is recommending that the HCDC approve and recommend to the City Council an allocation of an additional $25,000 or $30,000 from the Housing Trust Fund to fund the CHOM proposal.

Councilor Hinck asked about energy attributes for both proposals and was this compared by the review committee.

Ms. Davis said that the funding for these proposals and pre-development activities will help to answer that question. Also, with City funding for projects, those projects would have to meet the requirements of the City's Green Building Ordinance.

Councilor Hinck said that he would like to be assured that energy efficiency is maximized for these projects.

Chair Donoghue asked why is Avesta's a superior proposal, and also asked about the fund balance of the Housing Trust Fund (HTF). Ms. Davis said that Avesta has a proven track record and their proposal is traditional in nature. The fund balance now in the HTF is $725,000.

Chair Donoghue asked if there was any public comment.

Donna Yellen of Preble Street Resource Center said that she supports the Avesta proposal. Housing First is needed in Portland, noting that recently 256 people slept at the Oxford Street shelter, with 75 sleeping on the floor on mats, and 66 waiting for mats. Councilor Hinck asked her about the CHOM proposal. Ms. Yellen said that although she did not look at it closely, CHOM's proposal is also a good model.

Dana Totman, CEO of Avesta, said that he appreciates the City providing funds for this effort. He said he served on the Homelessness Task Force, which recommended Housing First developments. This would be Avesta's third Housing First development, and they are looking at potential sites now for this third one. Regarding Councilor Hinck's question, Mr. Totman said that Avesta builds to LEED standards and is committed to energy conservation, noting that their Oak Street units average a monthly heat/electric bill of $42.00 per unit. Mr. Totman said that many of his tenants used to commute 10 to 20 miles to work, and now they average 2 miles, so transportation costs are also minimized.

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

With the sense of the Committee endorsing Avesta for the $50,000, as well as extending another grant of $25,000 for the CHOM proposal, Ms. Davis said that she is looking for a recommendation from the Committee to the Council to authorize an additional $25,000 grant from the HTF for CHOM's Housing First proposal.

On motion then made and seconded, the Committee voted unanimously to recommend to the City Council allocation of $25,000 from the HTF to fund the Housing First Proposal from CHOM. The Committee also endorsed the $50,000 award for Avesta's Housing First Proposal.

Item #5: Communication Item for Review and Discussion: HUD Annual Action Plan

Ms. Davis said that this is being submitted as a communication/public notice as required by HUD. As such, no action is necessary by the Committee.

Chair Donoghue asked if the Committee had any questions/comments. There being none, he thanked Ms. Davis for providing the HUD Annual Action Plan.

Item #6: 2014 HCDC Work Plan for Review and Discussion

Chair Donoghue asked Committee members if they had issues, concerns, updates for the Work Plan. Seeing none, he also noted that it is a live document and always being updated. Therefore, if Committee members had any suggestions/additions, they can always contact him or staff.

Item #7: Executive Session: Tugboat Lease Renewal At Portland Ocean Terminal.

Mr. Mitchell said that the purpose of the executive session is for the Committee to provide staff direction on lease negotiations. Portland Tugboat has two leases with the City, one for storage and parking, which has expired, and one for berthing which expires June 30, 2014. Staff is proposing to combine these two leases into one and is looking for direction from the Committee.

On motion made and seconded, the Committee voted unanimously at approximately 6:15 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 provide City staff direction on lease negotiations with Portland Tugboat.

At approximately 6:35 the Committee came out of executive session and the meeting was then adjourned.

Respectfully,

Lori Paulette

Mary Davis
Division Director, Housing & Community Development Division

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

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

DATE: **May 9, 2014**

SUBJECT: **Avesta Housing – 134 Washington Avenue**

I. SUMMARY OF ISSUE

In response to an RFP for Affordable Housing Development issued in May 2013, Avesta Housing submitted a proposal for the development of new rental housing on Washington Avenue. A HOME Program Loan in the amount of $522,448 was approved by the City Council on September 16, 2013. The project was placed on hold until earlier this year when the developer received tax credit financing from MaineHousing.

The development will consist of 18 units of rental housing.

	134 Washington Avenue	
Efficiency Units	at or below 40% area median income	10
	at or below 50% area median income	8
Total Units		**18**

To address a project financing gap, the developer is requesting financial assistance from the City in the form of an Affordable Housing TIF. The financing will be provided through a Credit Enhancement Agreement in the amount of approximately $207,116 over 20 years.

The developer submitted a successful application with MaineHousing's tax credit program contingent upon a reduction in operating costs through a tax increment financing program that provides for a minimum of 50% of the projects annual property tax revenue to be returned to the developer.

II. REASON FOR SUBMISSION

TIF Agreements require a recommendation from the Housing and Community Development Committee as well as approval and authorization from the City Council.

III. INTENDED RESULT

Establish an Affordable Housing TIF District to support the development of 18 new units of affordable rental housing.

