HOUSING & COMMUNITY DEVELOPMENT COMMITTEE
DATE: July 8, 2015
TIME: 5:30 pm – 7:30 pm
LOCATION: Room 209, 2nd Floor, City Hall

1. Agenda For July 8, 2015 Meeting

   Documents: 07.08.2015 AGENDA.PDF

2. Review And Accept Minutes Of Previous Meeting Held On June 10, 2015

   Documents: HCDC MINUTES FROM 6-10-15 MEETING.PDF

3. Review And Recommendation To City Council To Execute Land Swap Agreement For City Tax-Acquired Property In Exchange For Portion Of J.B. Brown Property At Canco/Quarry Road To Support The Relocation Of A Portion Of Public Services Out Of Bayside

   Documents: LAND EXCHANGE ITEM WITH JB BROWN.PDF

4. Review And Recommendation To City Council To Amend Purchase And Sale Agreement With Patrons Oxford Insurance For Land Sale At Portland Technology Park
   NOTE: Backup for this item will be provided to HCDC Committee members on July 7, 2015, as well as posted on the website at that time.

   Documents: 7-2-15 HCDC MEMO RE CONTRACT PTP_2 FINAL W ATTACHMENTS.PDF

5. Review And Recommendation To City Council Of Reed School Re-Use Task Force Recommendations

   Documents: REED MEMO TO HCDC 7_1_2015.PDF

6. Review And Recommendation To City Council Award Of Bid And Terms Of Purchase And Sale Agreement For 65 Munjoy Street

   a. 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 disposition and provide direction to staff.

   Documents: 65 MUNJOY STREET RFP PROPOSAL 07.2015.PDF

7. Review Of Proposals From Developers Collaborative And Portland Housing Authority Requesting HOME Funding And A Recommendation To City Council Of Appropriation Of HOME Funds

   (1) Developers Collaborative - Motherhouse at 605 Stevens Avenue
   (2) Portland Housing Authority - 58 Boyd Street

   a. 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 disposition and provide direction to staff.

   Documents: HUD HOME APPLICATIONS - HCDC MEMO 7.8.2015.PDF

8. Review And Recommendation To City Council Award Of Bid Re: 65 Hanover/52 Alder Street

   a. 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 disposition and provide direction to staff.

Documents: HANOVER-ALDER STREET MEMO - HCDC 7.8.2015.PDF

9. EXECUTIVE SESSION: Possible Tax Increment Financing District For Maine Wharf 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 guidance to staff.

10. 2015 HCDC Work Plan For Review And Discussion

Documents: HCDC 2015 WORK PLAN FOR 07.08.15.PDF

Public Comment will be accepted on action items.
Councilor Kevin Donoghue, Chair
Next Meeting Date: August 12, 2015

Portland, Maine Yes. Life's good here.

HOUSING AND COMMUNITY DEVELOPMENT COMMITTEE
DATE: July 8, 2015 (Wednesday) TIME: 5:30 p.m. – 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 June 10, 2015.

2. Review and Recommendation to City Council to execute Land Swap Agreement for City tax-acquired property in exchange for portion of J.B. Brown property at Canco/Quarry Road to support the relocation of a portion of Public Services out of Bayside – See enclosed Memorandum from Greg Mitchell.
   a. 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 disposition and provide direction to staff.

3. Review and Recommendation to City Council to Amend Purchase and Sale Agreement with Patrons Oxford Insurance for land sale at Portland Technology Park – See enclosed Memorandum from Greg Mitchell. **NOTE: Backup for this item will be provided to HCDC Committee members on 7/7/2015, as well as posted on the Website at that time.**
   a. 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 disposition and provide direction to staff.

4. Review and Recommendation to City Council of Reed School Re-Use Task Force Recommendations – See enclosed Memorandum from Christine Grimando.

5. Review and Recommendation to City Council award of bid and terms of Purchase and Sale Agreement for 65 Munjoy Street – See enclosed Memorandum from Mary Davis.
   a. 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 disposition and provide direction to staff.

6. Review of proposals from Developers Collaborative re: the Motherhouse at 605 Stevens Avenue and Portland Housing Authority re: 58 Boyd Street requesting HOME funding and a Recommendation to City Council of Appropriation of HOME funds — See enclosed Memorandum from Tyler Norod.
   a. 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 provide direction to staff.

7. Review and Recommendation to City Council award of bid re: 65 Hanover/52 Alder Street – See enclosed Memorandum from Tyler Norod.
   a. 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 disposition and provide direction to staff.

8. **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 guidance to staff regarding:
   a. Possible Tax Increment Financing District for Maine Wharf

9. 2015 HCDC Work Plan for Review and Discussion – See enclosed Work Plan from Jeff Levine, Greg Mitchell and Mary Davis.

Public Comment will be accepted on action items. **Councilor Kevin Donoghue, Chair Next**

Meeting Date: August 12, 2015

Housing & Community Development Committee

Minutes of June 10, 2015 Meeting

A meeting of the Portland City Council's Housing and Community Development Committee (HCDC) was held on Wednesday, June 10, 2015 at 5:30 p.m. in Council Chambers on the second floor of Portland City Hall. Present from the HCDC was its Chair Councilor Kevin Donoghue, and members Councilors David Brenerman, David Marshall, and Nick Mavodones. City staff present included Housing & Community Development Division Director Mary Davis, Planning and Urban Development Director Jeff Levine; Michael Goldman, Legal Department, Michael Bobinsky, Director of the Department of Public Services, and Economic Development Director Greg Mitchell.

Item 1: Review and accept Minutes from previous meeting held on May 13, 2015.

On motion made and seconded, the Committee voted 4-0 to accept the minutes as published.

Item 2: Review and recommendation to City Council to authorize Purchase and Sale Agreement for City purchase of 250 Canco Road – Greg Mitchell, Economic Development Director

Economic Development Director, Greg Mitchell began the presentation by introducing item two to the HCDC members. The item was presented for a vote to recommend to city council to allow staff to sign a Purchase and Sale Agreement for 250 Canco Road in Portland to relocate some Department of Public Services (DPS) Bayside activities to 250 Canco Road. There are currently a number of properties that comprise the DPS campus including 44 Hanover

Street, 71 Hanover Street, 82 Hanover Street, 56 Parris Street, 55 Portland Street, and 65 Hanover/52 Alder Street. The DPS salt shed located at 71 Hanover Street has already been sold as part of the expansion for Bayside Bowl. The 65 Hanover/52 Alder Street site is currently in the midst of an RFP process and will be under review as a separate item tonight.

The approval of purchasing 250 Canco Road would allow DPS to shift its current operations from 82 Hanover Street to Canco Road. This is part of a larger plan to consolidate DPS' operations and reposition land in Bayside for development. The Council has already approved a lease/purchase of 212 Canco Road which is separate from tonight's authorization. The purchase of 250 Canco Road would help achieve DPS' long standing goal to relocate and consolidate their operations. Currently they are spread over a variety of locations throughout the City with the majority of their operations in Bayside. Canco Road offers one of the few opportunities to consolidate their campus. The move would be an excellent location for access and facility needs of DPS. The City has been very fortunate that this configuration of sites have become available especially given the current limited availability in the industrial market. A vote to approve tonight would have the added benefit of freeing parcels for development in Bayside to help the neighborhood attract investment and increase its vibrancy.

The property at 250 Canco Road is assessed at slightly over $3 million. The price, as currently negotiated, would allow for the purchase of the property for approximately $2.7 million. The City would also acquire an abutting portion of land owned by JB Brown by way of a land swap for a nearby tax acquired piece of land owned by the City. Staff will also be looking for approval from the Finance Committee to appropriate approximately $930,000 of existing real estate sale proceeds and new debt authorization in the amount for $3.4 million to purchase and develop the site to DPS' needs. To be clear, only the Finance Committee will vote on the

financial details of this plan. HCDC will make a recommendation to the council on the real estate transaction related to 250 Canco Road. Staff is also working on acquiring a nearby parcel on Quarry Road owned by JB Brown. Staff believes that they are close to getting this ready for HCDC review and hopes to present this matter later this summer.

Councilor Donoghue opened the item for public comment.

Steven Scharf, a local resident, believes that the process for approving a land transaction is backwards and is not comfortable with the phased plan for relocating DPS. Mr. Scharf believes that a referendum should come first. Mr. Scharf also asserted that the memo left out significant information making the item before HCDC confusing. Mr. Scharf noted that it was unclear on the exact value of some portion of the parcels being considered that are owned by JB Brown. Mr. Scharf believed that there are a lot of questions and more to be fleshed out prior to any approval. Mr. Scharf raised the question as to whether or not people in neighborhood were aware that DPS has plans to move in to the Canco Road area.

Ron Spinella, a resident of Cumberland Avenue, expressed his excitement about the plans to move the DPS campus from Bayside and what that means for the future of the neighborhood. Mr. Spinella believes that the Canco Road area is well suited for DPS operations given its existing industrial nature along with the current opportunities with several nearby properties being available for purchase. Mr. Spinella believes that the neighborhood has been very well informed and encourages HCDC approval.

Seeing no further public comment, Councilor Donoghue closed the public comment session and opened the floor to the Council members for comment. Councilor Donoghue asked for a response from Mr. Mitchell regarding the approval process and to holding a referendum. Mr. Mitchell responded that it would be difficult to have a referendum on a piece of real estate

without already having control over the land. This is the City's fourth attempt to find a suitable relocation site for DPS. Very few locations have the appropriate zoning, surrounding neighborhood compatability, and most importantly, properties for sale within close proximity to one another. The City already has a foot in the door with 212 Canco Road which makes the purchase of 250 Canco Road such a great opportunity. Mr. Mitchell believes that it would be unlikely for the City to find a better opportunity. The sites have been evaluated to support the overall development goals for DPS and combining the real estate on Canco Road would be a real advantage for the City.

Councilor Marshall asked for greater clarity on the referendum requirements. Mr. Mitchell noted that there is a cap on what the City Council can approve for new debt on a single project before a referendum is required. The Director was uncertain but believes the cap to be approximately $3.8 million. The current deal would fall under the cap but any additional investment in the site may require a referendum to approve additional debt. Councilor Marshall followed up with an inquiry about whether or not the costs of purchasing 250 Canco Road included any costs from the land swap with JB Brown. Mr. Mitchell confirmed that the purchase of Canco Road is not included because it does not require additional financing. The Bond Council has looked at this issue and believes that it is within HCDC's authority to approve without a referendum.

Councilor Mavodones, who is also on the Finance Committee, requested that these answers be fully articulated in the memo for the next Finance Committee. Mr. Mitchell confirmed that this information will be included in the Finance Committee's memo.

Councilor Donoghue asked if the negotiations with JB Brown regarding the land swap were going well. Mr. Mitchell responded that the negotiations were going well and that staff hopes to present the terms for a land swap with JB Brown at the July 8th HCDC meeting. Councilor Donoghue followed up by asking how the site at 250 Canco Road would be affected if the land swap deal with JB Brown does not go through. Mr. Bobinsky said that the 250 Canco Road site is important for short and long range plans for DPS. Currently DPS stores its equipment at several locations across the City. The transition to Canco Road provides opportunity to consolidate and operate DPS more efficiently.

Council Brenerman inquired about the timeline to acquire 250 Canco Road. Mr. Mitchell noted that time is of the essence. Other offers have been made to the owner of 250 Canco Road, including a cash offer. The owner declined because they were already in negotiation with the City. Staff is concerned that this may occur again with a stronger offer. Currently, the owner of 250 Canco Road is willing to stay the course on this deal for approval by HCDC and Council this summer. The P&S is drawn up and will be signed after Council approval. If this timeline is altered it could affect the deal.

Councilor Donoghue asked staff to clarify that the goal to get the 250 Canco Road deal closed before the land swap with JB Brown. Mr. Mitchell confirmed that was the plan.

Seeing no further comments or questions a motion was made and seconded to authorize staff to enter into a Purchase and Sale Agreement for 250 Canco Road. The motion was unanimously approved by a vote of 4-0.

Item 3: Review, guidance and possible recommendation regarding the proposal for the sale and redevelopment of city-owned property at 65 Hanover/52 Alder Street – Mary

Davis, Housing & Community Development Division Director; Tyler Norod, Housing Planner.

Housing and Community Development Division Director Mary Davis introduced this and reminded the Committee that HCDC had authorized the RFP for the City owned 65 Hanover/52 Alder Street property on February 11, 2015. Staff only received a single response to the RFP which was submitted by Avesta. A review committee of city staff met on June 2, 2015 to review the proposal as related to the selection criteria. The review committee consisted of Jeff Levine, Planning & Urban Development Department Director; Greg Mitchell, Economic Development Department Director; Mary Davis, Housing and Community Development Division Director; Katherine Earley, Public Services Engineering Services Manager; Rick Knowland, Senior Planner; and Tyler Norod, Housing Planner.

Avesta housing submitted a proposed plan for a two-phase residential project. The first phase would consist of 40 units of affordable housing to be reserved at 50-60% AMI and 13 market rate units. Phase I would likely require a TIF for project feasibility and inclusion of the market rate units. Primary financing mechanisms include Low Income Housing Tax Credits (LIHTC) and that the land be transferred at no cost. It should also be noted that Avesta has estimated that the site will likely require approximately $174,000 to remediate environmental contamination. Phase I would include 10 parking spaces and one car share space. The remaining required spaces would be satisfied by paying into the Bayside parking fund.

Phase II would consist of approximately 20 two- and three-bedroom condominiums priced from $235,000 - $278,000 that will be targeted to buyers at 100% of AMI and below. The affordability of the project would be restricted for 90 years. At final build out the project will

have 31 on-site parking spaces, car sharing spaces and will pay into the Bayside parking fund for any other required spaces. Avesta suggests that the development of a high quality mixed-income rental property in Phase I will help stabilize the area for future housing development and be better positioned to attract homeowners in Phase II.

The review committee expressed concerns related to the proposals ability to leverage different funding sources to stimulate development and about the phasing of the project. Staff believed that the direction from HCDC was for a preference for homeownership. Avesta asserts that the area needs further stabilization before it would be ready to accommodate the homeownership portion of the project. The review committee did not dispute this point. The City's consultant, Bluestone Planning Group (BPG) had mentioned this same issue during conversations with staff while preparing a feasibility analysis for this site. Greater clarity for the timeline and general vision for what happens to the remainder of the DPS Bayside campus could help stabilize the area for homeownership and provide more certainty as to how the neighborhood will grow.

Following its review, staff considered two options to recommend to HCDC. The first, would be to delay any approval for the proposed plan by Avesta until there is greater clarity regarding the remaining timeline and plan for the DPS campus. The second recommended option would be to reject the proposal and reissue an RFP at a later date when greater clarity regarding the future of the DPS campus can be provided.

Councilor Donoghue asked if the City were to reissue the RFP what revisions would be considered and would this help attract more interested parties. Director Davis responded that increased interest would likely be related to the time frame and clarity of the vision for DPS' relocation from Bayside. Mr. Levine added that if there was an option to reissue the RFP it

would be helpful to clarify that the City's priority is for homeownership workforce housing. Councilor Donoghue asked for clarification on why Avesta would need TIF funding to support the inclusion of market rate units in Phase I. Director Davis noted that other funding sources restrict units in a project to be significantly lower AMI's (60%or less) so market rate units would need to be offset by TIF funds to target market rates that are closer to 120% or below.

Councilor Donoghue opens the issue to public comment.

Ron Spinella, a resident of Cumberland Avenue, was pleased that the City is having a conversation about housing and the revitalization of Bayside. Homeownership has been coming up in the bayside neighborhood for some time now. Approximately 20 years ago the area was partially defined by vacant buildings. Thankfully, things have changed significantly. Building homeownership in Phase I would be great for neighborhood. The big question is the remaining DPS uses. Will the future use of the remaining sites be compatible with housing? The neighborhood has asked for masterplan for the neighborhood in the past, which would be helpful in this situation. Mr. Spinella believed that there should be more community process regarding the disposition of these sites but overall it is great to have the conversation about revitalizing the neighborhood.

Damian Trask who owns the property at 50 Alder Street directly abutting the proposed site was curious about the timeline for DPS to move its campus out of Bayside. Mr. Trask also wondered what his property might be worth to a developer and expressed some interest in combining his land to improve the development possibilities for the site.

Drew Wing, a Development Officer with Avesta spoke next. Mr. Wing believes that Avesta submitted a strong proposal but the fact that only one response was received speaks to the challenges associated with developing this site particularly for developing homeownership in the

current market. Mr. Wing requested that HCDC simply delay approval so that Avesta may work with staff to address any concerns and get more details related to challenges of the site and market.

Stephen Scharf, a resident of High Street, believed that one proposal showed that the City did a poor job in promoting the opportunity to develop the site. He believes that Avesta would be getting in on the ground floor if they were to acquire this parcel. Mr. Scharf asserted that the City should deny this proposal and wait until the site and surrounding area has more clarity for its future. Mr. Scharf inquired about the timeline for DPS to transition to its new campus on Canco Road. Mr. Scharf noted his opposition to selling the property at no cost to a developer. He believes it to be a valuable piece of land. The property next door sold to Bayside Bowl for approximately $1 million per acre. Mr. Scharf concluded his comment by asking how many people actually inquired about this RFP.

Seeing no additional members of the public who wished to speak, Councilor Donoghue closed the item to public comment.

Councilor Donoghue asked staff for a timeline on the relocation of DPS' campus. Mr. Bobinsky of DPS responded that there are two divisions that are waiting to move to the new 212 Canco Road property. The property at 212 Canco Road is currently undergoing some modifications and final fit ups that will allow for this transition to happen. Construction is likely to be completed within the next 12 months.

Councilor Donoghue asked for clarification on when workforce housing could occur on the Hanover/Alder Street site. Mr. Levine noted that the project is currently set up as two phases but that these could coincide if the market allowed.

Councilor Donoghue inquired about how many requests were made for the RFP. Ms. Davis responded that staff heard from at least two other developers but there were concerns raised regarding the complexity of the RFP and ultimately only a single response to the RFP was received.

Councilor Brenerman asked how the city investment per unit potentially compared to other projects. Ms. Davis noted that the amount is fairly in line with other housing projects in the City. Mr. Levine added that the sale of land for $0 has been done before for projects that offer similar public benefits such as affordable housing.

Councilor Brenerman followed up by asking if we have an estimate of what the City could sell the land for and possibly contribute those funds to the Canco Street deals. Mr. Mitchell confirmed that staff did look at the sale of this parcel. Similar lots have sold at approximately $1 million per acre. However, this is a difficult question to answer. If the property were to be put on the market with little to know restrictions, like the Bayside Bowl expansion, you may receive higher bids. The sale of Hanover was not tied to the purchase of Canco. The discussion to date has shown other real estate transactions that could be applied to the future expanse of DPS.

Councilor Brenerman acknowledged the need to incentivize affordable housing through certain reduced costs. But he expressed his concern about selling at no cost, especially for a project that also is requesting a TIF and for an RFP that only received a single response. Councilor Brenerman also expressed concern related to the projects proposal for limited parking. The Councilor suggested that it may be helpful to wait until there is more certainty with the DPS Bayside campus. Certainty could increase interest in the market.

Councilor Mavodones followed up asking if the City had assessed the potential value of the parcels. Mr. Mitchell believes that an assessment had been completed but that its assumption was a matter of confidentiality which is important for potential future negotiations.
Ms. Davis added that the site is assessed for tax purposes at just under $800,000. Councilor Mavodones continued that he generally agrees with staff recommendations. Mr. Levine added that if at a later date the City were to reissue the RFP that it would be helpful to offer more clear direction for respondents in terms of what the City wants to be developed on the site.

Councilor Marshall stated that he was comfortable with a delay but would like to better understand the potential timeline for such action. Mr. Levine responded that the City can delay its decision as long as HCDC prefers. Ms. Davis said her impression was that it would be helpful to delay until we have better clarity with surrounding DPS site.
Councilor Marshall reconfirmed that he is OK with a delay as long as it does not go on for too long. Councilor Marshall stated that he is also comfortable with the proposed two phase approach. The Councilor believes that more housing is good and its beneficial to start transitioning the neighborhood to become more residential. Councilor Marshall suggested postponing the vote to a certain date, preferably July 8th.

Councilor Mavodones expressed concern about delaying the item only to next meeting. He also mentioned that he had heard from neighbors in the past who expressed interest in a master plan for the area but he noted that he was not trying to tie that idea to this site.

Councilor Donoghue doesn't believe that a master planning exercise is the best approach at this time. A master plan was done as recently as 15 years ago. The Councilor said that he did not want to wait very long because if development waits for development than it is unclear how development would start. Councilor Donoghue believes that the City needs to take action to

stimulate future development. That said, he is concerned about Phase II. Pearl Place made similar promises for its second phase but later became a rental tax credit project despite being originally approved as homeownership. The Councilor expressed a desire to make sure development happens on the whole site or part of the site without phasing. Councilor Donoghue stated that his preference would be to take action at the next HCDC meeting. Action could include reissuing the RFP without restrictions on homeownership or moving forward with homeownership. He stated that he would like to see staff recommendations at the next meetings for next steps to reissue the RFP or work with Avesta for potential action. The rest of the councilors appeared to be comfortable with that plan.

Seeing no further comments or questions a motion was made and seconded to delay the vote until the next HCDC meeting on July 8th. The motion was unanimously approved by a vote of 4-0.

Item 4: Review and recommendation to City Council regarding an Affordable Housing TIF request for an Avesta Housing development at 17 Carleton Street – Mary Davis, Housing & Community Development Division Director.

Ms. Davis provided an introduction to the Committee related to Avesta's proposal to build 37 units of affordable housing at 17 Carleton Street in Portland's West End. The project would consist of 12 efficiency units, 23 one-bedroom units, and two two-bedroom units. The units will be affordable to households earning 40%, 50%, and 60% of area mean income (AMI). Avesta is requesting financial support in the form of an Affordable Housing TIF that would return portion of new tax revenue generated by the site to support the project's operational costs.

The proposal requests a 65% return of tax revenue estimated to start at $29,900 a year. Over 22 year term this would result in approximately $658,000. Remaining new revenue would be returned to the general fund. Staff recommendation is to support the use of an Affordable Housing TIF for this project in order to help create much needed affordable housing on the peninsula.

Councilor Donoghue opened the floor for public comment.

Steven Scharf, a resident of High Street spoke first. Mr. Scharf did not have a problem supporting this request but believed a TIF of 65% is too high and a lower percentage should be considered. Mr. Scharf is more concerned with TIF's in general as he believes that they are not effective means of generating affordable housing. Mr. Scharf asserted that TIF's can affect General Assistance (GA) funding which could be a problem if the GA is further reduced or eliminated.

Drew Wing from Avesta was next to speak. Mr. Wing wanted to bring to the Committees attention that the project will be offering deeply subsidized units of 40% which there is a great need in the market. These would be affordable to individuals making approximately $20,000 per year and could absorb a rent of only $500 per month. In order to achieve this low rent the project needs the additional support of a TIF.

Seeing no one else interested in speaking, Councilor Donoghue closed the period for public comment.

Councilor Brenerman asked if the neighborhood had met yet to discuss the issue.

Mr. Wing of Avesta informed the Committee that one historic preservation meeting has taken place and that a community meeting is scheduled for tomorrow night at the Reiche School.

Public notices have been distributed and they hope for a strong turn out to get a better sense of the community's perspective on this project.

Councilor Brenerman asked what would be the income for a family of four at 40% AMI. Mr. Wing clarified that the project would only offer studios at 40% of AMI, but the income for a family of four would approximately be around $35,000 per year.

Councilor Donoghue inquired about why the project offered only a limited number of family sized units when the location is within a neighborhood well suited for families. Seth Parker, with Avesta, explained that the criteria for Maine Housing tax credits are in part built around the cost containment per unit. This forces all developers to build smaller units in order to be competitive in getting points at the state level.

Councilor Donoghue asked for clarification related to the City approving TIFs in the past to increase a project's competitiveness for funding at the State level. Ms. Davis confirmed that the City has been providing 20-22 year TIFs for recently approved housing projects. This works in tandem with scoring criteria at the state level. By approving TIFs we give projects extra points at the State therein improving their competitiveness with other projects in less expensive locales. Points at the State require a minimum allotment of 50% TIF funding.

Councilor Donoghue asked if the council wanted to use other tools at its disposal could the City incentivize more family sized units. Mr. Levine responded that Maine Housing is looking at efficiency per unit costs and they will consider how much funding is needed. Mr. Levine continued that we could condition TIF funds but the state really controls the incentive in this scenario.

Councilor Brenerman asked if the incentives by Maine Housing were too low to build family sized units. Mr. Parker mentioned that next year the State will reassess its criteria and

goals. Mr. Parker believes that the cost categories they have set may need revisions based on the current market because it is very tight to get points based on cost per unit. Councilor Brenerman asked if the criteria points recognize that costs are higher in Portland. Mr. Parker confirmed that no, unfortunately the criteria do not consider Portland's higher construction costs. The City competes with developers across the state in locales that are cheaper and easier to develop in.

Seeing no further comments or questions a motion was made and seconded to approve the requested Affordable Housing TIF funding for Avesta's 17 Carleton Street project. The motion was unanimously approved by a vote of 4-0.

Item 5: Review and recommendation to City Council to amend the Bayside Tax Increment Financing (TIF) District to allow for expanded use of municipal TIF revenue funds – Greg Mitchell, Economic Development Director

Mr. Mitchell began by introducing the item before the Committee. This item is requesting that the Council amend the Bayside TIF District to allow for expanded use of revenue funds to include public transportation improvement projects, including traffic signals, costs associated with environmental site assessment and remediation to support commercial development, and costs associated with environmental sea level rise planning and public infrastructure to support commercial development.

Councilor Donoghue opened the item for public comments.

Stephen Scharf, a local resident, was first to speak. Mr. Scharf is opposed to this item and believes that any potential sea level studies are nefarious and would only tell the City what it already knows.

Seeing no other members of the public interested in speaking Councilor Donoghue closed the item to public comment.

Councilor Donoghue asked to confirm his understanding that this item is to allow infrastructure investment through the existing Bayside TIF for mitigating sea level rise. Mr. Mitchell confirmed that this action would allow the City to fund efforts to identify and fund infrastructure improvements to respond to rising sea levels. Councilor Donoghue followed up asking if once we know what we want to do will those infrastructure activities be eligible under current TIF language. Mr. Mitchell responded that it is not clear under the current language and this revision would clarify those goals. Councilor Donoghue asked if there was any redundancy with previous studies. Mr. Levine reminded the Committee that this issue was raised when the City decided to raise Somerset Street. Concerns were brought up regarding what to do with the rest of the area and how best to effectively fund any necessary improvements. Mr. Levine went on to clarify that this item is more of an engineering exercise rather than a policy exercise.

Councilor Marshall said that he believes that money well spent now is better than additional capital costs down the road.

Councilor Brenerman recalled that there is already $100,000 in the City budget to allocate to sea level rise studies. Mr. Mitchell confirmed the Councilor's memory and further clarified that the $100,000 is designed to be funded by this TIF mechanism.

Councilor Donoghue asked about the current balance of Bayside TIF. Mr. Levine said that this does not spend that same money twice. The funding would be from the additional growth of the area in the last year to support this additional $100,000 in the municipal budget. Councilor Donoghue responded that he is comfortable with this amendment but he still has concerns with how money gets doled out by the Council in general.

Seeing no further comments or questions a motion was made and seconded to amend the Bayside Tax Increment Financing (TIF) District to allow for expanded use of municipal TIF revenue funds. The motion was unanimously approved by a vote of 3-0. Councilor Mavodones was not present to vote as he had to excuse himself from the meeting early.

Item 6: 2015 HCDC Work Plan for Review and Discussion.

Councilor Donoghue clarified that the next Committee meeting will be held on July 8th with the potential for only a single HCDC meeting to be held in August. On a motion made and seconded the Committee voted 3-0 to adjourn. The meeting was adjourned at 7:32 PM.

Respectfully,

Tyler Norod

Portland, Maine Yes. Life's good here.

Economic Development Department
Gregory A. Mitchell, Director

MEMORANDUM

TO: Housing and Community Development Committee

FROM: Greg Mitchell, Economic Development Director

DATE: July 2, 2015

SUBJECT: **Department of Public Services Bayside Relocation Plan/ City of Portland and JB Brown Property Transaction Action to:**

- **Authorize City of Portland and JB Brown Property Exchange at no cost; and**

- **To Establish an Easement Across 250 Canco Road Property to allow JB Brown Vehicle and Pedestrian Access.**

I. SUMMARY OF ISSUE

It has been the policy direction of the City, over a number of years, to relocate the Department of Public Services (DPS) Bayside activities, and combine other City Department activities, to a single centralized location to support on peninsula City government service delivery. This memorandum outlines an approach to address this City policy.

City owned DPS Bayside occupied properties by use include the following:

Property Address/Acreage	City Use	Status
44 Hanover St.	Fleet Services	Active DPS Use
82 Hanover St.	Lower Garage	Active DPS Use
56 Parris St.	Employee Parking	Active DPS Use
55 Portland St.	Administration	Active DPS Use
71 Hanover St.	Satellite Sand/Salt Operation	Site Sold
65 Hanover St./52 Alder St.	Trades/Traffic	Marketed for Sale

See Attachment A for a map of DPS occupied Bayside properties.

City staff recommendation is to proceed with a phased approach to relocate remaining DPS use out of Bayside, with the exception of the DPS administration and other support activities located at 55 Portland Street.

Acquiring JB Brown property, per the attached Land Exchange Agreement (Attachment B), is needed to support establishment of a 13-acre campus, including 212 and 250 Canco Road properties, to create a single location for DPS and other essential City service delivery. It is noted that there is a City Council approved Lease/Purchase Option with financial appropriation to acquire 212 Canco Road in 2017, and the City Council is scheduled to take action on acquisition of 250 Canco Road on July 20, 2015.

It is noted that Portland Trails is supportive of the City acquiring JB Brown Parcel 5 (See Attachment B – Land Exchange Agreement, 154-B-045) to formally establish a trail connection from Canco Road to connect with an existing Portland Trails easement through Parcel 5 (154-B-045).

II. REASON FOR SUBMISSION

City Council authorization is required to proceed with real estate transactions.

III. INTENDED RESULT

The intended result will enable the City to relocate a portion of DPS to a centralized location near the peninsula where a majority of the demand for City governmental services is needed.

IV. COUNCIL GOAL ADDRESSED

It is the goal of the *Bayside Vision 2000 Plan* to relocate Public Services Bayside operations out of Bayside to support mixed use development.

V. FINANCIAL IMPACT

No funds are needed to support the City and JB Brown land exchange transaction.

VI. STAFF ANALYSIS

City staff has been working on evaluating real estate and facility options, over a number of years, to accomplish the complete relocation of most or all of Public Service Bayside Department activities, combined with other Departments, to a single centralized location to provide City services on or near the Peninsula where a majority of demand for City governmental services are needed. See Attachment D from Sebago Technics for an overview of the proposed redevelopment of the Canco/Quarry Road properties for City use.

J.B. Brown Quarry Road Property Land Swap

An overview of Quarry Road transaction with comments includes:

Property to Acquire

Property Location: See Attachment C - map highlighting three J.B. Brown properties (Parcels 3, 4, and 5) to be acquired by the City.

Property Size: 5 +/- Acres

Purchase Price: No cost.

City Property to Swap

Property Location: 0 Cornell Street, 151A-A-13 (City Tax-Acquired)

Property Size: 3.1 Acres

Sale Price: No cost.

250 Canco Road Easement

The real estate transaction with JB Brown includes establishing an easement across 250 Canco Road as shown on Attachment C to allow vehicle and pedestrian access from Canco Road to JB Brown owned property.

Canco/Quarry Road Redevelopment Plan

Attached is a Sebago Technics plan showing the proposed Canco/Road Redevelopment Plan as Attachment D.

VII. RECOMMENDATION

City staff recommends the HCDC vote to approve the City and JB Brown property transaction in substantial conformance to the attached Land Exchange Agreement.

VIII. LIST ATTACHMENTS

- **A.** Map of DPS Bayside Property
- **B.** Land Exchange Agreement for City of Portland and JB Brown Property Transaction
- **C.** Map of JB Brown/City Property
- **D.** Sebago Technics Canco/Quarry Road Phased Development Plan

Bayside City Properties

Public Services Main Facilities – Portland St to Kennebec St

ATTACHMENT A

3/13/2014

LAND EXCHANGE AGREEMENT

This Land Exchange Agreement (this "Agreement") is made as of the ___ day of July, 2015, by and between the J.B. BROWN & SONS ("JBB") and FORE RIVER WAREHOUSING & STORAGE CO., INC. ("FRW&S"), each a Maine corporation with offices in Portland, Maine, and their respective successors and permitted assigns (JBB and FRW&S shall be collectively referred to herein as "JBBrown"), and CITY OF PORTLAND, a Maine municipal corporation with a place of business in Portland, Maine and mailing address of 389 Congress Street, Portland, Maine 04101 ("City").

Section 1. Introduction.

Each of the parties owns real property in Portland, Maine. The parties have agreed to exchange certain property, and to provide for certain appurtenant easements in connection with the exchange, all on the terms and conditions set forth in this Agreement. Exhibit A is an aerial photograph that generally depicts the properties that are the subject of the exchange.

Section 2. Property to be Exchanged.

In the exchange:

(i) City will convey to JBBrown the parcel of land acquired from Norman S. Reef and Raymond H. Reef as Trustees of the R.F. Investment Trust, located at or near Cornell Street and Morrill Street (Tax Map 151A-A-013) and depicted on Exhibit A as "Parcel 1";

(ii) City will convey to JBB and FRW&S an access easement deed for vehicle and pedestrian ingress and egress from and to Canco Road across the City's property located at or near 250 Canco Road (Tax Map 154-B-001) to JBB's and FRW&S' respective properties located on Quarry Road, which easement area shall be constructed and maintained by the City and is depicted on Exhibit A as "Parcel 2";

(iii) JBBrown will convey to City the parcel of land depicted on Exhibit A as Parcel 3 and identified as Tax Map 148-A-002 ("Parcel 3");

(iv) JBBrown will convey to City a portion of the parcel of land depicted on Exhibit A as Parcel 4 and identified as Tax Map 151-AA-014 ("Parcel 4");

(v) JBBrown will convey to City the parcel of land depicted on Exhibit A as Parcel 5 and identified as Tax Map 154-B-045 ("Parcel 5");

All of these conveyances will be on the terms and conditions set forth in this Agreement.

Section 3. Equivalent Value.

The parties agree that (i) the value of the property and the easement that City is conveying to JBBrown in this exchange is equivalent to the value of the properties that JBBrown is conveying to City in this exchange, and (ii) each party's conveyance is in full consideration of the other party's conveyance. Except as provided in Section 10 below (regarding closing adjustments), neither party is any monetary payment to the other party in connection with the exchange.

Section 4. Property Being Exchanged "As-Is".

(a) Parcel 1. Except as hereinafter set forth, JBBrown acknowledges that it is acquiring Parcel 1 "as is" and that City has made no representations or warranties of any kind whatsoever with respect to the condition of Parcel 1 or the compliance of Parcel 1 with any laws, rules, regulations, or ordinances, including (without limitation) any relating to zoning, the environment, or hazardous materials. Notwithstanding the foregoing, it shall be a condition of JBBrown's obligations to close that (i) Parcel 1 is no longer subject to a Contract Zone Agreement, and (ii) JBBrown is satisfied with the title and environmental condition (including as to any hazardous materials as described in an environmental report to be provided to JBBrown by the City).

(b) Parcel 2. City will construct and maintain the easement for JBBrown (Parcel 2) described in Section 2(ii). JBBrown shall have the right to install signage at the Canco Road entrance way to the easement across Parcel 2 that will indicate the easement roadway is an entrance to JBBrown properties, provided that such signage has all necessary permits and complies with all applicable legal requirements. All such signage shall be installed and maintained by JBBrown at JBBrown's sole cost and expense.

(c) Parcels 3, 4 and 5. City acknowledges that it is acquiring Parcels 3, 4 and 5 "as is" and that JBBrown has made no representations or warranties of any kind whatsoever with respect to the condition of Parcels 3, 4 and 5 or the compliance of Parcels 3, 4 and 5 with any laws, rules, regulations or ordinances, including (without limitation) any relating to zoning, the environment, or hazardous materials. Notwithstanding the foregoing, it shall be a condition of City's obligations to close that City is satisfied with the title and environmental condition of Parcels 3, 4 and 5.

Section 5. Title.

(a) Title Examinations; Objections. The parties will have from the date of this Agreement until 4:00 PM Eastern Daylight Savings Time on the sixtieth (60^{th}) day after the date of this Agreement (the "Due Diligence Period") to complete their respective title examinations. Title shall be good, marketable and insurable title, free and clear of all encumbrances except (i) as set forth in Exhibit B, (ii) easements for utilities servicing the property, (iii) zoning ordinances, and (iv) real estate taxes not yet due and payable. Each party will have until the end of the Due Diligence Period to deliver to the other party any written objections to matters (other

than the permitted exceptions identified herein) that materially affect marketability or use. Objections not made prior to the end of the Due Diligence Period will be deemed waived; provided, however, that objections pertaining to matters of record first appearing after the date of this Agreement may be made at any time prior to the closing.

(b) Option to Cure. In the event of a title objection, the party owning the property that is the subject of the title objection will have the option, but not the obligation, to cure the objection and will notify the other party of its election within ten (10) business days after receipt of the title objection. In the event that the party owning the property that is the subject of the objection elects to cure the title objection, that party thereupon will have thirty (30) days from the date of the notice of election, or such other reasonable time as the parties may agree, to cure the objection. In the event that the party owning the property that is the subject of the objection does not elect to cure the objection, or having elected to cure the objection fails to timely do so, the other party will have the option either to terminate this Agreement (after which neither party will have any further obligation or liability to the other under this Agreement) or to waive the objection and close.

Section 6. Conditions Precedent to Closing.

(a) Parcel 3 is subject to JBBrown's satisfactory review of an Environmental Report (Phase I).

(b) The City shall cause the termination or provide satisfactory evidence to JBBrown that a certain Contract Zone affecting Parcel 1 has terminated.

(c) JBBrown is satisfied in its sole discretion in the condition or plans for the construction of the easement as described above over Parcel 2.

(d) Parcels 3, 4 and 5 are subject to City's satisfactory review of environmental issues.

Section 7. Closing.

The closing will be on or before the thirtieth (30^{th}) day after the later to occur of: (i) the expiration of the Due Diligent Period, and (ii) the date on which the Conditions to Closing described in Section 6 above are completed to the satisfaction of each party to this Agreement, to be held at Verrill Dana, LLP, One Portland Square, Portland, Maine, or on such other date or at such other place as the parties may agree.

Section 8. Deeds.

(a) Deed to City. At the closing, JBBrown will deliver to City a fully-executed Quitclaim Deed conveying Parcels 3, 4 and 5.

(b) Deed to JBBrown. At the closing, City will deliver to JBBrown a fully-executed Municipal Quitclaim Deed conveying Parcel 1; and City will deliver to JBB and FRW&S a fully-executed Easement Deed as to Parcel 2.

(c) Property Descriptions. The property descriptions contained in each deed will be survey descriptions based on a survey plan (the "Plan") that will more specifically describe the properties shown on Exhibit A hereto. The Plan will be distributed to the parties hereto prior the expiration of the Due Diligence Period and the parties will agree on property descriptions prior to the closing.

(d) Abutter Status. Each deed will recite that the grantee is an abutter to the grantor.

Section 9. Closing Deliverables.

(a) City Deliverables. At the closing, and as a condition to closing, City will deliver in connection with its conveyance to JBBrown:

(i) the executed contract zone termination described in Section 6(b) above;

(ii) the executed deed described in Section 8(b) above;

(iii) an executed State of Maine Real Estate Transfer Tax Declaration;

(iv) an executed notice pursuant to 38 M.R.S.A. § 563(6) stating that, to the best of City's knowledge, no underground storage facility for the storage of oil or petroleum exists on the property being conveyed to JBBrown;

(v) documentation acceptable to JBBrown indicating that this transaction has been duly authorized and that the person executing documents on behalf of City and City's general partner is duly authorized to do so;

(vi) an executed owner's affidavit indicating no tenants or other occupants presently in possession and indicating no debts due for labor or services performed or materials used that could give rise to mechanic's liens.

(b) JBBrown Deliverables. At the closing, and as a condition to closing, JBBrown will deliver in connection with its conveyance to City:

(i) the executed deed described in Section 8(a) above;

(ii) an executed State of Maine Real Estate Transfer Tax Declaration;

(iii) an executed notice pursuant to 38 M.R.S.A. § 563(6) stating that, to the best of JBBrown's knowledge, no underground storage facility for the storage of oil or petroleum exists on the property being conveyed to City;

(iv) documentation acceptable to City indicating that this transaction has been duly authorized and that the person executing documents on behalf of JBBrown is duly authorized to do so;

(v) an executed certificate of non-foreign and Maine Residency status; and

(vi) an executed owner's affidavit indicating no tenants or other occupants presently in possession and indicating no debts due for labor or services performed or materials used that could give rise to mechanic's liens.

Section 10. Closing Costs and Apportionments.

(a) Real Estate Taxes and Assessments. Real estate taxes and assessments will be apportioned as of the closing date. The parties acknowledge that the City is exempt from taxes or assessments on its property. As to Parcel 1, JBBrown real estate tax and assessment liability will commence as of the closing. As to Parcels 3, 4 and 5, JBBrown's real estate tax and assessment liabilities shall terminate as of closing.

(b) Real Estate Transfer Tax. Each real estate transfer tax declaration will state that the value of the properties that is the subject of the declaration and JBBrown will pay its share of real estate transfer taxes. The parties acknowledge that, pursuant to 36 M.R.S.A. § 4641-C(1), City is exempt from real estate transfer taxes.

(c) Recording Fees. City will pay the recording fees for the termination of contract zone, if necessary, and for the deed from JBBrown on Parcels 3, 4 and 5. JBBrown will pay the recording fee for the deeds from City on Parcels 1 and 2.

(d) Legal Fees and Expenses. The parties each will bear the cost of their respective legal fees and expenses.

Section 11. Representations and Warranties.

(a) City. City represents and warrants that:

(i) It has full power and authority to enter into this Agreement and to carry out its obligations under this Agreement.

(ii) This Agreement has been duly authorized, executed, and delivered by City and is a legal, valid, and binding agreement of City, enforceable in accordance with its terms. The execution, delivery, and performance of this Agreement by City will not violate any judgment or order applicable to City or City's instruments of organization, governance or operation, and will not result in any material breach of, or constitute a material default under, or result in the creation of any material lien, charge, security interest, or other encumbrance upon Parcel 1 or any note, bond, indenture, mortgage,

deed of trust, bank loan, or credit agreement to which City is a party or by which Parcel 1 is bound.

(iii) City has not received any written notice of any pending condemnation, violation of law, or other legal action of any kind materially and adversely affecting Parcel 1.

(iv) City has no knowledge of any pending or threatened litigation, administrative action, or governmental investigation or examination (including, but not limited to, environmental investigations, examinations, claims, and demands) concerning Parcel 1.

(v) No third party has any right to acquire all or any part of Parcel 1.

(b) JBBrown. JBBrown represents and warrants that:

(i) JBBrown has full power and authority to enter into this Agreement and to carry out its obligations under this Agreement.

(ii) This Agreement has been duly authorized, executed, and delivered by JBBrown and is a legal, valid, and binding agreement of JBBrown, enforceable in accordance with its terms. The execution, delivery, and performance of this Agreement by JBBrown will not violate any judgment or order applicable to JBBrown or result in any material breach of or constitute a material default under any agreements to which JBBrown is a party.

(iii) JBBrown has not received any written notice of any pending condemnation, violation of law, or other legal action of any kind materially and adversely affecting Parcels 3, 4 and 5.

(iv) JBBrown has no knowledge of any pending or threatened litigation, administrative action, or governmental investigation or examination (including, but not limited to, environmental investigations, examinations, claims, and demands) concerning Parcels 3, 4 and 5.

(v) No third party has any right to acquire all or any part of Parcels 3, 4 or 5.

(c) Survival. All representations and warranties contained herein are intended to remain true and correct as of the closing, are deemed to be restated at the closing, and will survive the closing.

Section 12. General Provisions.

(a) Assignment. Neither this Agreement nor any of the rights or obligations of any party pursuant to this Agreement may be assigned without the prior written consent of the other party.

(b) Brokers. Each party will indemnify and hold harmless the other from and against any claims for brokerage commissions arising out of any brokerage agreements entered into by the indemnifying party.

(c) Governing Law. This Agreement is governed by, and is to be construed and enforced in accordance with, the laws of the State of Maine (without regard to conflicts-of-laws principles that would require the application of any other law).

(d) Entire Agreement. This Agreement constitutes the entire agreement between the parties relating to the exchange of the property that is the subject of this Agreement, supersedes all prior oral or written offers, negotiations, agreements, understandings, and courses of dealing between the parties relating thereto, and is subject to no understandings, conditions or representations other than those expressly stated herein. This Agreement may be modified or amended only by means of a writing signed by the parties.

(e) Notices. Notices in connection with this Agreement must be in writing, delivered by certified mail or by Federal Express or a similar overnight delivery carrier to the addresses set forth below:

To JBBrown:

Vincent P. Veroneau
J.B. Brown & Sons
36 Danforth Street
P.O. Box 207
Portland, Maine 04112-0207

with a copy to:

David L. Galgay, Jr., Esq.
Verrill Dana

Mailing address: P.O. Box 586
Portland, Maine 04112-0586

Street address: One Portland Square
Portland, Maine 04101

To City:

Gregory A. Mitchell
Director of Economic Development
City of Portland
389 Congress Street
Portland, Maine 04101

with a copy to:

Danielle West-Chuhta, Esq.
Corporate Counsel
City of Portland
389 Congress Street
Portland, Maine 04101

[SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the parties hereto have executed this Agreement, effective as of the day and year first above written.

J.B. Brown & Sons

By: _____
Vincent P. Veroneau
Its President

Fore River Warehousing & Storage Co., Inc.