IV. COMMITTEE GOAL/COUNCIL GOAL ADDRESSED

(1) Promote Housing Availability to provide increased availability in all segments of the housing market while insuring that there is a suitable balance of housing opportunities among those sectors.
(2) Prevent and End Homelessness by continuing to implement the recommendations of the Homelessness Task Force

V. FINANCIAL IMPACT

AHTIF CEA, in the amount of approximately $207,116 in captured revenue over twenty years to off-set project operating costs (see Attachment 1 Project Pro-Forma). The proposed project will be taxable. Project calculations show an average captured revenue to the developer of 50% over twenty years.

The remaining 50% will be general fund revenue. See Attachment 2 for TIF projections.

Attachment 3 is the proposed TIF District.

VI. STAFF ANALYSIS AND RECOMMENDATION

Staff recommends support of this proposal which meets the City's policy goal of creating affordable housing.

PROJECT NAME: Washington Avenue Apartments
LOCATION: Portland, ME

Date: 03/03/14

ATTACHMENT 1

DEVELOPMENT ASSUMPTIONS						
Total Units		18	Inflation Adjustments	Yr 1-5	Yr. 6-15	Yr. 16-30
# @ 60% AMI	0.0%	0	Rent	2.00%	2.50%	2.50%
# @ 50% AMI	33.3%	6	Operating Expense	3.00%	3.00%	3.00%
# @ 50% AMI HOME	11.1%	2	Other Income	2.00%	2.50%	2.50%
# @ 40% AMI	55.6%	10	Debt Coverage Ratio	1.15		
# @ Market	0.0%	0	Vacancy	5%		
Appraised Market Value			Market Value / Unit	0		

LIHTC Alloc.	110,628
Equity yield	0.83
Synd. %	99.99%
Equity Raise	918,118

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:	918,118

PRO FORMA DEVELOPMENT BUDGET		Residential	Per Unit	Commercial	Total
Site Improvements		185,000	10,278		185,000
Construction		1,417,923	78,774		1,417,923
Other Construction		0	0		0
Builder Overhead		0	0		0
Builder Profit		0	0		0
Bond Premium		0	0		0
Construction Contingency	5.0%	80,146	4,453		80,146
Subtotal Construction Costs		**1,683,069**	**93,504**	**0**	**1,683,069**
Permits and Impact Fees		13,667	759		13,667
Survey & Engineering		35,950	1,997		35,950
Architectural & Design		136,000	7,556		136,000
Legal, and Title & Recording		41,500	2,306		41,500
Other Construction		213,000	11,833		213,000
Accounting		8,000	444		8,000
Construction Period Tax		7,000	389		7,000
Construction Period Insur. / Builders Risk		7,000	389		7,000
FF&E		50,000	2,778		50,000
Subtotal Soft Costs		**512,117**	**28,451**	**0**	**512,117**
Construction Loan Origination Fees		17,000	944		17,000
Construction Loan Interest		26,889	1,494		26,889
Permanent Loan Fees		4,200	233		4,200
Construction Lender Legal		15,000	833		15,000
Subtotal Finance Costs		**63,089**	**3,505**	**0**	**63,089**
Market Survey		4,000	222		4,000
Appraisal		4,800	267		4,800
Environmental Study		2,500	139		2,500
LIHTC Fees		19,007	1,056		19,007
3rd Party Consultants		15,000	833		15,000
Soft Cost Contingency		15,000	833		15,000
Subtotal Miscellaneous		**60,307**	**3,350**	**0**	**60,307**
Acquisition: Buildings		0	0		0
Acquisition: Land		280,000	15,556		280,000
Acquisition: Carrying Costs		0	0		0
Subtotal Acquisition		**280,000**	**15,556**	**0**	**280,000**
Operating Deficit Escrow		59,378	3,299		59,378
Pre-funded Replacements		14,144	786		14,144
Tax & Insurance Escrow		16,583	921		16,583
Developer Overhead		80,000	4,444		80,000
Developer Profit		235,000	13,056		235,000
Rent Reserve and Marketing		18,000	1,000		18,000
Subtotal Fee and Reserves		**423,105**	**23,506**	**0**	**423,105**
Total Development Costs		**3,021,686**	**167,871**	**0**	**3,021,686**

Gross Square Footage	13,593
Construction Cost/Sq ft.	**$124**

119754.863
475000
355245.137

MAXIMUM DEVELOPER FEE AVAILABLE	392,003
ACTUAL DEVELOPER FEE	315,000
% OF MAXIMUM DEVELOPER FEE	80.4%
NET DEVELOPER FEE COLLECTED	**315,000**
% OF MAXIMUM DEVELOPER FEE	80.4%
DEV FEE LOAN AS A % OF ACTUAL DEV FEE	**0.0%**

PROJECT NAME: **Washington Avenue Apartments** Date: 03/03/14
LOCATION: **Portland, ME**

FLOW OF FUNDS

Sources	CLC 9/30/14	During Construction 12/29/14	3/29/15	6/27/15	9/25/15	PLC 9/30/15	2014	2015	Total
Beginning Cash	0	0	0	0	0	0	0	0	0
Capital Contribution	137,718	91,812		91,812		491,193	47,742	57,841	918,118
Construction Loan	265,613	328,955	420,767	328,955	420,767				1,765,059
GP Bridge Loan									0
MSHA Subsidy	67,723		0			1,193,000			1,260,723
MSHA Interest-Only Mortgage						60,000			60,000
Conventional First Mortgage						0			0
NW debt	0					260397			260,397
Other: Amortizing Loan 2						0			0
Other: City FedHOME	522,448		0						522,448
Other: City TIF						0			0
Other	0					0			0
Development Fee Loan									0
TOTAL SOURCES	993,502	420,767	420,767	420,767	420,767	2,004,590	47,742	57,841	4,786,745
Uses									
Acquisition	280,000								280,000
Construction		420,767	420,767	420,767	420,767				1,683,069
Soft Costs	512,117								512,117
Financing Costs	63,089								63,089
Miscellaneous	60,307					18,000			78,307
Dev Fee	77,989					131,427	47,742	57,841	315,000
Reserves						90,105			90,105
TOTAL DEV. COSTS	993,502	420,767	420,767	420,767	420,767	239,532	47,742	57,841	3,021,686
Repay GP Bridge Loan						0			0
Repay Construction Loan						1,765,059	0		1,765,059
SUBTOTAL OTHER ITEMS	0	0	0	0	0	1,765,059	0	0	1,765,059
TOTAL USES OF FUNDS	993,502	420,767	420,767	420,767	420,767	2,004,590	47,742	57,841	4,786,745
Ending Cash	0	0	0	0	0	0	0	0	0

70040.17 subsidy per unit

PLC - LTV
1,521,120
0
#DIV/0!

50% Test	**used**	**55%**
CLC Loan Amount		1,765,059
Eligible Basis plus Land		2,890,375
% of Construction Loan Participation		90%
MaineHousing Participation		1,589,706
MaineHousing Fee @ 1.5%		23,846

PROJECT FINANCING

Source		Amount	Rate	Amort Term	Lien	Annual D/S Yr. 1-5	Yr. 6-15	Yr. 16-30
Source 1	MSHA Subsidy	1,260,723	0.00%	30	First	0	0	0
Source 2	MSHA Interest-Only Mortgage	60,000	6.00%	30	First	3,600	3,600	4,317
Source 3	Conventional First Mortgage		1.00%	50	First	0	0	0
Source 4	NW debt	260,397	0.00%	30	First	0	0	0
Source 5	Other: Amortizing Loan 2	0	0.00%	15	Second	0	0	0
Source 6	Other: City FedHOME	522,448	0.00%	30	Second	0	0	0
Source 7	Other: City TIF	0					TIF loan	
Source 8	Other	0	0.00%	30	Unsecured		Cash Flow	
Source 9	Development Fee Loan	0			Unsecured		Cash Flow	
Source 10	Net Syndication	918,118	0.83					
	Capitalization Gap (Surplus)	0						
	Total	3,021,686						

COLLATERAL COVERAGE

		Total	Per Unit
	Projected Mortgage	60,000	3,333
70,040	Appraised Market Value	0	0
	Loan to Value Ratio	0%	
	Market Rent Differential	-128,328	(594)
	Supportable Mort.: Unrestricted	-1,723,670	(95,759)
	Subsidy per Unit		70,040
	Subsidy per Low Income Unit		70,040

	ODE	6 mos	RD	MH
debt	0			
oper exp	115,155			
	115,155	57,578	100,871	-43,294

PROJECT NAME: **Washington Avenue Apartments** Date: 03/03/14
LOCATION: **Portland, ME**

PROPOSED RENT SCHEDULE

Type	AMI	# Units	Rents from Applicant	Program Max Rents 2010	Gross Rent	Market Rent	Utility Allow.	Total Rent
Efficiency	60% LIHTC	0		771	771		0	0
	50% LIHTC	6		668	668		0	48,096
	50% HOME	2		668	668		0	16,032
	40% LIHTC	10		535	535		0	64,200
18	Market							0
1BR	50% HOME					0	0	0
	50% LIHTC					0	0	0
	60% LIHTC					0	0	0
	60% LIHTC					0	0	0
0	Market					0	0	0
2BR	50% w/ RA					0	0	0
	50% w/ RA					0	0	0
	60% HOME					0	0	0
	60% LIHTC					0	0	0
0	Market					0	0	0
3BR	50% HOME					0	0	0
	50% LIHTC					0	0	0
	60% HOME					0	0	0
	60% LIHTC					0	0	0
0	Market							0
4BR	50% HOME					0	0	0
	50% LIHTC					0	0	0
	60% HOME					0	0	0
	60% LIHTC					0	0	0
0	Market							0
Other:								0
								0
Subtotals		18						128,328
			Vacancy Rate		5.00%			(6,416)
			Other Income		prop tax relief			10,750
			Other Income		laundry			750
			Effective Gross Income					133,412