By: _____
Vincent P. Veroneau
Its President

City of Portland

By: _____
Michael J. Sauschuck
Its Acting City Manager

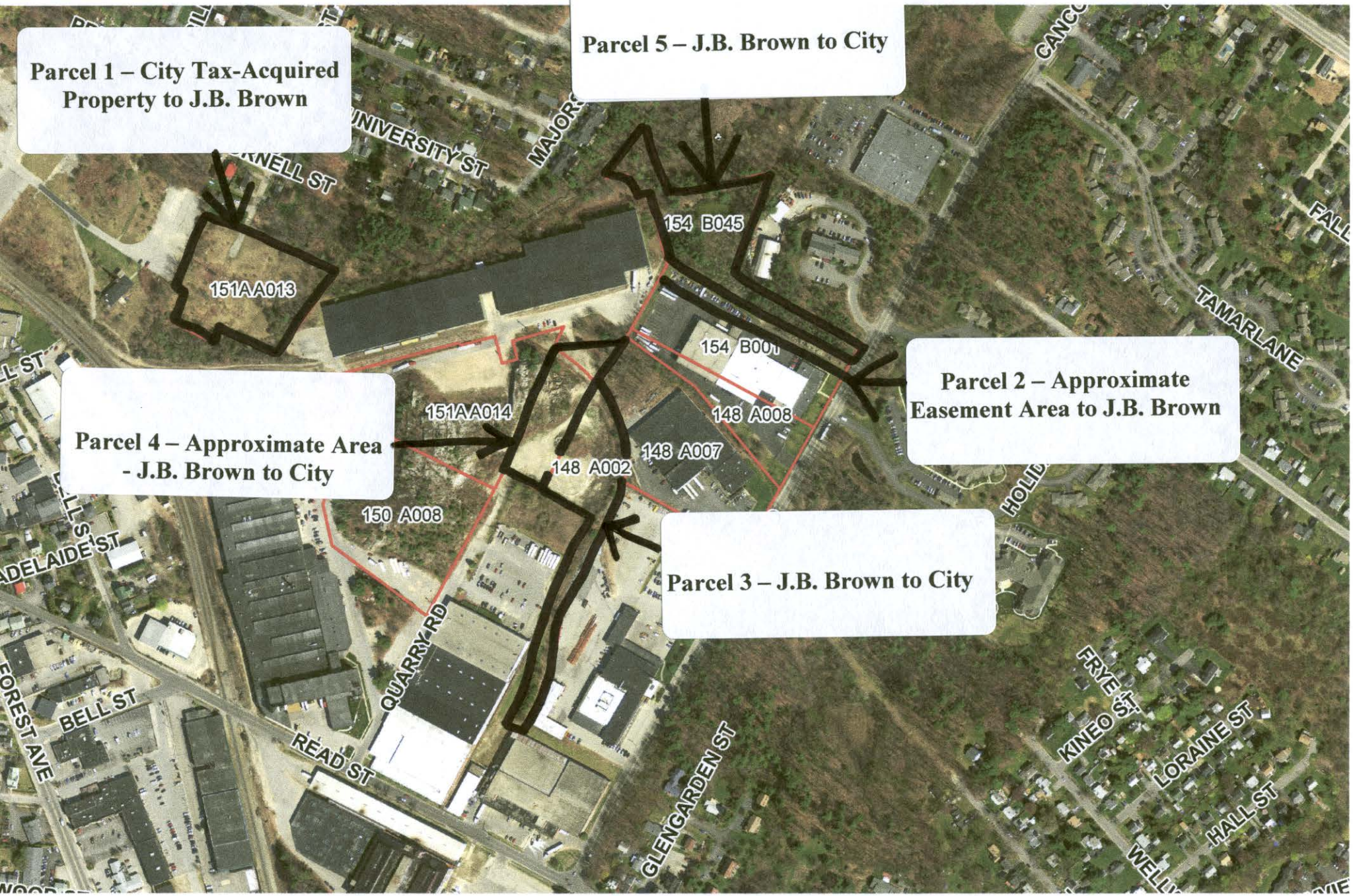
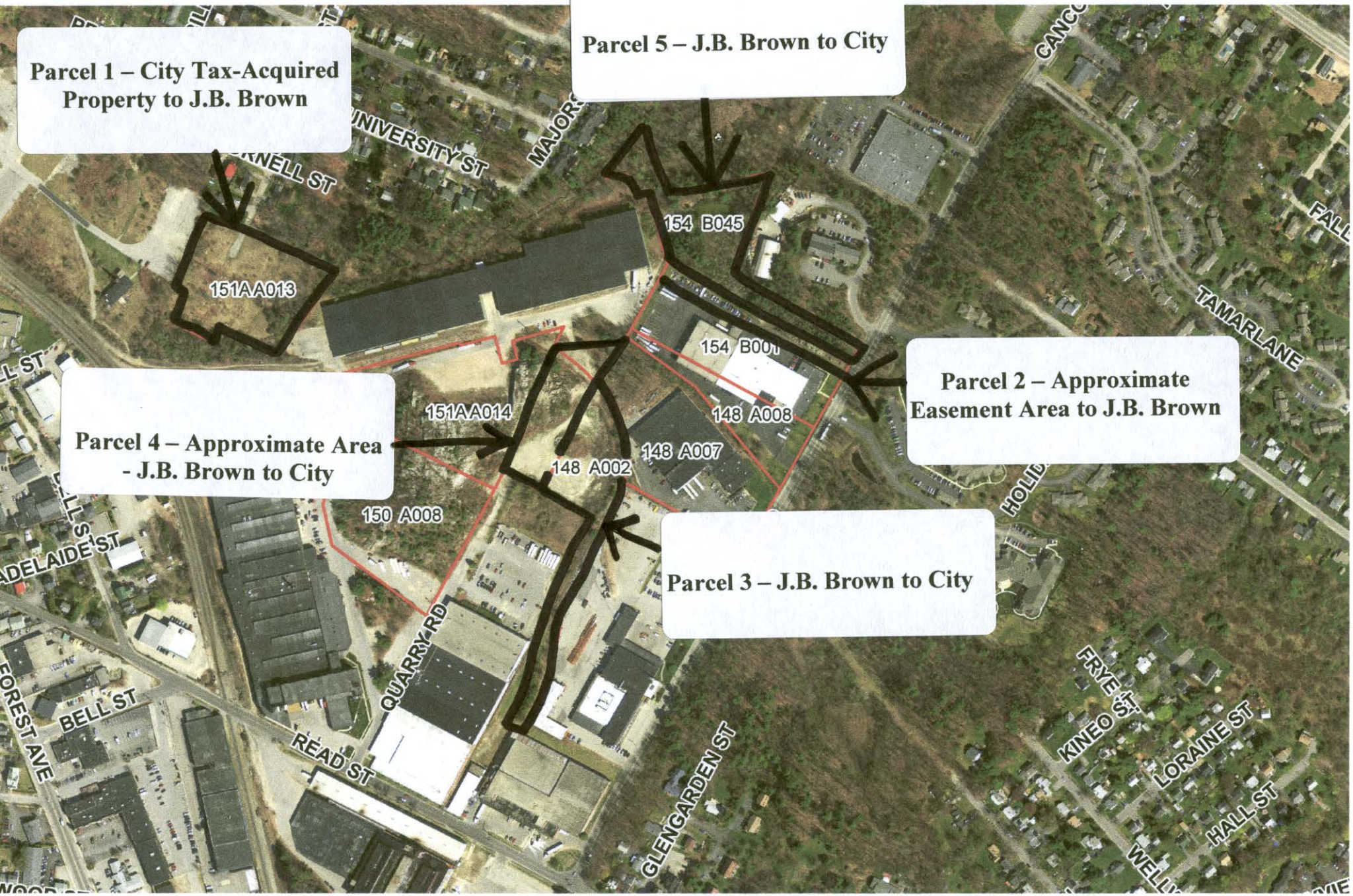

Parcel 1 – City Tax-Acquired Property to J.B. Brown
Parcel 5 – J.B. Brown to City
Parcel 2 – Approximate Easement Area to J.B. Brown
Parcel 4 – Approximate Area - J.B. Brown to City
Parcel 3 – J.B. Brown to City
151AA013
154 B045
154 B001
151AA014
148 A008
148 A007
148 A002
150 A008
UNIVERSITY ST
TAMARLANE
ADELAIDE ST
QUARRY RD
BELL ST
READ ST
GLENGARDEN ST
FRYE ST
KINEO ST
LORAINE ST
HALL ST

EXHIBIT A



ATTACHMENT C

July 1, 2015
15056

Michael J. Bobinsky, Director
Department of Public Services
City of Portland
55 Portland Street
Portland, ME 04101

Memorandum of Master Planning – Relocation of Public Services to Canco Road, Portland, Maine

Dear Michael:

Sebago Technics, Inc. has been retained by the City of Portland to assist in the master planning for the potential relocation of various Public Services operations to Canco and Quarry Road properties. The purpose of this memorandum is to provide a general summary of the space planning completed to date, together with findings for consideration.

Introduction:

Over the past several years, the City of Portland has continued to actively evaluate alternatives for the phased relocation of Public Services from Hanover Street in the Bayside area of Portland. The relocation effort is part of an overall vision to vacate several city properties in the Bayside area for redevelopment. In addition to relocating Public Services, other essential City services would also be relocated to Canco Road as outlined this report. Locating the majority of City Public Services into one combined campus provides a unique and important opportunity for consolidation of an operation that has space limitations and is somewhat fragmented by having various operations in multiple locations through-out the City.

The selection of a new site is a difficult task in itself since a Public Services operation is industrial in nature and therefore must be located in a compatible area where zoning and neighboring uses are consistent with the proposed use (generally industrial or commercial in nature). In addition, the selected location must provide sufficient land area to accommodate a large fleet of vehicles, equipment, and sand/salt distribution, refueling, materials and laydown storage. The location must also provide for adequate circulation areas to move large equipment including temporary parking/storage of large equipment.

The City has been presented with a suitable relocation site that meets the programming requirements and is centrally located and easily accessible. The proposed location off Canco Road is located in the IM Zone and partially a contract zone (C50). The identified parcels are

commonly known as the Nelson & Small property (212 Canco Road), Seltzer and Rydholm property (250 Canco Road) and open land owned by J.B. Brown are the focus of this master planning effort.

Operations to be relocated to Canco Road: The following provides an overview of immediate and long-term City Public Service operations that may be relocated to the Canco Road property over a period of time in a phased approach.

1. Seltzer & Rydholm & JB Brown Parcels.

    - Fleet Maintenance
    - Construction Company
    - Dispatch
    - Districting
    - Forestry & Horticulture
    - Sand/Salt Storage
    - Fuel Dispensing
    - Vehicle and Equipment Wash Facility
    - Parking for employees
    - Outside storage for equipment and materials storage

2. Nelson & Small Parcel

    - Facilities/Recreation Administration
    - Building & Trades Personnel
    - Fire Department Electrical & Communications
    - Traffic
    - Parks Operations

Location & Space Requirements:

The Portland DPS is essentially a large industrial operation that operates on a 24/7 basis providing city wide services. As a result, the selection of a location for DPS requires careful consideration of many factors including appropriateness of the general area (industrial zoning), access to major streets, available property and building space. The location must also provide easy and convenient access to the downtown and outlying areas. When considering these attributes both individually and collectively, the options within the City of Portland are limited for locating a large DPS facility.

The following provides a general overview of the existing space currently utilized by the DPS and the proposed location located off Canco Road.

Existing Bayside Public Services Site: Presently, the City of Portland Department of Public Services (DPS) generally operates within a 4 acre area located between Hanover Street and Parris Street as shown on the adjacent photo.

Existing Public Services - Hanover Street

The location is an inner City Urban area that has numerous logistical challenges. The site is constrained with limited out of door parking areas for equipment, staging, and employee parking which extends into the neighborhood. During winter operations, the DPS utilizes both Hanover and Parris Streets for vehicular queuing and as an operational area. It is not uncommon for both streets to have large vehicles maneuvering around parked cars on these narrow urban streets. The site has become further constrained due to the elimination of the sand and salt storage areas to accommodate recent commercial development. Due to the limited space, the City requires some activities to be remotely located such as storage of equipment and vehicles at the Portland Ocean Terminal and at the City-owned Outer Congress Street property.

Canco Road Properties:
The Canco Road properties provides the City of Portland with an opportunity to acquire existing property and buildings to relocate its Department of Public Services operations. In the future, the relocation will require the construction of a new fleet maintenance building due to special operational characteristics of a fleet maintenance building.

Canco Road Properties

This area of Portland is one of the few locations that is compatible and well suited to DPS operations. The Canco

Road properties are within an industrial setting and location well suited to a DPS operations. Both the Nelson and Small and Pepsi properties are located in the I-M Industrial Zone with the abutting JB Brown property located in a Contract Zone (designated at C50). The general area has served as an industrial and commercial area of Portland for many decades and includes land area that is suitable for a DPS operation. Accommodating the full DPS operation must include the acquisition of all three land and building areas to combine into an overall tract of land suitable for the proposed operations. A concept master development plan is appended to this letter.

Comparative Area Summary:

The following chart provides a general comparative summary of the land and building holding that the City currently utilizes for DPS at the Hanover Street Facility and Portland Ocean Terminal.

Summary of Existing Public Services Space Utilization			
Location	**Area of Property Acres**	**Existing Bldg. S.F.**	**Open Lot Area S.f.**
65 Hanover Street	**0.465**	**7,217**	**13,600**
52 Alder Street	**0.218**	**5,792**	**3,700**
44 Hanover Street Fleet Maintenance/Admin. Engineering & Administration	**1.928**	**18,500**	**46,656**
71 Hanover Street (Recently Sold)	**0.347**		**15,102**
82 Hanover Street 36,227 (garage) & 4,541 (storage)	**0.843**	**40,768**	**0**
Portland Ocean Terminal (Maine State Pier)	**0.106**	**4,600**	**0**
56 Parris Street - bought 2010	**0.234**		**10,213**
Totals	***4.141***	***76,877***	***89,271***

Summary of Canco Road Property			
Location	**Area of Property Acres**	**Existing Bldg. S.F.**	**Open Lot Area S.f.**
Seltzer & Rydholm Building ***Future Fleet Maintenance***	**5.100**	**63,780** **13,000**	**158,376**
Nelson & Small Building	**4.170**	**76,500**	**105,145**
JB Brown	**4 +/-**		**41,360**
Totals	**13.27 +/-**	**153,280**	**304,881**

The Portland Department of Public Services currently operates predominately out of the Hanover Street facilities. The available land area in the Hanover Street area is approximately 4 acres and has presented numerous operational challenges due to the space restraints. Equipment and parking is limited as well as operational areas needed for fueling, staging, loading/unloading and general circulation. Both Hanover Street and Parris Street are frequently utilized for operations to include employee parking, vehicle stacking, loading of sand and salt and queuing for fueling and moving large vehicles. It should be noted the sand and salt storage lot was recently sold and is no longer available for use.

By nature, a Public Services Department requires significant land area for buildings, circulation, parking equipment & vehicles, storing seasonal equipment, stockpiling materials and for winter operations. For reference purposes Sebago Technics, Inc. is currently working with the cities of Westbrook and South Portland for new Public Services facilities. These communities, which are smaller than Portland have gone through a facility programming process that has identified land areas in excess of 15 acres that are required for facility operations. The total cost of Westbrook and South Portland new Public Works facilities are $9 Million and $15.2 Million dollars respectively, not including real estate costs.

When considering the combined land area of the various parcels, the City of Portland's current operations occur on approximately 10 to 12 acres of land area including the snow dump at Outer Congress Street. The outer Congress Street Parcel, despite its size, is not practical for development due to natural resources and potential air navigation considerations since it is in the approach and departure path of the Jetport. This City owned property currently houses: sand/salt operation; sanitation; snow dump.

It is noted that not all of the Departments operations can be accommodated at the Canco Road Property. Through the land planning and facility programing process, we determined that the Water Resource Division of the Department currently located at 55 Portland Street and 82

Hanover Street would be best suited at the outer Congress Street site. To that end, plans are for the Water Resources operations and asset management staffing to be housed at remodeled storage space at outer Congress Street and is funded in the FY16 CIP Sewer Budget.

Canco/Quarry Road Property Master Plan

Accompanying this report is a conceptual level Masterplan layout accommodating DPS needs utilizing the previously discussed Canco and Quarry Road properties. The masterplan demonstrates the need for combining parcels to form a tract of land suitable for DPS.

The relocation process as with any project of substantive size will require development planning and permitting.

Summary:

This report has been prepared for the City of Portland to better understand the adaptive space re-use of the three parcels located off Canco Road. The combination of three tracks of land together with buildings is expected to meet the current and foreseeable needs for Portland Public Services.

Should the City decide to move forward with the land and building acquisition, improvements for each of the properties will be needed for adapting the existing sites to the specific needs of a public service operation. This adaptation is expected to occur in a phased manner with the eventual construction of a new building for fleet services and associated site improvements.

Upon review of this report, please feel free to contract us if there are any questions or if we can be of further assistance. Best wishes as you consider this important project.

Sincerely,

SEBAGO TECHNICS, INC.

Owens A. McCullough, P.E.; LEED A.P.
Vice President of Engineering and Project Development
OAM: oam

Cc: Greg Mitchell
Kathy Alves

SUMMARY TABLE

	SELTZER AND RYDHOLM PARCEL	NELSON AND SMALL PARCEL	J.B. BROWN PARCEL
PARCEL SIZE	5.10 ACRES±	4.17 ACRES±	1.95 ACRES±
EXISTING BUILDING AREA	63,780 S.F.±	76,786 S.F.±	0
FUTURE NEW BUILDING AREA	14,383 S.F.±	0	12,200 S.F.±
TOTAL BUILDING AREA	78,163 S.F.±	76,786 S.F.±	12,200 S.F.±

CENTRAL MAINE POWER COMPANY

QUARRY ROAD

CANCO ROAD

35'x60'

35'x60'

MATERIALS & AGGREGATE STORAGE, 15,000 S.F.±

RELOCATED IN-TOWN SAND & SALT STORAGE BUILDINGS

AREA TO BE ACQUIRED FROM J.B. BROWN (3.04 ACRES±)

YARD & EQUIPMENT STORAGE / FUTURE BUILDING AREA

13 SPACES 15'x40'

FUTURE 40'x200' BUILDING FOR VEHICLE AND EQUIPMENT

NELSON AND SMALL PARCEL (4.17 ACRES±)

LEASED SPACE

DPS TRAFFIC STORAGE

SUPERVISOR OFFICE

SIGNS

TRADES & TRAFFIC

LOCKER ROOM

BATHROOM

LOCKER ROOM

BREAK ROOM

LEASED SPACE (FUTURE RECREATION AND FACILITIES OFFICES AND POTENTIAL EOC)

LEASED SPACE

EXISTING BUILDING
16,423 S.F. (OFFICE)
60,363 S.F. (OTHER)
INCLUDES 2ND FLOOR
FFE=81.3±

LEASED SPACE (FUTURE BALLFIELDS EQUIPMENT STORAGE)

FIRE DEPARTMENT STORAGE

STORAGE AREA

15 SPACES

3 TRUCK SPACES

2 TRUCK SPACES

FUTURE FUEL ISLAND

SELTZER AND RYDHOLM PARCEL (5.10 ACRES±)

6 SPACES

5 SPACES

DPS OFFICE

DPS OPERATIONS

EXISTING BUILDING
63,780± S.F.
FFE=86.6±

FUTURE FLEET MAINTENANCE ADDITION
80'x155'
13,000 S.F.

14 SPACES

ACCESS EASEMENT TO J.B. BROWN

J.B. BROWN PARCEL

POTENTIAL LAND SWAP AREA TO BE CONVEYED TO THE CITY OF PORTLAND FROM J.B. BROWN (1.95 ACRES±)

GRAPHIC SCALE
30 0 15 30 60 120
(IN FEET)
1 inch = 30 ft.

PROGRESS PRINT

NOT FOR CONSTRUCTION

P.L.S. OR P.E.

P.L.S. OR P.E.

DESIGNED	CHECKED
BRF	OAM

B	OAM	06-25-15 ISSUED FOR CONCEPT PLAN REVIEW
A	OAM	05-19-15 ISSUED FOR CONCEPT PLAN REVIEW
REV.	BY	DATE

THIS PLAN SHALL NOT BE ALTERED WITHOUT WRITTEN PERMISSION FROM SEBAGO TECHNICS, INC., ANY ALTERATIONS, AUTHORIZED OR OTHERWISE, SHALL BE AT THE USERS SOLE RISK AND WITHOUT LIABILITY TO SEBAGO TECHNICS, INC.

SEBAGO TECHNICS, INC.
ENGINEERS & SCIENTISTS
WWW.SEBAGOTECHNICS.COM
75 John Roberts Rd. Suite 1A South Portland, ME 04106 Tel. 207-200-2100
250 Goddard Rd. Suite B Lewiston, ME 04240 Tel. 207-783-5656

CONCEPTUAL SITE DEVELOPMENT PLAN
OF:
PORTLAND PUBLIC SERVICES
CANCO ROAD
PORTLAND, MAINE
FOR:
CITY OF PORTLAND
389 CONGRESS STREET
PORTLAND, ME 04101

PROJECT NO.	SCALE
15056	1"=30'

SHEET 1 OF 1

15056SK-4.dwg, 1/62.31

Portland, Maine Yes. Life's good here.

Economic Development Department
Gregory A. Mitchell, Director

MEMORANDUM

TO: Chairman Donoghue and Members of the Housing and Community Development Committee

FROM: Greg Mitchell, Economic Development Director

DATE: July 2, 2015

SUBJECT: Recommendation to the City Council for Approval on the following:

A. Approving Addendum 1 to the Purchase and Sale Agreement with Patrons Oxford Insurance Company for Portland Technology Park Unit 4;
B. Authorizing Patrons Oxford Insurance Company, Under Addendum 1, to Extend Technology Park Drive to Unit 4 in the Portland Technology Park.
C. Appropriating Revenue from the Sale of Unit 4 at the Portland Technology Park.

I. SUMMARY OF ISSUE

The attached proposed Addendum 1 to the Purchase and Sale Agreement (Attachment 2) is to sell Unit 4, instead of Unit 1, located in the City-owned and developed Portland Technology Park (PTP), to Patrons Oxford Insurance Company for $365,000. It is noted that the Council previously approved entering into a Purchase and Sale on January 5, 2015 for the Sale of Unit 1 for $625,000. The reason for the change from Unit 1 to Unit 4 is to accommodate Patrons Oxford's Project and provide the company a higher visibility site from Interstate 95. Units 2 and 3 are not large enough to accommodate this Project. Also, it is noted that PTP road and utility extensions of approximately one hundred (100) feet are needed to access Unit 4. Patrons Oxford is willing to take on responsibility to extend Technology Park Drive and utilities. The cost of that extension is estimated to be $215,000, based upon Woodard and Curran estimates for engineering and construction. The proposed public-private partnership is to provide Patrons Oxford a fixed credit against the sale price to take on this responsibility. The difference between Unit 4 sale price and the road/utility extension credit of $215,000 is $150,000.

A financial overview of the Portland Technology Park is attached (Attachment 1) to this memorandum.

Patrons Oxford Insurance Company Profile. The company is currently located in Auburn, Maine in close proximity to Maine Turnpike Exit 75 with over forty (40) employees. Patrons Oxford is planning to construct a new 20,000 square foot building, with future expansion plans, to relocate their

company to the PTP in 2016. Their decision timeframe is to have a roof on the new building by the end of 2015.

II. REASON FOR SUBMISSION

City Council Committee action (in the form of a recommendation to the City Council) and City Council action is needed to:

A) Approve Addendum 1 to the City of Portland and Patrons Oxford Purchase and Sale Agreement;

B) Authorize Patrons Oxford, under Addendum 1, to construct the extension of Technology Park Drive and utilities to access Unit 4, under the City's supervision, and authorize the cost of the extension to be reflected in a reduction in the sales price of Unit 4; and,

C) Authorize the appropriation of funds from the sale of Unit 4 for the purposes of installing natural gas lines to the PTP, extending electricity down Technology Park Drive from Rand Road, revising the Subdivision Plat, modifying PTP permits and payment of legal fees.

III. INTENDED RESULT

City Council approval of proposed Addendum 1 to Purchase and Sale Agreement will result in the first sale of property in the PTP. The net funds from the sale of Unit 4 will cover the cost of bringing natural gas and electricity into the PTP and other expenses associated with preparing this business park for occupancy.

IV. COUNCIL GOAL ADDRESSED

Promote economic development in the City in a manner that provides for increased property values, diversification across industry sectors, and high paying jobs.

V. FINANCIAL IMPACT

Sale of Unit 4 for $365,000 minus the PTP road/utility credit of $215,000 along with the commercial broker fee of $30,000, will net the City $120,000. Payment of this fee would be to a Boulos commercial broker who has been involved in this transaction from day one. It is noted that City staff, under the direction of the HCDC, selected NAI The Dunham Group as the commercial brokers for PTP Units 1, 2 and 3 under a seven (7) percent broker commission.

VI. STAFF ANALYSIS

The purchase of Unit 4 by Patrons Oxford Insurance would be the first sale at the Portland Technology Park, initially bringing 40 jobs to the City and providing an anchor that would encourage future sales. The sale price of $365,000 for Unit 4 (1.46 acres) is on the high end of fair market value for this property at $250,000 an acre.

City staff has confidence in the $215,000 estimate, which includes Woodard and Curran's cost estimate for the PTP one hundred foot road/utility extension ($207,500) plus $7,500 for the electric

line extension and tree removal. Patrons Oxford has agreed to take on all of these costs for a fixed price of $215,000.

VII. RECOMMENDATION

Staff recommends the HCDC vote to approve (in the form of a recommendation) Addendum 1 in substantial conformance as attached.

Action on the financial appropriation of PTP property sale proceeds will be presented to the Finance Committee on July 23rd for their approval (in the form of a recommendation) and then to the City Council for a first reading on July 20th and a second reading on August 3rd.

VIII. LIST ATTACHMENTS

- Attachment 1: Financial Overview of Portland Technology Park
- Attachment 2: Addendum 1 to Purchase and Sale Agreement
    - Exhibit A: Amended Subdivision Plat
    - Exhibit B: Unit 4 site location
    - Exhibit C: Patrons Oxford Proposed Project Site Plan
- Attachment 3: Purchase and Sale Agreement Dated March 19, 2015
- Attachment 4: Extension to Purchase and Sale Agreement
- Attachment 5: Second Extension to Purchase and Sale Agreement

ATTACHMENT 1

Financial Overview of Portland Technology Park Project as of July 2, 2015

COSTS TO DATE

Development

The Portland Technology Park (PTP) is a fully permitted condominium business park developed by the City. Phase I of the project was completed, with a 975 foot road and utilities opening up three development sites (Units 1-3). Engineering and permitting for the entire project (Phases I and II) along with construction of Phase I was financed with a grant from the Economic Development Administration (EDA) of $624,000 and matched 1:1 by the City. Portland's total local investment in the PTP, to date, has been $712,000. That amount is greater than the EDA match because some of the utility expenses and pre-grant design/engineering work were not eligible for federal matching funds. The Portland Development Corporation (PDC) approved UDAG funds to cover the gap. The PDC oversees the use of UDAG funds for loans and other economic development purposes.

Land Acquisition

Acquisition by the City of 40 acres of land on Rand Road was $1.47 million. The City Council voted to rezone 14 of those acres to Resource Protection for conservation as forested open space. Just 26 acres were zoned Office Park (OP) for development. The acquisition cost of those developable acres was $956,000.

FUTURE INVESTMENT

Proposed Sale of Unit 4

The proceeds of $365,000 from the sale of Unit 4 to Patrons Oxford Insurance Company, minus the PTP road/utility credit of $215,000 to extend the road and utilities 100 feet, along with the broker fee of $30,000, will net the City $120,000. Appropriation of that $120,000 will cover the remaining costs to prepare the PTP for occupany, including the cost of installing a natural gas line from the main on Westbrook Street to the PTP, extending electricity down Technology Park Drive, revising the Subdivision Plat, modifying PTP permits and payment of legal fees. This would represent City investment of $365,000.

Future Completion Of Phase II

In the future, the estimated cost to complete Phase II (opening up units 5-7 for development) of the PTP will be about $660,000. Assuming that Portland will be able to access grant matching funds from EDA, the cost to the City would be about $340,000. Therefore, development of the PTP once completed, including Phase II, will require an investment from Portland of $2.4 million, which includes the acquisition cost of almost $1 million. With federal grant funds associated with Phases I and II, the total cost for acquisition and development of the PTP would be about $3.3 million.

PTP RETURN TO CITY

Natural Gas Usage Reimbursements

Relative to the Unitil tariff, given that the City will have paid for the cost of bringing natural gas to the PTP, over the first 5 years that gas is available as gas users come on line, during their first 12 months of service if their usage is high enough (based on a net present value analysis), Unitil will return a portion of the proceeds to the City. For example, if the analysis yields $13,000, minus the cost of the hookup from the road to their building (e.g., $4,000), the return to the City would be $9,000. Should four users come on line at the PTP over the next 5 years, it could yield as much as $30,000 in funds reimbursed to the City. The City's investment in bringing natural gas to the PTP will total about $100,000, some of which was invested during Phase I.

Note: Extending the natural gas line to the PTP (from the main onWestbrook Street) brings natural gas service closer to the Pine Tree Industrial Park tenants, some of which have expressed interest in using natural gas, which is currently not available to them.

Real Estate Taxes.

The real estate taxes associated with the 20,000 square foot building proposed for Unit 4, are estimated to be $60,000 per year. When Units 1-3 are sold and buildings are constructed on them, in addition to Unit 4, a total of about $180,000 in real estate taxes will be generated annually. In the future, once Phase II of the road is completed and units 5-7 are sold and buildings are constructed, annual real estate taxes from the Technology Park will generate close to $300,000 annually.

Jobs

Patrons Oxford will bring 40 jobs to the City of Portland with expections of growth within the first 1-2 years. Among the reasons that the company wants to move to Portland is to access Portland's educated labor pool.

At full buildout, the PTP has the potential to generate over 250 quality jobs that pay good salaries. These employees are likely to purchase products and services in the City of Portland, and, for some, an investment in home ownership and resulting City real estate taxes.

Future Sales of Other Units

NAI The Dunham Group is the real estate broker for the sale of Units 1, 2 and 3 at the PTP. Based on the listed purchase price of these units, their sale would generate close to $1 million. Once Phase II of the PTP is constructed, opening up development of Units 5-7, their sale would generate another $900,000 for the City.

Table Format on Financials

The table on the following page provides a quick reference on sources and uses for Phase I, including a City return on investment analysis.

Sources and Uses – Portland Technology Park - Phase I Only (as of 7/1/15)

Costs

	City	Federal Grant (Phase I)
Real Estate Acquisition (26 acres)	$ 956,000	
Public Infrastructure Costs (975 feet of road and utility extensions for Phase I)	$ 712,000	$ 624,000
Subtotal	$1,668,000	$ 624,000
Road Extension (100 additional feet) plus utilities (CMP, Water, Sewer, Telecommunications duct work)	$ 365,000	
Grand Total	$2,033,000	$ 624,000

Return on Investment

Units 1,2 3 Sales (One-time estimate)	$1,000,000
Taxes (Annual) - Unit 4 (Patrons Oxford) - Units 1, 2, and 3 (Estimate)	 $ 60,000 $ 120,000
Subtotal on taxes	$ 180,000

Analysis

Total Cost to City	$2,033,000
Units 1, 2 ,3 Sales	$1,000,000
Net Total Cost to City	$1,033,000

$1,033,000 (net total cost to the city) /$180,000 (estimated property taxes associated with developed Lots 1,2,3 &4) = Depending upon the timing for development of Lots 1,2,3 & 4, City direct financial payback would be greater than seven years for financial return on investment to the breakeven point. This analysis does not factor into local spending associated with the PTP employment wage compensation. Further, this analysis does not factor in Phase II development expense or sales revenue from lots 5, 6, and 7.

Addendum 1 to Purchase and Sale Agreement

This Addendum 1 to Purchase and Sale Agreement ("Addendum 1") dated as of July ___, 2015, supplements and amends that certain Purchase and Sale Agreement dated March 19, 2015 by and between Patrons Oxford Insurance Company, as Buyer, and the City of Portland, as Seller, as amended by that certain Extension to Purchase and Sale Agreement dated April 29, 2015 and that certain Second Extension to Purchase and Sale Agreement dated June 7, 2015 (collectively, the "Agreement") to which Agreement this Addendum 1 is attached and incorporated therein by reference. In the event that any provision in this Addendum 1 shall conflict in whole or in part with any of the terms contained in the Agreement, the provisions of this Addendum 1 shall control and any conflicting terms of the Agreement are hereby considered amended and revised hereby:

1) The first two recitals in the main body of the Agreement are hereby deleted in their entirety and replaced with the following:

WHEREAS, Seller owns a parcel of land located at the Portland Technology Park, City of Portland, County of Cumberland, State of Maine, being known as Unit 4 and LCE #4 on that certain Subdivision Plat of Portland Technology Park Condominium, Rand Road, Portland, Maine dated September 29, 2011 and last revised on May 1, 2015, prepared by SGC Engineering, LLC for the City of Portland – Declarant, approved by the City of Portland Planning Board on March 10, 2015 and recorded in the Cumberland County Registry of Deeds on June 19, 2015 in Book 215, Page 250 (the "Plan," a copy of which is attached hereto as Exhibit A) and being further described as Unit 4 of the condominium known as the Portland Technology Park Condominium of which the Seller is the declarant as described in that certain Declaration of Condominium for the Portland Technology Park to be recorded in the Cumberland County Registry of Deeds (the "Declaration of Condominium"), together with all improvements, fixtures and rights appurtenant thereto, all as more particularly shown and depicted as the cross-hatched lot on the Condominium Plat of Portland Technology Park Condominium dated September 29, 2011 and last revised on March 17, 2014, prepared by SGC Engineering, LLC for the City of Portland – Declarant shown on Exhibit B attached hereto and made part hereof (the "Condominium Plat"). Title reference is made to a deed from Simon A. Snyder et alia to the City of Portland dated December 7, 1999 and recorded in the Cumberland County Registry of Deeds, Book 15211, Page 31; and

WHEREAS, at Buyer's request, and subject to approval by the Portland Planning Board, Seller intends to make amendments to the Plan and the Condominium Plat including adjusting the boundaries of Unit #4, LCE #4, and Easement Area 1 as generally depicted on the Proposed Site Plan , which is attached hereto as Exhibit C and made a part hereof, in order to accommodate Buyer's planned development of Unit #4 and LCE #4 (Unit #4 and LCE #4 as amended and generally depicted on Exhibit C are referred to collectively as the "Property"); and

WHEREAS, subject to approval by the Portland Planning Board of amendments to the Plan and the Condominium Plat adjusting the boundaries of Unit #4, LCE #4, and Easement Area 1 in substantially the manner depicted on Exhibit C, Seller intends to sell and Buyer desires to acquire the Property.

It is therefore the intent hereof that all previous references in the Agreement to Unit 1 and LCE #1 are hereby deleted and replaced with references to Unit 4 and LCE #4. It is further the intent hereof that the new Exhibit A and Exhibit B attached hereto shall replace the original such Exhibits attached to the main body of the Agreement.

2) Section 2 of the main body of the Agreement is hereby deleted in its entirety and replaced with the following:

The consideration for the property shall be One Hundred Fifty Thousand Dollars ($150,000.00) (the "Purchase Price") payable as follows:

(a) A deposit of Twenty Thousand Dollars ($20,000.00) has been paid by Buyer and will continue to be held by Buyer's agent, Andrew Ingalls of CBRE The Boulos Company, until closing and applied to the Purchase Price (or, if applicable, until returned to Buyer pursuant to this Agreement) (the "Deposit"); and

(b) The Purchase Price, less the Deposit, to be paid by Buyer to Seller at closing by wire transfer, certified check or bank cashier's check, subject to the adjustments provided for in this Agreement.

This is a cash purchase and no financing is required.

3) Section 8 of the main body of the Agreement is hereby deleted in its entirety and replaced with the following:

The sale price of $150,000 has been discounted by a fixed amount of $215,000, which represents the Buyer's cost of extending to the Property the public road and utilities located in Easement Area 1, per Section 4 of this Addendum. The closing of this transaction shall take place on or before that date which is ninety (90) days after the date of full execution of this Addendum 1, at the offices of Bernstein Shur, 100 Middle Street, Portland, Maine. Time is of the essence of this Agreement.

4) Section 10(b) of the main body of the Agreement is hereby deleted in its entirety and replaced with the following:

Seller shall, at its sole cost and expense, complete any and all additional work necessary to finalize the Declaration of Condominium in order to convey the Property and to delineate the boundaries of the same, which conveyance and delineation shall ensure that the Property is a conforming and approved lot under the City of Portland's zoning and land use laws, ordinances and regulations and not in violation of the State of Maine's subdivision laws, including, but not limited to, M.R.S.A. 30-A § 4401. In addition, Seller shall, at its sole cost and expense, obtain final, unappealable approval from the Portland Planning Department or Board, as may be required, for the amendments to the Plan and the Condominium Plat including adjustments to the boundaries of Unit #4, LCE #4, and Easement Area 1 as generally depicted on said Exhibit C, in order to accommodate Buyer's planned development of the Property.

5) The following new Section 18 is hereby added to the Agreement:

18. **Extension of Right-of-Way and Utilities.** Upon Buyer's closing on the purchase of the Property pursuant to this Agreement, the Seller hereby agrees and acknowledges that Buyer shall have the obligation, at its sole cost and expense, to design and construct an extension of the existing right-of-way and utilities (including water, sewer, electricity, and telecommunications) within the Condominium (which right-of-way is known as Easement Area 1 and is shown on the Plan) from its current terminus at the end of the so-called "Phase 1" (as shown on the Plan) for an additional one hundred feet (100') to the first entrance to the Property, all as generally depicted and described on Exhibit C (the 100' section of said right-of-way and the associated utility facilities are referred to herein collectively as the "New Road"). Prior to commencing its construction of the New Road, Buyer shall first obtain Seller's written approval for the final plans and specifications for such improvements, which approval shall not be unreasonably withheld, conditioned or delayed. The construction of the New Road shall be completed by Buyer's contractors in a good workmanlike manner and in accordance with all applicable federal, state, and local laws, rules, regulations, and ordinances. In order to ensure that Buyer is able to complete such construction and extension of the New Road pursuant to this Section 18, Seller hereby agrees to cooperate with Buyer at all times and to deliver, and if applicable and where appropriate, to assign, to Buyer and Buyer's contractor any information, reports, permits, approvals, or other due diligence materials in its possession which will reasonably assist Buyer and Buyer's contractors in the completion of the work described in this Section 18. In addition, if and when required, the Seller shall grant to Buyer any necessary easements or licenses which may be required by Buyer in order complete such construction and extension of said right-of-way and/or obtain the necessary permits and approvals in connection with the same. Any such easements and licenses shall be in a form satisfactory to the Seller. The terms and conditions of this Section 18 shall expressly survive the closing on the purchase of the Property pursuant to this Agreement.

6) The following new Section 19 is hereby added to the Agreement:

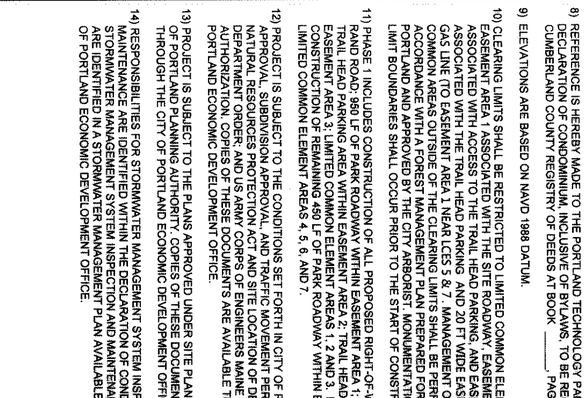
19. **Right of Seller to Repurchase Property**. If construction of the New Road is not completed, pursuant to the terms and conditions of this Agreement, within 18 months after the closing date, the Seller shall have the right, but not the obligation to repurchase the Property at the Purchase Price. This option to repurchase shall survive the closing on the purchase of the Property pursuant to this Agreement, shall be included in Seller's deed to Buyer, and shall run with the land.

7) Except as specifically modified hereby, all other terms and conditions of the Agreement remain in full force and effect.

SELLER	BUYER
City of Portland	Patrons Oxford Insurance Company
By: _____	By: _____
Name: Date	Name: Mark A. Pettingill Date
Title:	Title: President

EXHIBIT A

VICINITY MAP: (NOT TO SCALE)



GENERAL NOTES:

1) THIS PLAN AND ALL WORK ASSOCIATED WITH IT WAS PERFORMED BY SGC ENGINEERING, LLC PURSUANT TO A PROFESSIONAL SERVICES CONTRACT BETWEEN WOODARD & CURRAN, INC. AND SGC ENGINEERING LLC. DATED SEPTEMBER 8, 2010 AND SIGNED MARCH 14, 2011.

2) REFERENCE DEED FOR THE LOCUS PARCEL IS SIMON A. SNYDER, JASON A. SNYDER, RONALD A. BARRIS, TRUSTEE OF THE THERESE BARRIS MARITAL TRUST, CYNTHIA B. BAKER, TRUSTEE OF THE THEODORE BARRIS TRUST, RONALD A. BARRIS AND CYNTHIA B. BAKER, CO-TRUSTEES OF THE BARRIS FAMILY TRUST TO SGC ENGINEERING, LLC DATED DECEMBER 7, 1999 AND RECORDED IN DEED BOOK 16211, PAGE 031 AT THE CUMBERLAND COUNTY REGISTRY OF DEEDS.

3) THE BEARINGS SHOWN HEREON ARE REFER TO GRID NORTH AND ARE BASED ON PLAN REFERRED TO UNDER MAP REFERENCES, NOTE 1.

4) THE LOCUS PARCEL IS DEPICTED AS LOTS 1 & 2 IN BLOCK A ASSESSORS MAP 248 ABUTTING PROPERTY OWNER INFORMATION REFERENCED HEREON WAS TAKEN FROM THE CITY OF PORTLAND ASSESSOR'S DATA AS OF THE DATE OF THIS PLAN.

5) RAND ROAD IS A PUBLIC HIGHWAY, THE SIDELINE LOCATIONS ARE BASED ON THE PLAN REFERENCED UNDER NOTE 1 OF MAP REFERENCES BELOW AND MAINE TURNPIKE AUTHORITY PLANS ON FILE AT THE OFFICES FOR THE MAINE TURNPIKE AUTHORITY.

6) NO SUBSURFACE INVESTIGATION HAS BEEN PERFORMED BY SGC ENGINEERING, LLC. DIG-SAFE SHOULD BE CONTACTED PRIOR TO COMMENCING ANY EXCAVATION. (888-344-7233).

7) THE BOUNDARY INFORMATION ON THIS PLAN IS BASED ON THE PLAN REFERENCED UNDER NOTE 1 OF MAP REFERENCES. SGC ENGINEERING FIELD CREWS COMPLETED A SURVEY OF THE PIPELINE LOCATIONS WITHIN THE PORTLAND PIPELINE COMPANY EASEMENT AND EXISTING MONUMENTATION FOUND AND SET BY PREVIOUS SURVEY COMPLETED BY LAND SERVICES, INC. FOR THE PURPOSE OF VERIFYING THEIR EXISTENCE AND TO OVERLAY DESIGN INFORMATION WITHIN BOUNDARIES DETERMINED BY LAND SERVICES, INC. SGC ENGINEERING DID NOT CONFIRM PERIMETER BOUNDARIES BEYOND LOCATION OF MONUMENTATION.

8) REFERENCE IS HEREBY MADE TO THE PORTLAND TECHNOLOGY PARK CONDOMINIUM DECLARATION OF CONDOMINIUM, INCLUSIVE OF BY-LAWS, TO BE RECORDED IN THE CUMBERLAND COUNTY REGISTRY OF DEEDS AT BOOK _____, PAGE _____.

9) ELEVATIONS ARE BASED ON NAVD 1988 DATUM.

10) CLEARING LIMITS SHALL BE RESTRICTED TO LIMITED COMMON ELEMENT AREAS. EASEMENT AREA 1 ASSOCIATED WITH THE SITE ROADWAY, EASEMENT AREA 2 ASSOCIATED WITH ACCESS TO THE TRAIL HEAD PARKING, AND EASEMENT AREA 3 ASSOCIATED WITH THE TRAIL HEAD PARKING AND 20 FT WIDE EASEMENT AREA FOR THE GAS LINE (TO EASEMENT AREA 1 NEAR LCES 5 & 7. MANAGEMENT OF THE FORESTED COMMON AREAS OUTSIDE OF THE CLEARING LIMITS PREPARED FOR THE CITY OF PORTLAND BY SGC ENGINEERING, LLC. IN ACCORDANCE WITH APPROVED BY THE CITY ARBORIST. MONUMENTATION OF THE CLEARING LIMIT BOUNDARIES SHALL OCCUR PRIOR TO THE START OF CONSTRUCTION.

11) PHASE 1 INCLUDES CONSTRUCTION OF ALL PROPOSED RIGHT-OF-WAY IMPROVEMENTS IN RAND ROAD; 950 LF OF PARK ROADWAY WITHIN EASEMENT AREA 1; TEMPORARY GRAVEL TRAIL HEAD PARKING AREA WITHIN EASEMENT AREA 2; TRAIL HEAD PARKING AREA WITHIN EASEMENT AREA 3; LIMITED COMMON ELEMENT AREAS 1, 2 AND 3. PHASE 2 INCLUDES CONSTRUCTION OF REMAINING 480 LF OF PARK ROADWAY WITHIN EASEMENT AREA 1 AND LIMITED COMMON ELEMENT AREAS 4, 5, 6, AND 7.

12) PROJECT IS SUBJECT TO THE CONDITIONS SET FORTH IN CITY OF PORTLAND SITE PLAN APPROVAL, SUBDIVISION APPROVAL, AND TRAFFIC MOVEMENT PERMIT. ARMY CORPS OF ENGINEERS NATURAL RESOURCES AND U.S ARMY CORPS OF ENGINEERS MAINE GENERAL PERMIT AUTHORIZATION FOR THESE DOCUMENTS ARE AVAILABLE THROUGH THE CITY OF PORTLAND ECONOMIC DEVELOPMENT OFFICE.

13) PROJECT IS SUBJECT TO THE PLANS APPROVED UNDER SITE PLAN REVIEW BY THE CITY OF PORTLAND PLANNING AUTHORITY. COPIES OF THESE DOCUMENTS ARE AVAILABLE THROUGH THE CITY OF PORTLAND ECONOMIC DEVELOPMENT OFFICE.

14) RESPONSIBILITIES FOR STORMWATER MANAGEMENT SYSTEM INSPECTIONS AND MAINTENANCE ARE IDENTIFIED WITHIN THE DECLARATION OF CONDOMINIUM. STORMWATER MANAGEMENT SYSTEM INSPECTION AND MAINTENANCE REQUIREMENTS ARE IDENTIFIED IN A STORMWATER MANAGEMENT SYSTEM MAINTENANCE PLAN AVAILABLE THROUGH THE CITY OF PORTLAND ECONOMIC DEVELOPMENT OFFICE.

MAP REFERENCES:

1) A PLAN ENTITLED "PLAN OF STANDARD BOUNDARY SURVEY, PROPERTY OF THE CITY OF PORTLAND, WESTBROOK STREET, PORTLAND, MAINE" DATED OCT. 1997 AND LAST REVISED OCT. 23, 2002, PREPARED BY LAND SERVICES INC.