AFFORDABLE MORTGAGE CALCULATION

Effective Gross Income		133,412
Annual Operating Expense		115,155
Stabilized NOI		18,257
DSC	**1.15**	2,381
$ Avail for D/S		15,875
Other DS		0
Balance		15,875

BREAKEVEN ANALYSIS:	RENT SENSITIVITY	OCCUPANCY	
	Total		Annual
Operating Expense	115,155	Gross Revenues	139,828
Debt Service	3,600		
Breakeven Rent	550	Breakeven Occupancy	85%

OPERATING EXPENSES

	Expense	Annual	Annual Per Unit	Monthly Per Unit
-771	Administrative Expenses:			
-668	Management Fees	8,500	472	39
	Management Charges	9,900	550	46
-535	Marketing Expenses	180	10	1
	Legal Expenses	400	22	2
	Auditing Expenses	5,500	306	25
	Bad Debts	0	0	0
	Other Administrative Expenses	225	13	1
	Administrative Expenses	24,705	1,373	114
(687)	Operating Expenses:			
	Janitorial Payroll		0	0
	Janitorial Supplies and Equipment		0	0
	Janitorial Contractual Services	5,500	306	25
	Fuel and Gas	6,000	333	28
	Electricity	12,100	672	56
	Water and Sewer	3,500	194	16
	Garbage and Trash Removal	1,800	100	8
	Vehicle and Equipment Expenses	0	0	0
	Other Operating Expenses		0	0
	Operating Expenses	28,900	1,606	134
	Maintenance Expenses:			
	Grounds Maintenance Payroll	0	0	0
	Grounds Tools and Supplies		0	0
	Grounds Contractual Services	1,100	61	5
	Miscellaneous Ground Maintenance	0	0	0
	Tenant Damage Charges - Grounds	0	0	0
	Building Maintenance Payroll	0	0	0
	Building Tools and Supplies	1,300	72	6
	Building Contractual Services	6,600	367	31
	Building Systems Maintenance	5,600	311	26
	Miscellaneous Building Maintenance	2,600	144	12
	Tenant Damage Charges - Building	0	0	0
	Maintenance Expenses	17,200	956	80
	General Expenses:			
	Property Taxes	21,500	1,194	100
	Property and Liability Insurance	5,000	278	23
	Common Area Cable	780	43	4
	Tenant Service Expenses	8,970	498	42
	General Expenses	36,250	2,014	168
	Replacement Reserve Funding	8,100	450	38
	Commercial Expenses (if applicable)	0	0	0
	Total	115,155	6,398	533

PROJECT NAME: **Washington Avenue Apartments** Date: 03/03/14
LOCATION: **Portland, ME**

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT

		3 Months					Yr 5					Yr 10	
	9/30/15	12/31/15	12/30/16	12/30/17	12/30/18	12/31/19	12/30/20	12/30/21	12/30/22	12/31/23	12/30/24	12/30/25	
Effective Gross Income		33,353	136,080	138,801	141,577	144,409	147,297	150,980	154,754	158,623	162,589	166,653	
Less Operating Expense		28,789	118,610	122,168	125,833	129,608	133,496	137,501	141,626	145,875	150,251	154,759	
Net Operating Income		4,564	17,470	16,633	15,744	14,801	13,801	13,479	13,128	12,748	12,337	11,895	
Less RLP Repay		900	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	3,600	
Less Other Repay		0	0	0	0	0	0	0	0	0	0	0	
Cash Flow		3,664	13,870	13,033	12,144	11,201	10,201	9,879	9,528	9,148	8,737	8,295	
Cash Flow per Unit		814	771	724	675	622	567	549	529	508	485	461	624
Debt Coverage Ratio(RLP)		5.07	4.85	4.62	4.37	4.11	3.83	3.74	3.65	3.54	3.43	3.30	4.12
Principal Balance(RLP)	1,320,723	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	
Principal Balance(Other)	782,845	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	
Operating Reserve Balance	59,378	62,346	65,464	68,737	72,174	75,782	79,572	83,550	87,728	92,114	96,720	101,556	

Total Cash Flow Projected over 12 Years
124,826

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued

						Yr 15					Yr 20	
		12/30/26	12/31/27	12/30/28	12/30/29	12/30/30	12/31/31	12/30/32	12/30/33	12/30/34	12/31/35	12/30/36
Effective Gross Income		170,820	175,090	179,467	183,954	188,553	193,267	198,098	203,051	208,127	213,330	218,664
Less Operating Expense		159,401	164,183	169,109	174,182	179,408	184,790	190,334	196,044	201,925	207,983	214,222
Net Operating Income		11,418	10,907	10,358	9,772	9,145	8,477	7,765	7,007	6,202	5,348	4,441
Less RLP Repay		3,600	3,600	3,600	3,600	3,600	4,317	4,317	4,317	4,317	4,317	4,317
Less Other Repay		0	0	0	0	0	0	0	0	0	0	0
Cash Flow		7,818	7,307	6,758	6,172	5,545	4,160	3,448	2,690	1,885	1,031	125
Cash Flow per Unit		434	406	375	343	308	231	192	149	105	57	7
Debt Coverage Ratio(RLP)		3.17	3.03	2.88	2.71	2.54	1.96	1.80	1.62	1.44	1.24	1.03
Principal Balance(RLP)	#NUM!	1,319,986	1,319,204	1,318,373	1,317,492	1,316,556	1,315,562	1,314,507	1,313,386	1,312,197	1,310,934	1,309,594
Principal Balance(Other)	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!
Operating Reserve Balance	101,556	106,633	111,965	117,563	123,442	129,614	136,094	142,899	150,044	157,546	165,423	173,695

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued

		12/30/37	12/30/38	12/31/39	12/30/40	12/30/41	12/30/42	12/31/43	12/30/44	9/29/45
Effective Gross Income		224,130	229,733	235,477	241,364	247,398	253,583	259,922	266,420	204,811
Less Operating Expense		220,649	227,268	234,086	241,109	248,342	255,793	263,466	271,370	209,634
Net Operating Income		3,481	2,465	1,390	255	(945)	(2,210)	(3,544)	(4,950)	(4,823)
Less RLP Repay		4,317	4,317	4,317	4,317	4,317	4,317	4,317	4,317	3,238
Less Other Repay		0	0	0	0	0	0	0	0	0
Cash Flow		(836)	(1,852)	(2,926)	(4,062)	(5,261)	(6,527)	(7,861)	(9,267)	(8,061)
Cash Flow per Unit		(46)	(103)	(163)	(226)	(292)	(363)	(437)	(515)	(597)
Debt Coverage Ratio(RLP)		0.81	0.57	0.32	0.06	(0.22)	(0.51)	(0.82)	(1.15)	(1.49)
Principal Balance(RLP)	1,309,594	1,308,171	1,306,660	1,305,055	1,303,352	1,301,544	1,299,624	1,297,586	1,295,422	1,293,125
Principal Balance(Other)	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!	#NUM!
Operating Reserve Balance	173,695	181,544	188,769	195,281	200,983	205,771	209,533	212,149	213,489	216,103

ATTACHMENT 2

4/10/2014
Original Assessed Value as of 4/1/13: $155,600 (Land and Building)
Estimated Assessed Value at construction completion (8/2015): $1,000,000
Captured Assessed Value: $844,400
50% Capture over 20 years, with that 50% to Business Project Account; 50% uncaptured to General Fund.

Exhibit C1: City of Portland- TIF Projection Table for 134 Washington Avenue

TIF Year	Tax Year-April 1	Increased Assessed Value Real Prop.	% of Value Captured	Captured Valuation	Projected Mill Rate	Total Projected New Taxes Captured	Captured Revenue (50%) to Business Project Account	Captured Revenue (25%) to Municipal Project Account	City Non-Captured (25%) General Fund Revenues
1	2015	$844,400	50.00%	$422,200	20.19	$8,524	$8,524	$0	$8,524
2	2016	$844,400	50.00%	$422,200	20.59	$8,695	$8,695	$0	$8,695
3	2017	$844,400	50.00%	$422,200	21.01	$8,869	$8,869	$0	$8,869
4	2018	$844,400	50.00%	$422,200	21.43	$9,046	$9,046	$0	$9,046
5	2019	$844,400	50.00%	$422,200	21.85	$9,227	$9,227	$0	$9,227
6	2020	$844,400	50.00%	$422,200	22.29	$9,411	$9,411	$0	$9,411
7	2021	$844,400	50.00%	$422,200	22.74	$9,600	$9,600	$0	$9,600
8	2022	$844,400	50.00%	$422,200	23.19	$9,792	$9,792	$0	$9,792
9	2023	$844,400	50.00%	$422,200	23.66	$9,987	$9,987	$0	$9,987
10	2024	$844,400	50.00%	$422,200	24.13	$10,187	$10,187	$0	$10,187
11	2025	$844,400	50.00%	$422,200	24.61	$10,391	$10,391	$0	$10,391
12	2026	$844,400	50.00%	$422,200	25.10	$10,599	$10,599	$0	$10,599
13	2027	$844,400	50.00%	$422,200	25.61	$10,811	$10,811	$0	$10,811
14	2028	$844,400	50.00%	$422,200	26.12	$11,027	$11,027	$0	$11,027
15	2029	$844,400	50.00%	$422,200	26.64	$11,248	$11,248	$0	$11,248
16	2030	$844,400	50.00%	$422,200	27.17	$11,472	$11,472	$0	$11,472
17	2031	$844,400	50.00%	$422,200	27.72	$11,702	$11,702	$0	$11,702
18	2032	$844,400	50.00%	$422,200	28.27	$11,936	$11,936	$0	$11,936
19	2033	$844,400	50.00%	$422,200	28.84	$12,175	$12,175	$0	$12,175
20	2034	$844,400	50.00%	$422,200	29.41	$12,418	$12,418	$0	$12,418
20 Year TIF Total		**$16,888,000**		**$8,444,000**		**$207,116**	**$207,116**	**$0**	**$207,116**