LEGEND: LINETYPES & HATCH PATTERN

ADJACENT LOT LINE
ADJACENT R.O.W. LINE
LOCUS BOUNDARY LINE
OLD TRACT LINE
EASEMENT LINE
CONTROLLED ACCESS
OVERHEAD ELECTRIC LINE
SANITARY SEWER LINE
LIMITED COMMON ELEMENT YARD LIMIT
UNIT

LEGEND: POINT TYPES & SYMBOLS

CONCRETE BOUND
GRANITE BOUND TO BE SET
PIPE
REBAR
SOLID SMOOTH ROD
RAILROAD SPIKE
HANDICAPPED SYMBOL
UTILITY POLE
SQUARE CATCH BASIN
ROUND CATCH BASIN
DRAIN MANHOLE
LIMITED COMMON ELEMENT
SINGLE POST SIGN
ELECTRIC MANHOLE
LIGHT POST
GAS VALVE
GAS VENT PIPE
SEWER MANHOLE
HYDRANT
WATER MANHOLE
WATER SHUT-OFF
WATER VALVE
DECIDUOUS TREE
L.C.E.

GRAPHIC SCALE: 1" = 100'

100 50 0 100 200 300

EASEMENT AREA 1

CURVE	RADIUS	LENGTH	BEARING	CHORD DIST.
C1	250.00	30.49	S65°16'18"W	30.47
C2	74.58	64.22	N39°39'58"W	62.25
C3	170.00	56.12	N14°13'36"E	55.87
C4	1180.00	60.59	N85°30'52"E	60.58

LINE	LENGTH	BEARING
L1	20.97	S35°54'43"E
L2	35.12	N24°30'45"W
L3	19.39	S14°11'32"W
L4	2.94	N15°00'00"W
L5	23.23	N32°26'19"E

EASEMENT AREA 2

CURVE	RADIUS	LENGTH	BEARING	CHORD DIST.
C5	76.54	37.59	S43°48'45"E	37.21
C6	74.00	77.50	S39°44'51"E	74.00
C7	114.00	119.39	N59°44'51"W	114.01
C8	20.00	8.26	N41°34'56"W	8.21

LINE	LENGTH	BEARING
L6	48.58	S29°44'44"E
L7	40.00	S60°08'40"E
L8	59.04	N29°44'44"W

CERTAIN PLANNING BOARD CONDITIONS OF SUBDIVISION APPROVAL

iv.) THIS APPROVAL ENTITLES THE APPLICANT AND FUTURE DEVELOPERS OF THE OFFICE PARK UNITS TO DEVELOP THE MAXIMUM NUMBER AND SIZE OF PARKING SPACES AS SHOWN ON THE SUBDIVISION PLAT AND OVERALL SITE PLAN SUBJECT TO PROVIDING CONFIRMATION OF THE NEED FOR THESE SPACES AND SPACE DIMENSIONS (VIA A PARKING ANALYSIS) AT THE TIME THAT THE UNIT IS UNDER SITE PLAN REVIEW; AND

v.) THAT THE CONDOMINIUM ASSOCIATION SHALL DEVELOP AND MAINTAIN A TRANSPORTATION DEMAND MANAGEMENT PLAN ACCEPTABLE TO THE PLANNING AUTHORITY, REVIEW AS PART OF THE INITIAL AND SUBSEQUENT SITE PLAN APPROVALS FOR EACH BUILDING UNIT WITHIN THE LIMITED COMMON ELEMENT AREAS; AND

vi.) THAT THE DEVELOPMENT OF LIMITED COMMON ELEMENT AREAS AND UNITS IS SUBJECT TO REVIEW AND APPROVAL BY THE CITY OF PORTLAND PLANNING AUTHORITY FOR CONFORMANCE WITH THE PORTLAND TECHNOLOGY PARK DESIGN GUIDELINES AND OF PORTLAND CODE OF ORDINANCES, CHAPTER 14 LAND USE, ARTICLE V. SITE PLAN BUILDING ARCHITECTURE, SITE LANDSCAPING, SITE PEDESTRIAN CIRCULATION, BICYCLE PARKING, LAMP SPECIFICATIONS AND SIGNAGE AND ANY CHANGES OR ALTERATIONS TO APPROVED TRAFFIC, PARKING, ACCESS, UTILITY, EXTERIOR LIGHTING, TREE PRESERVATION AND STORMWATER FEATURES; AND

vii.) THE CLEARING LIMITS SHALL BE RESTRICTED TO LIMITED COMMON ELEMENT (LCE) AREAS, EASEMENT AREA 1 ASSOCIATED WITH THE SITE ROADWAY, EASEMENT AREA 2 ASSOCIATED WITH ACCESS TO THE TRAIL HEAD PARKING, AND EASEMENT AREA 3 ASSOCIATED WITH THE TRAIL HEAD PARKING, AND THE 20 FT WIDE EASEMENT AREA FOR THE GAS LINE (TO EASEMENT AREA 1 NEAR LCES 5 & 7); AND

viii.) THAT THE APPLICANT AND ALL ASSIGNS SHALL COMPLY WITH THE CONDITIONS OF CHAPTER 32 STORMWATER INCLUDING ARTICLE III. POST-CONSTRUCTION STORMWATER MANAGEMENT, WHICH SPECIFIES THE ANNUAL INSPECTIONS AND REPORTING REQUIREMENTS. THE DEVELOPER/CONTRACTOR/SUBCONTRACTOR MUST COMPLY WITH CONDITIONS OF THE CONSTRUCTION STORMWATER MANAGEMENT PLAN AND SEDIMENT & EROSION CONTROL PLAN BASED ON CITY STANDARDS AND STATE GUIDELINES. AND

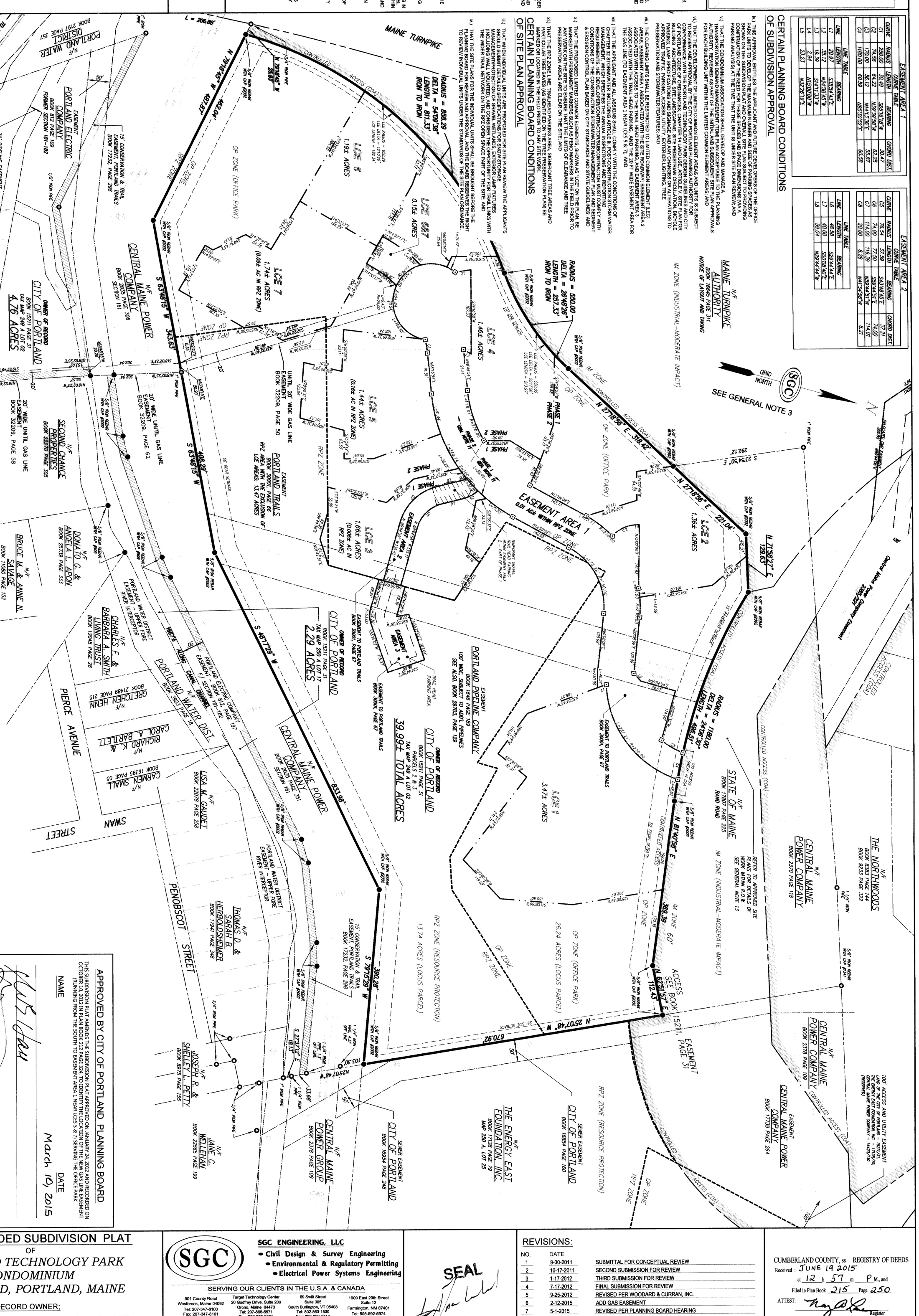
ix.) THAT THE PROPOSED LIMITED COMMON ELEMENTS SHOWN AS "LCE" ON THE PLAN SHALL BE MARKED WITH PERMANENT MONUMENTATION SUCH AS TENO MARKERS IN THE FIELD PRIOR TO THE START OF CONSTRUCTION TO ENSURE THAT THE LIMITS OF CLEARANCE AND TREE PRESERVATION AREAS ARE CLEAR ON THE SITE; AND

x.) THAT THE RPZ ZONE, TRAIL-HEAD PARKING AREA, SIGNIFICANT TREE AREA AND PARTICULAR TREE SAVES (AS IDENTIFIED ON THE TREE PRESERVATION PLAN) BE MARKED OR LOCATED IN THE FIELD PRIOR TO ANY SITE WORK.

CERTAIN PLANNING BOARD CONDITIONS OF SITE PLAN APPROVAL

iii.) THAT WHEN INDIVIDUAL UNITS ARE PROPOSED FOR SITE PLAN REVIEW THE APPLICANTS SHOULD SUBMIT DETAILED SPECIFICATIONS FOR SNOW STORAGE MANAGEMENT/PROTECTION OF GRAVEL WETLANDS, EXTERIOR LAMP FIXTURES (INCLUDING WALL MOUNTED), AND CONSIDER THE OPPORTUNITY FOR TRAIL LINKS WITH THE WIDER TRAIL NETWORK ON THE RPZ OPEN SPACE PART OF THE SITE; AND

iv.) THAT THE SITE PLANS FOR THE INDIVIDUAL UNITS SHALL BE BROUGHT BEFORE THE PLANNING BOARD FOR REVIEW AND APPROVAL AND THE BOARD RESERVES THE RIGHT TO REVIEW INDIVIDUAL UNITS UNDER THE STANDARDS OF THE SITE PLAN ORDINANCE



SIDEWALK WAIVER

THE PLANNING BOARD VOTED 5-1 (LOWRY RECUSED; LEWIS OPPOSED) THAT THE FOLLOWING CRITERIA DO APPLY, AND THEREFORE WAIVES THE REQUIREMENT FOR A SIDEWALK ALONG THE FRONTAGE OF THE PORTLAND TECHNOLOGY PARK SITE WITH THE CONDITION THAT THE PROVISION OF THE INTERNAL SIDEWALK AND THE PATH ON THE NORTH SIDE OF RAND ROAD BEING CONSTRUCTED AS PART OF PHASE 1 OF THE DEVELOPMENT:

C.) A SAFE ALTERNATIVE-WALKING ROUTE IS REASONABLY AVAILABLE. FOR EXAMPLE, BY WAY OF A SIDEWALK ON THE OTHER SIDE OF THE STREET;

D.) STRICT ADHERENCE TO THE SIDEWALK REQUIREMENT WOULD RESULT IN THE LOSS OF SIGNIFICANT SITE FEATURES RELATED TO LANDSCAPING OR TOPOGRAPHY THAT ARE DEEMED TO BE OF A GREATER PUBLIC VALUE.

APPROVED BY CITY OF PORTLAND PLANNING BOARD

THIS SUBDIVISION PLAT AMENDS THE SUBDIVISION PLAT APPROVED ON JANUARY 24, 2012 AND RECORDED ON OCTOBER 10, 2012 IN PLAN BOOK 212 PAGE 324 TO IDENTIFY THE LOCATION OF THE NEW GAS LINE EASEMENT (RUNNING FROM THE SOUTH TO EASEMENT AREA 1 NEAR LCES 5 & 7) SERVING THE OFFICE PARK.

NAME

DATE March 10, 2015

FIRST AMENDED SUBDIVISION PLAT

OF

PORTLAND TECHNOLOGY PARK CONDOMINIUM
RAND ROAD, PORTLAND, MAINE

RECORD OWNER;

CITY OF PORTLAND - DECLARANT

389 CONGRESS STREET, PORTLAND, MAINE

SGC ENGINEERING, LLC
• Civil Design & Survey Engineering
• Environmental & Regulatory Permitting
• Electrical Power Systems Engineering

SERVING OUR CLIENTS IN THE U.S.A. & CANADA

501 County Road, Westbrook, Maine 04092, Tel: 207-347-8100, Fax: 207-347-8101
Target Technology Center, 20 Godfrey Drive, Suite 200, Orono, Maine 04473, Tel: 207-866-6571, Fax: 207-866-6501
69 Swift Street, Suite 305, South Burlington, VT 05403, Tel: 802-863-1530, Fax: 802-862-1718
1909 East 20th Street, Suite 12, Farmington, NM 87401, Tel: 505-592-8974

DATE: 09-29-11
SCALE: 1" = 100'
CALC: DED
DRAWN: DED
CHECK: XXX
PROJECT: 695001
FILE: BND-695001 (r1)
SHEET 1 OF 1

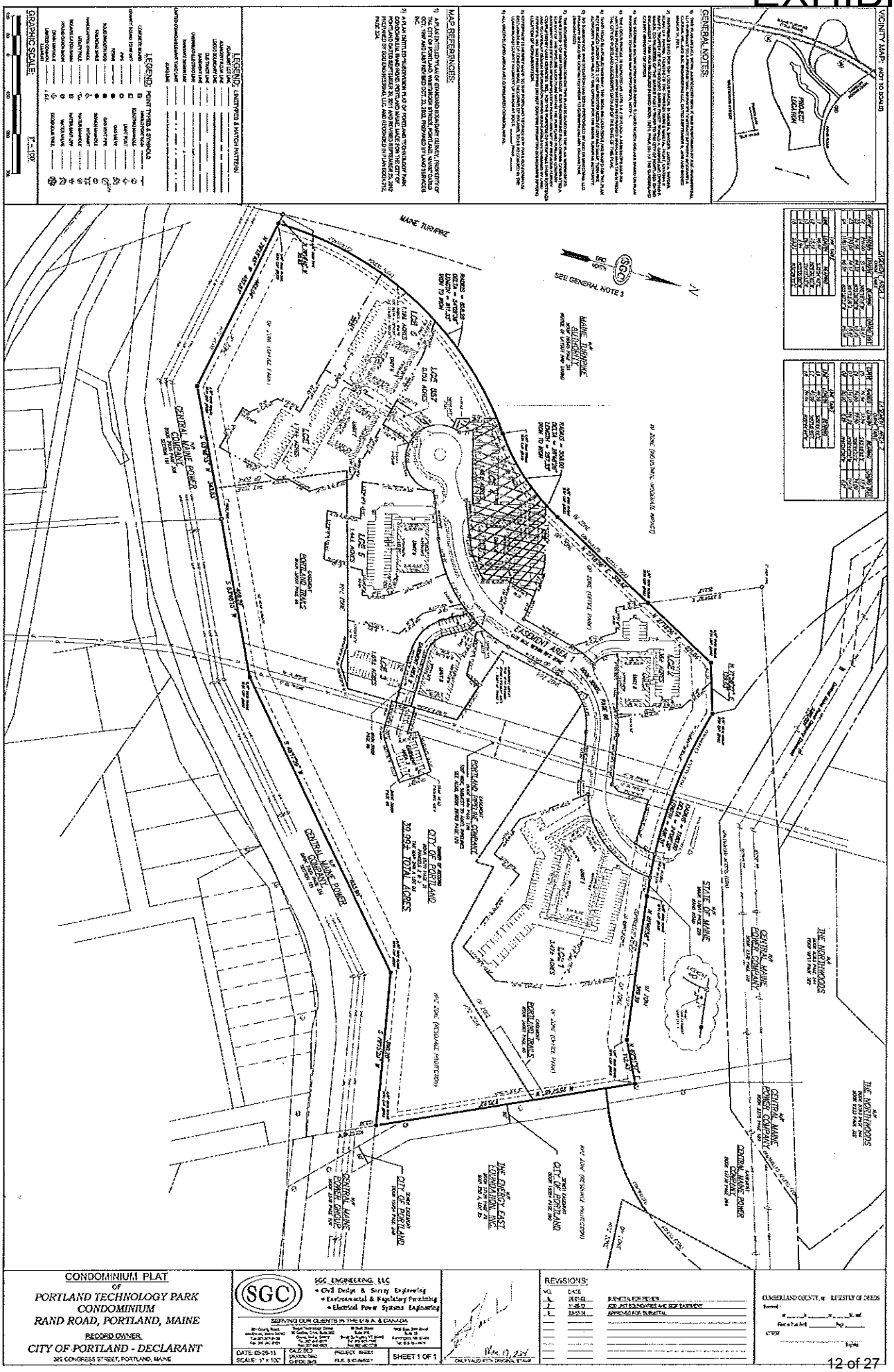
SEAL
May 5, 2015
ONLY VALID WITH ORIGINAL STAMP

REVISIONS:

NO.	DATE	
1	9-30-2011	SUBMITTAL FOR CONCEPTUAL REVIEW
2	10-17-2011	SECOND SUBMISSION FOR REVIEW
3	1-17-2012	THIRD SUBMISSION FOR REVIEW
4	7-17-2012	FINAL SUBMISSION FOR REVIEW
5	9-25-2012	REVISED PER WOODARD & CURRAN, INC.
6	2-12-2015	ADD GAS EASEMENT
7	5-1-2015	REVISED PER PLANNING BOARD HEARING

CUMBERLAND COUNTY, ss REGISTRY OF DEEDS
Received : JUNE 19 2015
at 12 h 57 m P M., and
Filed in Plan Book 215 Page 250
ATTEST: _____ Register

EXHIBIT B


VICINITY MAP - NOT TO SCALE
PROJECT LOCATION
GENERAL NOTES:
MAP REFERENCES:
LEGEND: UNITYPED & HATCH PATTERN
LEGEND: POINT TYPES & SYMBOLS
GRAPHIC SCALE:
1" = 100'
SEE GENERAL NOTE 3
MAINE TURNPIKE
LOT 5
1.744 ACRES
LOT 6
0.134 ACRES
LOT 7
1.744 ACRES
LOT 8
1.744 ACRES
LOT 9
1.744 ACRES
LOT 10
1.744 ACRES
LOT 11
1.744 ACRES
LOT 12
1.744 ACRES
LOT 13
1.744 ACRES
LOT 14
1.744 ACRES
LOT 15
1.744 ACRES
LOT 16
1.744 ACRES
LOT

Building 4: Proposed:

Initial Build out: 19,000 sqft 2 story
Future expansion: 10,000 sqft. 2 story
Initial Parking: 77 Spaces
Future Parking: 40 Spaces

Total Buildout: 29,000 sqft. 2 Story
Total Parking: 117 Spaces

Gravel Wetlands as shown: 15,600 sqft.

Building 4: Planned:

Total Buildout: 20,000 sqft. 2 Story
Total Parking: 77 Spaces
Gravel Wetlands Total:12,733 sqft.
Gravel Wetland 8: 5,521 sqft.
Gravel Wetland 4: 7,212 sqft.

TOTAL BUILDING AREA = 122,000 S.F.

OFFICE PARK (OP) ZONE REQUIREMENTS

–	REQUIRED	PROVIDED
FRONT YARD SETBACK	50 FT.	123 FT.
SIDE YARD SETBACK	25 FT.	87 FT.
REAR YARD SETBACK	50 FT.	299 FT.
PAVEMENT SETBACK	15 FT.	15 FT.
IMPERVIOUS SURFACE RATIO	60% MAX.	27%
LOT SIZE	1.5 ACRES MIN.	26 ACRES
STREET FRONTAGE	100 FT. MIN.	>1,000 FT.
LOT WIDTH	150 FT. MIN.	270 FT.
PARKING SPACES	2.5/1,000 S.F. OR 300	453*

*INCLUDES TRAILHEAD PARKING

Proposed Site Boundary
(approximate)

Existing Site Boundary
(approximate)

Realignment of Proposed, Unbuilt, Roadway
(for diagrammatic purposes only)

Building 2:
Unaffected

Building 1:
Unaffected

End of Existing Paving

Building 3:
Unaffected

New Road extension to be completed with project. Approximatley 100' from existing paving.

Building 5:
Shift of one (1) Gravel Wetland

Buildings 6 & 7:
Unaffected

RAND ROAD
MAINE TURNPIKE EXIT 47
INTERSTATE ROUTE 95
SWAN STREET
IERCE AVENUE

PARCEL #3
26.82 ACRES
Land Of
The City of Portland
15211/31

PARCEL #2
13.17 ACRES
Land Of
The City of Portland
15211/31

Reference:
Simon A. Snyder
& Jason A. Snyder
4962/222

Theodore Barris &
Therese Barris Trust
11815/84

Reference:
Simon A. Snyder
& Jason A. Snyder
4962/216

Legend:

- Proposed Roadway Realignment
- Proposed Building
- Proposed Future Expansion
- Proposed Gravel Wetlands
- Porposed Future Parking
- Planned Gravel Wetlands
- Planned Buildings
- Existing Wetlands
- Existing Site Boundary
- Proposed Site Boundary

Proposed Site plan

Diagrams reflect design intent and are for discussion purposes only.

100' 0 100' 200'
BAR SCALE
1" = 100'
CHECK GRAPHIC SCALE BEFORE USING

EXHIBIT C

\\BANGOR\Projects\30000 Bangor General Office\2038848.63\Road Road\CAD in Progress\2038483-C01_02.dwg, Sep 28, 2012 - 2:20pm

PURCHASE AND SALE AGREEMENT

THIS AGREEMENT for the purchase and sale of real estate made this 17th day of March, 2015 by and between the **CITY OF PORTLAND,** a body politic and corporate located in Cumberland County, Maine (hereinafter referred to as "Seller"), and **PATRONS OXFORD INSURANCE COMPANY**, a Maine insurance corporation, having its principal place of business at Auburn, Maine (hereinafter referred to as "Buyer").

WITNESSETH:

WHEREAS, Seller owns an approximately 3.47 acre parcel of land located at the Portland Technology Park, City of Portland, County of Cumberland, State of Maine, being known as Unit 1 and LCE #1 on that certain Subdivision Plat of Portland Technology Park Condominium, Rand Road, Portland, Maine dated September 29, 2011 and last revised on September 25, 2012, prepared by SGC Engineering, LLC for the City of Portland – Declarant, approved by the City of Portland Planning Board on January 24, 2012 and recorded in the Cumberland County Registry of Deeds on October 10, 2012 in Book 212, Page 324 (the "Plan," a copy of which is attached hereto as Exhibit A) and being further described as Unit 1 of the condominium known as the Portland Technology Park Condominium of which the Seller is the declarant as described in that certain Declaration of Condominium for the Portland Technology Park to be recorded in the Cumberland County Registry of Deeds (the "Declaration of Condominium"), together with all improvements, fixtures and rights appurtenant thereto, all as more particularly shown and depicted as the cross-hatched lot on the condominium plat shown on Exhibit B attached hereto and made part hereof (the "Property"). Title reference is made to a deed from Simon A. Snyder et alia to the City of Portland dated December 7, 1999 and recorded in the Cumberland County Registry of Deeds, Book 15211, Page 31; and

WHEREAS, Seller intends to sell and Buyer desires to acquire the Property.

NOW, THEREFORE, in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties, intending to be legally bound, hereby agree as follows:

1. SALE.

Seller agrees to sell the Property, and Buyer agrees to purchase the Property in accordance with the provisions hereof. It is hereby agreed and acknowledged that the actual description of the Property shall be determined based on the title and related due diligence work to be completed by Buyer pursuant to this Agreement and that such description shall be subject to Buyer's and Seller's final review and approval before including the same in the Deed (as that term is defined below) to be delivered by Seller to Buyer as set forth and described below.

2. CONSIDERATION.

The consideration for the property shall be Six Hundred Twenty-Five Thousand

Dollars ($625,000.00) payable as follows:

(a) A deposit of Twenty Thousand Dollars ($20,000.00) to be paid by Buyer within two (2) business days of the Effective Date and held by Buyer's agent, Andrew Ingalls of CBRE The Boulos Company, until closing and applied to the Purchase Price (or, if applicable, until returned to Buyer pursuant to this Agreement) (the "Deposit"); and

(b) The Purchase Price, less the Deposit, to be paid by Buyer to Seller at closing by wire transfer, certified check or bank cashier's check, subject to the adjustments provided for in this Agreement.

This is a cash purchase and no financing is required.

3. TITLE.

Seller shall convey the Property to Buyer at the closing in fee simple with good and marketable title or insurable title, subject to: (a) easements, privileges, restrictions, conditions, development rights, special declarant rights, and agreements created by or referred to in the Declaration of Condominium, as well as the matters shown or disclosed on the Plan, as may be amended; (b) provisions of (i) the Maine Condominium Act, and all amendments thereto; and (ii) the Declaration of Condominium, the bylaws and the plats and plans for The Portland Technology Park Condominium Association and all amendments or modification thereto; (iii) building, zoning and land use ordinances; (c) all restrictions required because the roadway serving the Portland Technology Park Condominium (including the Property), which roadway will continue to be owned by the Seller, was improved, in part, with funding from the United States Economic Development Administration (EDA), United States Department of Commerce, a copy of which restrictions is attached hereto as Exhibit C; and (d) such taxes and assessments, including common expenses allocable to the Property, if any, as are due and payable on the date of delivery of the Deed. At the closing, Seller shall execute and deliver to Buyer, against payment of the balance of the purchase price, a Municipal Quitclaim Deed without Covenant (the "Deed"). In the event that Seller is unable to convey title as aforesaid, Seller shall be given a reasonable period of time, not to exceed sixty (60) days, in which to remedy any title defects. In the event that said defects cannot be corrected or remedied or in the event that Seller elects not to remedy same, then the Deposit shall be returned to Buyer and this Agreement, and Seller's and Buyer's obligations hereunder, will terminate. Buyer may, at Buyer's option elect to close notwithstanding such defects as may exist. Seller and Buyer understand and agree that any mortgages and liens on the Property shall not be considered title defects provided that the same shall be discharged at or prior to closing at Seller's expense. Seller may use purchase money proceeds for this purpose. The Property shall be sold and conveyed strictly on an "as is", "where is" and "with all defects" basis, and, except as set forth below, without representation, warranty or covenant, express, implied or statutory, of any kind whatsoever, including, without limitation, representation, warranty or covenant as to condition, past or present use, tax ramifications or consequences, compliance with law, merchantability or fitness or suitability for any purpose, all of which are hereby expressly disclaimed.

4. POSSESSION.

Full possession of the Property will be delivered to Buyer at the transfer of title free and clear of all tenancies or occupancies by any person or entity.

5. REAL ESTATE TAXES, PRORATIONS AND TRANSFER TAX.

Buyer shall be liable for all real estate taxes beginning, as of the closing date, with fiscal year 2015-16 and continuing thereafter. Because the Property is currently owned by the City of Portland, which is exempt from real estate taxes, no taxes were assessed for fiscal year 2014-15 and no taxes will be prorated at the closing, provided, however, that any assessments and utilities for the Property shall be prorated as of the closing. The Maine real estate transfer tax shall be paid for by Buyer in accordance with 36 M.R.S.A. § 4641-A. Seller is exempt from paying the transfer tax pursuant to 36 M.R.S.A. § 4641-C.

6. RISK OF LOSS.

The risk of loss or damage to the Property by fire or otherwise, until transfer of title hereunder, is assumed by the Seller. The Property is to be delivered in substantially the same condition as of the date of this Agreement unless otherwise stated. In the event Seller is not able to deliver the Property as stated, Buyer may terminate this Agreement and receive a refund of the Deposit.

7. INSPECTIONS AND SELLER REPRESENTATIONS AND WARRANTIES.

Buyer may enter into any part of the Property at all reasonable times prior to the closing in order to inspect the Property, conduct surveys, test borings and engineering studies and to do such other things as are reasonably necessary with respect to the acquisition and development of the Property. Buyer agrees to return the Property as nearly as possible to its original condition after the completion of all of such tests and inspections. In the event that the inspection reveals defects or conditions which are unacceptable to Buyer, Buyer may terminate this Agreement and receive back the Deposit.

Subject to all matters disclosed in any document delivered to Buyer by Seller or on any exhibit attached hereto, and subject to any information discovered by Buyer or other information disclosed to Buyer by Seller in writing or any other person after the date hereof and prior to the closing, Seller represents and warrants to Buyer that to Seller's actual knowledge, the following are true as of the date of this Agreement and will be true as of the closing:

(a) Except as set forth in the Plan, as may be amended, there are no outstanding pending or threatened liens, claims, rights of first refusal, licenses or encumbrances against or affecting the Property.

(b) All outstanding bills and/or accounts payable concerning the Property are either paid or will be paid prior to or at the time of closing.

(c) There are no outstanding claims, losses or demands against Seller by any person respecting Seller's ownership, use or occupancy of the Property.

(d) The Property has not been used for any dumping of waste materials or landfilling and are free of special wastes, underground storage tanks, radon, asbestos, lead substances, and any hazardous, biomedical, radioactive or toxic, substances, materials or wastes. The terms used in the foregoing sentence shall include, without limitation, all substances, materials, etc., designated by such terms under any laws, ordinances or regulations, whether federal, state or local.

(e) Seller has no knowledge of any boundary disputes or encroachments affecting the Property.

(f) There are rights of ingress and egress in perpetuity from the Property to public highways and roads for vehicular and pedestrian traffic and utilities, except that Seller is currently in the process of obtaining required easements to connect natural gas service to the Portland Technology Park Condominium.

(g) There are no endangered or threatened wildlife or plant habitats and no rivers, streams, great ponds, other bodies of water or wetlands or coastal sand dunes on or adjacent to the Property which, under applicable law would prohibit, limit or restrict Buyer's intended use of the Property.

(h) Seller has received no notices of violation from any Federal or State agency alleging a violation of any environmental law, rule or regulation with respect to the Property;

(i) Seller will have absolute right to sell, assign or transfer the Property to Buyer, after the Portland City Council has approved the sale under the terms herein stated.

All representations and warranties made by Seller herein are made based on Seller's actual knowledge and shall survive the closing of this transaction. Except as set forth herein, Buyer acknowledges that Seller makes no other representations or warranties regarding the Property.

8. CLOSING.

The closing of this transaction shall take place on that date which is sixty (60) days after the Effective Date, at the offices of Bernstein Shur, 100 Middle Street, Portland, Maine. Time is of the essence of this Agreement.

9. DEFAULT AND REMEDIES.

(a) In the event of Buyer's default under any of the terms, covenants or conditions of this Agreement, Seller shall have the right to retain the Deposit and any interest accrued thereon as aforesaid as liquidated damages for the breach and not as a penalty therefor. The Buyer and Seller acknowledge and agree that (i) it is not feasible to determine accurately the measure of damages that will be

caused to Seller by the Buyer's breach because the uniqueness of the Property at its location preclude the utility of comparable figures to determine the extent of damages and (ii) that the amount stated as liquidated damages is agreed to reasonably forecast the amount necessary to compensate Seller for its loss in the light of the circumstances stated in clause (i) and the attendant uncertainties in marketing the Property to another purchaser.

(b) In the event that Seller fails to close hereunder for a reason other than the default of Buyer, Buyer may, as its sole remedy therefor, and subject to the terms of this paragraph, either (i) enforce specific performance of this Agreement against Seller, or (ii) terminate this Agreement and receive the Deposit, plus all interest earned or accrued thereon, except that in the case of any breach of a covenant, representation or warranty of Seller, Buyer shall be entitled, as its sole remedy, to recover its actual damages therefor. Buyer agrees that any recovery against Seller for any breach of Seller's covenants, representations, or warranties hereunder or under any other document delivered by Seller to Buyer or under any law applicable to the Property or this transaction, shall be limited to Buyer's actual damages and that in no event shall Buyer be entitled to seek or obtain any other damages of any kind, including, without limitation, consequential, indirect or punitive damages.

10. **CONDITIONS PRECEDENT TO BUYER'S OBLIGATION TO CLOSE**.

The obligation of Buyer to close is subject to the satisfaction at or before the closing of all of the following conditions:

(a) All representations and warranties of Seller contained in this Agreement shall be true as of the closing.

(b) Seller shall, at its sole cost and expense, complete any and all additional work necessary to finalize the Declaration of Condominium in order to convey the Property and to delineate the boundaries of the same, which conveyance and delineation shall ensure that the Property is a conforming and approved lot under the City of Portland's zoning and land use laws, ordinances and regulations and not in violation of the State of Maine's subdivision laws, including, but not limited to, M.R.S.A. 30-A § 4401.

(c) Buyer shall determine, in its sole and absolute discretion, that the Property may be used for the construction and operation of a two (2) story, 30,000 square foot, professional office building and that it is satisfied with all local, state and federal zoning and land use laws, ordinances and regulations affecting the Property, including, but not limited to, setback, lot coverage, traffic and parking requirements and, if necessary, the Buyer's ability to construct and install a local, state and federal approved curb cut into the Property from the right of way shown and identified as Easement Area 1 on the Plan.

(d) Buyer shall determine, in its sole and absolute discretion, that it is satisfied with the terms and conditions of the Declaration of Condominium and the bylaws,

plats and plans of said Portland Technology Park Condominium, it being hereby agreed and acknowledged that Seller shall deliver copies of the same to Buyer for review within five (5) days of the Effective Date and that to the extent any modifications are made to said documents pursuant to subsection (b) above, Seller shall promptly notify Buyer of the same.

(e) In the event that any of the foregoing conditions is not satisfied, as determined by Buyer in its sole and absolute discretion, Buyer shall have the option of terminating this Agreement and receiving back the Deposit, except that should any of Seller's representations or warranties prove untrue, then Buyer shall have the right to require Seller, at Seller's expense, to make the Property conform thereto.

11. BINDING EFFECT.

This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, administrators, successors and assigns.

12. ENTIRE AGREEMENT.

This Agreement represents the entire and complete Agreement and understanding between the parties and supersedes any prior agreement or understanding, written or oral, between the parties with respect to the acquisition or exchange of the Property hereunder. This Agreement cannot be amended except by written instrument executed by Seller and Buyer.

13. HEADINGS AND CAPTIONS.

The headings and captions appearing herein are for the convenience of reference only and shall not in any way affect the substantive provisions hereof.

14. GOVERNING LAW.

This Agreement shall be governed by and construed and enforced in accordance with the laws of the State of Maine.

15. NOTICE.

Any notice required or permitted under this Agreement shall be deemed sufficient if mailed with first class postage affixed or delivered in person to:

FOR THE SELLER: City of Portland
Attention: City Manager
389 Congress Street
Portland, ME 04101

FOR THE BUYER: Patrons Oxford Insurance Company
P.O. Box 1960
Auburn, Maine 04210
Attn: Mark A. Pettingill, President

Either party may change his address for purposes of this paragraph by giving the other party notice of the new address in the manner described herein.

16. SIGNATURES; MULTIPLE COUNTERPARTS.

This Agreement may be executed in any number of counterparts and by different parties in separate counterparts. Each counterpart when so executed shall be deemed to be an original and all of which together shall constitute one and the same agreement. A signature in a faxed, pdf or other reproduced or electronic document shall be considered the equivalent of an original signature.

17. BROKERS.

Seller and Buyer each represents and warrants that neither has dealt with a real estate broker in connection with this transaction, other than Andrew Ingalls of CBRE The Boulos Company ("CBRE"), whose commission will be paid by Seller pursuant to the terms of a separate agreement to be negotiated between Seller and CBRE. Buyer agrees to indemnify and hold harmless Seller from any claims made by any broker should Buyer's representation in this paragraph be false. Seller agrees to indemnify and hold harmless Buyer from any claims made by any broker should Seller's representation in this paragraph be false. The foregoing indemnities shall include all legal fees and costs incurred in defense against any such claim, and shall survive closing.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first above written.

CITY OF PORTLAND

Sonia Bean
WITNESS

By: Sheila Hill-Christian
Sheila Hill-Christian
Its Acting City Manager

APPROVED AS TO FORM:
CORPORATION COUNSEL'S OFFICE

PATRONS OXFORD INSURANCE COMPANY

Richard B. Birdi
WITNESS

By: Mark A. Pettingill
Mark A. Pettingill
Its President

Exhibit A

[See Attached Subdivision Plat of Portland Technology Park Condominium]