Exhibit C2: Tax Shifts-Avoided Formula Impacts from Sheltering of Valuation: City of Portland TIF Model for 134 Washington Avenue

Model based on 20-Yr Term and 50% Captured Value to Developer Project Account; 50% to General Fund

TIF Year	Tax Year-April 1	Total Added Valuation	Sheltered Valuation	Avoided Formula Impacts from Sheltering of Valuation			
				Avoided Loss of State Aid to for Education	Avoided Loss of State Municipal Revenue Sharing	Avoided Increase in County Tax	Total Avoided Impacts
1	2015	$844,400	$422,200	$3,154	$435	$199	$3,787
2	2016	$844,400	$422,200	$3,154	$435	$199	$3,787
3	2017	$844,400	$422,200	$3,154	$435	$199	$3,787
4	2018	$844,400	$422,200	$3,154	$435	$199	$3,787
5	2019	$844,400	$422,200	$3,154	$435	$199	$3,787
6	2020	$844,400	$422,200	$3,154	$435	$199	$3,787
7	2021	$844,400	$422,200	$3,154	$435	$199	$3,787
8	2022	$844,400	$422,200	$3,154	$435	$199	$3,787
9	2023	$844,400	$422,200	$3,154	$435	$199	$3,787
10	2024	$844,400	$422,200	$3,154	$435	$199	$3,787
11	2025	$844,400	$422,200	$3,154	$435	$199	$3,787
12	2026	$844,400	$422,200	$3,154	$435	$199	$3,787
13	2027	$844,400	$422,200	$3,154	$435	$199	$3,787
14	2028	$844,400	$422,200	$3,154	$435	$199	$3,787
15	2029	$844,400	$422,200	$3,154	$435	$199	$3,787
16	2030	$844,400	$422,200	$3,154	$435	$199	$3,787
17	2031	$844,400	$422,200	$3,154	$435	$199	$3,787
18	2032	$844,400	$422,200	$3,154	$435	$199	$3,787
19	2033	$844,400	$422,200	$3,154	$435	$199	$3,787
20	2034	$844,400	$422,200	$3,154	$435	$199	$3,787
20 Year TIF Total		**$16,888,000**	**$8,444,000**	**$63,077**	**$8,694**	**$3,971**	**$75,742**

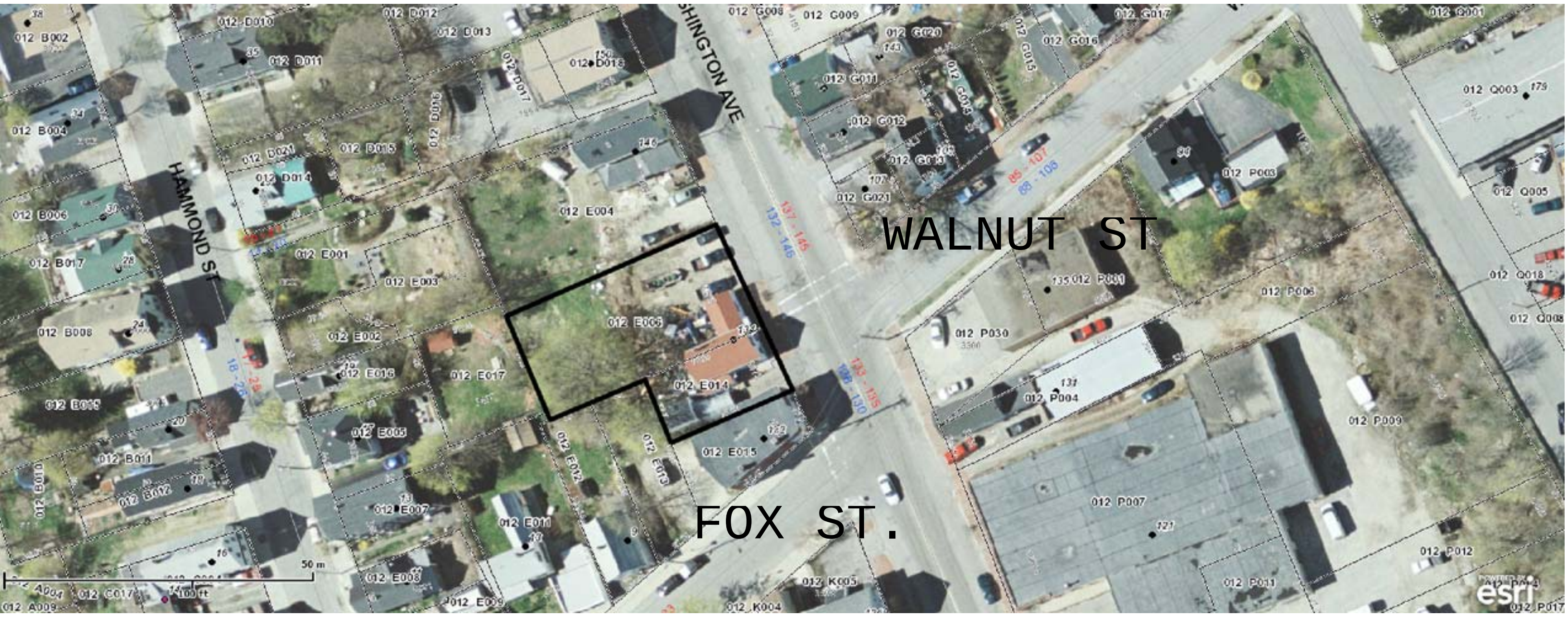
This model is based on 50% of incremental valuation captured within the TIF District for 20 years going to the Developer Project Account and 50% going to the Municipal General Fund.

4/10/2014

My Map

134 Washington Avenue, Portland, ME

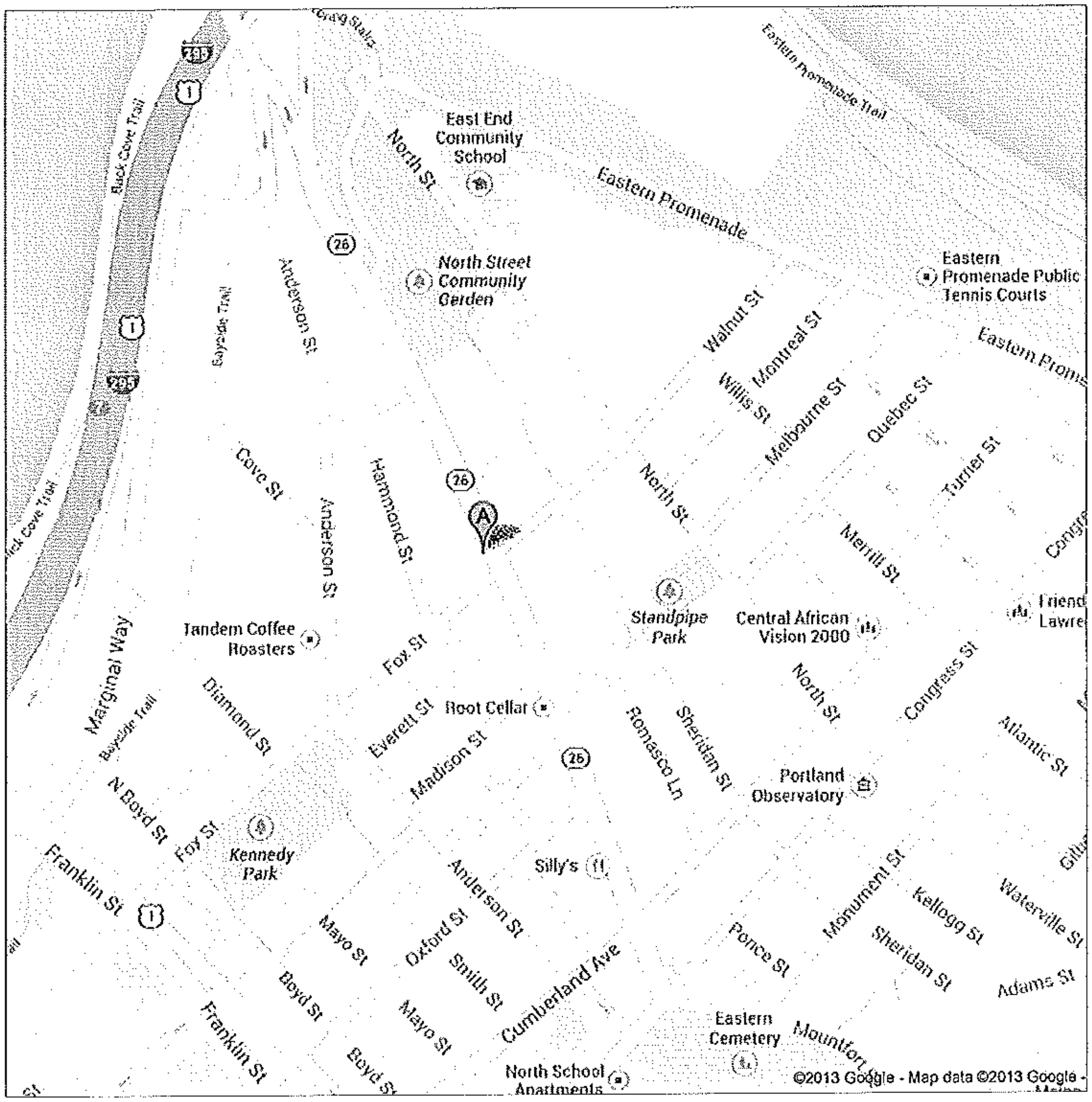
ATTACHMENT 3



Google

Address **134 Washington Ave**
Portland, ME 04101

Get Google Maps on your phone
Text the word "GMAPS" to 466453



TO:	Councilor Donoghue, Chair Members of the Housing and Community Development Committee
FROM:	Mary Davis, Housing & Community Development Division Director Jeff Levine, Planning & Urban Development Director Greg Mitchell, Economic Development Director
DATE:	May 9, 2014
SUBJECT:	2014 HCDC Calendar

Attached is a standing communication on your agenda, the updated Committee Calendar.

389 Congress Street / www.portlandmaine.gov / tel, 207•756•8246 / tty, 207•874•8936 / fax, 207•874•8949

DRAFT 2014 Housing & Community Development Committee meeting Calendar

Meetings: 2nd & 4th Wednesday of each month

As of May 8, 2014

January

Jan. 8 Meeting:

2014 Draft HCDC Work Plan for preliminary discussion subject to change after January 13 City Council goal setting workshop.
For Review and Recommendation to Council - Pearl Place TIF district amendments
Wilmot Street – Possible Reacquiring – Executive Session
Tenant Based Rental Assistance Program update
Housing First Pre-Development RFP – Review Draft
Communication: Update on CDBG Workforce Development Program

Jan. 22 Meeting:

Presentation on proposed amendments to parking requirements and the Sustainable Transportation Fund for possible action
Economic Development Vision and Plan – Work Plan Update for 2014-2015

February

February 12, 2014 Meeting:

Possible City lease/acquisition of property for City Department Consolidation/Forward to Council – Public and Executive Session
Start Downtown TOD/TIF Discussion
Update on Housing Plan and Consultant Services RFP/Communication Item

February 26 Meeting:

Housing Program Budget Recommendation to Council
Review City sites for residential development or sale including former Adams School property
Nova Scotia Ferry Service Operator Lease – Executive Session

March

March 12 Meeting:

Continue Downtown TOD/TIF District Discussion
Nova Scotia Ferry Service Operator Lease/Possible Recommendation to City Council
Review & Recommendation: Updated Citizen Participation Plan
Review & Recommendation: 3 year renewal of Cumberland County HOME Consortium, 2015-18

March 26 Meeting:

Presentation on proposed amendments to the B2 zones for possible action
Review and possible approval of Affordable Housing RFP