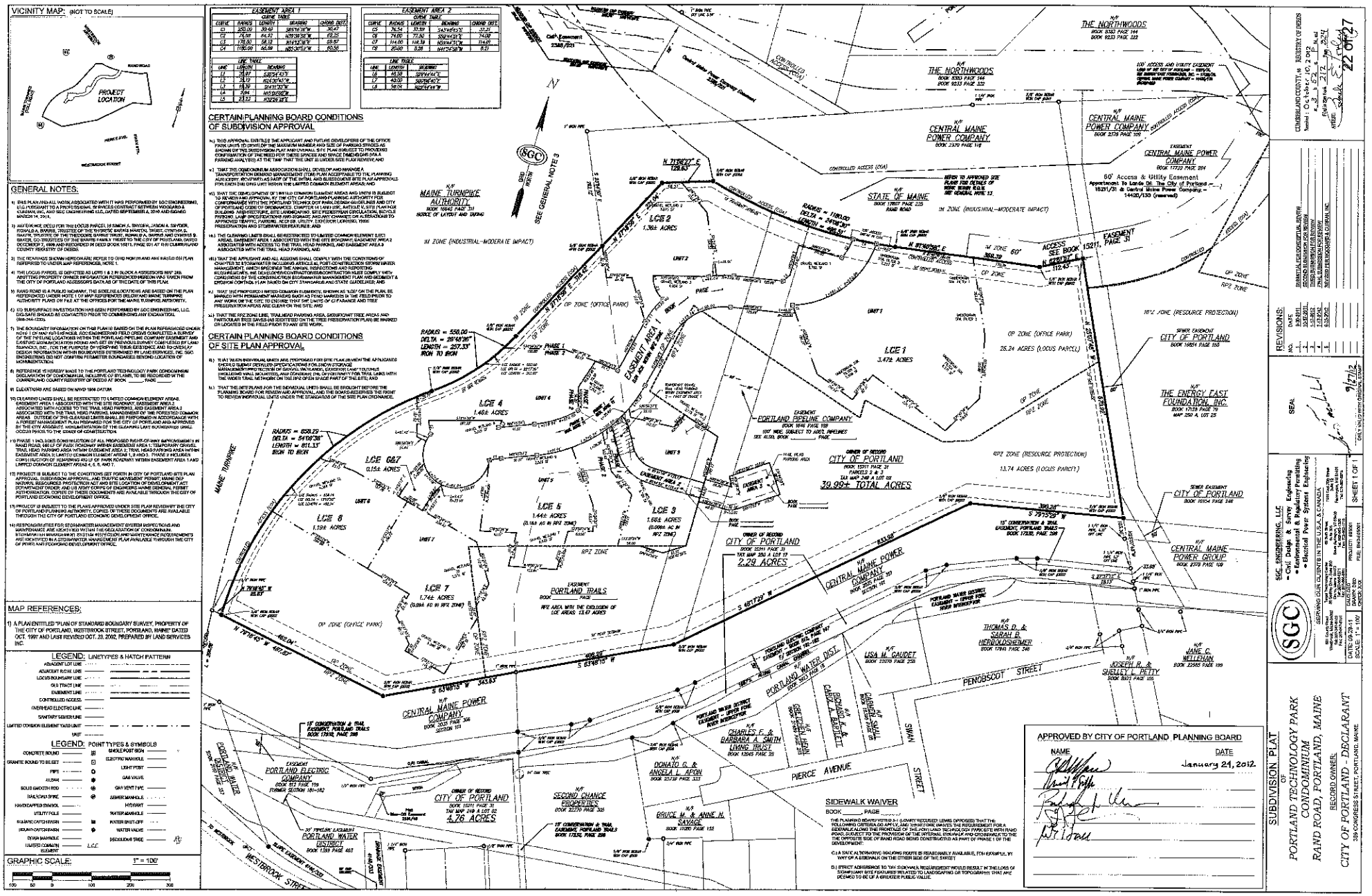

VICINITY MAP: (NOT TO SCALE)
PROJECT LOCATION
RAND ROAD
WESTBROOK STREET
MAINE TURNPIKE
EASTERN PROMENADE
CASCO BAY
GENERAL NOTES:
1) THIS PLAN AND ALL WORK ASSOCIATED WITH IT WAS PERFORMED BY SGC ENGINEERING, LLC PURSUANT TO A PROFESSIONAL SERVICES CONTRACT BETWEEN WOODARD & CURRAN, INC. AND SGC ENGINEERING LLC, DATED SEPTEMBER 6, 2011 AND SIGNED MARCH 14, 2012.
2) SEE REFERENCE DEED FOR THE LOCUS PARCEL (1) SIMON A. SNYDER, RONALD A. BARRIS, TRUSTEE OF THE SYDNEY B. BARRIS MARITAL TRUST, CYNTHIA S. BAKER, TRUSTEE OF THE THEODORE BARRIS TRUST, RONALD A. BARRIS AND CYNTHIA S. BAKER, CO-TRUSTEES OF THE BARRIS FAMILY TRUST TO THE CITY OF PORTLAND, DATED DECEMBER 7, 1999 AND RECORDED IN DEED BOOK 16215, PAGE 101 AT THE CUMBERLAND COUNTY REGISTRY OF DEEDS.
3) THE BEARINGS SHOWN HEREON ARE REFER TO GRID NORTH AND ARE BASED ON PLAN REFERENCED TO UNDER MAP REFERENCE, NOTE 1.
4) THE LOCUS PARCEL IS DEPICTED AS LOTS 1 & 2 IN BLOCK A ASSESSORS MAP 249. ABUTTING PROPERTY OWNER INFORMATION REFERENCED HEREON WAS TAKEN FROM THE CITY OF PORTLAND ASSESSORS DATABASE OF THIS DATE OF THIS PLAN.
5) RAND ROAD IS A PUBLIC HIGHWAY. THE SIDELINE LOCATIONS ARE BASED ON THE PLAN REFERENCED UNDER NOTE 1 OF MAP REFERENCES BELOW AND MAINE TURNPIKE AUTHORITY PLANS ON FILE AT THE OFFICES FOR THE MAINE TURNPIKE AUTHORITY.
6) SGC SUBSURFACE INVESTIGATION HAS BEEN PERFORMED BY SGC ENGINEERING, LLC. DIG-SAFE SHOULD BE CONTACTED PRIOR TO COMMENCING ANY EXCAVATION. (888-344-7233).
7) THE BOUNDARY INFORMATION ON THIS PLAN IS BASED ON THE PLAN REFERENCED UNDER NOTE 1 OF MAP REFERENCES. SGC ENGINEERING FIELD CREWS COMPLETED A SURVEY OF THE TWELVE LOCATIONS WITHIN THE PORTLAND PIPELINE COMPANY EASEMENT AND EXISTING MONUMENTATION (FOUND ANTI-SET ON PREVIOUS SURVEY COMPLETED BY LAND SURVEYORS, INC., FOR THE PURPOSES OF VERIFYING THEIR EXISTENCE AND TO OVERLAY DESIGN INFORMATION WITHIN BOUNDARIES DETERMINED BY LAND SERVICES, INC. SGC ENGINEERING DID NOT CONFIRM PERIMETER BOUNDARIES BEYOND LOCATION OF MONUMENTATION.
8) REFERENCE IS HEREBY MADE TO THE PORTLAND TECHNOLOGY PARK CONDOMINIUM DECLARATION OF CONDOMINIUM, INCLUSIVE OF BYLAWS, TO BE RECORDED IN THE CUMBERLAND COUNTY REGISTRY OF DEEDS AT BOOK ____, PAGE ____.
9) ELEVATIONS ARE BASED ON NAVD 1988 DATUM.
10) CLEARING LIMITS SHALL BE RESTRICTED TO LIMITED COMMON ELEMENT AREAS. EASEMENT AREA 1 ASSOCIATED WITH THE SITE ROADWAY, EASEMENT AREA 2 ASSOCIATED WITH ACCESS TO THE TRAIL HEAD PARKING, AND EASEMENT AREA 3 ASSOCIATED WITH THE TRAIL HEAD PARKING. MANAGEMENT OF THE FORESTED COMMON AREAS OUTSIDE OF THIS CLEARING LIMITS SHALL BE PERFORMED IN ACCORDANCE WITH A FOREST MANAGEMENT PLAN PREPARED FOR THE CITY OF PORTLAND AND APPROVED BY THE CITY ARBORIST. DEMARCATION OF THE CLEARING LIMIT BOUNDARIES SHALL OCCUR PRIOR TO THE START OF CONSTRUCTION.
11) PHASE 1 INCLUDES CONSTRUCTION OF ALL PROPOSED RIGHT-OF-WAY IMPROVEMENTS IN RAND ROAD, 580 LF OF PARK ROADWAY WITHIN EASEMENT AREA 1, TEMPORARY GRAVEL TRAIL HEAD PARKING AREA WITHIN EASEMENT AREA 2; TRAIL HEAD PARKING AREA WITHIN EASEMENT AREA 3; LIMITED COMMON ELEMENT AREAS 1, 8 AND 9. PHASE 2 INCLUDES CONSTRUCTION OF REMAINING 460 LF OF PARK ROADWAY WITHIN EASEMENT AREA 1 AND LIMITED COMMON ELEMENT AREAS 4, 6, 5, AND 7.
12) PROJECT IS SUBJECT TO THE CONDITIONS SET FORTH IN CITY OF PORTLAND SITE PLAN APPROVAL, SUBDIVISION APPROVAL, AND TRAFFIC MOVEMENT PERMIT; MAINE DEP NATURAL RESOURCES PROTECTION ACT AND SITE LOCATION OF DEVELOPMENT ACT DEPARTMENT ORDER; AND US ARMY CORPS OF ENGINEERS MAINE GENERAL PERMIT AUTHORIZATION. COPIES OF THESE DOCUMENTS ARE AVAILABLE THROUGH THE CITY OF PORTLAND ECONOMIC DEVELOPMENT OFFICE.
13) PROJECT IS SUBJECT TO THE PLANS APPROVED UNDER SITE PLAN REVIEW BY THE CITY OF PORTLAND PLANNING AUTHORITY. COPIES OF THESE DOCUMENTS ARE AVAILABLE THROUGH THE CITY OF PORTLAND ECONOMIC DEVELOPMENT OFFICE.
14) RESPONSIBILITIES FOR STORMWATER MANAGEMENT SYSTEM INSPECTIONS AND MAINTENANCE ARE IDENTIFIED WITHIN THE DECLARATION OF CONDOMINIUM, STORMWATER MANAGEMENT SYSTEM INSPECTION AND MAINTENANCE REQUIREMENTS ARE IDENTIFIED IN A STORMWATER MANAGEMENT PLAN AVAILABLE THROUGH THE CITY OF PORTLAND ECONOMIC DEVELOPMENT OFFICE.
MAP REFERENCES:
1) A PLAN ENTITLED "PLAN OF STANDARD BOUNDARY SURVEY, PROPERTY OF THE CITY OF PORTLAND, WESTBROOK STREET, PORTLAND, MAINE" DATED OCT. 1997 AND LAST REVISED OCT. 23, 2002, PREPARED BY LAND SERVICES INC.
LEGEND: LINETYPES & HATCH PATTERN
ADJACENT LOT LINE
ADJACENT ROW LINE
LOCUS BOUNDARY LINE
OLD TRACT LINE
EASEMENT LINE
CONTROLLED ACCESS
OVERHEAD ELECTRIC LINE
SANITARY SEWER LINE
LIMITED COMMON ELEMENT YARD LIMIT
UNIT
LEGEND: POINT TYPES & SYMBOLS
CONCRETE BOUND
GRANITE BOUND TO BE SET
PIPE
REBAR
SOLID SMOOTH ROD
RAILROAD SPIKE
HANDICAPPED SYMBOL
UTILITY POLE
SUBDRAIN CATCH BASIN
STORM CATCH BASIN
DRAIN MANHOLE
LIMITED COMMON ELEMENT
SMOKE POST SIGN
ELECTRIC MANHOLE
LIGHT POST
GAS VENT PIPE
GAS VALVE
SEWER MANHOLE
HYDRANT
WATER MANHOLE
WATER SHUT-OFF
WATER VALVE
DECIDUOUS TREE
GRAPHIC SCALE: 1" = 100'
100 50 0 100 200 300
EASEMENT AREA 1 CURVE TABLE
CURVE | RADIUS | LENGTH | BEARING | CHORD DIST.
C1 | 550.00 | 30.62 | S85°10'39"W | 30.62
C2 | 74.00 | 64.72 | N39°39'58"W | 62.62
C3 | 170.00 | 58.13 | N14°13'38"E | 57.87
C4 | 1100.00 | 62.99 | N85°03'54"W | 62.98
EASEMENT AREA 1 LINE TABLE
LINE | LENGTH | BEARING
L1 | 20.97 | S83°14'43"E
L2 | 28.73 | N24°50'45"W
L3 | 19.06 | S71°17'07"E
L4 | 5.94 | N65°00'00"W
L5 | 23.23 | N20°26'16"E
EASEMENT AREA 2 CURVE TABLE
CURVE | RADIUS | LENGTH | BEARING | CHORD DIST.
C5 | 76.54 | 35.59 | S47°49'53"E | 35.26
C6 | 74.00 | 77.50 | S82°41'31"E | 74.00
C7 | 114.00 | 118.19 | N04°54'31"W | 114.01
C8 | 20.00 | 3.28 | N11°25'38"W | 3.27
EASEMENT AREA 2 LINE TABLE
LINE | LENGTH | BEARING
L6 | 40.38 | S89°44'41"E
L7 | 40.00 | S00°15'40"E
L8 | 58.56 | N00°14'34"W
CERTAIN PLANNING BOARD CONDITIONS OF SUBDIVISION APPROVAL
h.) THIS APPROVAL ENTITLES THE APPLICANT AND FUTURE DEVELOPERS OF THE OFFICE PARK UNITS TO DEVIATE OF THE MAXIMUM NUMBER AND SIZE OF PARKING SPACES AS SHOWN ON THIS SUBDIVISION PLAT AND CONDITIONAL SITE PLAN SUBJECT TO PROVIDING CONFIRMATION OF THE NEED FOR THESE SPACES AND SPACE DIMENSIONS VIA A PARKING ANALYSIS AT THE TIME THAT THE UNIT IS UNDER SITE PLAN REVIEW; AND
v.) THAT THE CONDOMINIUM ASSOCIATION SHALL DEVELOP AND MANAGE A TRANSPORTATION DEMAND MANAGEMENT (TDM) PLAN ACCEPTABLE TO THE PLANNING AUTHORITY, PRIOR WITH AS PART OF THE INITIAL AND SUBSEQUENT SITE PLAN APPROVALS FOR EACH DAY OFFICE UNIT WITHIN THE LIMITED COMMON ELEMENT AREAS; AND
vi.) THAT THE DEVELOPMENT OF THE LIMITED COMMON ELEMENT AREAS AND UNITS IS SUBJECT TO REVIEW AND APPROVAL BY THE CITY OF PORTLAND PLANNING AUTHORITY FOR COMPLIANCE WITH THE PORTLAND TECHNOLOGY PARK DESIGN GUIDELINES AND CITY OF PORTLAND CODE OF ORDINANCES, CHAPTER 14 LAND USE, ARTICLE V, SITE PLAN FOR BUILDING ARCHITECTURE, SITE LANDSCAPING, SITE PEDESTRIAN CIRCULATION, BICYCLE PARKING, LAMP SPECIFICATIONS AND SIGNAGE, AND ANY CHANGES OR ALTERATIONS TO APPROVED TRAFFIC, PARKING, ACCESS, UTILITY, EXISTING LICENSED, TREE PRESERVATION AND STORMWATER FEATURES; AND
vii.) THAT THE QUEARING LIMITS SHALL BE RESTRICTED TO LIMITED COMMON ELEMENT (LCE) AREAS, EASEMENT AREA 1 ASSOCIATED WITH THE SITE ROADWAY, EASEMENT AREA 2 ASSOCIATED WITH ACCESS TO THE TRAIL HEAD PARKING, AND EASEMENT AREA 3 ASSOCIATED WITH THE TRAIL HEAD PARKING; AND
viii.) THAT THE APPLICANT AND ALL ASSIGNS SHALL COMPLY WITH THE CONDITIONS OF CHAPTER 32 STORMWATER INCLUDING APPLICABLE POST-CONSTRUCTION STORMWATER MANAGEMENT, WHICH INCLUDES THE ANNUAL INSPECTION AND REPORTING REQUIREMENTS, AND THE REQUIREMENTS OF CHAPTER 32 STORMWATER MANAGEMENT WITH CONDITIONS OF THE CONSULTATION STORMWATER MANAGEMENT PLAN AND SEDIMENT & EROSION CONTROL PLAN BASED ON CITY STANDARDS AND STATE STANDARDS; AND
ix.) THAT THE PROPOSED LIMITED COMMON ELEMENTS, SHOWN AS "LCE" ON THE PLAN, BE MARKED WITH PERMANENT MARKERS SUCH AS ROAD MARKERS IN THE FIELD PRIOR TO ANY WORK ON THE SITE TO ENSURE THAT THE LIMITS OF CLEARANCE AND TREE PRESERVATION AREAS ARE CLEAR ON THE SITE; AND
x.) THAT THE RPZ ZONE LINE, TRAILHEAD PARKING AREA, SIDEWALK TREE AREAS AND PARTICULAR TREE SAVES AS IDENTIFIED ON THE TREE PRESERVATION PLANS BE MARKED OR LOCATED IN THE FIELD PRIOR TO ANY SITE WORK.
CERTAIN PLANNING BOARD CONDITIONS OF SITE PLAN APPROVAL
g.) THAT THE PLANS FOR THE INDIVIDUAL UNITS SHALL BE BROUGHT BEFORE THE PLANNING BOARD FOR REVIEW AND APPROVAL, AND THE BOARD RESERVES THE RIGHT TO REVIEW INDIVIDUAL UNITS UNDER THE STANDARDS OF THE SITE PLAN ORDINANCE.
h.) THAT THE INDIVIDUAL UNITS ARE PROPOSED FOR SITE PLAN REVIEW THE APPLICANT'S ENGINEER SUBMIT DETAILED SPECIFICATIONS FOR SNOW STORAGE MANAGEMENT PRACTICES OF SNOW ON THE PARKING, LOADING AND CIRCULATION DRIVELINES WALL MOUNTED, AND DOWNSPOUTS, DRY DISTRIBUTION FOR TRAIL LINKS WITH THE WOODEN TRAIL NETWORK ON THE DESIGN OF SNOW STORAGE AT THE SITE; AND
SEE GENERAL NOTE 3
GRID NORTH
N/F MAINE TURNPIKE AUTHORITY BOOK 10642 PAGE 311 SOURCE OF LAYOUT AND TAKING
Cath Easement 2388/201
Overhead Power Crossing Easement 2388/201
N/F THE NORTHWOODS BOOK 9353 PAGE 144 BOOK 9833 PAGE 322
N/F CENTRAL MAINE POWER COMPANY BOOK 2578 PAGE 109
N/F STATE OF MAINE BOOK 13937 PAGE 235 RAND ROAD
N/F CENTRAL MAINE POWER COMPANY BOOK 17722 PAGE 284
60' Access & Utility Easement Appurtenant To Lands Of The City of Portland — 15211/31 & Central Maine Power Company — 14420/130 (reserved)
REFER TO APPROVED SITE PLANS FOR DETAILS OF NOISE BERM. SEE GENERAL NOTE 13.
IM ZONE (INDUSTRIAL-MODERATE IMPACT)
IM ZONE (INDUSTRIAL-MODERATE IMPACT)
ACCESS SEE BOOK 15211, PAGE 31
RADIUS = 1180.00' DELTA = 24°08'00" LENGTH = 488.31'
N 71°58'27" E 129.63'
N 21°50'27" E 38.62'
N 21°50'27" E 274.04'
N 21°50'27" E 112.43'
LCE 2 1.36± ACRES
LCE 1 3.47± ACRES
LCE 4 1.46± ACRES
LCE 0&7 0.15± ACRES
LCE 6 1.19± ACRES
LCE 5 1.44± ACRES (0.16± AC IN RPZ ZONE)
LCE 3 1.66± ACRES (0.09± AC IN RPZ ZONE)
LCE 7 1.74± ACRES (0.09± AC IN RPZ ZONE)
UNIT 1
UNIT 2
UNIT 3
UNIT 4
UNIT 5
UNIT 6
UNIT 7
UNIT 8
UNIT 9
OP ZONE (OFFICE PARK)
RPZ ZONE (RESOURCE PROTECTION)
RADIUS = 550.00' DELTA = 29°49'26" LENGTH = 287.33' IRON TO IRON
RADIUS = 659.29' DELTA = 54°08'28" LENGTH = 611.33' IRON TO IRON
EASEMENT AREA 1 50' R/W WIDTH SEE PLAN
EASEMENT AREA 2 SEE PLAN
EASEMENT AREA 3 SEE PLAN
PHASE 1
PHASE 2
EASEMENT PORTLAND PIPELINE COMPANY BOOK 1646 PAGE 109 100' WIDE, SUBJECT TO ADDT. PIPELINES SEE ALSO, BOOK ____ PAGE ____
OWNER OF RECORD CITY OF PORTLAND BOOK 15211 PAGE 31 TAX MAP 249 A LOT 02 39.99± TOTAL ACRES
OP ZONE (OFFICE PARK) 26.24 ACRES (1 LOCUS PARCEL)
RPZ ZONE (RESOURCE PROTECTION) 13.74 ACRES (1 LOCUS PARCEL)
SEWER EASEMENT CITY OF PORTLAND BOOK 16854 PAGE 150
N/F THE ENERGY EAST FOUNDATION, INC. BOOK 17159 PAGE 79 MAP 250 A, LOT 25
SEWER EASEMENT CITY OF PORTLAND BOOK 16854 PAGE 146
OWNER OF RECORD CITY OF PORTLAND BOOK 15211 PAGE 31 TAX MAP 250 A LOT 19 2.29 ACRES
EASEMENT PORTLAND TRAILS BOOK ____ PAGE ____ RPZ AREA WITH THE EXCLUSION OF LCE AREAS: 13.47 ACRES
EASEMENT PORTLAND WATER DISTRICT BOOK 1398 PAGE 463
EASEMENT PORTLAND ELECTRIC COMPANY BOOK 1172 PAGE 109 TURNER SECTION 181-182
OWNER OF RECORD CITY OF PORTLAND BOOK 15211 PAGE 31 TAX MAP 249 A LOT 02 4.76 ACRES
15' CONSERVATION & TRAIL EASEMENT, PORTLAND TRAILS BOOK 17535, PAGE 298
N/F SECOND CHANCE PROPERTIES BOOK 22270 PAGE 326
N/F DONATO G. & ANGELA L. APON BOOK 25719 PAGE 133
N/F BRUCE M. & ANNE M. SAVAGE BOOK 17260 PAGE 155
N/F CHARLES E. & BARBARA A. SMITH LIVING TRUST BOOK 13045 PAGE 28
N/F RICHARD E. & CAROL A. BARRETT
N/F CARMEN SMALL
N/F GREGORY HERON
N/F CENTRAL MAINE POWER COMPANY BOOK 2578 PAGE 109 SECTION 103
N/F CENTRAL MAINE POWER COMPANY BOOK 2578 PAGE 109 SECTION 101
N/F CENTRAL MAINE POWER GROUP BOOK 2578 PAGE 109
N/F THOMAS D. & SARAH B. HERBOLSHEIMER BOOK 17941 PAGE 346
N/F USA M. GAUDET BOOK 23078 PAGE 258
N/F JANE C. WELLEHAN BOOK 22565 PAGE 199
N/F JOSEPH R. & SHELLEY L. PETTY BOOK 9972 PAGE 125
15' CONSERVATION & TRAIL EASEMENT, PORTLAND TRAILS BOOK 17535, PAGE 298
PORTLAND WATER DISTRICT — UPPER FORE RIVER WATERSHED
PENOBSCOT STREET
PIERCE AVENUE
SWAN STREET
WESTBROOK STREET
SIDEWALK WAIVER BOOK ____ PAGE ____
THE PLANNING BOARD VOTED 3-1-0 (OVERY RECUSED; LEWIS OPPOSED) THAT THE FOLLOWING CRITERIA DO APPLY, AND THEREFORE, THE REQUIREMENT FOR A SIDEWALK ALONG THE FRONTAGE OF THIS PORTLAND TECHNOLOGY PARK SITE WITH RAND ROAD, SUBJECT TO THE PROVISION OF THE INTERNAL SIDEWALK AND CROSSWALK TO THE OPPOSITE SIDE OF RAND ROAD BEING CONSTRUCTED AS PART OF PHASE 1 OF THE DEVELOPMENT:
C.) A SAFE ALTERNATIVE WALKING ROUTE IS REASONABLY AVAILABLE, FOR EXAMPLE, BY WAY OF A SIDEWALK ON THE OTHER SIDE OF THE STREET.
D.) STRICT ADHERENCE TO THE SIDEWALK REQUIREMENT WOULD RESULT IN THE LOSS OF SIGNIFICANT SITE FEATURES RELATED TO LANDSCAPING OR TOPOGRAPHY THAT ARE DEEMED TO BE OF A GREATER PUBLIC VALUE.
APPROVED BY CITY OF PORTLAND PLANNING BOARD
NAME
DATE
January 24, 2012.
CUMBERLAND COUNTY, ss. REGISTER OF DEEDS
Received: October 10, 2012 at 2:52:4 PM
Recorded in Book 212 Page 327
Examined
Attest: Joseph E. Brennan
22 of 27
REVISIONS:
NO. | DATE
1. | 8/31/2011
2. | 10/27/2011
3. | 1/13/2012
4. | 2/27/2012
5. | 8/30/2012
SUBMITTAL FOR CONDITIONAL ZONING
SECOND SUBMISSION FOR REVIEW
THIRD SUBMISSION FOR REVIEW
SUBMITTAL FOR PLANNING BOARD REVIEW
INCLUDES FEE BOUNDARY & CURRAN, INC.
SEAL:
9/27/12
ONLY VALID WITH ORIGINAL STAMP
SGC ENGINEERING, LLC
• Civil Design & Survey Engineering
• Environmental & Regulatory Permitting
• Electrical Power Systems Engineering
SERVING OUR CLIENTS IN THE U.S.A. & CANADA
SHEET 1 OF 1
PROJECT #2001
FIELD: 09/28/11
DRAWN: DSD
CHECK: KKK
DATE: 09/28/11
SCALE: 1" = 100'
SUBDIVISION PLAT OF PORTLAND TECHNOLOGY PARK CONDOMINIUM RAND ROAD, PORTLAND, MAINE
RECORD OWNER: CITY OF PORTLAND - DECLARANT
389 CONGRESS STREET, PORTLAND, MAINE

Exhibit B

[See Attached Plan Depicting Property]

Exhibit B to P&S with Patrons Oxford

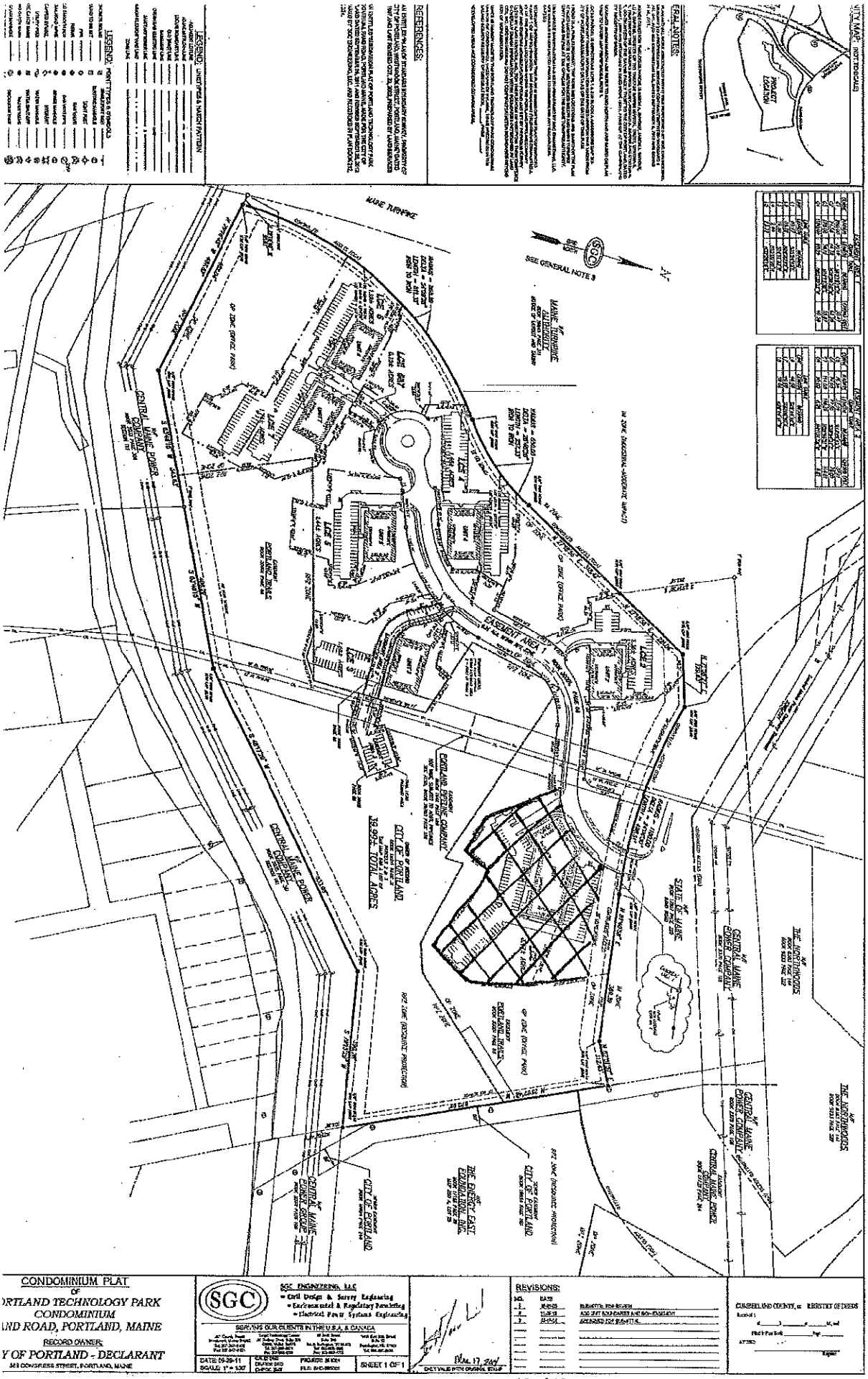


Exhibit C

COMPLIANCE WITH EDA RESTRICTIVE COVENANTS

The Seller and Buyer acknowledge that the Property was improved, in part, with funding from the United States Economic Development Administration (EDA), United States Department of Commerce, EDA Project Number 01-01-08630 and is subject to the terms and conditions of the EDA financial assistance award. Consequently, all recipients or owners and/or their successors and assigns, agree as follows:

Real Property or tangible Personal Property improved with EDA Investment Assistance must be used in a manner that is consistent with the authorized general and specific purposes of the Award, in this case, commercial purposes and EDA policies concerning adequate consideration and environmental compliance; and any applicable provisions of 13 CFR §314. It may not be used in violation of the nondiscrimination requirements set forth in 13 C.F.R. §302.20 or for inherently religious activities prohibited by applicable federal law.

Buyer agrees to provide Seller and/or EDA with any document, evidence or report required to assure compliance with federal and state law, including, but not limited to, applicable federal and state environmental laws.

The use of the Property, (improved with EDA assistance), for any purpose other than the authorized purpose of the EDA grant, which in this case is commercial uses, is prohibited. This covenant shall remain in effect for a period of twenty (20) years.

Extension to Purchase and Sale Agreement

The terms and conditions of this Extension to Purchase and Sale Agreement (the "Extension") shall apply to the Purchase and Sale Agreement dated March 19, 2015 by and between Patrons Oxford Insurance Company, as Buyer, and the City of Portland, as Seller (the "Agreement") to which Agreement this Extension is attached and incorporated therein by reference. In the event that any provision in this Extension shall conflict in whole or in part with any of the terms contained in the main body of the Agreement, the provisions of this Extension shall control and any conflicting terms of the Agreement are hereby considered deleted and expressly waived by both Buyer and Seller. Buyer and Seller hereby agree as follows:

1. Closing: The closing of this transaction is hereby extended to on or before June 15, 2015.

2. Except as specifically modified hereby, all other terms and conditions of the Agreement remain in full force and effect.

SELLER: City of Portland

By: Sheila Hill-Christian, its Acting City Manager — Date: 4/29/15

APPROVED AS TO FORM:
CORPORATION COUNSEL'S OFFICE

BUYER: Patrons Oxford Insurance Company

By: Mark A. Pettingill, its President — Date: 4/24/15

Second Extension to Purchase and Sale Agreement

The terms and conditions of this Second Extension to Purchase and Sale Agreement (the "Second Extension") shall apply to the Purchase and Sale Agreement dated March 19, 2015 by and between Patrons Oxford Insurance Company, as Buyer, and the City of Portland, as Seller, as amended by that certain Extension to Purchase and Sale Agreement dated April 29, 2015 (the "Agreement") to which Agreement this Second Extension is attached and incorporated therein by reference. In the event that any provision in this Second Extension shall conflict in whole or in part with any of the terms contained in the main body of the Agreement, the provisions of this Second Extension shall control and any conflicting terms of the Agreement are hereby considered deleted and expressly waived by both Buyer and Seller. Buyer and Seller hereby agree as follows:

1. Closing: The closing of this transaction is hereby extended to on or before July 31, 2015.

2. Except as specifically modified hereby, all other terms and conditions of the Agreement remain in full force and effect.

SELLER: City of Portland

By: _____ 6-05-15
Michael J. Sauschuck, its Acting City Manager Date

APPROVED AS TO FORM:
CORPORATION COUNSEL'S OFFICE

BUYER: Patrons Oxford Insurance Company

By: _____ 6/7/15
Mark A. Pettingill, its President Date

Portland, Maine Yes. Life's good here.

Planning & Urban Development Department

MEMORANDUM

TO: Kevin J. Donoghue, Chair and Members of the Housing & Community Development Committee

FROM: Christine Grimando, Senior Planner

DATE: July 1, 2015

SUBJECT: Reed School Recommendations

Attached is the *Final Recommendations and Report of the Reed School Re-Use Advisory Task Force*. It includes recommendations for future uses for the former Reed School and grounds at Libby Street and Homestead Avenue. Also included are recommendations on the criteria and process for selecting development proposals for the property. The report is the product of a strong public process and the dedicated efforts of the Task Force since they held their first meeting in November 2014. The recommendations received unanimous support at the final Task Force meeting, on June 18th, with a final vote of 11-0 (four of the fifteen members were not in attendance) to forward these recommendations to the Housing & Community Development Committee.

The recommendations support housing development while also allowing for the possibility of the building being repurposed for certain institutional and educational uses. Open space retention and preservation of the building are also strongly supported. To facilitate these goals, the final report includes a recommendation to rezone the property from R-3 zone to R-5, which will allow for greater density, multi-family development, and a modestly wider range of possible uses than the R-3 permits.

At the direction of the Housing & Community Development Committee, Planning staff will proceed with issuing a Request for Qualifications (RFQ) for the property, as well as initiating the rezoning and Historic Preservation designation processes. The RFQ process would be followed by a Request for Proposals (RFP) from top qualified firms. A draft RFQ is attached for your review.

Final Recommendations and Report of the Reed School Re-Use Advisory Task Force

Produced by the Planning & Urban Development Department, Planning Division
7/1/2015

Acknowledgements

Taskforce Members
Councilor David Brenerman, John Coyne, Co-Chairs
HCDC Committee Liaison Designee - David Brenerman
Portland Planning Board Designee - Sean Dundon
Portland Trails Designee - Kara Wooldrik
Workforce Housing Designee - Jan McCormick
Portland Society for Architecture Designee - Leslie Burnham
Greater Portland Landmarks Designee - Hilary Bassett
GPCOG Designee - Rebeccah Schaffner
Denise Harlow, State Representative, District #116
Parks Commission Designee - Steve Morgenstein
Elise Scala - Neighborhood Resident
Hillary Krapf - Neighborhood Resident
Dyan Albano - Neighborhood Resident
Mark Johnson - Neighborhood Resident
Andrew Bowman - Neighborhood Resident

Housing and Community Development Committee
Kevin J. Donoghue, Chair
David Brenerman, Vice Chair
Nicholas M. Mavodones Jr.
David Marshall

City Staff
Jeff Levine, Director of Planning and Urban Development
Christine Grimando, Senior Planner
Jennifer Munson, Office Manager

I. EXECUTIVE SUMMARY **page 3**

II. RECOMMENDATIONS ON USE, CRITERIA, AND PROCESS **page 6**

III. REED SCHOOL RE-USE NEXT STEPS **page 13**

IV. APPENDICES **page 14**

a. Meeting Flyers
b. Press Release
c. Public Meeting Results
d. R3/R5 Comparison Tables
e. Property Transfer Letter
f. MHPD Letter
g. Written Public Comment
h. Meeting Notice
i. Draft RFQ

I. EXECUTIVE SUMMARY

The Reed School property has been a distinct presence in the Riverton neighborhood since its inception in 1926, when it served as the area elementary school. In later years it served as the central kitchen and a warehouse for the Portland Public Schools. On June 24, 2014 the Portland Board of Public Education voted to authorize closing of the former Reed School and transfer of the school and grounds to the City of Portland, notifying the City on July 8, 2014. The building sits largely empty now, but it remains an integral part of the neighborhood's fabric and history, and in the case of the open space on the site, it remains a frequently used and valued amenity.

The Reed School Re-Use Advisory Task Force was created in September of 2014 with a diverse membership, consisting of neighborhood representatives and members representing a diversity of professional and organizational perspectives, including District 5 Counselor David Brenerman and former District 5 Counselor John Coyne as co-chairs, representatives from Portland Society for Architecture, Greater Portland Landmarks, Portland Trails, the Parks Commission, the State Representative for District #116, and a Workforce Housing specialist to make recommendations on process and future uses to insure a sensitive and contextual re-activation of the property. The Task Force met five times between November 2014 and June 2015, with an additional meeting by a drafting subcommittee to review drafts of the recommendations. The Task Force's charge was to provide recommendations on the future of the Reed School property, including the building and the grounds. Originally an elementary school, the Reed School served for many years as the central kitchen for the Portland Public Schools, until that function was transferred to Waldron Way in 2013. The property is not currently in active use, though it continues to be used for intermittent safety trainings and residual storage; the grounds, though unmaintained, serve as informal and important neighborhood open space. The Task Force held a site visit, 5 meetings, including a public forum, and a drafting subcommittee met to work with Planning staff on earlier iterations of this report. The Reed School Re-Use Advisory Task Force presents these recommendations on uses for the property, criteria for review of proposals, and the review process to the Housing and Community Development Committee for their consideration and fulfillment of their charge as assigned by the City Council.

Below is a summary of the Task Force's key recommendations:

- Rezone the property from R-3 to R-5, and include a text amendment to the R-5 zone allowing artist live/work space.
- Provide preference for proposals generally consistent with the R-5 zone.
- Require that all proposals substantially preserve the existing open space as a publically accessible neighborhood amenity.
- Designate the building as a Portland City Landmark.
- Conduct a two-tier solicitation process consisting of a Request for Qualifications followed by a detailed Request for Proposals from up to five top ranked development teams.
- Give preference to the uses that were identified by the Task Force, including residential uses, combined living/working spaces, educational uses, and wellness-related uses.

These recommendations support the following central themes that arose over the course of a thorough and deliberative planning process:

Historic Preservation. Retention of the original building received support from the Task Force, and in the Public Forum results. The Maine Historic Preservation Commission has found both the original, 1926 structure, and the 1950 addition to be eligible for nomination to the National Register of Historic Places. These were found eligible for their combined architectural significance, as examples of two distinct types of school styles built before and after WWII, and for the way in which the building speaks to the neighborhood's post-War development. Though the retention of the original structure received the most consistent support, both this and the 1950s addition are recommended for designation as a locally designated historic landmark. It was suggested, in feedback received at Task Force meetings, that there might be particular structural challenges with repurposing the 1950 addition; the Task Force is consequently prioritizing re-use of the original structure in their recommendation, and deferring to a determination on feasibility for the 1950 addition.

In addition to recognizing that the Reed School building is architecturally valuable to the community, historic preservation gained support to the extent it would insure a significant amount of design review by the Historic Preservation Board when the site is redeveloped. As a building that has long been part of the fabric and history of the neighborhood, but one that stands in contrast to the predominantly single family neighborhood immediately abutting it, the quality of the redevelopment of the existing building, and any potential modifications or additions, should be held to high design standards.

Open Space. The most consistent feedback received regarding the re-use of the site was the value of the existing open space is to the community, and how important it is to retain as much of this as practicable as a publically accessible amenity. Apart from nearby school grounds, there is no parkland within a ½ mile radius of the property, nothing that provides a comparable service. Even in its unimproved state, it is frequently utilized. A number of specific variations on the future of the open space were discussed, such as ball fields, gardens, playgrounds, passive recreation area, or a combination of one or more of these suggestions.

Neighborhood Compatibility. The Task Force recommendations recognize that the preservation of the building and the preservation of a significant amount of contiguous open space are interrelated goals that require allowing for a greater residential density, and a greater diversity of possible uses, than would have otherwise been supported. The recommendations assume that in order for the redevelopment of the structure to be viable, while also including preservation of open space, a certain amount of flexibility and additional development potential is required. There was discussion over the course of the planning process about allowing certain small scale commercial uses, such as cafes, on the site. However, out of deference to the residential character of the neighborhood, there was most support for the property being made part of the R-5 zone, a somewhat more permissive residential zone than the R-3. There was a great deal of support for allowing for the possibility of a redevelopment that would incorporate community space, artist space, or some creative interpretation of new housing, as well as support for day care, senior care, and varied educational uses. All of these articulations of support were framed by the desire for new activities on the site to be sensitive to the surrounding community in terms of incorporating

excellent design, and introducing improvements that do not unreasonably impact the character and vitality of the area.

II. RECOMMENDATIONS ON USE, CRITERIA, AND PROCESS

INTRODUCTION

The Reed School Re-Use Advisory Task Force was created by the City Council on September 15, 2014 to provide recommendations on the future of the Reed School property, including the building and the grounds, at 19 Libby Street. The Portland Public Schools transferred control of the property to the City in July 2014. Originally an elementary school, the Reed School served for many years as the central kitchen for the Portland Public Schools, until that function was transferred to Waldron Way in 2013. The property is not currently in active use, though it continues to be used for intermittent safety trainings and residual storage; the grounds, though unmaintained, continue to serve as informal and important neighborhood open space. The Task Force held a site visit, 5 meetings, including a public forum, and a drafting subcommittee met to work with Planning staff on draft versions of this report. The Reed School Re-Use Advisory Task Force presents these recommendations on uses for the property, criteria for review of proposals, and the review process to the Housing and Community Development Committee for their consideration and fulfillment of their charge as assigned by the City Council.

The document is structured according to the charge to the Task Force established by the City Council and is organized by:

A. Use
B. Criteria
C. Process

The language is largely framed as might be found in a request for proposals document to ensure that the Task Force's recommendations may be specifically utilized in the request and evaluation of proposals. In drafting an RFP document, the organization will likely require amendment.

RECOMMENDATIONS

A. USES

I. Generally

Re-use of the Reed School building and property is intended to support and enhance the integrity of the surrounding neighborhood. Proposals for re-use of the property will show consistency with this intent by sensitively preserving the building and introducing new uses, occupants, and improvements that do not unreasonably impact the character and vitality of the area.

II. Zoning

The Reed School property is located in the R-3 residential zone, which provides uses, residential density, and dimensional standards consistent with the predominant neighborhood character, but in contrast to the Reed School site. Due to the distinct nature of this property, the Task Force is recommending that this parcel be rezoned to the R-5

Residential Zone, as a zone that better fits the anticipated future redevelopment of this site in regard to permitted uses and dimensional standards. In addition to the zoning map change, in response to public input received, the Task Force is recommending a text amendment to allow for the following residential use: *Combined living/working spaces including, but not limited to, artist residences with studio space.*

Unlike the current R-3 zone, the R-5 allows for repurposing the existing building, including the 1926 original structure, and potentially the mid-century one story addition. As a character defining feature of the neighborhood, and of the City's and Riverton's history, enabling creative repurposing of the original structure, and possibly the 1950 addition, is a central component of these recommendations. Consideration of proposals that require additional zoning changes, or that alternately propose a contract zone for the property, will be reviewed in relation to their consistency with the prioritized uses and criteria below.

III. Uses Encouraged

The following uses are specifically encouraged to compatibly add value, vitality and interest to the Reed School property and surrounding neighborhood.

a. Publicly accessible, contiguous open space that incorporates community gardens, playground, or a compelling combination of active and passive recreation areas.
b. Residential uses, including multi-family residential and senior housing, particularly those that help preserve the economic and physical character of the neighborhood.
c. Combined living/working spaces, including but not limited to artist residences with studio space.
d. Educational uses such as arts education, early childhood education or care, research and continuing education.
e. Wellness-related uses such as adult day care or childcare.
f. Community spaces such as art studios or a community center.
g. Creative mix of uses that protect and enhance the character and vitality of the neighborhood, provided the mix is a low impact, low traffic combination.

IV. Uses Discouraged

The following uses are strongly discouraged:

a. High intensity commercial, industrial, and/or institutional uses or those that include a large amount of traffic, parking, and, external impacts;
b. Residential unit counts that are drastically higher density than allowed under the R-5 zone are discouraged.

B. CRITERIA

The City will accept and rate Developer Team proposals for re-use of the Reed School property using the following criteria:

I. Thresholds for Evaluating Developer Qualifications

Prior to requesting full proposals for re-use and development of the Reed School property, Development Teams shall submit qualifications to the City. This documentation shall include the following information in order to be considered:

a. ***Development Team***

Identify the principal members of the development team and their respective roles in the project.

b. ***Program and Redevelopment Description***

Provide a conceptual development and re-use narrative including goals, program, business plan and timeline for the development.

c. ***Development team experience and financial capacity***
The Qualifications shall include documentation demonstrating that the development team can complete and operate the concept development by supplying:

1. Letters of financial capability from credible financial institutions with experience working with principles of the development team; and,
2. Descriptions and examples of comparable projects or endeavors demonstrating adequate experience and expertise of the development team to successfully complete and operate the proposal.

II. Criteria for Evaluating Qualifications

The city will apply the following criteria to rate competing Developer Team qualifications for selection to submit full proposals.

a. ***Use***
The uses described in the conceptual development and re-use narrative are consistent with Section A., Uses, above;

b. ***Financial Strength and Experience of the Development Team***
The Development Team has the experience, financial capacity and a proven track record to confidently achieve the goals and program(s) described in the conceptual development and re-use narrative.

III. Requirements for Full Proposals

All proposals shall include information and documentation of the following in order to be considered:

a. ***Development Team***
The proposal shall identify the principal members of the development team and their respective roles in the project.

b. ***Restoration of Building***
The proposal shall describe commitments and measures to protect the short-term and long-term integrity of the building that at a minimum:

1. Address the stability and safety of the building by immediately protecting the structure from further deterioration.

2. Preserve the structural and architectural integrity of the building consistent with established historic preservation standards.

c. ***Publicly Accessible Open Space***

Publicly accessible open space shall be incorporated into all proposals.

Proposals that require the land area included in the open spaces and or play areas for residential density requirements under the R-5 zoning may propose public access easements or other methods to preserve the maximum residential density allowed. Residential projects proposing that the City retain fee ownership of open areas would either lose residential density potential, or would require a zone change to allow higher residential density on the residual project site, which would need to be evaluated for consistency with these recommendations.

d. ***Program and Redevelopment Description***

The proposal shall include a detailed description of the uses and development of the property including sufficient detail for the City to understand the intent of the proposal and a zoning assessment for consistency with the R-5 zone. At a minimum the proposal shall include:

1. A re-use narrative describing the development program for interior and exterior uses of the property;
2. Sketch level or conceptual drawings showing proposed improvements including floor plans, elevations, additions, new structures, publicly accessible areas, landscaping, parking, site lighting, fencing, and other site features; and,
3. A project business plan, market analysis, time line, and development pro forma demonstrating the long-term success and viability of the project.
4. A summary of where the proposal differs with what is permitted in the R-5 zone, if applicable.
5. Indication of intent to preserve solely the original structure or intent to preserve this and the 1950 addition, as well as indication whether there is intent to pursue nomination to the National Register of Historic Places for the same.

e. ***Purchase Offer, Estimated Project Value, and Property Tax Impact to the City***

The proposal shall include:

1. The purchase offer to the City;
2. Description & estimated cost of the proposed improvements;
3. Estimated post-development property value;
4. Estimated net and gross property tax impacts to the City;
5. Any financial support requested from the City for the project.

f. ***Financial and Technical Capability***

The proposal shall include documentation demonstrating that the development team can complete and operate the proposal as described in (b),(c)and (d) above by supplying:

1. Letters of financial capability from credible financial institutions with experience working with principles of the development team; and,
2. Descriptions and examples of comparable projects or endeavors demonstrating adequate experience and expertise of the development team to successfully complete and operate the proposal.

IV. Criteria for Prioritizing Full Proposals:

The city will apply the following criteria to rate competing proposals. Primary criteria are given greater than secondary, but all criteria represent important considerations when evaluating and selecting a preferred proposal. All proposals must demonstrate sufficient strength of financial and technical capability and the project business plan to successfully complete the project in a timely manner in order to be considered.

The Reed School Re-Use Advisory Task Force suggests the following weights be given in evaluation of the proposals to the criteria below:

a. ***Primary Criteria***

The Proposal:

1. Promotes a positive impact on the neighborhood as demonstrated by specific commitments within the proposal. The character, vitality and property value of the neighborhood will be protected and enhanced by the proposal. Any new construction shall respond to the physical qualities of a site and complement the scale, character and style of the surrounding neighborhood. **(25%)**

2. Provides a neighborhood amenity. Proposals including a greater extent and higher quality of publically accessible open space will be given a higher preference. Proposals that include a portion of community oriented space within the building will also be considered favorably. All open space proposals shall include a significant portion of contiguous open space on the Libby Street facing side of the property, retaining the historic site layout of the property to the greatest extent practicable. **(20%)**

3. Contains one or more of the encouraged uses listed in A.III, above in addition to the publically accessible open space indicated in A.III.a. **(25%)**

4. Contains a portion of workforce dwelling units (workforce here refers to housing units that a household earning 100% of the county's median income can afford, assuming they spend no more than 30% of their income for housing. This is currently approximately $75,000 for a family of four) in the event of a proposal for new housing. **(15%)**

Note: Mixed use proposals that are not consistent with the R-5 zone will be considered, but must demonstrate compatibility with the building, the neighborhood and the City's Comprehensive Plan.

b. ***Secondary Criteria:***

Note: When applying the secondary criteria below, the weight of any single or collective secondary criteria shall not outweigh any single primary criteria above.

1. Purchase price
2. Benefits to the City tax base

Secondary criteria 1 and 2 combine for 15% weight in the evaluation of the proposals.

C. RECOMMENDED PROCESS FOR REQUESTS FOR AND REVIEW OF PROPOSALS

The Reed School Re-Use Advisory Task Force recommends the following process steps to ensure the appropriate re-use and long-term stewardship of the property:

I. Historic Landmark Designation

The Task Force recommends that the original structure, as well as the 1950 addition if found to be practicable, be retained and that the City Council immediately begins the process of designating the building as an individually listed historic landmark. Landmark designation will manage change to the building and potential impacts to the surrounding neighborhood, as well as provide clear assurances that the character defining features of the structure will be preserved.

II. Rezoning of Reed School Property

The Task Force recommends that the City initiate a Zoning map amendment to the Reed School property, from R-3 to R-5, and a Zoning text amendment to allow for *Combined living/working spaces including, but not limited to, artist residences with studio space.*

III. Request for Qualifications

As soon as possible, the City should widely advertise and aggressively promote a request for qualifications (RFQ) from developers and institutions with interest in re-use of the Reed School property. The intent is to generate as much interest as possible from a wide and diverse cross-section of developer and institutional interests by providing a low threshold for entry to the process.

Interested parties would be asked to submit a concept development and re-use narrative, a conceptual business plan, development timeline, and development team qualifications and financial capabilities. The RFQ would not require detailed architectural drawings or development pro formas as the generation of such documents are expensive and may provide a barrier or disincentive for otherwise interested teams to submit.

In publicizing the RFQ, the City should utilize conventional and new media, as well as press releases and direct outreach to the development community. Sufficient time should be allowed between the issuance of the RFQ and the deadline for submittal to encourage diverse teams to collaborate and craft creative development concepts that meet the intent and specifics outlined in A and B above.

IV. Request for Proposals

From 5 or fewer top ranked development teams identified through the Request for Qualifications, the City should request full proposals for re-use of the Reed School property to be evaluated according to the specifics outlined in A and B above.

V. Review of Proposals

The Task Force recommends that a Proposal Review Committee be appointed to evaluate proposals against the criteria established herein. In addition to City staff members from Purchasing, Finance, and Planning, the Review Committee shall be comprised of community representatives including a neighborhood representative, a design professional, Greater Portland Landmarks, and a real estate professional. The Review Committee shall report their findings and recommendations back to HCDC at an advertised public hearing.

The HCDC's recommendation should be reported to the City Council for adoption and direction to the City Manager's Office to negotiate the final terms of sale of the property.

Public participation and testimony will be encouraged at both the HCDC's meetings the and City Council's public hearings through use of the City's website and use of the interested parties email addresses generated through the Reed School Re-Use Task Force process.

III. REED SCHOOL RE-USE NEXT STEPS AND TENTATIVE TIMELINE

July 8, 2015	HCDC Review of Task Force Recommendations
July 2015	Initiate Rezoning Process with Planning Board
	Initiate Historic Landmark Designation Process (Historic Preservation Board, Planning Board, City Council, 6 month min.)
	Submit Application for Municipal Brownfields Site Assessment Funding
	Draft Request for Qualifications (RFQ) and Request for Proposals and (RFP) Documents
	Issue RFQ
August 2015	Appointment of Proposal Review Committee
	RFQ Due
September 2015	Select Limited # of Development Teams to submit full proposals guided by RFP document
Nov./Dec. 2015	Full Proposals Due
January 2016	Review Committee evaluates proposals/interviews Development Teams
February 2016	Review Committee recommends lead proposal to HCDC
	HCDC votes to recommend lead proposal to City Council
March 2016	City Council reviews HCDC Recommendation and votes to direct the City
	Manager to negotiate sale of the Reed School property based on the conditions and specifications outlined in the selected proposal.
April 2016	Reed School property ownership transfers to the development team

IV. APPENDICES

The Reed School Re-Use Advisory Task Force will hold a site visit at the former Reed School, 28 Homestead Avenue, on Thursday, November 20th, at 4:00 PM. The site visit will be immediately followed by a meeting at 5:00 PM in the Riverton Elementary School Community Room, 1600 Forest Avenue.

The Reed School Re-Use Advisory Task Force was established to:

- Report potential uses of the property;
- Develop criteria for making final recommendations on the preferred uses of the property;
- Recommend a process to review proposals for re-use of the property; and
- Report findings to the City Council's Housing and Community Development Committee.

This is a first meeting of the Task Force. The meeting is open to the public. A future forum is planned specifically for public feedback on the future of the property, and invitations for that event will follow. A webpage on the project can be found at: http://www.portlandmaine.gov/1348/Reed-School-Reuse-Project

For more information, please contact Christine Grimando at cdg@portlandmaine.gov or 207-874-8608.

The Reed School Re-Use Advisory Task Force

meeting will be held in the Large Learning Room, accessed through the school's front entrance.

What: **Reed School Re-Use Advisory Task Force**
When: **May 21st, 6:30 PM**
Where: **Riverton Elementary Large Learning Room**
1600 Forest Avenue

For More Information

Questions and comments regarding the re-use of the Reed School property can be forwarded to Christine Grimando, Senior Planner at (207) 874-8608 or emailed to cdg@portlandmaine.gov.
http://www.portlandmaine.gov/1348/Reed-School-Reuse-Project#

****** NOTICE ******
of
Pubic Meeting
****

Reed School Re-Use:
A Public Meeting on the Future Use of the Building and Grounds

****

The City of Portland and the Reed School Re-Use Advisory Task Force invite the public to provide input on the future of the former Reed School, located between Libby Street and Homestead Avenue in the Riverton neighborhood.

The Reed School facility consists of a 33,692 structure on approximately 2.5 acres. Originally a utilized as a school, it was more recently the central kitchen and warehouse for the Portland Public Schools. In June of 2014 the property was transferred from the Portland Public Schools to the City of Portland. The Task Force was created in September to report on preferred uses of the property, and develop criteria for prioritizing future review proposals for redevelopment of the property.

The Task Force and City Planning staff seeks opinions and insights from the Riverton neighborhood, design professionals, real estate professionals, and anyone interested in the future of this important property. At the Public Meeting, City of Portland staff and Task Force members will present information on building and neighborhood context, and a range of ideas that have been discussed for the building to date. The Public will be invited to provide additional ideas, for incorporation into the eventual recommendations on prioritized uses made by the Task Force to the City Council for consideration.

Questions and comments regarding the re-use of the Reed School property can be forwarded to Christine Grimando, Senior Planner at (207) 874-8608 or emailed to cdg@portlandmaine.gov.

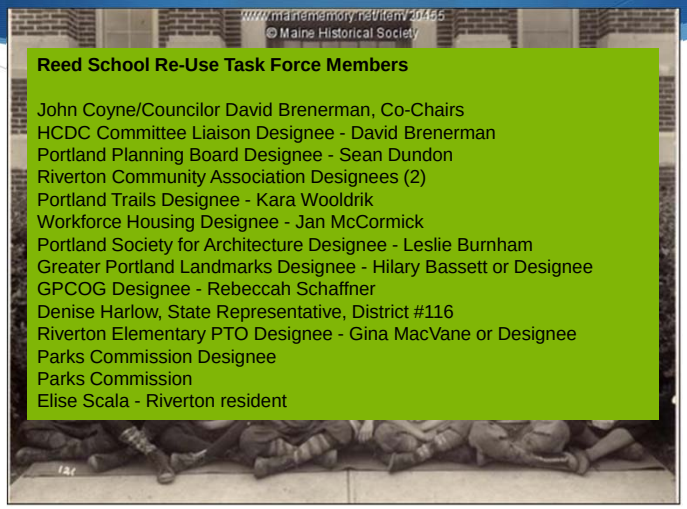
Background material for the process and meeting can be found at:

http://www.portlandmaine.gov/1348/Reed-School-Reuse-Project

****
What: Reed School Re-Use Public Meeting
When: January 29th, 6:30 to 8:00 pm
Where: Riverton Elementary School Community Room**,** 1600 Forest Avenue

Reed School Public Meeting on Options for Re-Use

Welcome and Introductions



Reed School Re-Use Task Force Members

John Coyne/Councilor David Brenerman, Co-Chairs
HCDC Committee Liaison Designee - David Brenerman
Portland Planning Board Designee - Sean Dundon
Riverton Community Association Designees (2)
Portland Trails Designee - Kara Wooldrik
Workforce Housing Designee - Jan McCormick
Portland Society for Architecture Designee - Leslie Burnham
Greater Portland Landmarks Designee - Hilary Bassett or Designee
GPCOG Designee - Rebeccah Schaffner
Denise Harlow, State Representative, District #116
Riverton Elementary PTO Designee - Gina MacVane or Designee
Parks Commission Designee
Parks Commission
Elise Scala - Riverton resident

Reed School Students, ca. 1931.
Collections of Maine Historical Society.

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Agenda

Welcome and Introductions of the Task Force

Charge to the Task Force Review Agenda and Meeting Format

Reed School Context

Potential Re-Use Options for Building and Grounds

Break to distribute keypad voting clickers

Survey of Re-Use Options

Discussion on Re-Use Voting Results

Next Steps

Adjourn

http://www.portlandmaine.gov/1348/Reed-School-Reuse-Project#

Meeting Goals and Task Force Charge

The Reed School Re-Use Advisory Task Force was established to:

- Report potential uses of the property;
- Develop criteria for making final recommendations on the preferred uses of the property;
- Recommend a process to review proposals for re-use of the property; and
- Report findings to the City Council's Housing and Community Development Committee within six months of Task Force inception.

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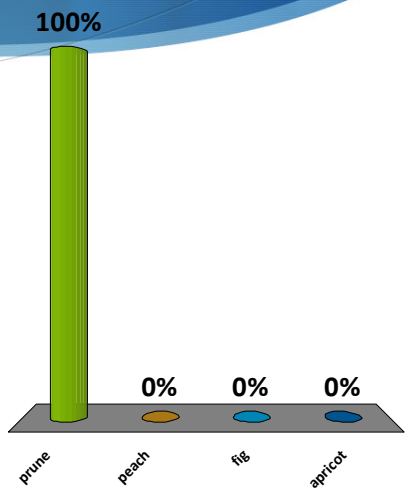
grape : raisin :: plum :

A. prune
B. peach
C. fig
D. apricot



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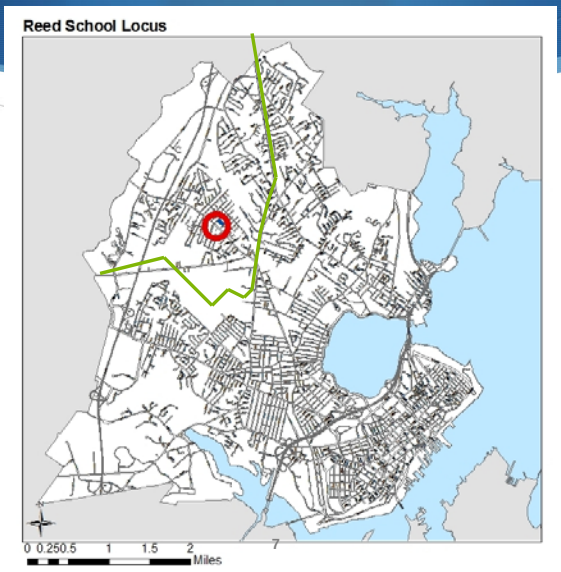
Recent Precedents

Nathan Clifford School
- Being converted to market rate 22 apartments.

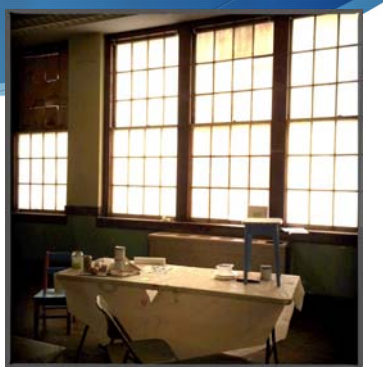
Adams School
- 16 workforce condominiums (8 2 bedroom/8 3 bedroom)

Context



Context

Existing Buildings



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Existing Buildings

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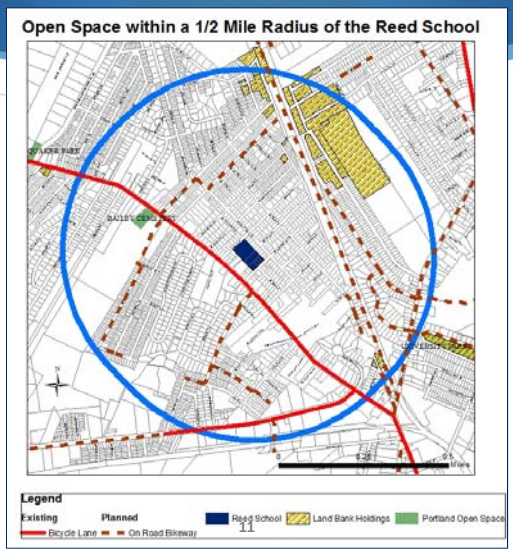
Open Space Context



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Open Space Context

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Zoning Context

R-3 Permitted and Conditional Uses	
The following uses are permitted in the R -3 residential zone:	
1	Single-family
2	Planned residential unit development (PRUD)
3	Handicapped family unit, for handicapped persons plus staff
2	Parks, and other active and passive noncommercial recreation spaces
3	Accessory uses
4	Home occupations
5	Municipal uses
6	Wind energy systems
The following conditional uses are permitted in the R -3 residential zone:	
Residential:	
1	Sheltered care group homes
2	Accessory Dwelling Units
Institutional:	
1	Elementary, middle, and secondary school
2	a. Long-term and extended care facilities
	b. Intermediate care facility for thirteen (13) or more persons
3	Places of assembly
4	Hospital

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Zoning Context

R-3 Zone Dimensional Standards	
Minimum Lot Size examples:	
Residential	6,500 sf
PRUD	3 acres
School	2 acres
Hospital	10 acres
Minimum Frontage	50 feet
Front Yard Setback	25 feet or avg. depth of adjacent properties
Rear Yard Setback	25 feet
Side Yard Setback	8-16, variable by height of structure
Rear and Side Yard Setbacks - Accessory Structures	5 feet
Maximum Lot Coverage	35%
Minimum Lot Width	65 feet
Maximum Structure Height	35 feet

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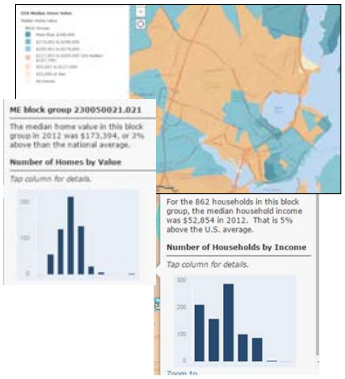
Riverton Demographics

- Total Residents 5,578 (8.4% of Portland Total)
- Total Households: 2,165
- Riverton Population 18 and under: 24.4%
  - (17.1% for Portland)
- Riverton Population 65 and over: 8.5%
- Median Age: 33
- Total % Owner-Occupied Units: 57.6 (42.7 Portland)
- Total % Renter-Occupied Units: 42.4 (57.3 Portland)
- Housing Units in Multi-Units: 29.4% (54% Portland)
- Average Household Size: 2.5
- Median Home Value: $173,394 (2012, Block Group)
- Homeowner and Rental Vacancy Rates less than 1% (Block Group)



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Potential Re-Uses

- **Educational**
- **Residential**
- **Wellness**
- **Community Space**
- **Mixed Use**

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Education

- Continuing Education
- Arts Education
- Private School
- Pre-K
- Research

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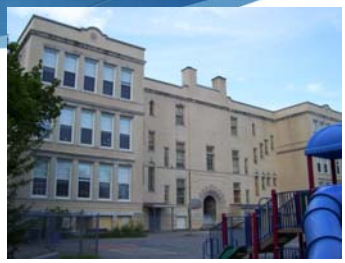
Residential

- Market Rate
  - Condominiums
  - Rental Apartments
- Affordable
- Workforce
- Inclusionary
- Senior housing
- Live/Work



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Wellness

- Health Care
- Adult Day Care
- Childcare
- Respite Care

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Community Space

- Community Center
- Artist Studios
- Coworking/Incubator Space
- Makerspace

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Mixed Use

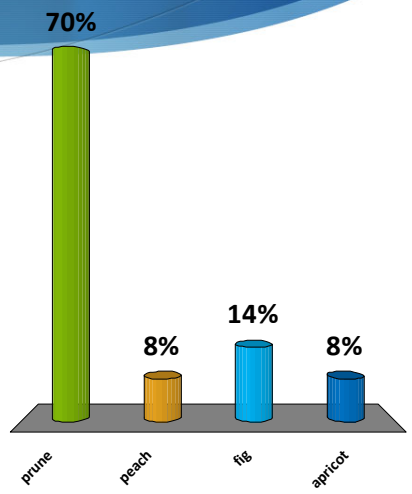
- Residential/Non-residential mix
- Artist Studio + Classes + Work for Sale
- Other combinations possible

Open Space

- Community Garden
- Athletic Fields
- Dog Park
- Passive Recreation
- Unimproved
- None

grape : raisin :: plum :

A. prune
B. peach
C. fig
D. apricot



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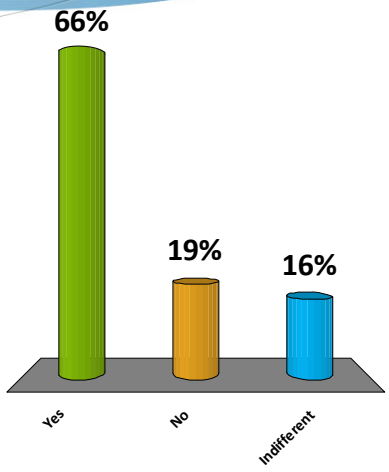
Do You Support Retention of the Existing Building(s)?

A. Yes
B. No
C. Indifferent



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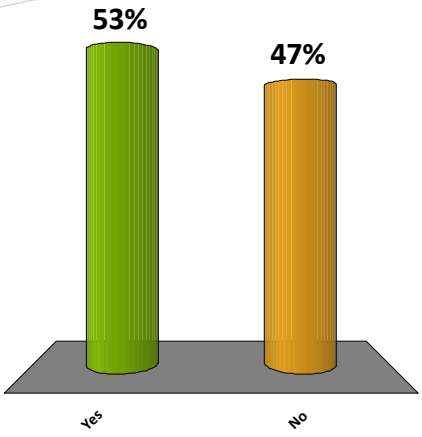
Do You Support Educational Re-Use of the Reed School

A. Yes
B. No



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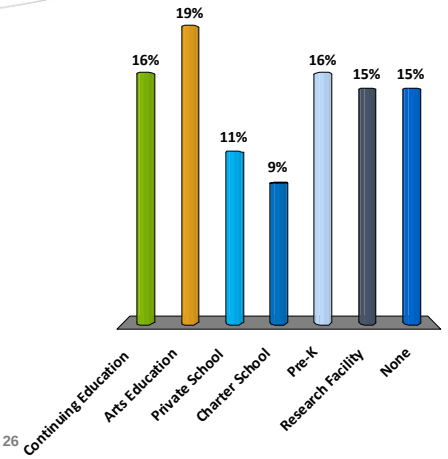
What types of Educational Uses Would You Support?

A. Continuing Education
B. Arts Education
C. Private School
D. Charter School
E. Pre-K
F. Research Facility
G. None



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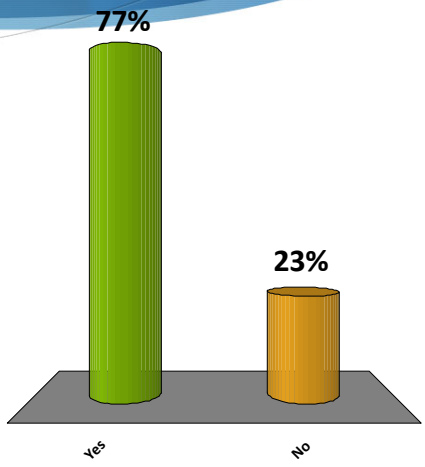
Do You Support Residential Re-Use of the Reed School

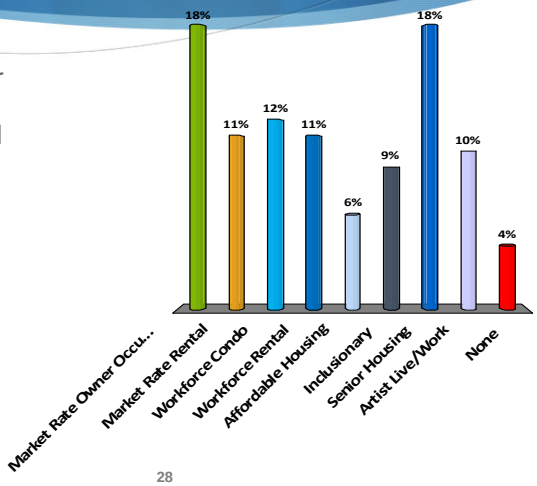
A. Yes
B. No



27

Which Residential Uses Do You Support?

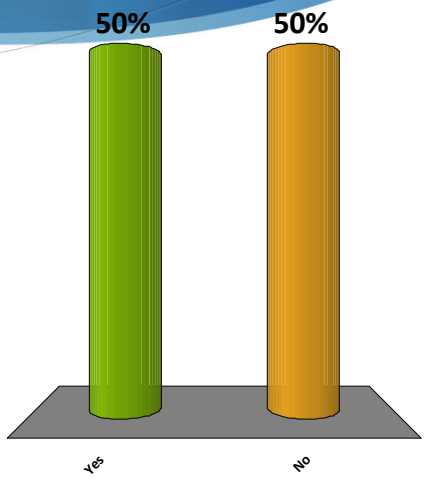
A. Market Rate Owner Occupied
B. Market Rate Rental
C. Workforce Condo
D. Workforce Rental
E. Affordable Housing
F. Inclusionary
G. Senior Housing
H. Artist Live/Work
I. None



28

Do You Support a Wellness Re-Use of the Reed School?

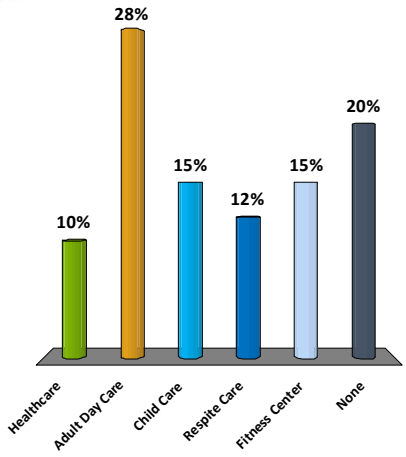
A. Yes
B. No



29

Which Wellness Uses Do You Support?

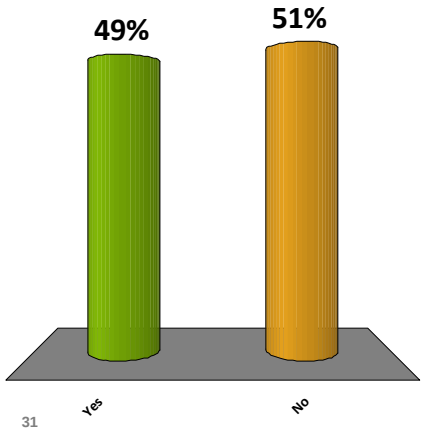
A. Healthcare
B. Adult Day Care
C. Child Care
D. Respite Care
E. Fitness Center
F. None



30

Do You Support a Community Space Re-Use of the Reed School?

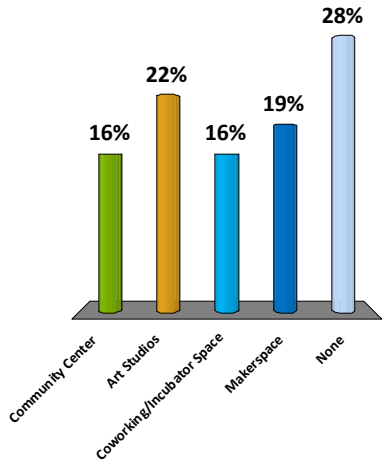
A. Yes
B. No



31

Which Community Space Uses Do You Support?

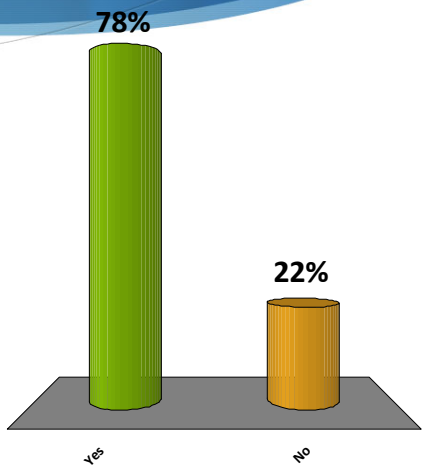
A. Community Center
B. Art Studios
C. Coworking/Incubator Space
D. Makerspace
E. None



32

Do You Support Mixed Uses at the Reed School Site?

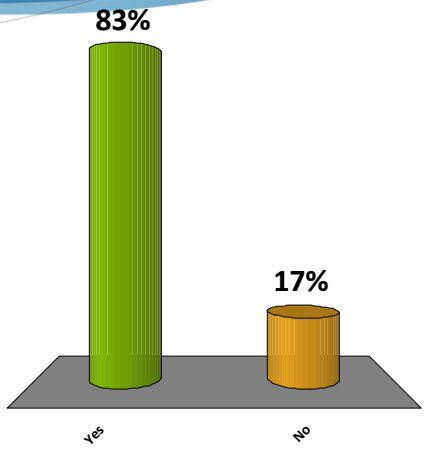
A. Yes
B. No



33

Do You Support Retention of Open Space at the Reed School Site?

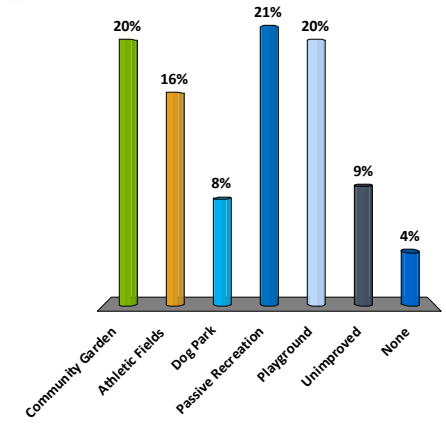
A. Yes
B. No



34

Which Types of Open Space do you Support?

A. Community Garden
B. Athletic Fields
C. Dog Park
D. Passive Recreation
E. Playground
F. Unimproved
G. None



35

Discussion

Next Steps

- Task Force meets to assess input to date, follow-up on Historic Preservation, Comprehensive Plan Policies, etc.
- Drafting Subcommittee meets to produce 1st draft of recommendations.
- Task Force meetings to review draft and final report.

For more information contact: Christine Grimando, Senior Planner.
cdg@portlandmaine.gov or 207-874-8608

http://www.portlandmaine.gov/1348/Reed-School-Reuse-Project#

37

	R-3	R-5
Min. Lot Size	Residential: 6,500 SF Sing. Fam to 2-Fam: 10,000 SF Long-term, extended, intermediate care: 2 ac. School: 2 ac. Place of assembly: see code Municipal: 6,500 SF Hospital: 10 ac. PRUD: 3 ac. Other: 6,500 SF	Residential: 6,000 SF Long-term, extended, intermediate care: 2 ac. School: 30,000 SF Place of assembly: see code Municipal: 6,000 SF Hospital: 5ac. College, univ.: 2 ac. Multiplex: 9,000 SF PRUD: 2 ac. Lodging house: 9,000 SF Other: 6,000 SF
Min. Lot Area per D.U.	PRUD: 6,500 SF net land area Other: 6,500 SF	PRUD: 3,000 SF Special needs independent living units: , 3,600-4,800 SF Other: 3,000 SF, except as provided for multiplex
Min. Street Frontage	50 ft.	50 ft.
Min. Lot Width	65 ft.	60 ft.; 90 ft. for multiplex
Min. Front Yard	25 ft. (principal or accessory)	20 ft. (principal or accessory)
Min. Rear Yard	Principal or attached accessory > 100 SF: 25 ft. Accessory detached <144 SF: 5 ft.	Principal or attached accessory > 100 SF: 20 ft. Accessory detached <144 SF: 5 ft.
Min. Side Yard	1 story: 8 ft. 1 1/2 stories : 8 ft. 2 stories : 14 ft. 2 1/2 stories: 16 ft. Accessory detached <144 SF: 5 ft. Side yard on side street: 20 ft.	1 story: 8 ft. 1 1/2 stories : 8 ft. 2 stories : 12 ft. 2 1/2 stories: 14 ft. Accessory detached <144 SF: 5 ft. Side yard on side street: 15 ft.
Max. Structure Height	Principal or attached accessory: 35 ft. Accessory detached: 18 ft.	Principal or attached accessory: 35 ft. Accessory detached: 18 ft.
Max. Lot Coverage	35%	40%

			R-3	R-5
Permitted	Residential	Single-family and two-family dwellings	•	•
		Handicapped family units	•	•
		Single-family single- or multiple-component manufactured housing	•	•
		Combined living/working spaces		X
		PRUDs	•	•
		Multiplex development		•
		Governmental buildings and uses/municipal uses	•	•
	Other	Accessory uses	•	•
		Parks	•	•
		Home occupation	•	•
		Special needs independent living units		•
		Wind energy systems	•	•
Conditional	Residential	Sheltered care group homes	•	•
		Additional accessory dwelling units	•	•
		Alteration of non-residential structure to 3+ dwelling units		•
		Conversion of multi-family structure to lodging house		•
	Institutional	Schools	•	•
		Long-term and extended care facilities	•	•
		Intermediate care facility	•	•
		Places of assembly	•	•
		Hospitals	•	•
		Day care facilities	•	•
		College, university, trade schools		•
	Other	Utility substations	•	•
		Off-street parking	•	•
		Temporary wind anemometer towers	•	•
		Wind energy systems	•	•

Portland Public Schools
Learning to Succeed

Administration
Emmanuel Caulk, Superintendent
David Galin, Chief Academic Officer
Michael Wilson, Chief Financial Officer
Peter Eglinton, Chief Operations Officer

196 Allen Avenue, Portland, Maine 04103
(207) 874-8100

July 8, 2014

Mr. Mark Rees
City Manager
City Hall
389 Congress St
Portland, ME 04101

Dear Mark:

The Portland Board of Public Education voted unanimously on June 24, 2014, to authorize the Superintendent to take all steps necessary to implement the closing of the former Reed School and the transfer of control of the property to the city, including notifying the City Manager and City Council. The facility is a 33,692 square foot structure located on 2.5 acres accessed from Homestead Avenue, and was most recently used as a Central Kitchen and warehouse. Because the building does not currently operate as a school, state approval of the facility closure and transfer is not required.

Accordingly, Portland Public Schools can transfer control of the property to the City of Portland. Please let me know if additional steps are required to complete the transfer. Note that later this summer we plan to sell a few remaining pieces of kitchen equipment and relocate stored district materials to other suitable facilities. We would appreciate continued access to the building until our moves are complete. Otherwise, the city can take control of the property effective immediately.

Sincerely,

Emmanuel Caulk
Superintendent
Portland Public Schools

MAINE HISTORIC PRESERVATION COMMISSION
55 CAPITOL STREET
65 STATE HOUSE STATION
AUGUSTA, MAINE
04333

PAUL R. LEPAGE
GOVERNOR

EARLE G. SHETTLEWORTH, JR.
DIRECTOR

19 March 2015

Deborah Andrews
Historic Preservation Program Manager
City of Portland
389 Congress Street
Portland, Maine 04101

Dear Ms. Andrews:

Thank you for submitting the National Register Eligibility Assessment form , photographs and other information pertaining to the Thomas B. Reed School in Portland, Maine. These have been carefully examined by our staff.

I am pleased to say that in our judgment, based on the information and photographs submitted to date, this property is eligible for nomination to the National Register of Historic Places. The school is eligible for its architectural significance as a good example of two distinct types of school buildings built before and after World War II. We are particularly impressed that the building retains its original windows and interior finishes. The building is also significant under Criterion A for the manner in which it illustrates the associated neighborhood's post War development.

I am writing and researching National Register nominations as my schedule allows, and it is possible that I will have the time in 2016 to write a the nomination for this property, should the City of Portland decide to pursue listing. However, should you wish to proceed immediately with the development of the nomination for this property please consider hiring an architectural historian to research and prepare the nomination documentation. A list of architectural historian known to work in the state is enclosed

All nominations, before being sent to Washington for final approval, must first be presented to our Commission for approval at one of their quarterly meetings. We will schedule this nomination for presentation once a final draft of the nomination has been received and approved by this office. Once you have identified who will prepare your nomination please have them contact me at (207) 287-2132 or christi.mitchell@maine.gov to discuss scheduling and submission requirements.

In the meantime, the property will be included in the Maine Historic Resources Inventory which will provide the same protection as if it were already listed in the National Register. Please do not hesitate to contact me if you have any questions.

Sincerely,

Christi A. Mitchell
Architectural Historian

Enc.

PHONE: (207) 287-2132

FAX: (207) 287-2335

From: Jonah Fertig <jonah.fertig@gmail.com>
To: "cdg@portlandmaine.gov" <cdg@portlandmaine.gov>
Date: 2/2/2015 12:53 PM
Subject: Reed Street School

Hello Christine,
I recently learned about the re-use process for the Reed Street School. I was unable make the meeting last week as I just learned about it today. I am the co-chair of the Urban Agriculture Sub-Committee of the Mayor's Initiative for a Healthy and Sustainable Food System and co-chair of the Machigonne Community Land Trust. In the first role I'm working to secure land for urban agriculture and in the second role Im working to secure land for affordable housing. So I'd love to provide some input into this process and be kept abreast of future meetings and opportunities for input.
Thanks,
Jonah Fertig

Sent from my iPhone

From: Ashley Bahlkow <bahlkow.a@gmail.com>
To: <cdg@portlandmaine.gov>
Date: 2/2/2015 11:40 AM
Subject: Make Reed School Portland's Urban Farm!

Hi Christine,

I'm a Portland resident and I wanted to express my desire to use the Reed School land as an urban farm to grow food for the city and/or a community garden. Burlington, VT's Intervale is a great example of city land use. The Intervale is huge, but an amazing community resource and tourist attraction. Check it out at http://www.intervale.org/what-we-do/mission-vision/. I realize Reed St. doesn't have enough land for a farm incubator program and all that the Intervale encompasses, however, I think similar could be achieved on a smaller scale and that expands Portland's food security.

Thank you for taking the time to read my response.
have a good day
Ashley Bahlkow
79 Congress St. Apt. L Portland

From: <jogero@myfairpoint.net>
To: <cdg@portlandmaine.gov>
Date: 2/2/2015 9:21 AM
Subject: Reed School

Hello Christine,

I live near Homestead Avenue and Libby Street. I drive by the former Reed School everyday and often think how this statuous building could be an asset to the city of Portland. I would like to pass on my thoughts. I feel the building would be bendficial as a secondary site for city offices, such as car registrations, voter registrations, one one floor. On a second floor, my thought would be to relocate the Maine Historical Society.

Best of Luck on this project,

Geri Rose

From: Judith Southworth <jsouthworth@CCMAINE.ORG>
To: '"cdg@portlandmaine.gov"' <cdg@portlandmaine.gov>
Date: 1/31/2015 12:30 PM
Subject: Please consider Portland's Urban Farm

Hello,
Please consider using the Reed School land to establish Portland's Urban Farm for growing food for residents.
Sincerely,
Judith Southworth

From: Hazel Onsrud <hazel.onsrud@gmail.com>
To: <cdg@portlandmaine.gov>
Date: 1/30/2015 3:41 PM
Subject: Reed School property

Dear Ms. Grimando,

I think it would be great if the Reed School property could connect with the local food movement, specifically the urban agriculture portion of the the Mayor's Initiative in order to facilitate more growing space which is desperately needed in our community.

Thanks!
Best wishes,
Hazel

--
Hazel Onsrud
hazel.onsrud@gmail.com
207.299.2657

From: Anna Sommo <annasommo@gmail.com>
To: <cdg@portlandmaine.gov>
Date: 1/30/2015 3:19 PM
Subject: Reed School Input

Hello!

I would like to put in my comment to encourage the city to turn the Reed School into an urban farm. Urban agriculture is a great way to accomplish many goals- growing food close to home, providing an outdoor classroom for students of all ages, preserving open space and many more. Agriculture brings together people from many backgrounds, and it is projects such as these that encourage people to move to places like Portland.

Here are some examples of incredible urban farms in New York: http://inhabitat.com/nyc/top-5-urban-farms-in-new-york-city/.

Many thanks for your time and consideration.

Sincerely,
Anna Sommo

MEETING NOTICE: The City Council's Housing and Community Development Committee will meet on Wednesday, July 8th at 5:30 pm in City Hall, Room 209 to review the *Final Recommendations and Report of the Reed School Re-Use Advisory Task Force* and a draft Request for Qualifications regarding the possible sale and development of city-owned property at 19 Libby Street (also fronting on Homestead Avenue). For more information contact Christine Grimando, Senior Planner, 874-8608 or cdg@portlandmaine.gov. Information regarding this item will be available after 4:00 pm on July 2nd on the city website, http://www.portlandmaine.gov/582/Housing-Community-Development-Committee, under Most Recent Agenda.

CITY of PORTLAND, MAINE
Request for Qualifications

Expression of Interest
Re-use and Re-Development of the Reed School property
19 Libby Street, Portland Maine

Portland Planning and Urban Development Department

Sealed responses to provide expression of interest and evidence of qualification to re-develop the Reed School property, situated between Homestead Avenue and Libby Street, will be received by the Purchasing Office, City Hall, Room 103, 389 Congress Street, Portland, Maine 04101 until **3:00 p.m. (DATE), 2015***, at which time they will be publicly opened.

Proposals shall be submitted in envelopes plainly marked on the outside with the RFQ's title and number. No late, faxed, or electronic proposals shall be accepted.

Proposals from proposers not registered with the Purchasing Office may be rejected; receipt of this document directly from the City of Portland indicates registration. Should an interested party receive this Request from a source other than the City, please contact 207-874-8654 to ensure that your firm is listed as a vendor for this RFP.

Respondents are required to have a representative at a pre-submission walk through of the property scheduled for (DATE/TIME).

QUESTIONS

All questions shall be made ***in writing*** only, can be hand delivered, mailed to the Purchasing Office, faxed to 207-874-8652 or e-mailed to mff@portlandmaine.gov , being received no later than **July X, 2015.** A written response, if provided, will be in the form of an Addendum. Corrections or changes to this document will be made only by written addendum; any oral explanation or interpretation shall not be binding.

GENERAL INFORMATION

The disposal of this real estate shall be on the basis of a negotiated proposal, with the City of Portland reserving the right to refuse any and all proposals. All proposers are advised that the property will be sold "as-is" and "where is," in its existing condition, with no warranties to be expressed or implied. The City disclaims any and all responsibility for injury to proposers, their agents or others while examining the property or at any other time. The property will be conveyed by quitclaim deed.

Any and all improvements made to said property must be done in accordance with existing City Codes and Ordinances.

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BACKGROUND

The City requests qualifications from developers and institutions with interest in re-use and re-development of the Reed School property. The City seeks a new owner for the property and re-development of the former central kitchen and school building.

The building is currently under consideration for listing as a locally designated historic landmark, and all potential developers should anticipated that alterations and repairs to the school and grounds will be reviewable under the City's Historic Preservation Ordinance.

Interested parties are asked to submit a concept development and re-use narrative, general project budget with projected funding sources, development timeline, and development team qualifications and financial capabilities. This RFQ does not require detailed architectural drawings or development pro formas.

Based on the relative strength of the development teams and the proposal narratives, the City will select top-tier, financially viable development teams to present full proposal packets through an invitation only Request for Proposals (RFP).

This request for qualifications results from the July 8, 2015 acceptance by the City Council's Housing and Community Development Committee of the recommendations of the Reed Re-Use Advisory Task Force. In preparing responses to this request, respondents are directed to the ***Final Recommendations and Report of the Reed School Re-Use Advisory Task Force*** and background material at:

http://www.portlandmaine.gov/1348/Reed-School-Reuse-Project

DRAFT

USES CONSIDERED

I. Generally

Re-use of the Reed School building and property is intended to support and enhance the integrity of the surrounding neighborhood. Proposals for re-use of the property will show consistency with this intent by sensitively preserving the building, maintaining publicly accessible open space, and introducing new uses, occupants, and improvements that do not unreasonably impact the character and vitality of the area.

II. Existing Zoning

Due to the distinct nature of this property, the City of Portland is pursuing rezoning of the property from R-3 to the R-5 residential zone, as one that better fits the anticipated future redevelopment of this site in regard to permitted uses and dimensional standards. The zoning map change will be accompanied by a text amendment to the R-5 zone to allow for the following residential use: *Combined living/working spaces including, but not limited to, artist residences with studio space.*

Consideration of proposals that require additional zoning changes, or that alternately propose a contract zone for the property, will be reviewed in relation to their consistency with the prioritized uses and criteria below.

Proposals that include residential unit counts that significantly exceed the current maximum R-5 allowances are discouraged.

III. Uses Encouraged

The following uses are specifically encouraged to compatibly add value, vitality and interest to the Reed School property and surrounding neighborhood.

a. Publicly accessible, contiguous open space that incorporates community gardens, playground, or a compelling combination of active and passive recreation areas.
b. Residential uses, including multi-family residential and senior housing, particularly those that help preserve the economic and physical character of the neighborhood.
c. Combined living/working spaces, including but not limited to artist residences with studio space.
d. Educational uses such as arts education, early childhood education or care, research and continuing education.
e. Wellness-related uses such as adult day care or childcare.
f. Community spaces such as art studios or a community center.
g. Creative mix of uses that protect and enhance the character and vitality of the neighborhood, provided the mix is a low impact, low traffic combination.

DRAFT

IV. Uses Discouraged

The following uses are strongly discouraged:

a. High intensity commercial, industrial, and/or institutional uses or those that include a large amount of traffic, parking, and, external impacts;
b. Residential unit counts that are drastically higher density than allowed under the R-5 zone are discouraged.

GENERAL INFORMATION

Location: 19 Libby Street, Portland, Maine 04103

Current use: Uninhabited. Intermittent fire life safety trainings take place on sight on a temporary basis.

Condition of the property at the time of sale: The existing structure is currently unoccupied.

Environmental Conditions: The City of Portland does not have any specifics with regard to environmental conditions and makes no representations or guarantees with respect to the environmental condition of the site.

Note: All respondents should investigate legal and zoning requirements for proposed projects prior to submission of proposal. The City's Zoning Administrator can be contacted at (207) 874-8709. The City's Planning Office can be contacted at (207) 874-8719.

PROCESS OUTLINE

I. Submissions will be reviewed for completeness.

II. City Staff and a *Proposal Review Committee* will review the submissions and select a final list of qualified proposers.

III. Upon completion of the list, an RFP document outlining specific project details and submission requirements will be sent to the pre-qualified interested parties.

<u>Respondents are required to have a representative at a pre-submission walk through</u> of the property scheduled for <u>(DATE/TIME).</u> Development Team representatives will meet in the parking area at the rear/southerly side of the building. The tour, which will be attended by City Planning and Facilities staff, will begin promptly at X:X0 p.m. and take approximately 1 hour.

Please be advised that responding to this inquiry will not ensure that your firm is placed upon the final Proposers List. However failure to respond will eliminate you from the list. The selection of bidders on the final Proposers List will be based upon a detailed evaluation of these responses, and will be chosen in the best interests of the City of Portland, Maine according to the following criteria:

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CRITERIA

The city will apply the following criteria to rate competing Developer Team qualifications for selection to submit full proposals.

I. ***Use*** **50% Weight**

The uses described in the conceptual development and re-use narrative are consistent with the recommendations of the Reed School Re-Use Advisory Task Force, as summarized in the *Uses Considered* section above; and,

II. ***Financial Strength and Experience of the Development Team*** **50% Weight**

The Development Team has the experience, financial capacity and a proven track record to confidently achieve the goals and program(s) described in the *conceptual development and re-use narrative.*

SUBMISSION INFORMATION

I. Development Narrative – Provide a concept development and re-use narrative, general project budget with projected funding sources, and development timeline. The proposed uses, unit counts, and nature and extent of occupation of the Reed School building and site must be included. Sketch level drawings may be useful to augment this information but are not required. This RFQ does not require detailed architectural drawings or development pro formas.

II. A complete description of the structure of your team, including administration and project management team as well as major shareholders.

- **a.** Developer – Name, address, telephone, fax number of the proposed
- **b.** Owner/developer and the name(s) of an alternative contact person(s)

III. Developer Capacity – Identify the qualifications and experience of the development team for the project including a list of previously completed projects similar to the proposed project. This may include key staff of the developer, architect, general contractor and future property management. The submission should include indication of experience with similar development projects, and experience with Historic Preservation projects, where applicable.

IV. A list of current projects, with a brief description of type, and expected completion dates.

V. A list of projects of comparable size and complexity that you have developed in the past five years. Provide photos, demonstrative drawings and project particulars.

VI. A list of not less than four recent (within the past five years) client references for similar size or complexity of project, complete with names and contact information (phone and email ideally), and date of project completion.

VII. Evidence of financing capability sufficient to undertake a project of this scope, including a letter of reference from a Financial Institution.

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VIII. Eight (8) copies, with the original so marked, of each submittal along with a single digital copy.

Reservation of Rights

The City reserves the right to waive any informalities in proposals, to accept any proposal or portions thereof (Proposers are advised to note this and quote accordingly) and to reject any or all responses should it be deemed for the best interest of the City to do so. The City reserves the right to substantiate the Proposer's qualifications, capability to perform, availability, past performance record and to verify that the proposer is current in its obligations to the City, as follows: The successful bidder shall agree to defend, indemnify and save the City harmless from all losses, costs or damages caused by its acts or those of its agents, and, before signing the contract, will produce evidence satisfactory to the City's Corporation Counsel of coverage for General Public and Automobile Liability insurance in amounts not less than $400,000 per person, for bodily injury, death and property damage, protecting the contractor and the City, and naming the City as an additional insured from such claims, and shall also procure Workers' Compensation insurance.

All materials and equipment used as well as all methods of construction and/or demolition shall comply at a minimum with any and all Federal, OSHA, State and/or local codes, including applicable municipal ordinances and regulations.

Equal Employment Opportunities. Vendor shall comply fully with the Nondiscrimination and Equal Opportunity Provisions of the Workforce Investment Act of 1998, as amended (WIA, 29 CFR part 37); the Nontraditional Employment for Women Act of 1991; title VI of the Civil Rights Act of 1964, as amended; section 504 of the Rehabilitation Act of 1973, as amended; the Age Discrimination Act of 1975, as amended; title IX of the Education Amendments of 1972, as amended; and with all applicable requirements imposed by or pursuant to regulations implementing those laws, including but not limited to 29 CFR part 37.

Pursuant to City procurement policy and ordinance, the City is unable to contract with businesses or individuals who are delinquent in their financial obligations to the City. These obligations may include but are not limited to real estate and personal property taxes and sewer user fees. Proposers who are delinquent in their financial obligations to the City must do one of the following: bring the obligation current, negotiate a payment plan with the City's Treasury office, or agree to an offset which shall be established by the contract which shall be issued to the successful bidder.

It is the custom of the City of Portland, Maine to pay its bills 30 days following equipment delivery and acceptance, and following the receipt of correct invoices for all items covered by the purchase order. In submitting bids under these specifications, bidders should take into account all discounts; both trade and time allowed in accordance with this payment policy and quote a net price. The City is exempt from the State's sales and use tax as well as all Federal excise taxes.

June 25, 2015

Matthew F. Fitzgerald
Purchasing Manager

DRAFT

Attachments: Go to: http://www.portlandmaine.gov/1348/Reed-School-Reuse-Project

DRAFT

PROPOSAL

NOTE: THESE PAGES ARE TO BE COMPLETED AND RETURNED

The UNDERSIGNED hereby declares that he/she or they are the only person(s), firm or corporation interested in this proposal as principal, which it is made without any connection with any other person(s), firm or corporation submitting a proposal for the same.

The UNDERSIGNED hereby declares that they have read and understand all conditions as outlined in the Request for Proposals, and that the proposal is made in accordance with same.

The UNDERSIGNED hereby declares that any person(s) employed by the City of Portland, Maine, who has direct or indirect personal or financial interest in this proposal or in any portion of the profits which may be derived therefrom has been identified and the interest disclosed by separate attachment. (Please include in your disclosure any interest which you know of. An example of a direct interest would be a City employee who would be paid to perform services under this proposal. An example of an indirect interest would be a City employee who is related to any officers, employees, principal or shareholders of your firm or to you. If in doubt as to status or interest, please disclose to the extent known).

The proposer acknowledges the receipt of Addenda numbered _____

COMPANY NAME: _____
(Individual, Partnership, Corporation, Joint Venture)

AUTHORIZED SIGNATURE: _____ DATE: _____
(Officer, Authorized Individual or Owner)

PRINT NAME & TITLE: _____

ADDRESS: _____

_____

E-MAIL ADDRESS: _____

TELEPHONE: _____ FAX: _____

FEDERAL TAX I.D. NUMBER: _____

STATE OF INCORPORATION _____

(If incorporated in another State, businesses must be authorized to do business in the State of Maine.)

DRAFT

Portland, Maine Yes. Life's good here.

Mary Davis
Division Director, Housing & Community Development Division

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

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

DATE: July 2, 2015

SUBJECT: Review of Response to RFP for the Sale and Development of 65 Munjoy Street and Recommendation to City Council (former Adam's School Parking Lot)

A) 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 disposition and provide direction to staff.

SUMMARY

At the November 12, 2014 meeting of the HCDC, the Committee approved the issuance of a RFP for the sale and development of 65 Munjoy Street. The RFP was issued on November 19 with responses due on January 13, 2015. The RFP generated one response, a proposal by Adam's Apple LLC to create a new 8-unit residential condominium development. At the February 11, 2015 meeting, the HCDC authorized staff to negotiate terms of the transaction with the developer.

Staff is requesting Committee approval of the terms of sale of 65 Munjoy Street, as outlined below, and financing provided through the Housing Trust Fund.

COMMITTEE GOAL/COUNCIL GOAL ADDRESSED

Promote Housing Availability – Provide increased availability in all segments of the housing market while ensuring that there is a suitable balance of housing opportunities among those sectors. Objective: Complete assessment of and, as appropriate, begin to offer city owned property to construct affordable housing.

FINANCIAL IMPACT

Land cost is not reflected in the proposal presented by Adam's Apple LLC. This site has an approximate assessed value of $162,000. It is important to note that there are environmental remediation costs that the developer will be responsible for. These costs are estimated at $240,000.

Mary Davis
Division Director, Housing & Community Development Division

STAFF ANALYSIS

The proposal brought forth by Adam's Apple, LLC envisions an 8-unit residential condominium development comprised of two (2) 3-bedroom units, two (2) two-bedroom units and four (4) 1-bedroom units in a single, three-story walk up building. The project will include six on-site covered parking spaces in a concealed parking area under the building. The design of the project is essentially comparable to the Munjoy Street Affordable Housing Feasibility Study prepared by the Bluestone Planning Group. The study identified two triple-decker styled flats with flat roofs as the most viable design option with 8 units residential units and two surface on-site parking spaces.

The proposal indicates a sales price of $225,000- $235,000 for the one-bedroom units, $274,000 for the two bedroom units and $298,000 for the three-bedroom units. The Bluestone Planning Group study suggested a sales price of $217,000-$235,000 for the two bedroom units and $245,000-$285,000 for the three bedroom units.

The units will be affordable to households earning between 100% and 120% of the area median income (Family of Two = $61,875-$74,250 & Family of Four = $77,313-$92,760). The project will include deed restrictions that will guarantee future sales to income-qualified owner-occupants for no less than 90 years. The restrictions will also prohibit short-term rentals, such as Air BnB.

In addition, the developer will give preference to first-time homebuyers who are able to provide a pre-approval for bank financing. The May report from the Maine Association of Realtors shows that the median sales price in Cumberland County rose by 1.7% since May of 2014 and the number of units sold has risen almost 18% in the same time frame. Staff believes that this project will be extremely attractive to first time homebuyers.

To address a project financing gap, the developer requested financial assistance from the City in the form of a $300,000 subsidy from the Housing Trust Fund. Housing and Community Development staff asked the developer to reduce that request to $175,000. In order to do so, the developer sought additional resources. A source to cover the cost to remediate the site is available through the Greater Portland Council of Governments (GPCOG) Brownfields Cleanup Grant Fund. This grant is only available to a non-profit or public entity that owns the site. Therefore, Adams Apple, as a for-profit business, would not be eligible for this Brownfields grant. The City is not eligible because it did not do a Phase I Environmental Assessment before it originally acquired the property long ago. The developer approached the City and asked if the Portland Development Corporation would be willing to take interim title to the property. As a non-profit, the PDC is eligible for these grant funds as long as it owns the site during environmental

remediation. The PDC would enter into a Development Services Agreement with Adam's Apple, LLC to manage the grant funding and the remediation of the site.