Creative Portland PACE Project in Bayside for Review/Direction and executive session for possible City-owned Bayside property disposition discussion.
Spring Street Garage Space Leases (Pirates and Adjacent Vacant Space)
Communication: Update on the discussion of city sites for residential development
Communication: CDBG funding recommendations from Committee & City Manager; Annual Action Plan

<u>April</u> **<u>April 9 Meeting:</u>**

Presentation on proposed amendments to R-6/R-7 zones for feedback
Review of draft of possible RFP for city-owned lot on Munjoy Street

<u>April 23 Meeting:</u>

Spring Street Garage Space Leases (Pirates and Adjacent Vacant Space)
Executive Session Tugboat Lease Renewal at Portland Ocean Terminal
Donation of Property to City on Rowe Avenue
Communication: Annual Action Plan, due to HUD May 15
Review of Housing First RFP Responses

<u>May</u> **<u>May 14 Meeting:</u>**

AHTIF Request – 134 Washington Avenue
Executive Session: Real estate negotiations associated with the Federated Companies Midtown Project and their financial contribution toward the cost of Somerset Street reconstruction.

<u>May 28 Meeting:</u>

Downtown TOD/TIF District – Continue Discussion
Tentative: executive session/public session for guidance and approval to move forward with disposition process for a tax-acquired property.
Tentative: Tugboat Lease Renewal at Portland Ocean Terminal

<u>June</u>

For Review and Comment/ Recommendation to Council if necessary: Recommendations for improvement to CDBG process.
Downtown TOD/TIF District – Continue Discussion
Update on City-owned lot on Munjoy Street

<u>July (one meeting)</u>

Update on city-owned lot at 98 High Street
Start discussion related to Riverside Street area wide needed public infrastructure status and improvements.

<u>August (one meeting)</u>

Housing Development RFP – review of proposals received
For Review and Comment: Consolidated Annual Performance Evaluation Report (CAPER) due to HUD September 30.

<u>September</u>

Downtown TOD/TIF District – Continue Discussion
Area-wide Affordable Housing TIF District discussion
Inclusionary Zoning

<u>October</u>

Communication: CDBG Application is available/Process Update.

<u>November</u>

Annual City wide TIF District Activity Report/review and recommendation to City Council
HCDC Annual Accomplishment Report/review and recommendation to City Council

<u>December</u>