At this point, the developer and the PDC have received a conditional commitment of funding from GPCOG for $200,000 in Brownfield Cleanup funding. The commitment is conditioned on approval of the transaction by the HCDC, City Council and the PDC. This $200,000 grant when combined with the allocation of $175,000 from the Housing Trust Fund, will provide the developer with a $375,000 subsidy for remediation and construction costs.

STAFF RECOMMENDATION

Staff is requesting approval by the HCDC and recommendation to the City Council of the Sale and Redevelopment of 65 Munjoy Street as follows:

(1) Final sale of the property at 65 Munjoy Street to Adam's Apple, LLC with the understanding that the an interim transfer of the property to the PDC will enable the project to receive a $200,000 Brownfields Grant from the Greater Portland Council of Governments. The PDC will enter into a Development Services Agreement with Adam's Apple, LLC to manage the grant funding and the remediation of the site. Once the remediation is complete, the PDC will transfer the property to Adam's Apple, LLC.

PDC will is expected to take action on its roll in this project at their meeting scheduled for July 18.

(2) Appropriation of $175,000 in Housing Trust Funds - $40,000 towards remediation costs and $135,000 towards the cost of construction of 8 affordable homeownership units. A Grant Agreement and Declaration of Covenants will be recorded. The Grant Agreement will outline the use of the Housing Trust Fund money. The Declaration of Covenants will secure the ongoing affordability restrictions on the property which will require (a) that the units be affordable to households earning between 100% and 120% of the area median income (adjusted for family size); (b) require that preference be given to first-time home buyers for the first initial sale of the units; (c) require future sales to income-qualified owner-occupants for no less than 90 years; and (d) short-term rentals, such as AirBnB, will be prohibited.

ATTACHMENTS
Adam's Apple, LLC proposal

City of Portland
Request for Proposals
RFP# 4115

For the Sale and Reuse of Property Located at

65 Munjoy Street

January 13, 2015

Respectfully Submitted by:

RANDOM ORBIT LLC

ANEW
Local · Community · Development

In Partnership with:

bild ARCHITECTURE

Gorham SAVINGS BANK

BAY REALTY

CHESTER & VESTAL ATTORNEYS AT LAW

RANSOM Consulting Engineers and Scientists

WR Wright-Ryan

1. Executive Summary

Adam's Apple, LLC proposes to create a new a 8-unit residential condominium development at 65 Munjoy Street in conformance with the goals and criteria of RFP #4115 For the Sale and Reuse of 65 Munjoy Street.

The development team is comprised of Developers Peter Bass and Ethan Boxer-Macomber of Adam's Apple, LLC, Bild Architects, Bay Realty, Chester & Vestal Attorneys at Law, Gorham Saving's Bank, Ransom Consulting, Inc., the Avesta Homeownership Center, and Wright Ryan Construction. Each member of this entirely Portland-based team has very recent and relevant experience successfully developing similar projects on Munjoy Hill in recent years.

The project is comprised of two (2) 3-bedroom units, two (2) 2-bedroom units, and four (4) 1-bedroom unit in a single, three-story walk up building totaling eight (8) housing units. Six (6) onsite covered parking spaces are provided in a concealed parking area underneath the building.

The project design integrates and blends in with the surrounding neighborhood by use of traditional or complementary massing, forms, configuration, and materials. The building will be designed to high standards of energy efficiency and sustainable design and will meet or exceed the standards of the USGBC's LEED for Homes program. The entire development team is committed to facilitating public engagement and dialog as this development progresses. Great effort will be taken made to design a development that is consistent with and contributes to the residential character of Munjoy Hill.

The developer proposes to make all of the units affordable to households of moderate incomes in the range of 100% – 120% of Area Median Income. At present, this target would serve households earning between approximately $55,000 and $75,000 per year. All individually sold units will include deed restrictions to guarantee that units be sold only to an owner-occupying, qualifying buyer in that same range at an affordable maximum sales price for a period of no less than 90 years.

The proposed redevelopment of the site will cost $2.2 million. Sources of funds will include home sales, developer equity, and a commercial construction loan. Net unit sales will fall approximately $300,000 short of fully covering development costs due to affordability restrictions. The developer is requesting that the City of Portland provide a $300,000 grant to the project from its Housing Trust Fund consistent with subsidy levels customarily required by affordable housing projects of this nature and necessary at 65 Munjoy Street as evidenced in the project budget.

The soils under the subject site are known to be both environmentally contaminated and structurally unsuitable. In order to facilitate the project, the site will require over excavation, monitored removal and disposal of unsuitable soils, interim shoring of open excavation areas and the introduction of clean structural fill. These requirements are estimated to cost the project on the order of $200,000 in added development expense. The project is proposed to offset this expense by the land being donated by the City.

65 Munjoy Street will provide myriad public benefits including eight quality new affordable housing units, context-sensitive infill of an underutilized urban parcel, +$30,000 in new annual property tax revenue, $2.2MM in development activity predominantly by Portland-based companies, and eight new Portland households to Munjoy Hill to contributing to its vibrancy and economic development. The entire 65 Munjoy development team is eager to see this exciting new project go forward.

3. Development Proposal

65 Munjoy presents a unique opportunity to simultaneously achieve multiple community goals; re-knitting an interrupted neighborhood streetscape, cleaning up environmental and structurally unsuitable soils, providing new affordable housing opportunity, all while supporting Portland businesses and bringing a new residential property onto City tax rolls.

The team's proposal for the development of 65 Munjoy Street is designed to be highly responsive to the goals and criteria in City's Request for Proposals and to its own observations and understanding of the rich and dynamic neighborhood context.

65 Munjoy will feature a single, three story walk up building with a combination of eight (8) residential condominium units, in a configuration of 1, 2, and 3 bedroom flats. The building will feature a center stair and front entry from Munjoy Street. Six (6) covered parking spaces will be provided in a covered bay accessed from a driveway alongside the building. Two (2) additional spaces could be accommodated onsite if deemed necessary through the permitting process or to address market demand.

Background / Subject Site

The approximately 6,771 square foot lot is currently City-owned and is a residual component of the former Marada Adams Elementary school which was demolished in 2010. The subject site once served as the staff parking lot for the school and has since been left vacant and unprogrammed. The roughly 80' x 85' site today is 100% paved with impervious surface.

Site Context Map and Approximate Property Line

The site has frontage on Munjoy Street to the West and along a City-owned public open space to the East. The site is flanked by existing two-story, multi-family structures to the North and South. The neighborhood context is a rich assortment of two, three, and four story structures.

The site has a long history of varying use and is known to have unsuitable soils from the stand-point of environmental contaminants and lack of structural integrity.

Located in the City's R6 zone. Policy revisions to the R6 zone are currently moving through process with the Portland Planning Board and the Portland City Council.

Design

The design for the 65 Munjoy Street is contextual in massing, articulation and materials, while utilizing contemporary details. The project offer condominium units in the traditional triple-decker style that is found throughout Portland and on Munjoy Hill. The unit density to land area ratio is comparable to nearby areas on Munjoy Hill.

The form of the project creates a massing that is similar to the surrounding buildings while allowing for a building footprint and circulation that is more efficient than two separate buildings. Off-street parking is concealed at the side of the building.

The main entrance of the project opens to the street, and is sheltered by a canopy. The windows on the street façade are arranged in a symmetrical and rhythmic pattern. The project proposes to provide a structure at the sidewalk edge, either with the building itself or with pedestrian scale landscaped planters.

The project is designed with the common triple-decker as the model for proportion and scale. The building height, massing of the façade, and window arrangement replicate the classic triple-decker building type.

The articulation of details for the project seeks to utilize contemporary design within the contextual massing and proportion framework. The cornice and canopy are articulated with rough cut cedar as opposed to painted trim. The windows consist of fixed upper windows paired with lower awning windows instead of less energy efficient double-hung windows. While the primary masses of the building may be clad in traditional material such as clapboard or shingle the base and highlight material may be an exterior tile or other unique modern material.

Affordability

65 Munjoy Street will provide four (4) 1-bedroom, two (2) 2-bedroom, and two (2) 3-bedroom flats in the three story, walk-up building. All eight (8) flats will be marketed and sold as condominiums. Through 90-year deed restrictions, the sale of all units at 65 Munjoy will be restricted to buyers with moderate household incomes of between 100% and 120% of Portland Area Median Income (AMI) as published annually by the US Department of Housing and Urban Development (HUD).

Initial sales at 65 Munjoy will be held to an affordability test based on no buyer paying more than 30% of their annual income for the cumulative annual cost of Principal, Interest, Taxes, Insurance, and Condo Association Dues.

For example, current 100% AMI figures for Portland are approximately $55,000 for a single member household and rise from there to approximately $75,000 for a four-member household. Sales price is then based on a calculation of what an affordable mortgage would be at current rates and terms assuming 30% of income for housing and after subtracting for the cost of taxes, insurance, and condo fees. This calculation yields maximum sales values in the low $200s for the 100% – 120% AMI single-member household and in the high $200s for the four-member household. At these ranges, the affordable units at 65 Munjoy will be sold at a deeply discounted rate when compared to the average cost for new condominium units on Munjoy Hill.

Subsequent sales at 65 Munjoy will not be subject to any maximum sales price per se, that might unduly limit buyers' ability to preserve their equity and see some reasonable return on their investment in the unit. However, the lasting income restrictions will naturally hold down the future resale value of the unit based on the limited ability of any given 100-120% AMI eligible buyer to gather down-payment equity and secure bank financing.

Deed restrictions at 65 Munjoy will further require that all initial and subsequent buyers will be subject verification of their household income by a third party service. To provide this service, our team has partnered with Portland-based Avesta Housing's Homeownership Center (HOC). The Homeownership Center has established systems and protocol for performing income verifications in conformance with HUD guidelines. The HOC also supports point of sale transactions by consulting with buyers, sellers, and their respective sales agents and financial institutions with regard to the affordability verification process. Avesta's HOC currently provides such services on a fee-for-service at point-of-sale basis for a number of other area affordable homeownership developments.

The affordability provisions proposed at 65 Munjoy mirror those already in place at the adjacent Adams School Condominium development where income verifications and sales consultation are also provided by Avesta's HOC which were developed and refined in close coordination with the City of Portland.

Permitting

The subject site is located full within the City of Portland's R6 zone. The R6 zone is currently undergoing an amendment process which will have some effect on the dimensional and density requirements of the zone. The 65 Munjoy Street has been designed to conform to the draft R6 standards currently undergoing City review as encouraged by the development examples shown in the RFP.

Sustainability

The project will be insulated well beyond code requirements and will utilize detailing to minimize air infiltration. The mechanical systems will be electric mini-split heat pumps sized accordingly with the reduced envelope load. The site provided by the City allows the project to benefit from all the sustainable principals of urban infill: brownfield remediation, reduced car trips for daily living, use of existing city infrastructure, and preservation of remote greenfield sites. The building will be designed to high standards of energy efficiency and sustainable design and will meet or exceed the standards of the USGBC's LEED for Homes program; although in order to reduce project expense and preserve affordability, the developers do not intend to seek certification.

Financial Terms

As presented in greater detail in the project budget (Exhibit G), the total development cost of the project is estimated at approximately $2.2MM based on $1.78MM in hard costs related to construction and environmental site mitigations and another approximately $420,000 in customary soft costs such as design, engineering, permitting, developer, legal and finance fees plus carry costs, and contingency.

Construction and environmental clean-up costs have been provided by Wright Ryan construction in coordination with the environmental and civil engineers at Ransom Consulting as detailed in estimation letters attached hereto (Exhibit D). These estimations are based on comparisons to several new construction condominium developments recently completed or currently under construction in Portland as well as the project site and architectural plans and reports provided within the RFP.

It should be noted that the final estimated construction costs for 65 Munjoy are substantially higher on a square foot basis than the figure estimated by the City's development consultant as outlined in the August 28, 2014 feasibility study prepared by Bluestone Planning Group (BPG). The BPG report assumes a project of this scale and configuration could be constructed at a total construction cost of $125 per square foot where the final costs to construct the project at 65 Munjoy have fallen more on the order of $155 per square foot.

In the team's collective experience, $125 per square foot construction cost is sometimes achievable in the case of large-scale (20-60 units) low-income rental apartment projects on low barrier suburban and rural sites. 65 Munjoy, however, is a more costly project to build based on its small size and loss of relative economies of scale, constraints of building on a tight urban site, and higher finish level. Additionally, the cost of contending with unsuitable soil at 65 Munjoy adds significant additional cost to the project. These soils must be removed and relocated in conformance with environmental rules and regulations due not only to their contaminated nature but also to their poor structural qualities and inability to soundly support a three-story structure.

The development team has made every reasonable effort to achieve the City's full program for the project while maximizing efficiencies and minimizing construction costs. Initial plans to develop the site with two buildings, for example, was abandoned due to the much higher costs of building redundant foundations, envelopes, circulation spaces, utility connections, metering systems, mechanical systems, and stair towers.

The total net projected sales, after broker fees, taxes and other closing costs, are estimated at approximately $1.95MM. While $1.95MM is supported by a combination of developer equity and construction financing through the permitting, construction, and sales phases of the project, it leaves a $300,000 gap in project financing.

Were the project to be sold at market value rather than the proposed affordable price points, this gap would not be present. However, with the 100% -120% AMI limits to sales values in place, the $300,000 gap remains. The team proposes that this gap be filed with a $300,000 City of Portland grant to the project from the City's Housing Trust Fund. This level of City support is consistent on a per unit basis with affordable housing grants typically provided by the City through Federal housing programs such as the HOME fund and similar programs instituted by HUD as stimulus though the past recession. This use of the Housing Trust Fund leverages the multiple goals of the RFP from clean up a contaminated site, to providing 8 units of long term affordable housing, and a quality new infill project to add new vitality to the neighborhood and generate in excess of $30,000 per year annually in new City property taxes.

Property Management

The land and building at 65 Munjoy will be owned and managed by the 65 Munjoy Condominium Association (the Association) which will be solely responsible for maintenance and upkeep of the property and enforcement of established association rules

and restrictions. These rules will include, among other things, a strict prohibition on smoking anywhere on the property including common areas and within individual units.

The developer will contract with a local property management company to provide services to the Association including but to limited to collecting monthly condo fees, paying monthly expenses, and procuring and overseeing contract services such as grounds and building maintenance. This property manager will be the contracted agent of the Association shall report to a resident controlled Association Board at such time that the association is transferred.

5. Affordability, Sales, & Marketing Plan

A. Ownership Structure

With the development of 65 Munjoy Street will come the creation of the 65 Munjoy Street Condominium Association (the Association). The property's land and structure will be owned and managed by the Association, which will be solely responsible for maintenance and upkeep of the property and enforcement of association rules and restrictions. In this way, residents of moderate income will have the ease and predictability of having exterior building maintenance, grounds work, and snow removal, and property insurance covered in a single monthly association fee. Likewise, abutters will enjoy assurances that the property will be orderly and well maintained.

A local property management company will be contracted to provide the Association with a full host of administrative and management services.

Condo Association rules will be typical for an Association of this nature except that owners will be subject to smoking restrictions and restrictions to renting their properties except for limited periods and under certain limited circumstances such as family crisis, temporary assignment, sabbatical, and the like.

B. Pricing and Affordability

All units at 65 Munjoy Street will be sold at prices affordable to qualified households with total household incomes between 100 and 120% of Area Median Income. Initial sales figures are set such that the annual expense of mortgage principle, interest, tax, insurance, and association fees are not in excess of 30% of a 100% AMI income level as published by HUD.

The developers will partner with Avesta Housing's Homeownership Center. Avesta will provide homebuyer education, and homebuyer income certification. Bay Realty and Avesta will assist buyers in identifying and qualifying for favorable financing terms in the local mortgage market.

C. Resale Restrictions

At points of sale, deed restrictions will require that only an income eligible buyer in the range of 100% to 120% of AMI may be qualified to purchase any unit at 65 Munjoy Street. These restrictions are expected to be similar to those established and approved by the City at the adjacent Adam's School Condominiums recently developed by Avesta Housing. These income restrictions at 65 Munjoy Street will be deed restriction for a period of no less than 90 years from date of original purchase.

D. Resale Process

At time of sale, each subsequent buyer shall be required by deed restriction to secure an income certification by a qualified third party. The developers will partner with the Homeownership Center at Avesta Housing to provide this service to initial and subsequent buyers and to monitor transactions to ensure that the terms of deed restricted affordability covenants are carefully and consistently followed.

Avesta currently provides this service to other existing affordable homeownership developments in several Maine Communities and has the professional staff and administrative systems in place to support 65 Munjoy Street.

E. Sales & Marketing Plan

The developers will contract with Bay Realty to provide sales and marketing services in the initial sales at 65 Munjoy Street. Bay Realty is not only highly experienced in marketing and selling condominium developments in general but also has very current and relevant experience in marketing and selling affordable homeownership condos having brokered sales at both 135 Sheridan and the Adams School Condominiums.

The 65 Munjoy Street marketing campaign will employ a multi-modal approach including:

- Thorough and well-designed listings; MLS, Realtor.com, Zillow, etc
- Local Media releases at key project benchmarks; approvals, construction, completion
- Project website with complete and comprehensive information for buyers
- Social Media- Facebook page, Twitter feed, and similar
- Broker community mailings and open house events
- Outreach to affordable housing community such as homeownership centers and affordable housing rental companies to identify potential first time homebuyers.

Avesta's Homeownership Center will also be an integral member of the sales and marketing team; providing buyer education, certification, and referral.

EXHIBIT B1

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UNIT	# BATHROOMS	# BEDROOMS	TOTAL SQUARE FOOTAGE	
1A	1	1	721	
1B	1	1	725	
2A	1	2	1,054	
2B	1	1	1,040	
2C	1	2	1,040	
2D	1	1	1,040	
2E	1	2	1,054	
2F	1	1	1,040	
TOTAL				

FIRST FLOOR & SITE PLAN
SCALE: 1/4" = 1'-0"

1.0	A	ISSUE DATE 1/7/15	DRAWN BY EAC	CONCEPT DOCUMENTS	REVISIONS 1 - 2 - 3 - 4 - 5 -	PROJECT NO. 14036	
		SHEET SCALE 1/4" = 1'-0"	SHEET TITLE FIRST FLOOR & SITE			PROJECT NAME MUNJOY ST. FLATS ANEW ORBIT	

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B2

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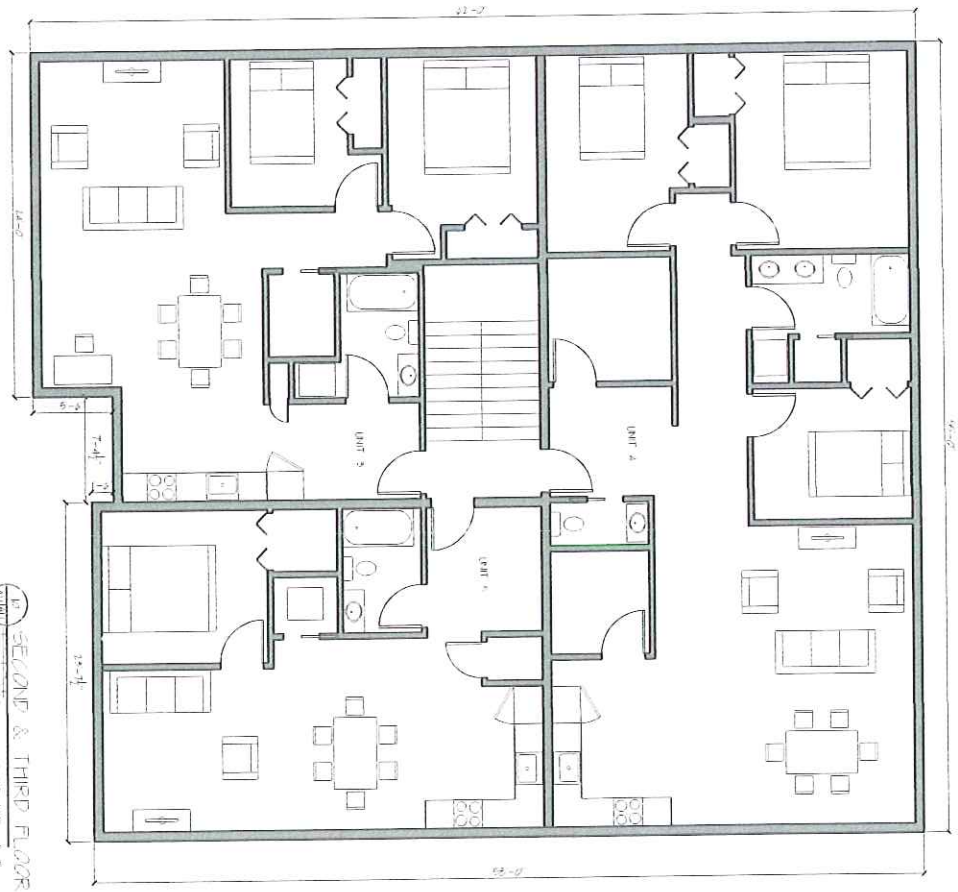

SECOND & THIRD FLOOR PLAN

SCALE 1/4" = 1'-0"

A 1.1	ISSUE DATE 1/7/15	DRAWN BY EAC	CONCEPT DOCUMENTS	REVISIONS 1 - 2 - 3 - 4 - 5 -	PROJECT NO. 14036	Bild Architecture
	SHEET SCALE 1/4" = 1'-0"	SHEET TITLE 2ND & 3RD FLOOR			PROJECT NAME MUNJOY ST. FLATS ANEW ORBIT	PO Box 8235 Portland, ME 04104 207.408.0165 evan@bildarchitecture.com

B3

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VIEW FROM UPPER MUNJOY
SCALE: NTS

A 3.0	ISSUE DATE 1/7/15 SHEET SCALE NTS	DRAWN BY EAC SHEET TITLE **PERSPECTIVES**	**CONCEPT DOCUMENTS**	REVISIONS 1 - 2 - 3 - 4 - 5 -	PROJECT NO. 14036 PROJECT NAME **MUNJOY ST. FLATS ANEW ORBIT**	bild ARCHITECTURE

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VIEW FROM LOWER MUNJOY

SCALE: NTS

3.1	A	ISSUE DATE 1/7/15 SHEET SCALE NTS	DRAWN BY EAC SHEET TITLE **PERSPECTIVES**	**CONCEPT DOCUMENTS**	REVISIONS 1 - 2 - 3 - 4 - 5 -	PROJECT NO. 14036 PROJECT NAME MUNJOY ST. FLATS ANEW ORBIT	bild **Bild Architecture** PO Box 8235 Portland, ME 04104 207.408.0163 evan@bildarchitecture.com

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VIEW FROM PLAYGROUND

SCALE: NTS

3.1	A	ISSUE DATE 1/7/15 SHEET SCALE NTS	DRAWN BY EAC SHEET TITLE **PERSPECTIVES**	**CONCEPT DOCUMENTS**	REVISIONS 1 - 2 - 3 - 4 - 5 -	PROJECT NO. 14036 PROJECT NAME MUNJOY ST. FLATS ANEW ORBIT

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65 Munjoy Street, Portland

May 4, 2015

SUMMARY			
Owning Entity:			
Phase I	Portland Development Corp	**Project Type:**	For Sale / Condo
Phase II	Adam's Apple, LLC (TBF)	**Units:**	8
	50% Random Orbit, 50% Anew	**Approximate Gross S.F.**	9,852
Developer	Adam's Apple, LLC (TBF)	**TCC / S.F.**	155
Construction Lender	Gorham Savings Bank	**TCC / Unit**	201,022
Property Manager:	TBD		
Site Address:	65 Munjoy Street	**TDC / Unit**	262,436
	Portland, Maine		

DEVELOPMENT COST

Uses Of Funds	Cost	%	Notes
PHASE I - REMIDIATION (PDC)			
Soil Remediation	172,750		Removals, Structural Shoring, RIs, Fill
Contingency	12,093	7.0%	Ledge, Unforseen Conditions
Engineering Design	10,000		
Construction Oversight	7,500		Clark Insurance
Confirmatory Sampling	5,000		
Closure Report	7,500		
Permits / Public Outreach / Program Cost	3,339		Permit, Printing, Postage, etc.
Development Services Fee	21,818	10.0%	
Subtotal Site Remediation Costs	**240,000**		
SOURCES			**Type**
GPCOG Brownfields Grant	200,000		Grant to Project
City of Portland Housing Trust	40,000		Grant to Project
TOTAL SOURCES	**240,000**		
Surplus / (Gap)	**0**		

PHASE II - CONSTRUCTION & SALES (Adam's Apple, LLC)					
Construction	1,531,250		Wright Ryan Construction		
Landscape	30,000				
CM Contingency	30,625	2.00%			
Utility Connections	5,000				By Owner
Window Treatments	7,500				By Owner
Materials Testing	3,800		SW Cole		By Owner
Subtotal Construction Costs	**1,608,175**				
Building Permits	22,969		By Owner		
Land Use Permits and Fees	8,000		Planning Apps and Fees		
Survey	3,500		Owen Haskell		
Architecture & Engineering	91,875	6.00%	Structural, LA, MEP, Site/Civil, Interiors		
Owner Legal	10,000				
Title & Recording	3,000				
Accounting	2,000				
Construction Period Tax	2,000				
Print and Web Marketing	3,000				
FF&E	1,500				
Subtotal Soft Costs	**147,844**				
		Rate		**Max Balance**	**Period**
Finance Costs	68,000	4.00%		$ 1,700,000.00	24
CL Legal	0				
CL Fee	4,250	0.25%			
Bank Engineer	2,900		500 precon, 200 per month, 12 months		
Return on Private Equity	59,511	15.00%			
Subtotal Finance Costs	**134,661**				
Appraisal	3,500				
Builder's Risk/GL Insurance	8,500				
GeoTech	4,200				
Phase I ESA	6,000				
Subtotal Miscellaneous	**22,200**				
Acquisition: Land and Buildings	1				
Acquisition: Tax	0				
Acquisition: Legal	3,000				
Subtotal Acquisition	**3,001**				
Insurance	3,500				
HOA OpEx Coverage	5,500				
Post Construction Utilities	5,000				
Subtotal Carrying Costs	**14,000**				
Project Contingency	89,611	5.00%			
Development Services Fee	80,000	4.00%			
Subtotal Fee & Contingency	**169,611**				
TDC	**2,099,491**				

SOURCES			Type
Owner Equity	264,491	12.60%	Interest Bearing Debt
Construction Loan	1,700,000	80.00%	Interest Bearing Debt
City of Portland Housing Trust	135,000	6.43%	Grant to Project for Deeded Affordability
	.		
TOTAL SOURCES	**2,099,491**		
Surplus / (Gap)	**0**		
End Payable Debt	**1,964,491**		

SALES FORECAST

	UNIT	Bedrooms	Bathrooms	SF	Price	Brokerage	Net
	1A	1	1	729	225,000	-11,250	212,955
	1B	1	1	725	225,000	-11,250	212,955
	2A	2	1	1,024	275,000	-13,750	260,345
	2B	3	1.5	1,363	339,000	-16,950	321,004
	2C	1	1	688	215,000	-10,750	203,477
	3A	2	1	1,024	275,000	-13,750	260,345
	3B	3	1.5	1,363	339,000	-16,950	321,004
	3C	1	1	688	215,000	-10,750	203,477
TOTALS					**2,108,000**	**-105,400**	**1,995,562**
Averages					**263,500**		
						Debt Repayment	1,964,491
					Profit / (Loss)		31,071
							1.48%

Assumptions:	
RE Tax	
2.20	per 1,000
Brokerage	
5.00%	
Bank Unit Close Fee	
300	

Mary Davis
Division Director, Housing & Community Development Division

MEMORANDUM

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

FROM: Tyler Norod, Housing Planner, Housing & Community Development

DATE: **July 8, 2015**

SUBJECT: **HOME Funding – Review of Applicants**
a) 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 disposition and provide direction to staff.

At the HCDC meeting on March 6, 2015 a RFP for housing development was approved by the committee. The RFP went out to the public on May 15th. On July 12th, two proposals were received. Mary Davis, Housing and Community Development Division Director and Tyler Norod, Housing Planner met on June 24th to review and score the proposals. The proposals were reviewed according to the selection criteria stated in the RFP. The selection criteria and the scoring results are listed below.

SELECTION CRITERIA/ MAXIMUM VALUE	Developers Collaborative (Motherhouse)	Portland Housing (58 Boyd St)
PROPOSED USE OF FUNDS (Assigned weight: 30)	30	27
FINANCIAL FEASIBILITY (Assigned weight: 25)	24	24
APPLICANT'S ABILITY TO COMPLETE PROJECT (Assigned weight: 25)	25	20
IMPACT ON SURROUNDING NEIGHBORHOOD (Assigned weight: 20)	20	20
TOTALS	99	91

Staff was impressed with the quality of both applications, agreeing that each application had strengths and weaknesses across the scoring categories. Staff comments are listed below.

It should be noted, that any recommendation for City HOME funding from HCDC to the Council is not the same as approval of the overall project. After carefully weighing the potential benefits and impacts on the City and surrounding neighborhood the Planning Board will ultimately decide if a project is approved. Any funding awarded will be contingent on the project's final approval by the Planning Board.

Motherhouse:

The applicant, Developers Collaborative, submitted a request for HOME funds to help support the redevelopment of the historic Motherhouse building as part of a larger multi phased development project. The Motherhouse will consist of 88 rental units for households 55 years or older with 66 of these units to be reserved as affordable to low-income seniors earning 50% - 60% AMI. The remaining 22 units will be market rate at approximately $1,200 per month. The applicant also committed to offering a preference to homeless seniors and will be working with Opportunity Alliance to provide services.

The location of the Motherhouse project offers an opportunity to provide affordable housing for seniors in a relatively high income neighborhood with excellent access to amenities like public transportation, open space, and retail options. By creating greater economic diversity in the available housing stock the project will help fulfill one of the many housing goals of the City.

The project is fairly far along in the stage of its approval and funding process. It is well positioned to be very competitive for 4% LIHTC funding as well as for state and federal historic tax credits. The project has been part of a larger community process for the redevelopment of the surrounding site. The applicant has been working with local community members and City staff to modify the original proposal to ease concerns in the neighborhood related to density.

The developer received additional financing through an existing Tax Increment Financing District established in 2009. The terms of the McAuley Place district are noted below. The TIF was created to assist in the renovation of the Motherhouse. The terms and boundaries of the district will not be adjusted.

Duration: 30 year term (FY10 thru FY29)
Percentages: 60% to Recipient; 40% to City General Fund
Location: 605 Stevens Avenue

HOME funds request: $426,262, 0% interest rate loan, deferred for 30 years or until the sale or transfer of the property.

City Investment/unit $16,225.25 City Investment/sq ft $12.47

58 Boyd Street:

The Portland Housing Authority is proposing to construct approximately 48 units of mixed-income rental housing. The project will offer 4 efficiency units, 24 one-bedroom units, 8 two-bedroom units, and 12 three-bedroom units. 45% of the units will be available to households earning at or below 50% of the area median income, 40% of the units will be available to

households earning at or below 60% of the area median income, and 15% of the units will be market rate. The owner/developer is the Portland Housing Development Corporation (PHDC), a subsidiary of the Portland Housing Authority (PHA).

The review committee supports the positive impact this development will have on the surrounding neighborhood. The project has the potential to be part of a larger multi-phased project that could include up to approximately 90 units of housing. The viability of this larger project will likely depend on the realignment of Franklin Street and its effect on the size of the land immediately adjacent to 58 Boyd Street. The project has been designed in a way to allow for future development should the realignment of Franklin make such a project feasible.

HOME funds request: $360,000, 0% interest rate loan, deferred for 30 years or until the sale or transfer of the property.

City Investment/unit = $7,500 City Investment/sq ft - $6.31

STAFF RECOMMENDATION

As you may recall, the RFP made available $563,223 for the development of a wide-range of types of housing of which $136,961 must be reserved for Community Housing Development Organizations (CHDO) with more flexibility for awarding the remaining $426,262. Unfortunately, both proposals cannot be funded at 100% of their request.

Both proposals are quality projects that are in line with the City's goals for housing. However, the Motherhouse received more points in part because they were considered to be more ready to use the funds and their site would provide affordable housing in a relatively affluent neighborhood that lacks this type of housing stock. In order to remain feasible the Motherhouse project requires that their request be fulfilled without a significant reduction in funds. Because they scored best according to the City's criteria staff recommends awarding the Motherhouse project their full request at $426,262 of HOME funds.

Portland Housing Authority's proposal for 58 Boyd Street also scored well according to the City's criteria. Points were not maximized because the project did not appear to be as ready to proceed and because they are providing affordable housing in an area that already offers similar housing stock. Although the Portland Housing Authority is not currently certified as a CHDO, staff believes that they are CHDO eligible. As such, staff recommends that the City allocate the full $136,961 in HOME funding reserved for CHDOs to the 58 Boyd Street project with the provision that the Portland Housing Authority be certified as a CHDO organization within the next 12 months.

As part of the Maine State Housing Authority's (MSHA) Qualified Allocation Plan (QAP) application due in October, the developers are requesting letters of commitment of support for their projects prior to the September QAP submission deadline. If the Committee agrees with the staff recommendation, this letter would be conditioned on the completion of all standard commitment requirements, and the following additional recommendations:

1. The commitment will be subject to compliance with all HOME Program regulations including, but not limited to, cost allocation, designation of HOME units and compliance with the new HOME Final Rule (effective August 23, 2013) and the Consolidated and Further Continuing Appropriations Acts of 2012 and 2013.

2. The commitment will include the requirement that the environmental review process be satisfactorily completed. The City's agreement to provide funds will be conditioned on the determination to proceed with, modify or cancel the project based on the results of the environmental review.

3. Commitment of funds to be stated as "an amount up to the funding request based on maximization of LIHTC equity raise", to ensure that the City's contribution is leveraged to the maximum extent possible.

4. Documentation acceptable to the City that the acquisition cost is reasonably related to market value. This is a HOME Program requirement.

5. Commitment should be subject to the projections and assumptions noted in the project budgets and pro-forma submitted and the City reserves the right to reconsider and adjust their commitment if any significant alterations occur in the budget. A final commitment will be subject to a final budget.

6. Any substantial changes to the composition of the project, or the financial investment required, will be brought back to the committee and the council for review and approval.

ATTACHMENTS

Developers Collaborative Proposal
McAuley Place TIF District Map
Portland Housing Authority Proposal

Attachment - Developers Collaborative Proposal

City of Portland
Affordable Housing Development
HOME Funds Application
Motherhouse Associates LP
June 12, 2015

DEVELOPERS
COLLABORATIVE

A. Project Summary

The Sisters of Mercy Motherhouse is located at 605 Stevens Ave just south of Morrill's Corner. It has been vacant for almost 10 years, and the sisters have been searching for a viable reuse plan for almost 20 years. The Motherhouse is part of the larger Sisters of Mercy campus, which has been in operation since the 1870s and includes the McAuley School.

John Wasileski of Sea Coast Management has been working with the Sisters for over a decade on redevelopment options, culminating in a contract to purchase all of the existing campus (except St. Catherine's, which will be retained), signed in early 2014. The total redevelopment plan is an active adult, mixed-income retirement community, with ancillary new construction buildings complementing the iconic Motherhouse. The land will be subdivided into up to 5 parcels and developed as market conditions dictate. However, without the Motherhouse redevelopment, the future disposition of the site will remain in question.

The Motherhouse is the first phase of the overall project. It will be an 88 unit 55+ development, with 66 units affordable to low income seniors at 50%-60% area median income (AMI), and with the remaining 22 units at a market-rate of approximately $1,200. The Motherhouse project is a partnership of John Wasileski and Kevin Bunker, two experienced developers who have formed a limited partnership to utilize low-income housing tax credits (LIHTC) as well as state and federal historic credits (HTCs).

The Motherhouse currently sits on a waitlist for the competitive 9% LIHTC credit. However, it is only one of three projects state-wide to be eligible for a special non-competitive walk-in round of 4 LIHTC credits. City HOME funds are necessary because dropping from a 9% competitive credit to a 4% automatic credit causes a funding gap of about $5,000,000, with only $2,500,000 in subsidy to make up the gap. The remainder of the gap must be filled by a variety of sources. We have worked hard to cut over $1,000,000 from the budget, which goes a long way toward filling the gap. Further, we are prepared to defer (forego) $461,002 in developer fee to contribute as a source. The majority of the additional estimated $613,000 is raised by lowering profit, reducing cash flow margins by taking on additional amortizing debt. This leaves a gap of $426,262 that can be filled by City of Portland HOME funds. More information on the sources of financing and the 4% funding round is found throughout, especially in Section 13.

This is a chance to leverage millions of dollars in additional funds for the benefit of Portland and the creation of additional affordable housing units. This is a tremendous opportunity for Portland, as many of the developers competing for the 9% credits are active in Portland; notably Avesta Housing, Community Housing of Maine, Szanton Companies, and Portland Housing Authority, among others. Removing the Motherhouse from the competitive round will not only greatly increase its chances for construction but also enable other Portland projects to move up in the scoring. The 4% offerings are irregular as they depend on other resources and circumstances, but when they come out, they are undeniably a "growing of the pie" of housing resources available to the state. As Portland competes for increasingly scarce state dollars in multiple arenas, in housing and beyond, it is a huge win to be able to capture such a significant chunk of these additional resources to meet its housing needs. In the event the project is not approved in the 4% round, the funds will still be very important in the fall 9% round as scoring increases based on the amount of outside, or "leveraged" funds, a project can bring in.

This project will also save one of Portland's most significant historic buildings and an anchor to the Deering Center Neighborhood and the Stevens Ave. streetscape. The Motherhouse, with its golden dome directly

over an ornate chapel, features incredible architecture that goes far beyond even the impressive historic fabric of most of Portland's historic building stock. The current owner has made efforts, but at some point the deferred maintenance will begin to accelerate, creating a downward cycle that is difficult to reverse.

The project will provide much-needed senior housing. It is probably the case that any application for these funds will demonstrate great need; since all types of affordable housing continue to be desperately needed in the City. However, we propose to directly leverage 88 units with our request (and indirectly leverage more new development), which is a very efficient use of these funds on a per-unit basis. We are also serving multiple income bands with the project; we have units at 50% and 60% of AMI but are also serving a market rate segment with one quarter of the units. More information on this and the economic diversity to be created in this relatively high income part of Portland is found in section 16. Finally, we have already committed to offer a preference to homeless seniors and will be working with Opportunity Alliance to provide services. The Motherhouse will also be 100% smoke-free.

This will be a greener project than any new construction undertaking. It has been said that "the greenest buildings are the ones you don't have to build." It is true that technology has made quite a lot possible in the realm of green new construction. But preservation is an inherently green strategy because the building is already there, and it is well-located. The Motherhouse has an incredible amount of embodied energy latent in its structure, which will be re-used, saving a massive amount of materials that would otherwise be needed to house 88 units of seniors. The Motherhouse is also located on existing infrastructure with capacity, and near two major bus lines.

The Motherhouse site is ideal for redevelopment. There have been some neighbor concerns based on the density of the total project, but we have been working hard to work with those willing to listen that the impacts of senior housing are far less than standard housing units. Traffic for example, is over three times the impact during the peak hour for standard units as it is for seniors. This location is also rare among in-town sites in that is adjacent to two of the City's largest and most-loved open spaces, Baxter Woods and Evergreen Cemetery, which provide amenities for new residents as they help mitigate any impacts on existing ones. We have also worked hard to carefully design and scale buildings around the Motherhouse, making them complementary in size and placing taller buildings far back from the Motherhouse and not visible from the street. The Motherhouse itself will activate this part of Stevens Ave. from a pedestrian perspective, making it more walkable for all. Motherhouse residents will also support the variety of local businesses in the neighborhood and City-wide. Finally, additional density will support efforts to increase transit up major avenues such as Stevens and Forest.

The Motherhouse redevelopment is in tune with many strands of forward-thinking City policy. It is new affordable housing, and reasonable market rate housing, needs noted by the recent GPCOG study, and in a period of ever-increasing rents. It is historic preservation. it supports transit and furthers the goals of the City's Transforming Forest Avenue study, by increasing density and creating a pedestrian-friendly urban node of activity. It is additional density off-Peninsula, in a location that makes sense, which has been a long-held goal of the City. It is a project taken on by proven developers with a track record in the community, and have contributed significant additional resources alongside the City to help to close the funding gap. It is simply the right project, at the right time, and the right use of the City's HOME funds for this year.

Print

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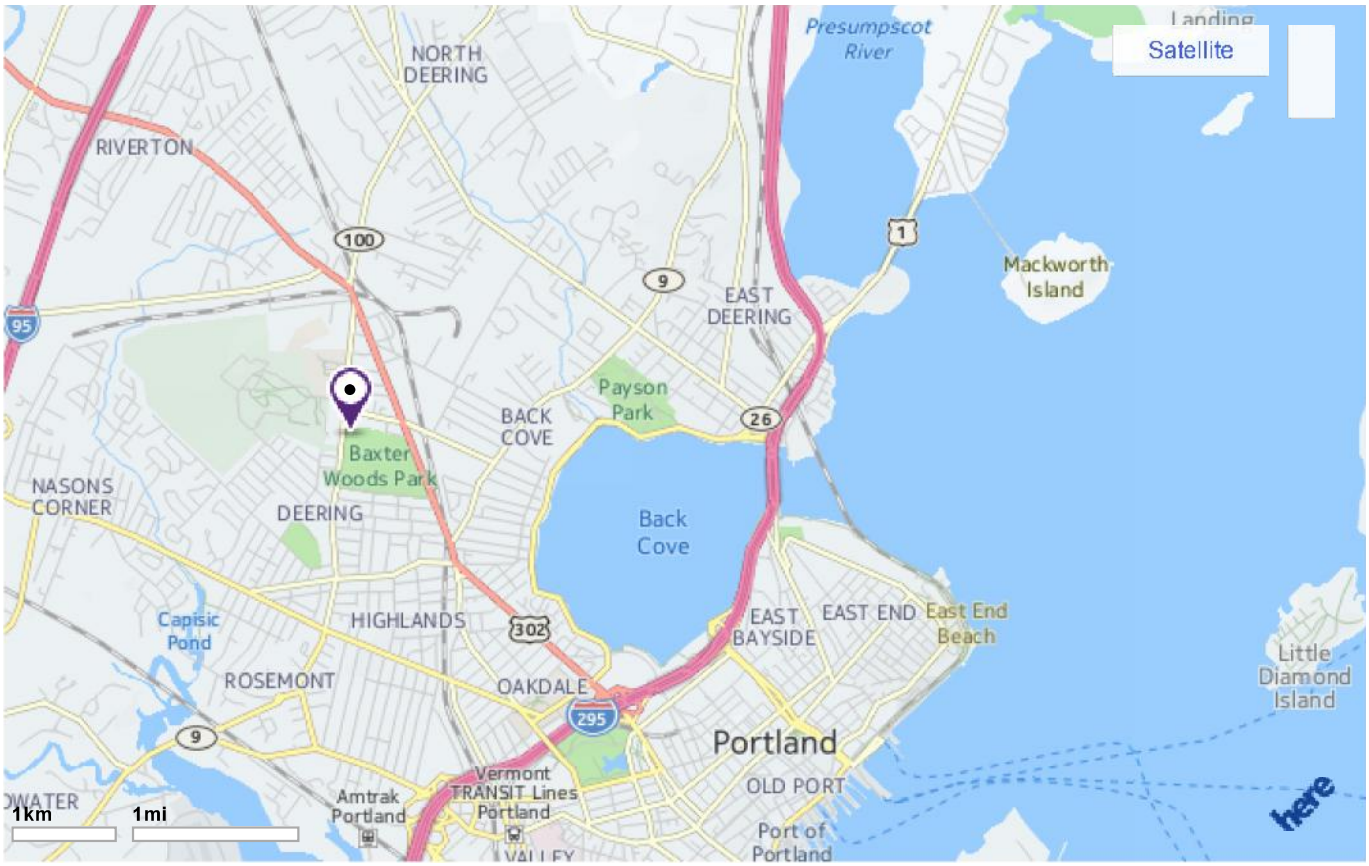
YAHOO! MAPS

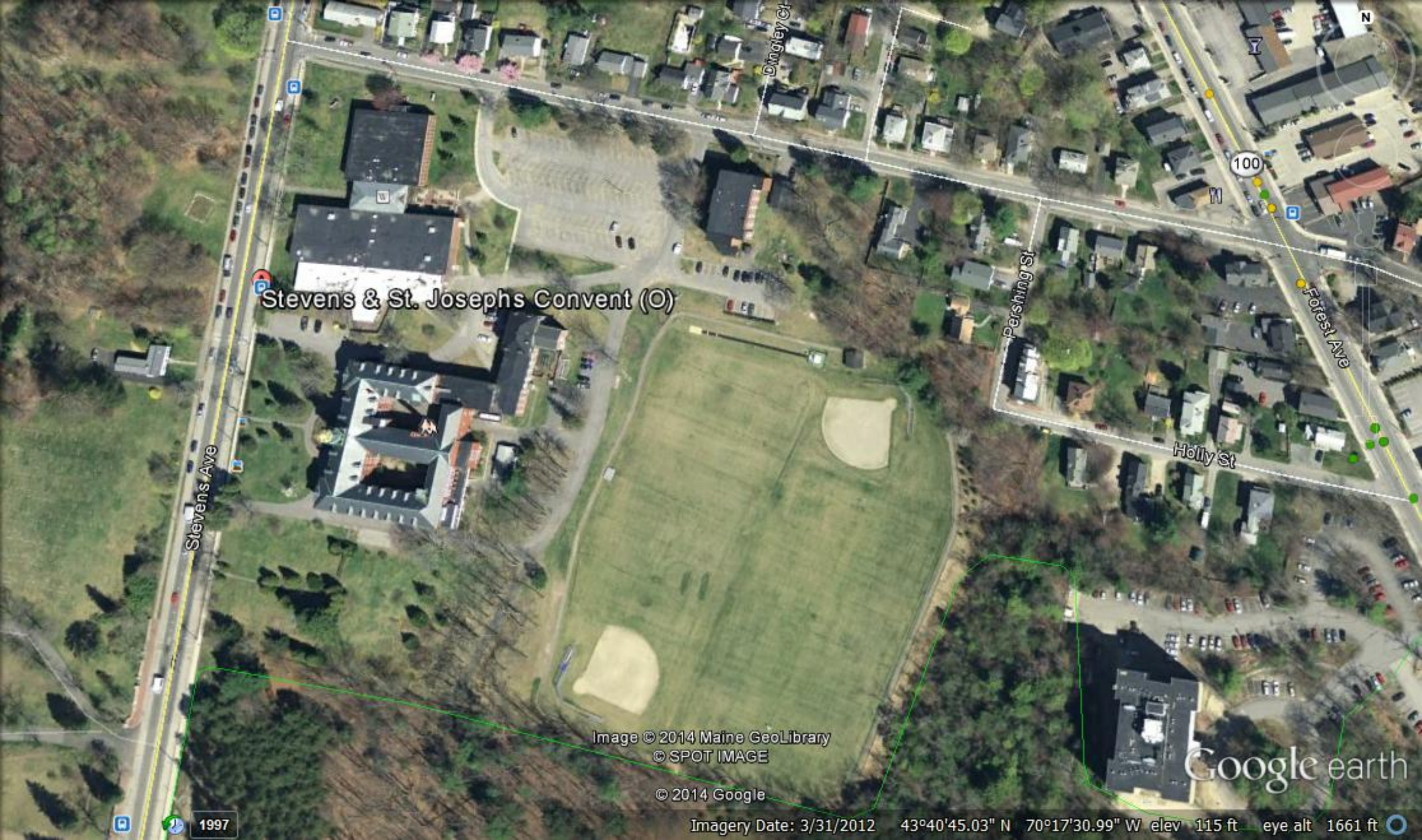
605 Stevens Ave, Portland, ME 04103-2661

Enter notes here

255



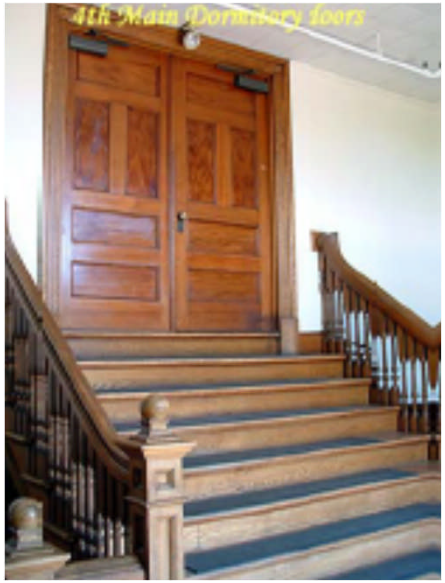
When using any driving directions or map, it is a good idea to double check and make sure the road still exists, watch out for construction, and follow all traffic safety precautions. This is only to be used as an aid in planning

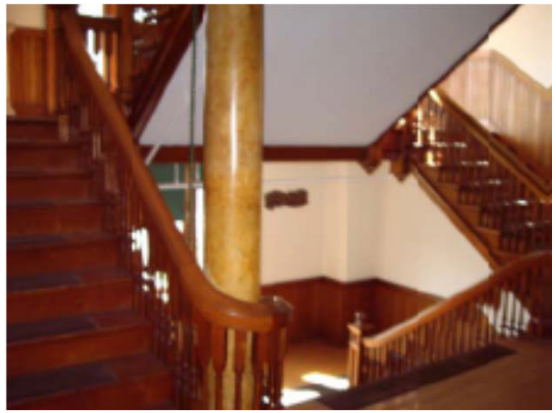

Stevens & St. Josephs Convent (O)
Dingley Ct
Pershing St
Forest Ave
Holly St
Stevens Ave
100
N
Image © 2014 Maine GeoLibrary
© SPOT IMAGE
© 2014 Google
Google earth
1997
Imagery Date: 3/31/2012 43°40'45.03" N 70°17'30.99" W elev 115 ft eye alt 1661 ft

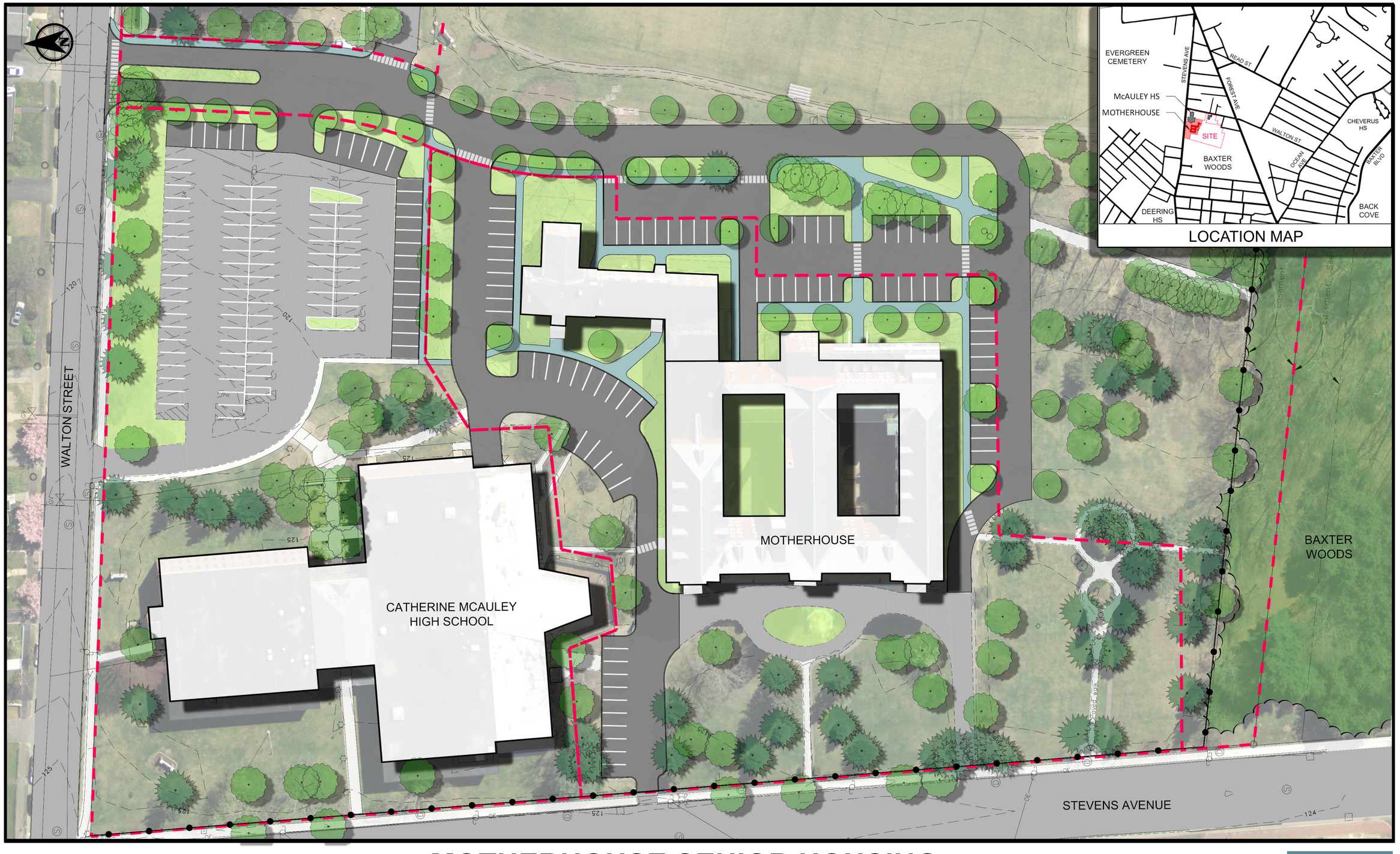
Sisters of Mercy -- St. Joseph's Convent

Exterior Views of Motherhouse

Interior Views of Motherhouse







MOTHERHOUSE SENIOR HOUSING

CONCEPTUAL SITE PLAN

SCALE: 1"=30'-0"

30' 15' 0' 30' 60' 120'

OWNER:

Motherhouse Associates LP
C/O Developers Collaborative
100 commercial St. Suite 414
Portland ME 02101

CARROLL ASSOCIATES
LANDSCAPE ARCHITECTS
217 COMMERCIAL STREET, STE 200
PORTLAND, MAINE 04101
207.772.1552 V. F. 207.772.0712

SISTERS OF MERCY

605 STEVENS AVENUE
PORTLAND, ME

Maine Housing
Maine State Housing Authority

DRAWING LIST

CIVIL DRAWINGS

C-101	AMENDED SITE PLAN

ARCHITECTURAL DRAWINGS

A1.01	FIRST FLOOR PLAN
A1.02	SECOND FLOOR PLAN
A1.03	THIRD FLOOR PLAN
A1.04	FOURTH FLOOR PLAN
A2.01	SOUTH ELEVATION
A2.02	WEST ELEVATION
A2.03	EAST ELEVATION
A2.04	NORTH ELEVATION
A2.05	ELEVATIONS

DATE OF ISSUE

PRE-APPLICATION DRAWINGS - 15 AUGUST 2014
APPLICATION DRAWINGS - OCTOBER 2014

ACCESSIBILITY CODE

19 DWELLING UNITS ON THE FIRST FLOOR.
67 DWELLING UNITS ON THE UPPER FLOORS.
86 DWELLING UNITS TOTAL.

ACCESSIBLE UNITS

STATE OF MAINE FAIR HOUSING ACT REQUIRES 10% OF UNITS ON FIRST FLOOR AND 10% OF UNITS ON UPPER FLOORS TO BE ACCESSIBLE PER ANSI 117.1. ROUNDING THE NUMBERS UP THIS EQUALS 2 ACCESSIBLE UNITS ON THE FIRST FLOOR AND 7 ACCESSIBLE UNITS ON THE UPPER FLOORS FOR A TOTAL OF 9 ACCESSIBLE UNITS

UFAS FEDERAL FAIR HOUSING ACT SECTION 504 REQUIRES 5% OF TOTAL UNITS TO BE MOBILITY ACCESSIBLE AND 2% OF TOTAL UNITS TO BE FOR HEARING AND VISUAL ACCESSIBILITY.
ROUNDING THE NUMBERS UP THIS EQUALS 5 MOBILITY ACCESSIBLE UNITS AND 2 HEARING AND VISUAL ACCESSIBLE UNIT.

ADAAG AMERICANS WITH DISABILITIES ACT REQUIRES 5% OF TOTAL UNITS TO BE MOBILITY ACCESSIBLE AND 2% OF TOTAL UNITS TO BE FOR HEARING AND VISUAL ACCESSIBILITY.
ROUNDING THE NUMBERS UP THIS EQUALS 5 MOBILITY ACCESSIBLE UNITS AND 2 HEARING AND VISUAL ACCESSIBLE UNIT.

IBC 2009 REQUIRES 2% OF TOTAL UNITS TO BE ANSI 117.1 TYPE A UNITS AND THE REMAINDER OF THE UNITS TO BE TYPE B UNITS.
ROUNDING THE NUMBERS UP THIS EQUALS 2 ACCESSIBLE TYPE A UNITS AND THE REMAINDER TO BE TYPE B UNITS.

THE CODES DO NOT CALL FOR DUPLICATION OF THE UNITS THEREFORE WE ARE REQUIRED TO PROVIDE 4 MOBILITY ACCESSIBLE UNITS AND 1 HEARING AND VISUAL ACCESSIBLE UNIT.

IN ADDITION TO THE 4 REQUIRED MOBILITY ACCESSIBLE UNITS THERE WILL BE 1 ADDITIONAL ACCESSIBLE UNIT TO COMPLY WITH THE REQUIREMENTS OF MSHA LOW INCOME HOUSING TAX CREDIT RULE TO OBTAIN 1 POINT.
THIS WILL RESULT IN A TOTAL MOBILITY ACCESSIBLE UNIT COUNT OF 5.

UNITS PROVIDED:

SIGNATURES:

OWNER: _____ DATE: _____

ARCHITECT: _____ DATE: _____

CONTRACTOR: _____ DATE: _____

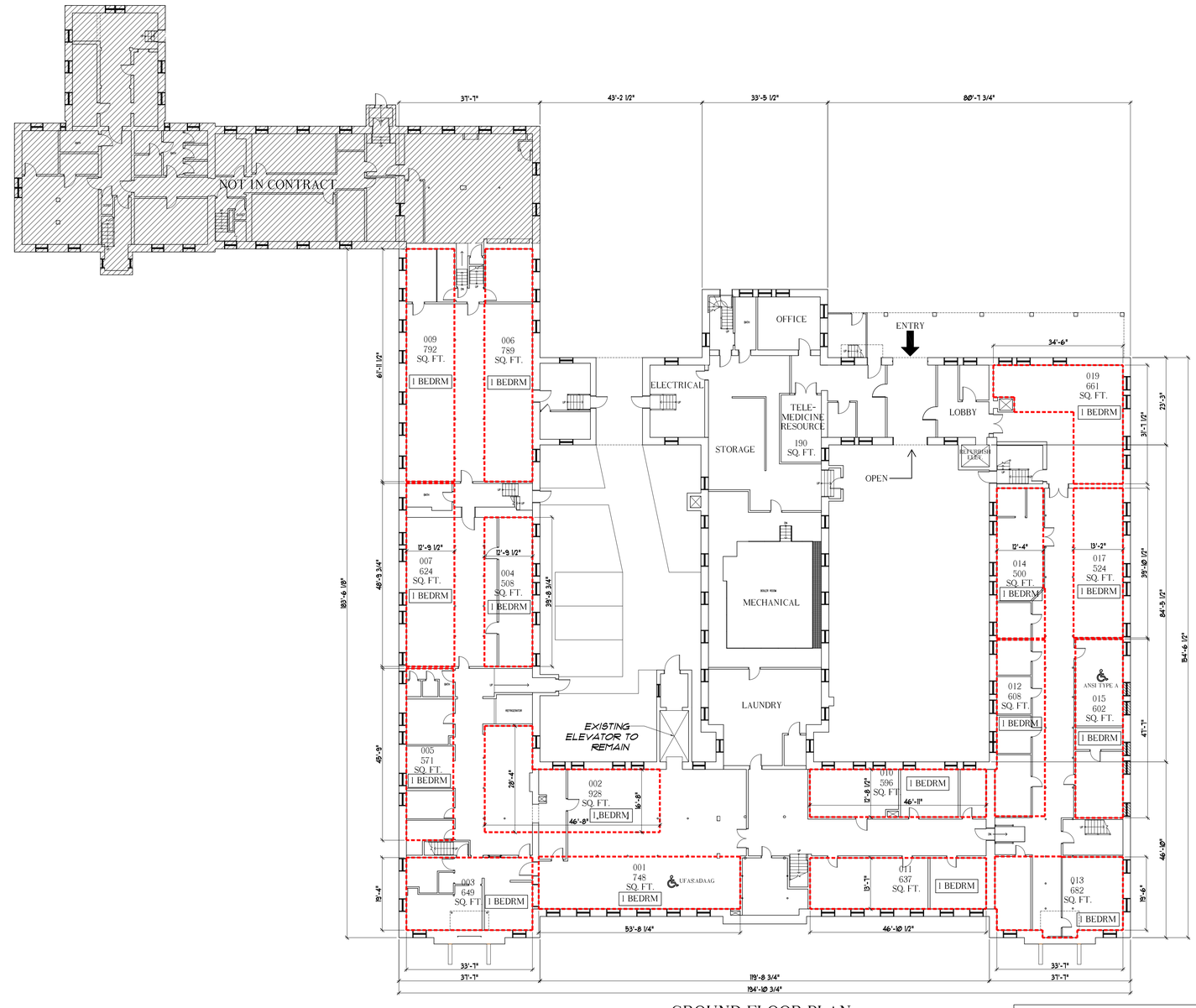
MAINE HOUSING : _____ DATE: _____

CONSTRUCTION
LENDER: _____ DATE: _____

CONTACTS

Developer:
Developers Collaborative
100 Commercial Street
Portland, Maine 04101
(207) 854-6805

Architect:
Archetype Architects
48 Union Wharf
Portland, ME 04101
(207) 772-6022



GROUND FLOOR PLAN

16 UNITS
16 1 BEDROOM UNITS
GROSS AREA = 24, 065 SQ. FT
APARTMENTS NET AREA = 10,419 SQ. FT

PROJECT TOTALS

88 UNITS
20 STUDIO UNITS, 68 1 BEDROOM UNITS

Owner:

Developer:

Consulting Engineer:

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Project:
SISTERS OF MERCY APARTMENTS
PORTLAND, MAINE

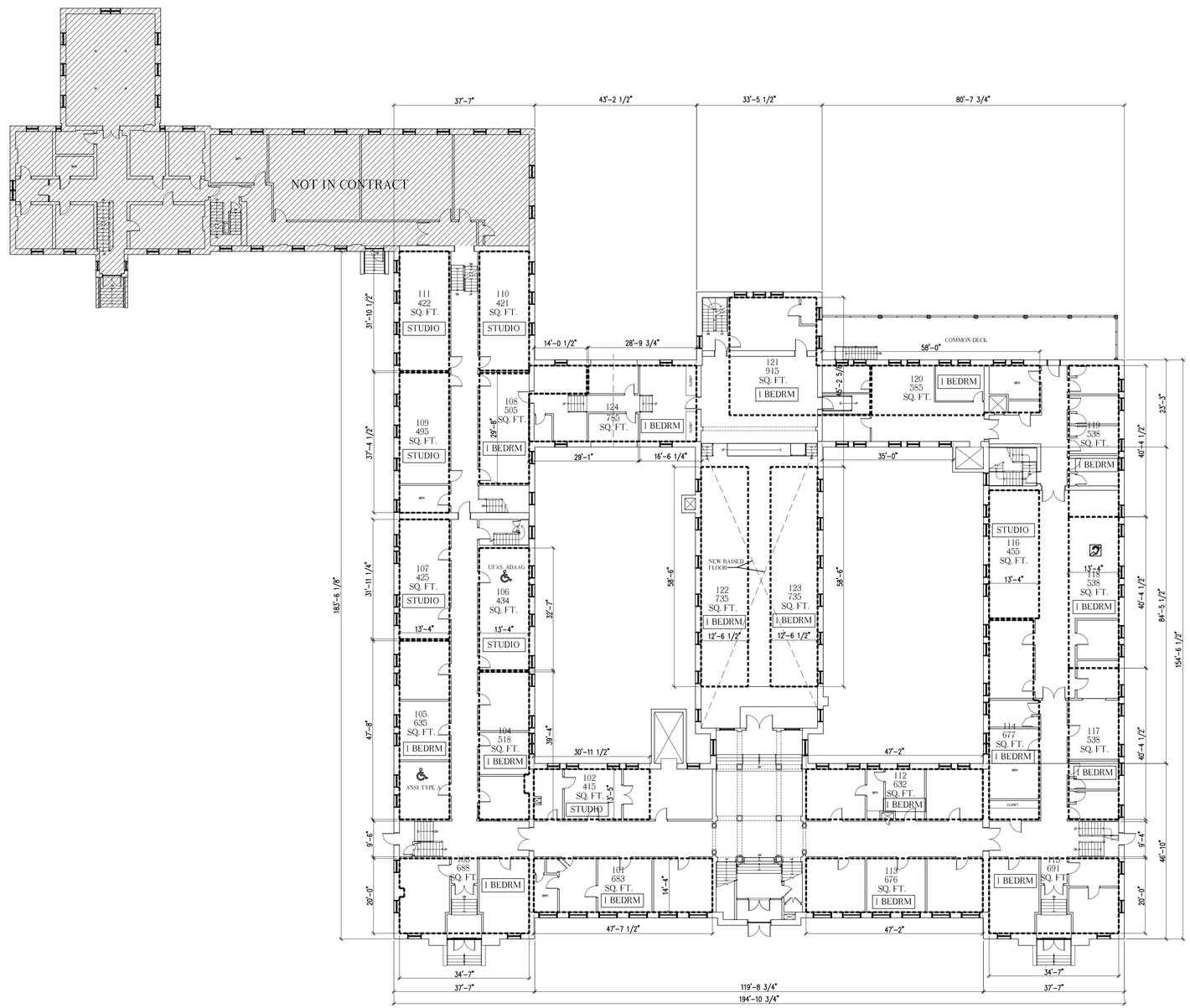
Revisions:

Scale: 1/8" = 1'-0"

Date: 09 July 2012

GROUND FLOOR PLAN

A1.01



FIRST FLOOR PLAN

24 UNITS
7 STUDIO UNITS, 17 1 BEDROOM UNITS
GROSS AREA = 24, 212 SQ. FT
APARTMENTS NET AREA = 14,659 SQ. FT

Owner:

Developer:

Consulting Engineer:

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Project:
SISTERS OF MERCY APARTMENTS
PORTLAND, MAINE

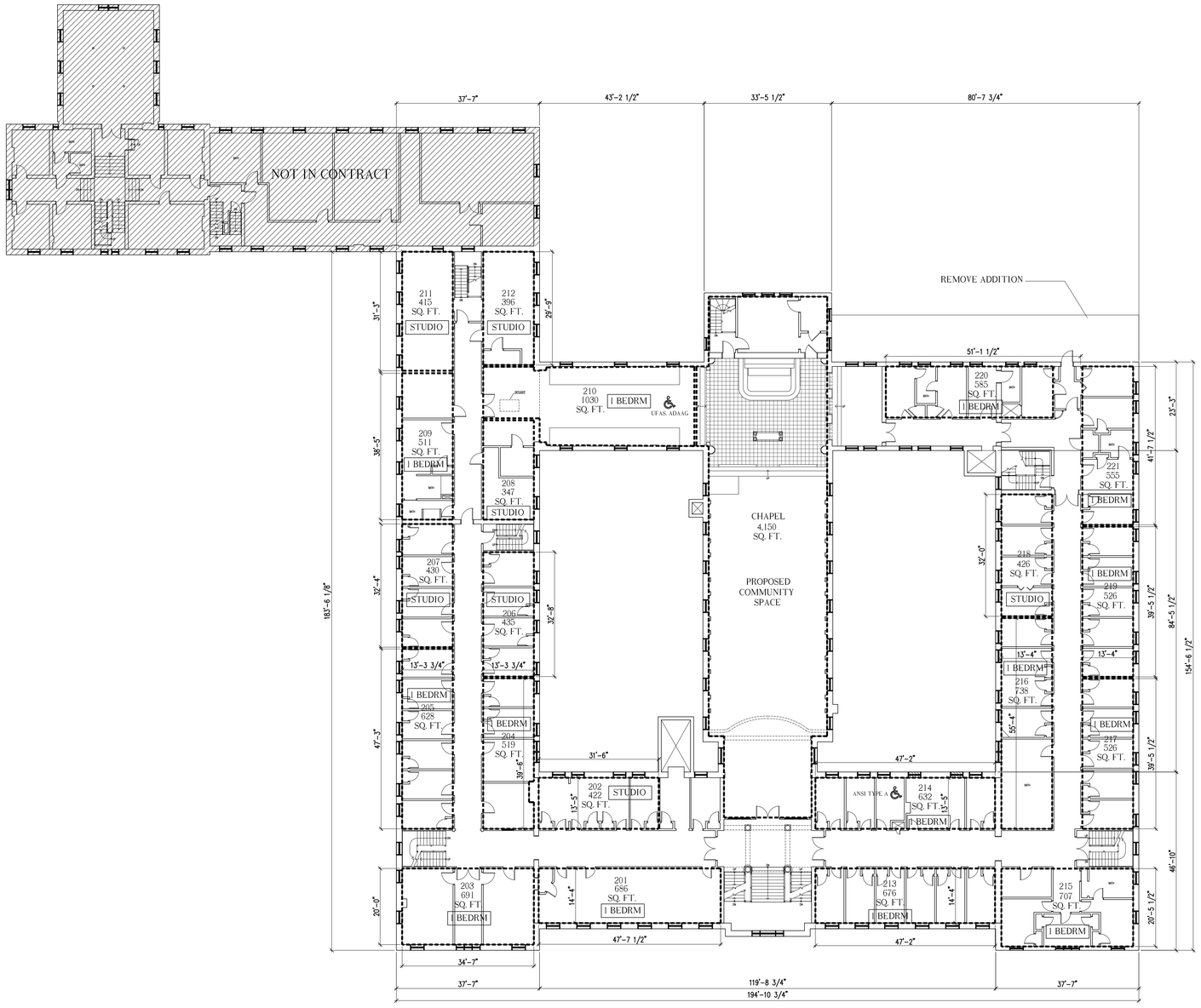
Revisions:

Scale: 1/8" = 1'-0"

Date: 09 July 2012

FIRST FLOOR PLAN

A1.02



SECOND FLOOR PLAN

21 UNITS
7 STUDIO UNITS, 14 1 BEDROOM UNITS
GROSS AREA (INCL. CHAPEL) = 24, 153 SQ. FT
GROSS AREA (NOT INCL. CHAPEL) = 18, 333 SQ. FT
APARTMENTS NET AREA = 10,604 SQ. FT

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Consulting Engineer:

Owner:
Developer:

Project:
SISTERS OF MERCY APARTMENTS
PORTLAND, MAINE

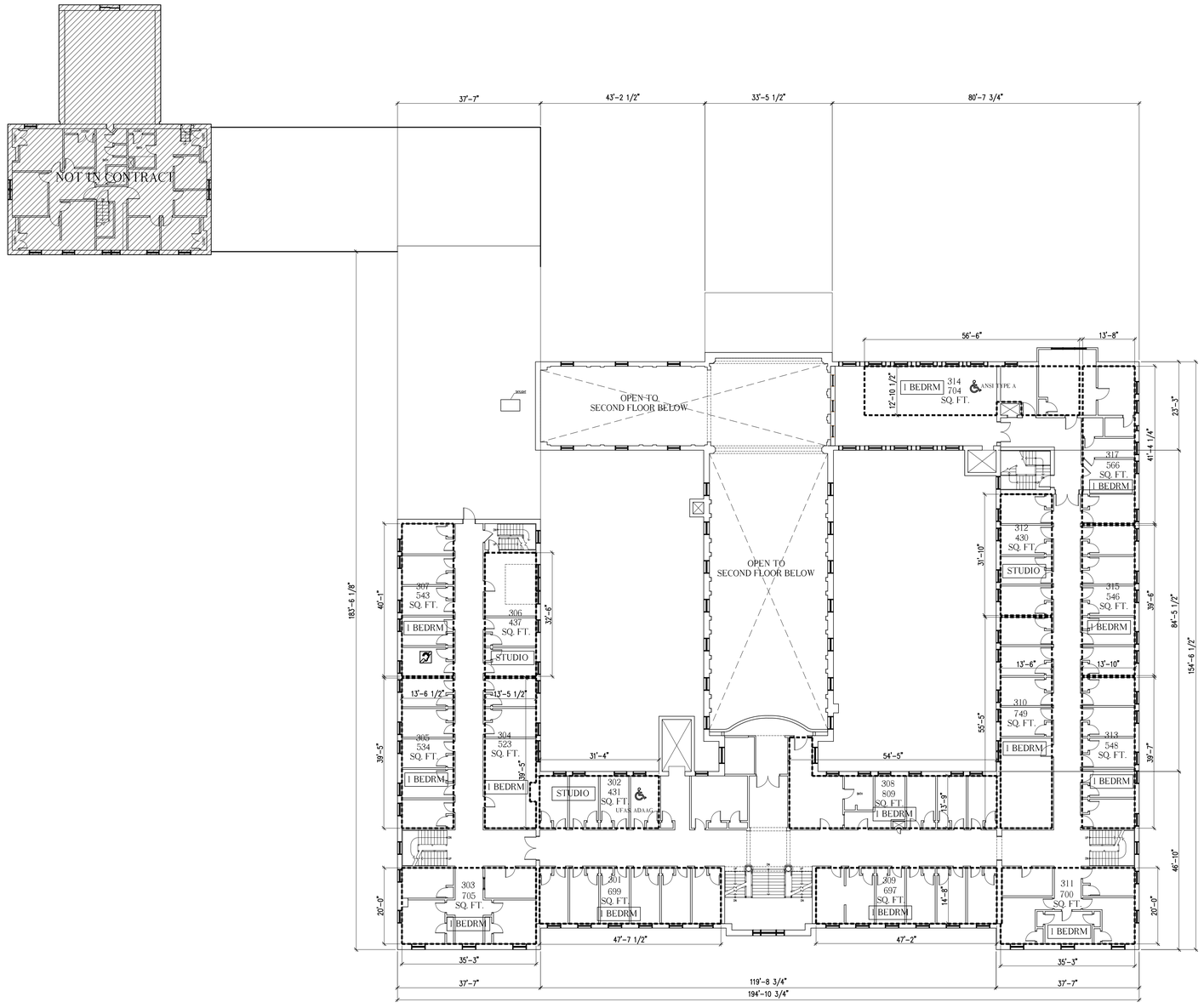
Revisions:

Scale: 1/8" = 1'-0"

Date: 09 July 2012

SECOND FLOOR PLAN

A1.03



THIRD FLOOR PLAN

16 UNITS
3 STUDIO UNITS, 13 1 BEDROOM UNITS
GROSS AREA (INCL. CHAPEL) = 21, 018 SQ. FT
GROSS AREA (NOT INCL. CHAPEL) = 16, 538 SQ. FT
APARTMENTS NET AREA = 9,621 SQ. FT

Owner:

Developer:

Consulting Engineer:

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Project:
SISTERS OF MERCY APARTMENTS
PORTLAND, MAINE

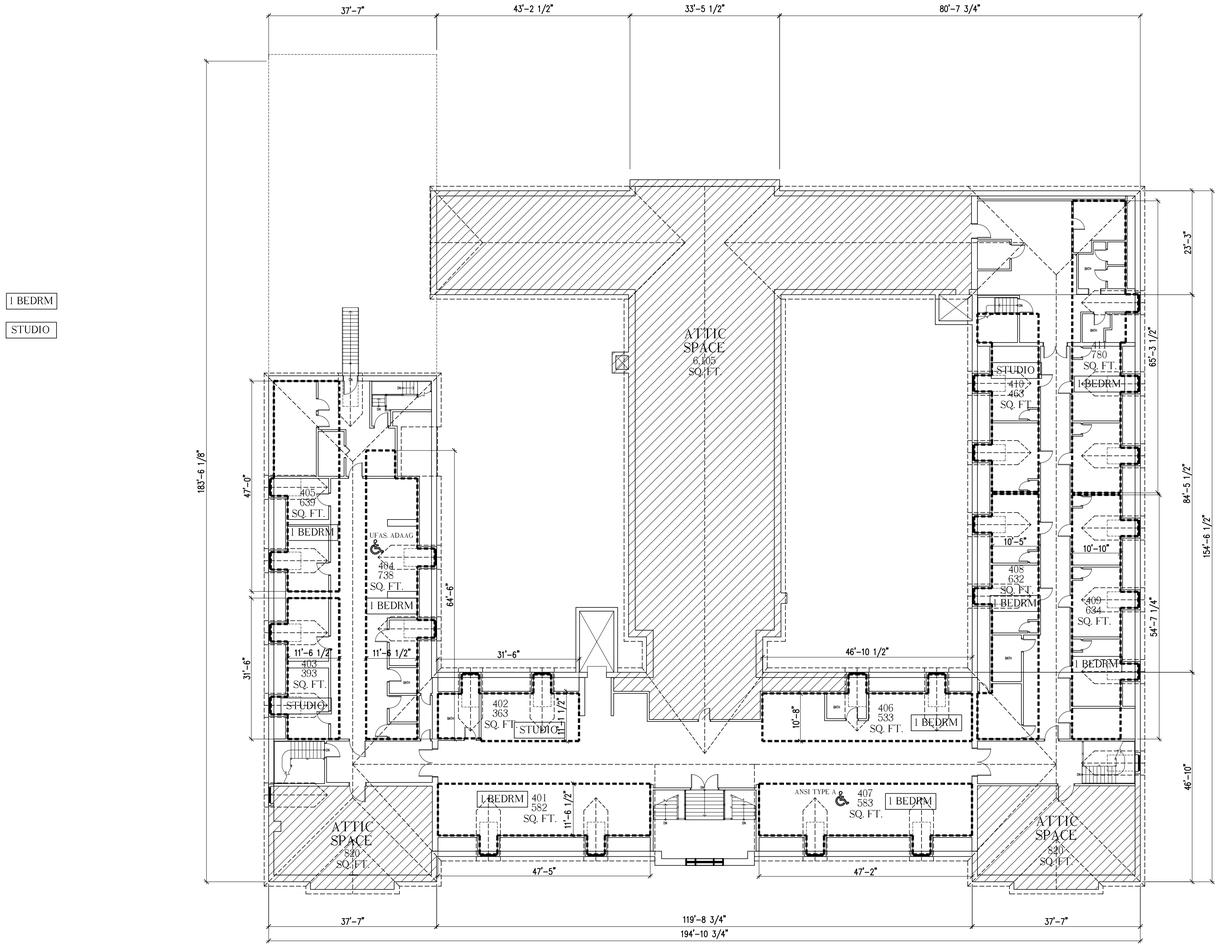
Revisions:

Scale: 1/8" = 1'-0"

Date: 09 July 2012

THIRD FLOOR PLAN

A1.04



FOURTH FLOOR PLAN

11 UNITS
3 STUDIO UNITS, 8 1 BEDROOM UNITS
GROSS AREA (INCL. ATTIC) = 21, 018 SQ. FT
GROSS AREA (NOT INCL. ATTIC) = 13, 273 SQ. FT
APARTMENTS NET AREA = 6,340 SQ. FT

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Consulting Engineer:

Owner:

Developer:

Project:
SISTERS OF MERCY APARTMENTS
PORTLAND, MAINE

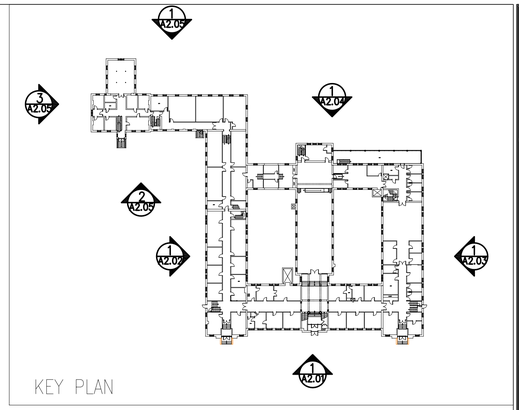
Revisions:

Scale: 1/8" = 1'-0"

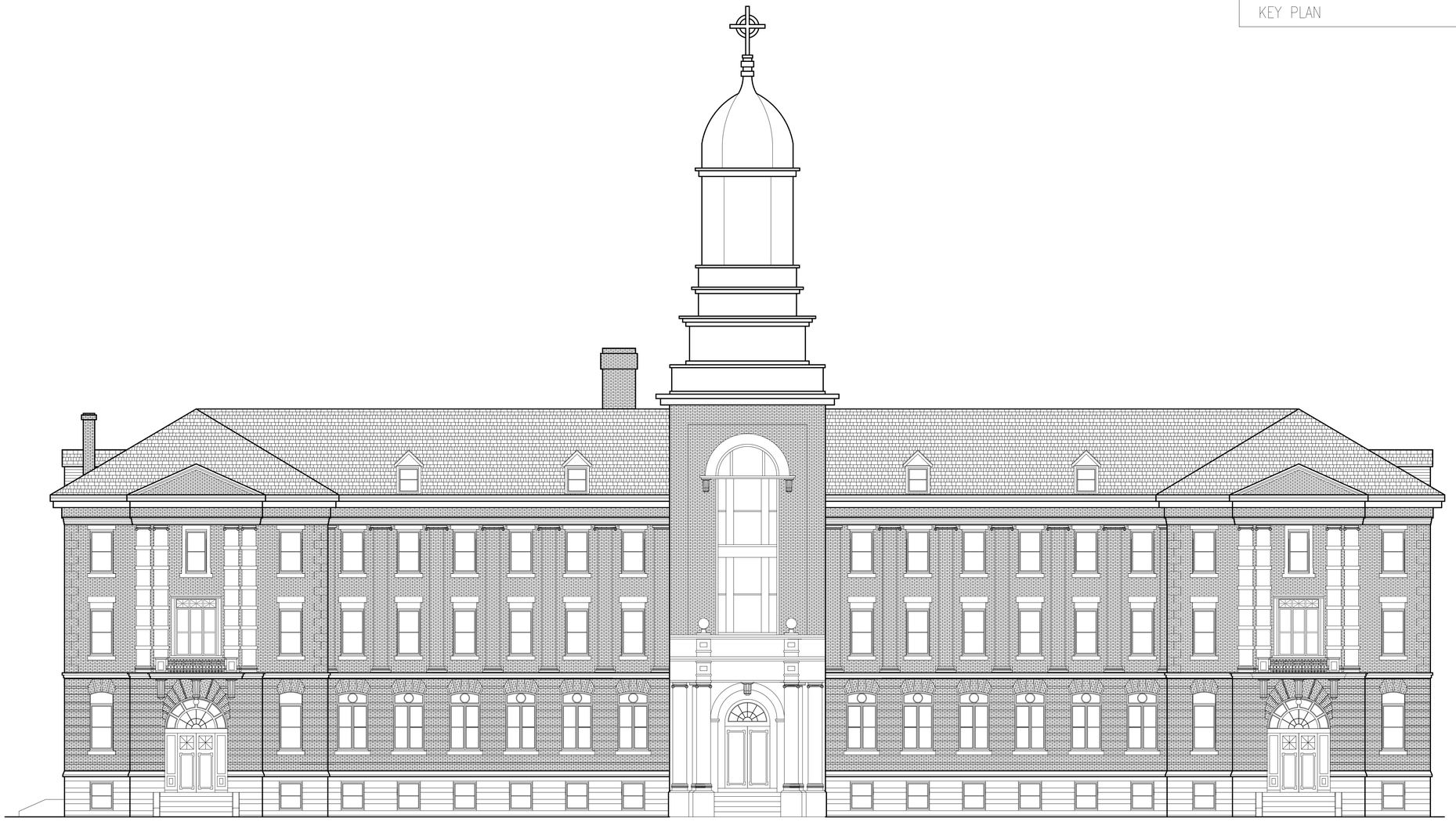
Date: 09 July 2012

FOURTH FLOOR PLAN

A1.05



KEY PLAN



1 SOUTH ELEVATION

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Consulting Engineer:

Owner:

Developer:

Project:
SISTERS OF MERCY APARTMENTS
PORTLAND, MAINE

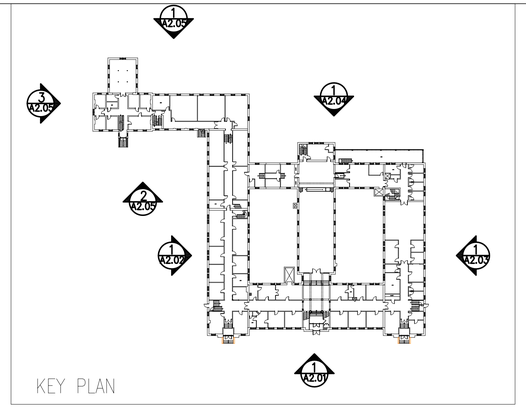
Revisions:

Scale: 1/8" = 1'-0"

Date: 24 SEP 2014

SOUTH ELEVATION

A2.01



1 WEST ELEVATION

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Consulting Engineer:

Owner:

Developer:

Project:
SISTERS OF MERCY APARTMENTS
PORTLAND, MAINE

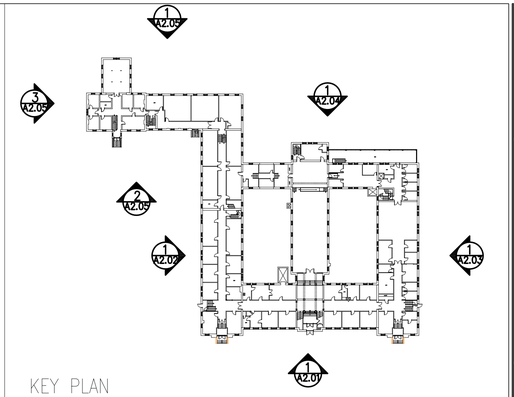
Revisions:

Scale: 1/8" = 1'-0"

Date: 24 SEP 2014

WEST ELEVATION

A2.02



KEY PLAN

1 EAST ELEVATION

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Consulting Engineer:

Owner:

Developer:

Project:
SISTERS OF MERCY APARTMENTS
PORTLAND, MAINE

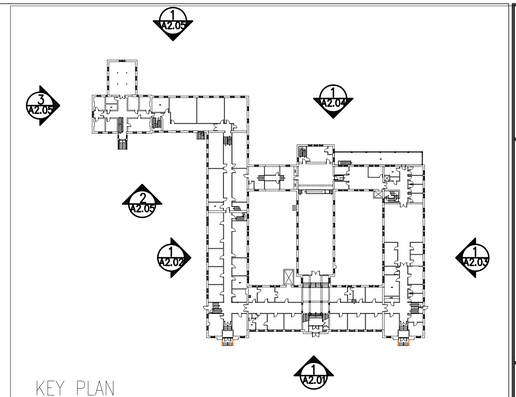
Revisions:

Scale: 1/8" = 1'-0"

Date: 24 SEP 2014

EAST ELEVATION

A2.03



1 NORTH ELEVATION 1

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Consulting Engineer:

Owner:
Developer:

Project:
SISTERS OF MERCY APARTMENTS
PORTLAND, MAINE

Revisions:

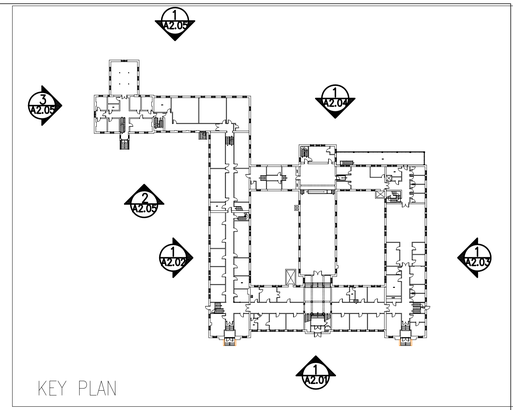
Scale: 1/8" = 1'-0"

Date: 24 SEP 2014

NORTH ELEVATION

A2.04

1 NORTH ELEVATION 2



KEY PLAN

2 WEST ELEVATION

3 SOUTH ELEVATION

Architect:
ARCHETYPE architects
48 Union Wharf Portland, Maine 04101
(207) 772-6022 Fax (207) 772-4056

Consulting Engineer:

Owner:

Developer:

Project:
SISTERS OF MERCY
APARTMENTS
PORTLAND, MAINE

Revisions:

Scale: 1/8" = 1'-0"

Date: 24 SEP 2014

ELEVATIONS

A2.05

3) A project schedule showing critical path events and their timeframe for completion.

6/12/15 - Application for HOME funds

6/15/15 - Rezone approval

6/30/15 - Application for LIHTC/RLP (MaineHousing)

8/11/15 - Site Plan and Subdivision Approval

8/15/15 - Notice to Proceed from MaineHousing

11/15/15 - Part 2 HPCA submission

1/15/16 - Part 2 HPCA approval

2/15/15 - Construction Loan Closing

2/16/15 - Construction Start

2/16/16 - Construction Completion

8/16/16 - Full Occupancy

2/16/17 - Stabilized Occupancy

MOTHERHOUSE SENIOR HOUSING

SOURCES AND USES OF FUNDS

SOURCES OF FUNDS	Permanent	Construction Period	Terms/Comments		
Amortizing Debt			Rate	Term	Paymnt
MSHA RLP	3,500,000		5.50%	30	$192,500
Private Financing 15 year					
Credit Enhancement 15-year			5.00%	15	$0
Subtotal Amortizing Debt	3,500,000				$192,500
Soft Debt					
City FedHome	426,262	426,262	-	NPV	
MSHA RLP	2,500,000	1,250,000	0.0%	30	$0
MSHA Part E	-	-			
		-			
Subtotal Soft Debt	2,926,262	1,676,262			
Construction Loan		10,165,200			
Total Debt Financing	6,426,262	11,841,462			
Deferred Developer Fee	461,002				
LIHTC Syndication Proceeds	2,555,415	504,605			
Federal Historic Credit Proceeds	2,508,771	495,395		Total Fed	5,064,186
State Historic Credit Proceeds	3,597,469	719,494	2,877,976	Total Hist	6,106,241
TOTAL SOURCES	15,548,919	13,560,956			

USES OF FUNDS	Total	Construction Period
Acquisition/Demo	515,999	515,999
Construction	11,268,242	11,268,242
Soft Costs	845,010	845,010
Financing Fees	312,500	312,500
Other Soft Costs	177,205	177,205
Development Fee	1,831,002	442,000
Reserves	598,962	-
TOTAL USES	15,548,920	13,560,956
DEVELOPMENT CONTINGENCY (GAI	**(0)**	-

MOTHERHOUSE SENIOR HOUSING

DEVELOPMENT BUDGET AND LOW INCOME HOUSING TAX CREDITS				Office % 0.000%	
Development Budget	**Total**	**4% Basis**	**9% Basis**	**Historic**	
ACQUISITION/DEMOLITION		-			
Land	103,200				
Buildings	412,799	412,799	-		
Demolition	-	-	-		
Subtotal Acquisition/Demo	515,999	412,799	-		
CONSTRUCTION					
Site Work	625,039	-	625,039	84,225	
Gen'l Requirements		-	-		
Structures	9,448,817		9,448,817	9,298,317	
OH & P			-		
Construction Contingency	1,024,386		1,024,386	870,728	
Bond			-	-	
Abatement	170,000		170,000	170,000	
	-		-	-	
				-	
Subtotal Construction	11,268,242	-	11,268,242	10,423,270	
SOFT COSTS					
Permits & fees	90,000		90,000	90,000	
Engineer/Survey	70,000	-	70,000	70,000	
Architect	430,000	-	430,000	430,000	
Real Estate Attorney	75,000		75,000	75,000	
Title Insurance & Recording	12,000		12,000	12,000	
Accounting/ Cost Certification	20,000	-	20,000	20,000	
Soft Cost Contingency	20,010		20,010	20,010	
TIF Consultant	8,000		8,000	8,000	
Const. Taxes & Insurance	120,000		60,000	60,000	
Subtotal Soft Costs	845,010	-	785,010	785,010	
FINANCING EXPENSES					
Constr. Loan Orig. Fee	127,000	-	127,000	127,000	
Construction Legal & Inspection	-		-	-	
Construction Interest	112,500	-	112,500	112,500	
Other Financing Expenses	-				
Perm. Loan Orig. Fee	73,000	-	-		
Subotal Financing	312,500	-	239,500	239,500	
OTHER SOFT COSTS					
Market Study	5,000		5,000	5,000	
Property Appraisals	10,000		10,000	10,000	
Environmental Report & Testing	20,000	-	20,000	20,000	
Construction Oversight	-		-	-	
Historic Consultant	25,000		25,000	25,000	
Tax Credit Fees	49,205		-	-	
FFE	60,000		60,000		
Organizational Legal	8,000			-	
Subtotal Other	177,205		120,000	60,000	
DEVELOPER'S FEES					
Developer's Ovhd. & Profit	1,831,002	-	1,831,002	1,831,002	
Consultant		-	-		
Subtotal development fees	1,831,002	-	1,831,002	1,831,002	
PROJECT RESERVES					
Rent Up & Marketing Reserve	50,000	-	-	-	
Operating Reserve	370,981	-	-	-	
Replacement Reserve	100,316	-	-	-	
Prepaid Taxes & Insurance	77,665	-	-	-	
Prepaid Monitoring	-	-		-	
Subtotal Reserves	598,962	-	-	-	
TOTAL PROJECT COST	15,548,920	412,799	14,243,754	13,338,782	
ELIGIBLE BASIS		412,799	14,243,754		
LESS FEDHOME			-	Fed Historic	State Historic
LIHTC ELIGIBLE BASIS			14,243,754	13,338,782	13,338,782
APPLICABLE FRACTION	75.00%		less fed HTC	20%	31%
QUALIFIED BASIS		309,599	11,575,997	2,667,756	4,135,022
QUALIFIED CT ADJUSTMENT	100%		8,681,998		
CREDIT PERCENTAGE		3.19%	3.19%		
ANNUAL LIHTC ELIGIBLE		9,876	276,956	95.00%	87.00%
			286,832		
ANNUAL LIHTC ALLOCATED			286,832		
NET PROCEEDS	90.00%	98.99%	2,555,415	2,508,771	3,597,469

Affordability Analysis & Rent Schedule

Affordable Rents

Unit Type	HHLD Size	Fed Home	LIHTC Rent	UA	Max. Net Rent
0 BR @ 50%	1		675	37	$638
1 BR @ 50%	1.5		723	45	$678
2 BR @ 50%	3		867	54	$813
3BR @ 50%					
4 BR@ 50%					
0 BR @ 60%	1		810	37	$773
1 BR @ 60%	1.5		867	45	$822
2 BR @ 60%	3		1,041	54	$987
3BR @ 60%					
0 BR Market	1		817	37	$780
1 BR Market	1.5		1,194	45	$1,149
2 BR Market	3		1,400	54	$1,346

Rent Schedule

Unit Type	# Units	Net Rent	Utility Allow.	Gross Rent	Afford. @ % Med. Inc.
0 BR @ 50%	9	$638	37	$675	
1 BR @ 50%	31	$678	45	$723	
2 BR @ 50%	0	$813	54	$867	
3 BR @ 50%					
0 BR @ 60%	5	$773	37	$810	
1 BR @ 60%	21	$822	45	$867	
2 BR @ 60%	0	$987	54	$1,041	
3 BR @ 60%					
0 BR Market	6	$780	37	$817	
1 BR Market	16	$1,149	45	$1,194	
2 BR Market	0	$1,346	54	$1,400	
TOTAL	88				

Bedroom Mix	0 BR	1 BR	2 BR		Total
	20	68	0		88

Income Mix		50%AMI	60%AMI	Market	Total
Number		40	26	22	88
Percent		45%	30%	25%	

MOTHERHOUSE SENIOR HOUSING

Operating Income & Expense			
Effective Gross Income		**Monthly**	**Annual**
Gross Potential Rental Income		70,951	851,412
Less Vacancy & Collection Loss	5.0%	(3,548)	(42,571)
TIF Income		4,173	50,078
Effective Gross Income		71,577	858,919

Annual Expenses	**Per Unit**	**Total**
ADMINISTRATIVE EXPENSES		
Management Fee	597	52,575
Legal	54	4,000
Audit	91	8,000
Marketing	100	8,800
Site Manager	244	21,500
Resident Services	352	31,000
Subtotal Administrative	1,430	125,875
OPERATING EXPENSES		
Water/Sewer	300	26,400
Electric	225	19,800
Heat/HW	725	63,800
Subtotal Operating	1,250	110,000
MAINTENANCE		
Building Maintenance	975	85,800
Janitorial	300	26,400
Supplies/Exterminating	180	15,840
Painting/Decorating	75	6,600
Grounds	325	28,600
Snow Removal	275	24,200
Trash Removal	175	15,400
Subtotal Maintenance	2,305	202,840
GENERAL EXPENSES		
Property taxes	948	83,463
Insurance	350	30,800
General Expenses	300	26,364
Subtotal General	1,598	140,627
REPLACEMENT RESERVE		
Housing	450	39,600
TOTAL RESERVES		39,600
TOTAL EXPENSES PLUS RESERVES	7,033	618,942

Net Income Calculation	**Annual**
Net Operating Income	239,978
Debt Service	$192,500
Cash Flow	47,478
Debt Service Coverage	1.25
Cash Flow as % of Expenses	7.7%
Cash Flow PUPA	540

Income/Expenses ratio
1.39

15-YEAR PROFORMA OPERATING INCOME AND EXPENSE STATEMENT

	Trend Rate	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
			2%	2%	2%	2%	2%	2.5%	2.5%	2.5%	2.5%	2.5%	3%	3%	3%	3%	3%
INCOME	**2.00%**																
Gross Rental Income	2.00%	425,706	851,412	868,440	885,809	903,525	921,596	944,636	968,252	992,458	1,017,269	1,042,701	1,073,982	1,106,201	1,139,388	1,173,569	1,208,776
Office	2.00%																
Vacancy & Collection Loss	5.00%	(21,285)	(42,571)	(43,422)	(44,290)	(45,176)	(46,080)	(47,232)	(48,413)	(49,623)	(50,863)	(52,135)	(53,699)	(55,310)	(56,969)	(58,678)	(60,439)
TIF Income	2.00%	-	50,078	51,079	52,101	53,143	54,206	55,290	56,396	57,524	58,674	59,848	61,045	62,265	63,511	64,781	66,077
EFFECTIVE INCOME		404,421	858,919	876,098	893,620	911,492	929,722	952,694	976,235	1,000,359	1,025,080	1,050,414	1,081,327	1,113,157	1,145,929	1,179,672	1,214,414
EXPENSES																	
Administrative	3.00%	88,112	125,875	129,651	133,540	137,547	141,673	145,923	150,301	154,810	159,454	164,238	169,165	174,240	179,467	184,851	190,397
Operating	3.00%	77,000	110,000	113,300	116,699	120,200	123,806	127,520	131,346	135,286	139,345	143,525	147,831	152,266	156,834	161,539	166,385
Maintenance	3.00%	141,988	202,840	208,925	215,193	221,649	228,298	235,147	242,202	249,468	256,952	264,660	272,600	280,778	289,201	297,877	306,814
General	3.00%	98,439	140,627	144,846	149,191	153,667	158,277	163,025	167,916	172,953	178,142	183,486	188,991	194,661	200,500	206,515	212,711
Replacement reserve	3.00%	27,720	39,600	40,788	42,012	43,272	44,570	45,907	47,284	48,703	50,164	51,669	53,219	54,816	56,460	58,154	59,899
TOTAL EXPENSES		433,259	618,942	637,510	656,635	676,334	696,624	717,523	739,049	761,220	784,057	807,579	831,806	856,760	882,463	908,937	936,205
NET OPERATING INCOME		(28,838)	239,978	238,588	236,984	235,158	233,097	235,171	237,186	239,138	241,023	242,835	249,522	256,397	263,466	270,735	278,209
DEBT SERVICE		96,250	192,500	192,500	192,500	192,500	192,500	192,500	192,500	192,500	192,500	192,500	192,500	192,500	192,500	192,500	192,500
CASH FLOW		**(125,088)**	**47,478**	**46,088**	**44,484**	**42,658**	**40,597**	**42,671**	**44,686**	**46,638**	**48,523**	**50,335**	**57,022**	**63,897**	**70,966**	**78,235**	**85,709**
			540	524	506	485	461	485	508	530	551	572	648	726	806	889	974

13) Evidence of financial commitments, or explanation of the ability and timing to secure those commitments. A statement describing the applicant's capacity for and experience in raising the type of capital needed to finance projects of this size and type.

Funding Sources Overview

MaineHousing has made complete, one-stop walk-in, non-competitive packages available for three specific projects, one of which is the Motherhouse. All housing-related sources are included in this package and are therefore committed when the application is accepted. Our application has been uploaded to MaineHousing and we can finalize it as soon as we are advised of the status of this HOME funds application. Upon Notice to Proceed from MaineHousing, we can then proceed directly to detailed design and land use approvals. The non-housing related sources include Historic Tax Credits (HTCs), and Deferred (Contributed) Developer Fee. The HTCs are automatically available as long as preservation guidelines are adhered to and the Deferred Developer Fee is hereby a commitment of the Applicant. City HOME funds are proposed to be loaned into the project on a 30 year deferred basis with a junior mortgage.

The following sources will comprise the capital stack for the Motherhouse redevelopment:

MaineHousing Amortizing Debt	3,500,000
City of Portland HOME Funds	426,262
MaineHousing Bond Funds	2,500,000
Deferred Developer Fee	461,002
LIHTC Equity	2,555,415
Federal HTC Equity	2,508,771
State HTC Equity	3,597,469
TOTAL	15,548,919

More information on the specific sources of financing are below.

Kevin Bunker of Developers Collaborative has great experience raising capital to finance projects of this type. As noted elsewhere, he is Maine's most experienced historic tax credit developer. He is also the second largest LIHTC developer, behind only Avesta Housing. Except for projects currently on the MaineHousing 9% waitlist, he has a 100% success rate financing 9% projects (8-for-8) and additionally has financed two 4% projects. All told, he has personally closed financing on 329 LIHTC affordable units, from Waterville to Biddeford.

1. Low Income Housing Tax Credits (LIHTC):

This is where the Motherhouse is far more ready to proceed than any other tax credit project. This is because it has been approved for a special non-competitive "walk-in" round at

MaineHousing, and if application for HOME funds is successful, will not have to be competitively scored against other projects.

The project was originally conceived a "9% competitive" LIHTC project, like many others with which you may be familiar. These projects are scored at the state level and are very competitive; it is not uncommon to fail 2 or 3 times before being funded, if funding is to be available at all. The project does currently sit on the 9% wait list, along with 7 other projects. Absent another funding source, it will have to compete again with these projects as well as all the new projects which will be submitted in the annual fall funding round. 9% credits are sharply limited by a state's population and only provide enough equity to build perhaps 5 projects per year, despite providing about 70% of the equity needed to build a typical project.

However, a special funding round was recently issued by MaineHousing which will enable the housing to be built now, without the uncertainty and time associated with a competition. This round is for "4% automatic" LIHTCs. These are a much weaker credit than the 9%s, providing perhaps 30% of the equity needed, but they are unlimited; MaineHousing may issue as many as they want. They are limited in practice by the need to pair them with significant additional subsidy resources. MaineHousing has issued an automatic walk-in RFP for these matching funds, and will commit up to $2,500,000 per project. There is a cap on the total subsidy offering of $5,000,000 but MaineHousing has stated that if demand runs past this cap, they will try to find the money to do all the projects.

Only three projects are eligible for this money: a project in Yarmouth, a project in Westbrook, and the Motherhouse. These projects were chosen off the waitlist specifically for their financial feasibility relative to the rest of the wait list; each has resources attached to it that make MaineHousing's limited resources leverage much more effectively. In the Motherhouse's case it is the availability of state and federal historic tax credits.

We have included a Letter of Intent from Northern New England Housing Investment Fund (NNEHIF) to purchase both the LIHTC and federal Historic credits in this section. The Limited Partner will purchase these credits and form 98.99% of the Limited Partnership that will own the project.

2. Federal Historic Tax Credits (FHTC):

The Motherhouse has been deemed eligible to be listed on the National Register of Historic Places, and therefore eligible for FHTCs. We have included a copy of this determination as well as the Letter of Intent from NNEHIF to purchase these credits.

3. State Historic Tax Credits (SHTC):

These credits "piggyback" on the FHTC in the sense that the physical requirements are the same: an eligible building, and compatible construction. However they structured differently from a financial perspective, using a Special Limited Partner (SLP) that will form 1.00% of the ownership entity. This entity will then receive a MaineHousing bridge loan that will serve as the SHTC equity

component. More information on this arrangement is included in the Letter of Intent described above.

4. MaineHousing Tax-Exempt Bonds:

MaineHousing has made up to $2,500,000 per project in bond proceeds available to match the 4% LIHTCs and this money is available on a walk-in basis.

5. MaineHousing Amortizing Debt:

MaineHousing's standard underwriting guidelines dictate the amount of amortizing debt a given project can support. This debt is automatically available with the financing package of LIHTCs and Tax Exempt Bonds.

6. Deferred Developer Fee:

The project developers have committed to defer an amount of fee equal to the amount of HOME funds received and are thereby investing alongside the City. A letter evidencing this commitment is included in this application.

7. Construction Loan:

The loan will be administered by MaineHousing as well and is automatically available with the financing package of LIHTCs and Tax Exempt Bonds. It will be taken out at Permanent Loan Closing (PLC).

14) Projects serving special needs populations must provide evidence of commitments of support services, and a description of the service provider and funding cycle for those services.

The Motherhouse has committed to maintain a waitlist preference for seniors who are homeless. The service provider will be The Opportunity Alliance (OA), a local non-profit. A letter from OA is included in this Section. These services will be performed by existing OA staff and as such will be funded by OA out of their general operating budget.

The Motherhouse Project will serve low-income tenants, and as such, make resident services available to those tenants at no charge. Those services will be administered by Avesta Housing. More information on the Resident Services Plan, as well as the commitment, is found in this section. These services will be funded out of the operating budget for the project and can be found as such. The estimated annual cost is $31,000 per year.

16) An analysis and discussion of market demand justifying the need for the proposed project.

This project fully meets all the criteria in the scoring category "Proposed use of funds to achieve the City of Portland's goals and address demonstrated need". Information on the first two, market demand and economic diversity, is found here. Information on smoking prohibition is found in Section 15 (management).

There is overwhelming demand for affordable senior housing in the Portland market. Included in this section is a market study conducted last fall for the project. From the study:

> *In order to achieve full occupancy, the project must capture 0.6% to 4.6% of the total income-eligible senior rental market in the region (varies by bedroom size depending rent, target population, and subsidy arrangement).*
>
> *Because the project is new, and will have the latest appliances and design elements; because the site is ideal for senior housing, combining a rural-type setting with urban services; because existing capacity is full, and vacancy rates in senior projects is 1.2%; because it is serving a population group that is growing by 170 households a year in this decade; we project that the project will capture 25% of area movers in the appropriate income, age, and household size categories (for the tax credit units), and achieve full occupancy within 6 months.*

More information is included in the study, but generally speaking, the project will not even make much of a dent in the demand. This is consonant with the GPCOG's recent study performed on behalf of the City and entitled, "Portland: 2030 Workforce Housing Demand".

While this study did not specifically target 55+ housing, perhaps its key conclusion which has begun to drive policy in the City is that median income housing (100%-120% AMI) is in short supply and appears to be a gap in the market; only the upper and lower ends are really being served at all. The 22 market-rate units in the Motherhouse are targeted at this band, with projected rents of $1,149 per month. This is above the 100% AMI 2013 rent of $911 as found in the GPCOG study, but found to be the achievable rent in our market study. The achievable rent is strongly encouraged by MaineHousing as it supports a higher level of debt, and therefore requires less subsidy for the affordable units.

Recent senior housing developments in the area have garnered some attention but are not targeted at the same population. The new planned community on Ocean Ave is an entirely different market segment, and Park Danforth and Deering Pavilion, two sites recently upzoned to R-6A, serve different bands as well. Park Danforth is mixed income like the Motherhouse, but the affordable units serve a much deeper affordability (30% of income, no matter how low) and the market-rate units are currently listed at between $2,205 and $3,642 per month, much higher than the market-rate units in the Motherhouse. Deering Pavilion is a HUD Section 8 development, meaning it serves a much lower income band than the Motherhouse, much like the affordable units at Park Danforth. Therefore, despite the new proposals, nothing at all is being built for seniors from 50% AMI all the

way up to 120% or so of AMI, and the Motherhouse is targeted directly at this segment, filling which has been identified as a high priority action item for the City.

This project also supports the economic diversity goals of the City. The Deering Center neighborhood is relatively affluent compared to the City as a whole. Census Tract 19, which boundaries do not exactly correspond with the neighborhood but roughly align with it, had a median household income of $54,958 in 2013, significantly (23.6%) higher than the City figure of $44,458.

Further, this census tract had the 5th lowest poverty rate (10%) of all of Portland's 20 tracts. 2 of the 4 tracts that had an even lower poverty rate than this tract were adjacent to it: Tract 18 (4% poverty, starts across the street from the project), and Tract 17 (8% poverty, starts at Woodford Street, just below the project). This is contrasted with Portland's Peninsula tracts which have poverty rates as high as 54% (Tract 5, East Bayside/India Street) and 47% (Tract 6, Bayside).

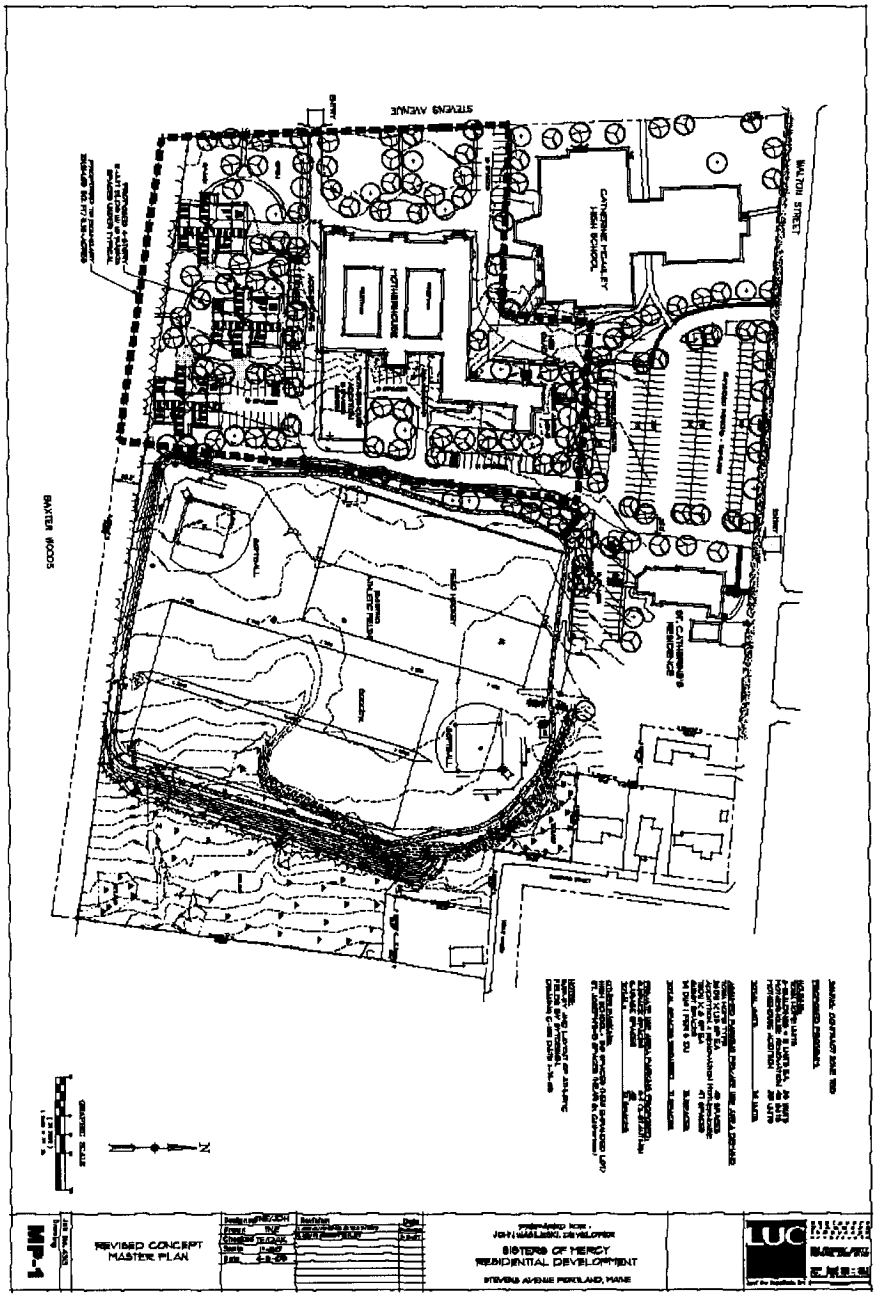
The City's economic diversity goals will also be served by locating affordable housing in an area with relatively high housing prices, and relatively high owner-occupied rates. Tract 19 has a higher median home price ($10,000 higher) and percentage of owner-occupied units (57% vs 45%) than the City as a whole.

Attachment - McAuley Place TIF District Map

EXHIBIT B

PROPERTY DESCRIPTION AND CONFIGURATION OF DISTRICT

The McAuley Place Municipal Development and Tax Increment Financing District is located in Portland, Maine and consists of the portion of the parcels (Tax Map 136-E-6, 143-F-4 and 144-B-1) shown on the Plan of the District, a copy of which is attached hereto. The District does not include the portion of such parcels that comprises St. Catherine's Residence, Catherine McAuley High School or the athletic fields.



Attachment - Portland Housing Authority Proposal

PORTLAND HOUSING DEVELOPMENT CORPORATION

City of Portland, Maine
Affordable Housing Development
HOME Funds Application
2015-2016

58 Boyd Street Apartments

June 12, 2015

Contact:
Jay Waterman
Development Director
Portland Housing Authority
14 Baxter Boulevard
Portland, Maine 04101

PORTLAND HOUSING DEVELOPMENT CORPORATION
14 Baxter Boulevard
Portland, Maine 04101

June 12, 2015

Mary Davis
City of Portland - Housing and Community Development Division
389 Congress Street
Portland, Maine 04101

Subject: 58 Boyd Street Apartments Affordable Housing Development
Response to RFP – HOME Funds 2015-2016

Dear Mary,

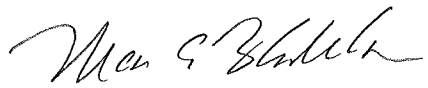
Portland Housing Development Corporation is pleased to submit this response to the City of Portland's Affordable Housing Development HOME Funds Application. 58 Boyd Street Apartments is a 48 unit multi-family development in the heart of the East Bayside neighborhood that will compliment our Bayside Anchor project nearby.

This project is one of the first steps in Portland Housing Authority's master planning process looking at the renovation and redevelopment of up to 1000 units of housing throughout Portland and the creation of new affordable housing on under-utilized parcels of land within PHA's portfolio. PHA's East Bayside campus is at the forefront of planning efforts in the area that include a recently awarded Brownfields study grant, the Franklin Street redevelopment study, a Bayside transportation planning study and the East Bayside neighborhood plan.

Portland Housing Development Corporation and the PHA are excited that 58 Boyd Street Apartment will potentially be a part of the growth of this wonderful part of Portland.

Thank you for your consideration.

Sincerely,



Mark B. Adelson, President

58 Boyd Street Apartments

Project Summary
June 2015

Overview of Development Proposal
Portland Housing Development Corporation is initiating the next phase of development in the East Bayside neighborhood to continue to strive for one of our strategic planning goals of increasing the supply of affordable housing in the City of Portland, while utilizing the newly zoned R-7 that was approved during the Bayside Anchor planning process.

It is important to note that Portland Housing Authority is implementing a master planning process for its entire portfolio of almost 1000 units of housing across Portland. We have engaged with the planning and design firm Utile, from Boston, and are creating an inventory of existing properties, their conditions, the potential for renovation or re-development and various financing opportunities.

Unit Mix and Affordability
We are proposing to develop a 48 unit mixed-income multi-family apartment building for families with the following tentative unit mix:
Efficiency – 4 units; 1-bedroom – 24 units; 2-bedroom – 8 units; 3-bedroom – 12 units
TOTAL - 48 units

45% of the units will be for households making at or below 50% of the Area Median Income (about $38,550 for a family of 4). 40% of the units will be for households earning up to 60% AMI. 15% of the units will be market rate.

The project will have a homeless or disabled preference for 20% of the units and between 25% and 50% of the units are targeted for project based vouchers.

Responsive of the Proposal to Selection Criteria

Criterion 1 - Achieving City Goals and Addressing Demonstrated Need
Market demand – Please see our market demand analysis in Tab B.16 (Hard copy Tab 13) that demonstrates the inadequacy of the existing supply of apartments to meet demand.

Economic diversity - Our program includes seven market rate units (15%) in a census tract that had 54% of its residents living below the poverty line as of the 2010 Census. We have also discounted our market rate rents from 10%-15% below what a recent market study showed for market-rate rents. By doing this, we are trying to reach the "workforce housing" households that the City is targeting in their recent housing needs study. Remaining units are targeted to households earning 50% and 60% of area median income allowing for additional income diversity.

No smoking - 58 Boyd Street Apartments will prohibit smoking in units and interior common areas as well as having a non-smoking clause in tenant leases. Additional information on management's smoking policy can be found in Tab B.9 (Hard copy Tab 9).

Criterion 2 - Financial Feasibility
The financial projections included herein have been developed directly with our architectural design team and looking at current development and operating budgets of acive projects. Hard and soft costs of

development are based on both the specifics of the conceptual plans as well as experience with comparable developments in Portland. Operating expenses are consistent with area developer experience and using data from partners on the Bayside Anchor project. Rents are 11% to 64% below market (ensuring a strong competitive position within the market). Finally, the financial projections - including prefunded replacement and operating reserves - conform to MSHA underwriting standards and the project characteristics should yield an extremely competitive application in the upcoming LIHTC round at MSHA.

Criterion 3 - Applicant Ability and Project Readiness
The development team assembled for 58 Boyd Street Apartments features many of the most experienced and capable players in affordable housing in Portland and Maine.

Owner/Developer **PHDC** is the development subsidiary of Portland Housing Authority (PHA) PHA is the largest landlord in Portland and also manages the largest Section 8 program in Maine. **Jay Waterman**, PHDC's Director of Development, brings 6 years of experience as Avesta Housing's Director of Development and another 6 years as a leader in green building construction while a Senior Associate at Thornton Tomasetti, an international engineering and green building consulting firm based in New York. Jay developed one of the recent affordable multi-family communities in the Bayside neighborhood, Pearl Place Phase I.

The project's Management Agent, **Avesta Housing Management Corporation** manages properties and reviews operating budgets for over 2,000 units in Maine including several hundred in Portland. PHDC will work closely with Avesta to ensure a financially viable project for the long-term.

CWS Architects is the premier architectural firm in the Portland area working on the design of multi-family buildings. They are designing the first ever multi-family *Passive House* project in the State of Maine and will use this knowledge to design 58 Boyd Street Apartments to the same standard.

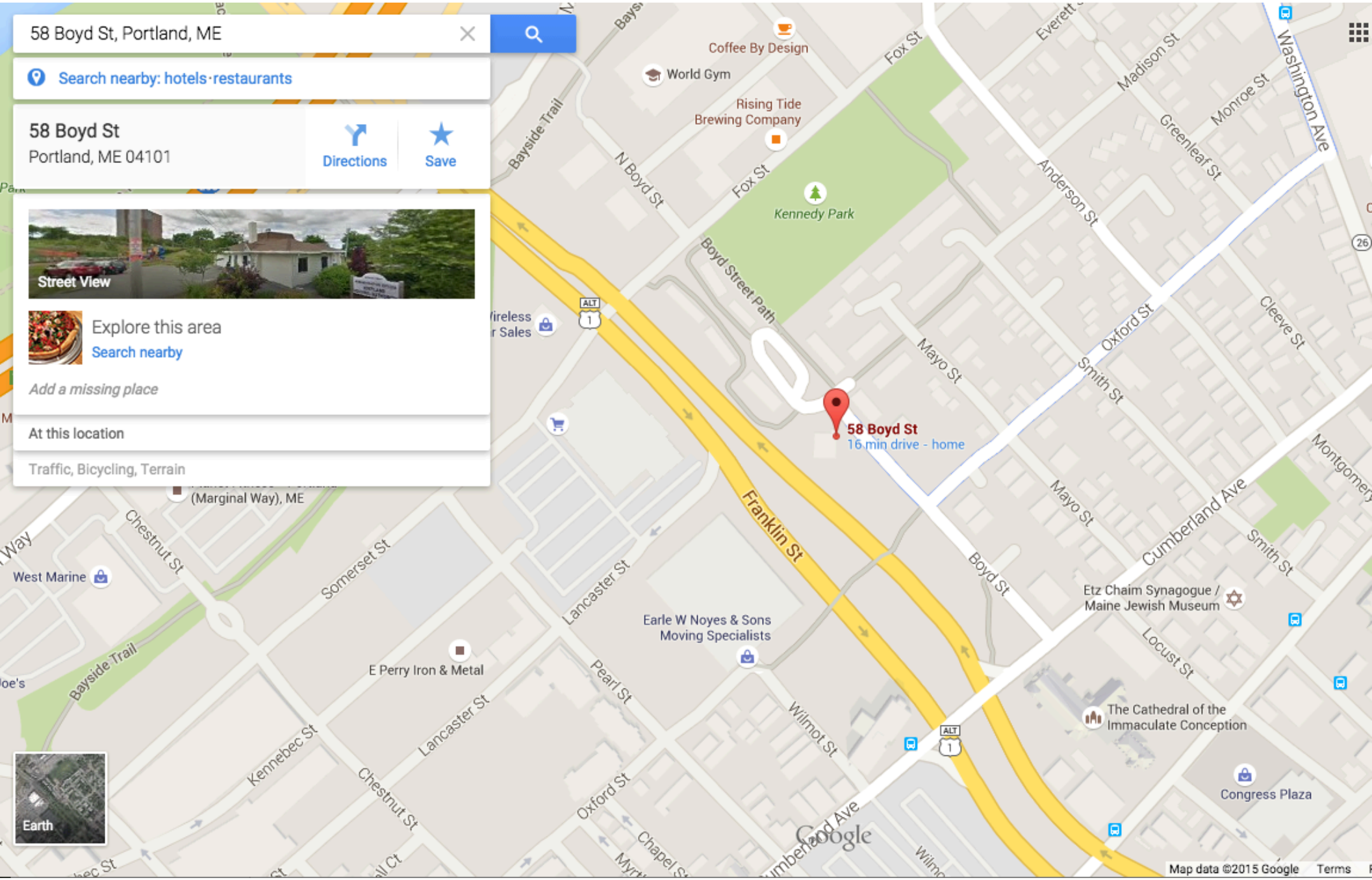
58 Boyd Street Apartments is well positioned to move from planning and design into production upon receipt of City and LIHTC funding. HUD approval for the transfer of the site will be received in advance of the LIHTC award, which will allow for unimpeded progress through the local development review process. The team plans to work through the planning board process during the course of late-Summer and Fall 2015 and will be ready for construction in the summer of 2016.

Criterion 4 - Impact on Surrounding Neighborhood, Design Compatibility and Environmental Issues
The site is located in an existing residential neighborhood with a mix of owner-occupied and rental housing. Multifamily rental is appropriate for and compatible with the site.

58 Boyd Street Apartments' design is consistent with the massing historically found in East Bayside and other residential neighborhoods on the Peninsula. Replacing a relocating office building and Head Start School with a high performance, human-scaled apartment building represents a significant step in the process of restoring the neighborhood fabric that existed in East Bayside before Urban Renewal.

Units are designed to serve the needs of residents with a focus on comfortable temperatures and high air quality. Amenities include community facilities, common laundry room and community/event space.

58 Boyd Street Apartments' design will meet and significantly exceed the City's Green Building Code. The team's design professionals (CWS Architects) are leaders in the *Passive House* ultra-low-energy building movement including Community Housing of Maine's first Passive House building in the State of Maine, scheduled to open in 2016. 58 Boyd Street Apartments employs the *Passive House* principles of plentiful fresh air, passive solar design, superinsulation and airtightness, used in conjunction with highly efficient energy recovery ventilation, to dramatically reduce energy demand and simplify overly complex and expensive multifamily mechanical systems.


58 Boyd St, Portland, ME
Search nearby: hotels·restaurants
58 Boyd St
Portland, ME 04101
Directions
Save
Street View
Explore this area
Search nearby
Add a missing place
At this location
Traffic, Bicycling, Terrain
Earth
58 Boyd St
16 min drive - home
Coffee By Design
World Gym
Rising Tide Brewing Company
Kennedy Park
Bayside Trail
N Boyd St
Fox St
Boyd Street Path
Mayo St
Oxford St
Smith St
Anderson St
Madison St
Monroe St
Greenleaf St
Washington Ave
Cleeve St
Franklin St
Cumberland Ave
Boyd St
Lancaster St
Somerset St
Chestnut St
Pearl St
Wilmot St
Kennebec St
Oxford St
Locust St
Earle W Noyes & Sons Moving Specialists
E Perry Iron & Metal
West Marine
(Marginal Way), ME
Etz Chaim Synagogue / Maine Jewish Museum
The Cathedral of the Immaculate Conception
Congress Plaza
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Map data ©2015 Google
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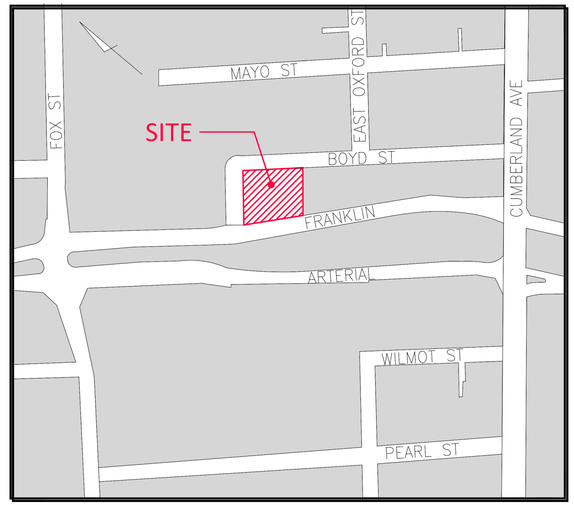
SITE PLAN
SCALE: 1"=10'-0"



LOCATION MAP
SCALE: NTS

FLOOR PLAN LEVEL 2-5
SCALE: 1"=20'-0"

OWNER:

58 BOYD STREET, LP
14 BAXTER BLVD.
PORTLAND, ME 04101

ARCHITECT:

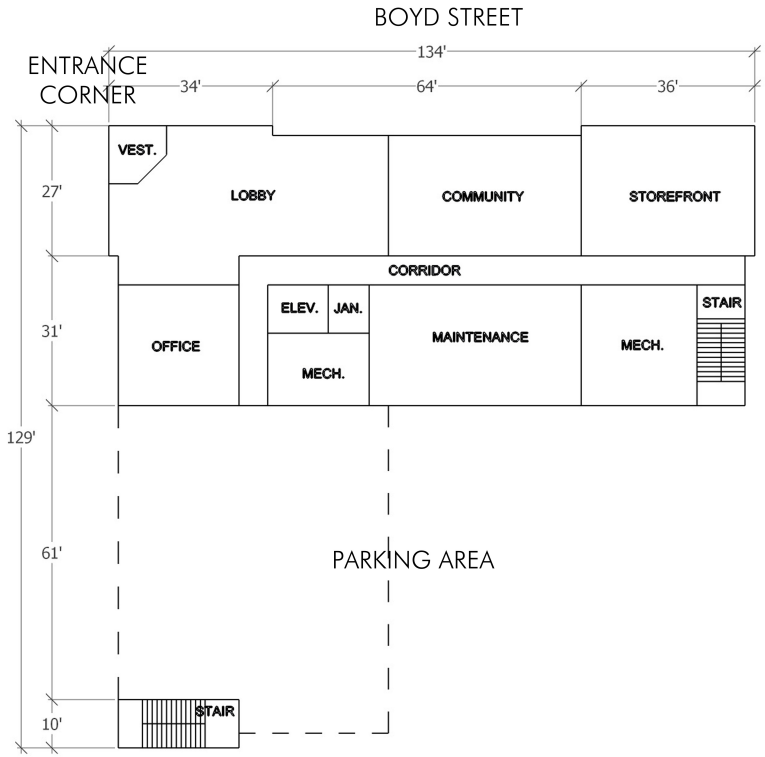
CWS ARCHITECTS
434 CUMBERLAND AVE
PORTLAND, ME 04101

58 BOYD ST APARTMENTS

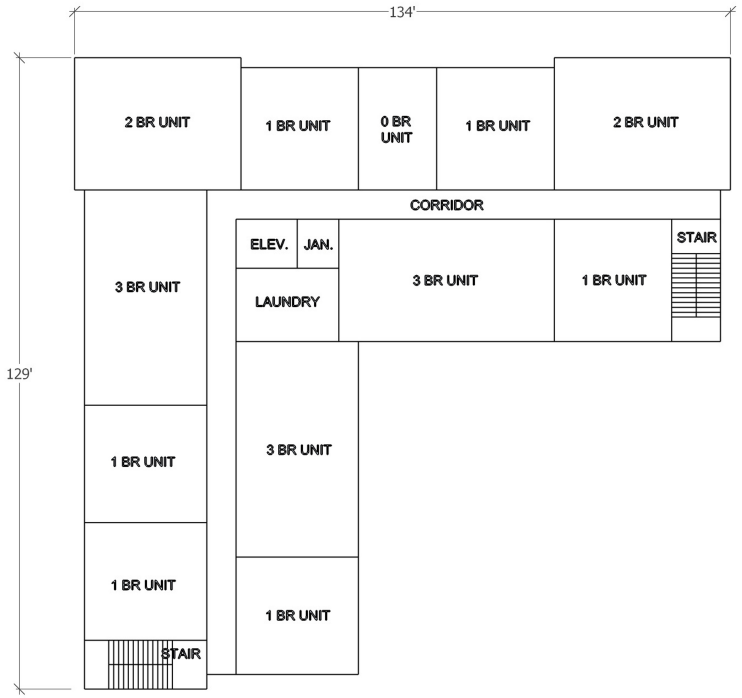
Portland, ME

JUNE 12, 2015

CARROLL ASSOCIATES
LANDSCAPE ARCHITECTS
217 COMMERCIAL STREET, STE 200
PORTLAND, MAINE 04101
207.772.1552 V. F. 207.772.0712



FLOOR PLAN: LEVEL 1



FLOOR PLAN: LEVELS 2-5

OWNER:

58 BOYD STREET, LP
14 BAXTER BLVD.
PORTLAND, ME 04101

ARCHITECT:

CWS ARCHITECTS
434 CUMBERLAND AVE
PORTLAND, ME 04101

58 BOYD ST APARTMENTS

Portland, ME

JUNE 12, 2015

CARROLL ASSOCIATES
LANDSCAPE ARCHITECTS
217 COMMERCIAL STREET, STE 200
PORTLAND, MAINE 04101
207.772.1952 V. F. 207.772.0712

58 Boyd Street Apartments

Project Schedule
June 2015

Activity	Actual/Scheduled Date Month/Year
A. SITE	
Option/Contract	06/12/15
Site Acquisition	07/01/16
Zoning Approval	11/15/15
Site Analysis	08/01/15
B. FINANCING	
Construction Loan Commitment	04/15/16
Permanent Loan Commitment	06/01/16
Other Sources Committed	06/01/16
C. PLANS AND SPECIFICATIONS	
50%	10/01/15
90%	03/01/16
100%	05/01/16
D. CONSTRUCTION LOAN CLOSING	07/01/16
E. CONSTRUCTION START	07/02/16
F. COMPLETION OF CONSTRUCTION	06/01/17
G. LEASE-UP	
Initial Lease-up	06/15/17
Sustained (95%) Occupancy	12/01/17

58 Boyd Street Apartments

Financing – Sources and Uses

PHDC is requesting $360,000 from the City of Portland Fed HOME RFP as gap financing for this project. The funds would be in the form of a 0%, deferred loan with a 30 year term.

PHDC plans to submit this project to MaineHousing for their Fall 2015 Low Income Housing Tax Credit round. LIHTC equity and associated MaineHousing Federal HOME funds will make up the bulk of the financing with amortizing debt from MaineHousing and City HOME funds filling any gap.

We are requesting funds as of the June 12 deadline in the hopes that our project would have a commitment letter from the City to use as leveraged funds in our tax credit application.

Preliminary Source and Uses

Sources	
MH Interest Only Mortgage	994,047
MH Subsidy	1,400,000
City FedHOME	360,000
Net Syndication	5,885,960
Developer Fee Loan	0
Total	8,640,007

Uses	
Construction	6,609,750
Soft Costs	669,225
Finance Costs	63,522
Miscellaneous	136,943
Acquisition	0
Reserves	390,567
Developer Fee	770,000
Total	8,640,007

58 Boyd Street Apartments

Financial Analysis
June 2015

Preliminary Development Budget

		PRO FORMA DEVELOPMENT BUDGET	
		Residential	Per Unit
Site Improvements		400,000	8,333
Construction		5,460,000	113,750
General Requirements		0	0
Builder Overhead		250,000	5,208
Builder Profit		150,000	3,125
Bond Premium		35,000	729
Construction Contingency	5%	314,750	6,557
Subtotal Construction Costs		**6,609,750**	**137,703**
Building Permits and Fees		175,020	3,646
Survey & Engineering		25,170	524
Architectural & Design		330,000	6,875
Legal		58,000	1,208
Title & Recording		15,000	313
Accounting		5,300	110
Construction Period Tax		7,500	156
Construction Period Insurance		25,000	521
Soft Cost Contingency		28,235	588
Subtotal Soft Costs		**669,225**	**13,942**
Construction Loan Origination Fees		0	0
Construction Loan Interest		43,750	911
Constr Partic. Fee/Perm Loan Fee		19,772	412
Lend Inspec, Const legal, Letter of Credit		0	0
Subtotal Finance Costs		**63,522**	**1,323**
Market Survey		6,500	135
Appraisal		6,000	125
Environmental Study		2,500	52
LIHTC Fees/ prepd monitor		39,693	827
Commissioning		64,250	1,339
FF&E		18,000	375
Subtotal Miscellaneous		**136,943**	**2,853**
Acquisition: Buildings		0	0
Acquisition: Land		0	0
Acquisition: Legal		0	0
Subtotal Acquisition		**0**	**0**
Operating Deficit Escrow		225,000	4,688
Pre-funded Replacements		58,950	1,228
Tax & Insurance Escrow		51,617	1,075
Working Capital		0	0
GP Contribution		0	0
Developer Overhead		430,000	8,958
Developer Profit		340,000	7,083
Rent-up & Marketing		55,000	1,146
Subtotal Fee and Reserves		**1,160,567**	**24,178**
Total Development Costs		**8,640,007**	**180,000**

Preliminary Rent Schedule

PROPOSED RENT SCHEDULE

Type		AMI	# Units	Rents from Applicant	Program Max Rents	Gross Rent	Market Rent	Utility Allow.	Total Rent
Efficiency		40% LIHTC	0	541	541	541	$955	30	0
		Low HOME	0	677	677	677	$955		0
		50% LIHTC	3	677	677	677	$955	30	23,292
		60% HOME	0	813	813	813	$955	30	0
		60% LIHTC	0	813	813	813	$955	30	0
	4	Market	1	$860	$860	860	$955	30	9,954
1BR		40% LIHTC	0	580	580	580	$1,120	40	0
		50% HOME	0				$1,120		
		50% LIHTC	10	725	725	725	$1,120	40	82,200
		High HOME	0	831	831	831	$1,120	40	0
		60% LIHTC	10	870	870	870	$1,120	40	99,600
	24	Market	4	$1,008	$1,008	1,008	$1,120	40	46,464
2BR		40% LIHTC	0	696	696	696	$1,430	50	0
		50% HOME	0				$1,430		
		50% LIHTC	3	870	870	870	$1,430	50	29,520
		High HOME	0	1019	1019	1,019	$1,430	50	0
		60% LIHTC	3	1,044	1,044	1,044	$1,430	50	35,784
	8	Market	2	$1,287	$1,287	1,287	$1,430	50	29,688
3BR		50% HOME	0				$1,500	60	0
		50% LIHTC	6	920	920	920	$1,500	60	61,920
		60% HOME	0				$1,500	60	0
		60% LIHTC	6	1094	1094	1,094	$1,500	60	74,448
	12	Market	0	$1,350	$1,350	1,350	$1,500	60	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			48						492,870
				Vacancy Rate		5%			-24,644
				Other Op Ex					0
				Other Income		Laundry			4,800
				Effective Gross Income					473,027

Preliminary Operating Schedule

OPERATING EXPENSES			
Expense	Annual	Annual Per Unit	Monthly Per Unit
Administrative Expenses:			
Management Fees	28,382	591	49
Management Charges	28,382	591	49
Marketing Expenses	500	10	1
Legal Expenses	2,500	52	4
Auditing Expenses	5,700	119	10
Other Administrative Expenses	0	0	0
Administrative Expenses	65,463	1,364	114
Operating Expenses:			
Janitorial Payroll	0	0	0
Janitorial Supplies and Equipment	0	0	0
Janitorial Contractual Services	17,500	365	30
Propane Heat & HW	24,000	500	42
Electricity	35,000	729	61
Water and Sewer	32,500	677	56
Garbage and Trash Removal	9,000	188	16
Vehicle and Equipment Expenses	0	0	0
Other Operating Expenses	0	0	0
Operating Expenses	118,000	2,458	205
Maintenance Expenses:			
Grounds Maintenance Payroll	0	0	0
Grounds Tools and Supplies	0	0	0
Grounds Contractual Services	7,500	156	13
Miscellaneous Ground Maintenance	0	0	0
Tenant Damage Charges - Grounds	0	0	0
Building Maintenance Payroll	0	0	0
Building Tools and Supplies	5,500	115	10
Building Contractual Services	25,000	521	43
Building Systems Maintenance	31,000	646	54
Miscellaneous Building Maintenance	500	10	1
Tenant Damage Charges - Building	0	0	0
Maintenance Expenses	69,500	1,448	121
General Expenses:			
Property Taxes	62,400	1,300	108
Property and Liability Insurance	17,500	365	30
Tenant Computer Network Expense	2,500	52	4
Tenant Service Expenses	25,000	521	43
General Expenses	107,400	2,238	186
Replacement Reserve Funding	21,600	450	38
Commercial Expenses (if applicable)	0	0	0
Total	381,963	7,958	663

15-year Operating Pro Forma

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT

		2 Months										
	10/16/17	2 12/31/17	14 12/31/18	26 12/31/19	38 12/30/20	50 12/31/21	62 12/31/22	74 12/31/23	86 12/30/24	98 12/31/25	110 12/31/26	122 12/31/27
Effective Gross Income		78,838	482,487	492,137	501,980	512,019	522,259	535,316	548,699	562,416	576,477	590,889
Less Operating Expense		63,661	393,422	405,225	417,381	429,903	442,800	456,084	469,767	483,860	498,375	513,327
Net Operating Income		15,177	89,065	86,912	84,598	82,116	79,459	79,232	78,932	78,557	78,101	77,562
Less RLP Repay		9,940	59,643	59,643	59,643	59,643	59,643	59,643	59,643	59,643	59,643	59,643
Less Other Repay		0	0	0	0	0	0	0	0	0	0	0
Cash Flow		5,237	29,422	27,269	24,955	22,473	19,817	19,589	19,290	18,914	18,459	17,919
Cash Flow per Unit		655	613	568	520	468	413	408	402	394	385	373
Debt Coverage Ratio(RLP)		1.53	1.49	1.46	1.42	1.38	1.33	1.33	1.32	1.32	1.31	1.30
MH Subsidy	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
MH Interest Only Mortgage	994,047	992,063	979,734	966,644	952,746	937,992	922,328	905,697	888,041	869,296	849,394	828,266
Principal Balance(RLP)	2,394,047	2,392,063	2,379,734	2,366,644	2,352,746	2,337,992	2,322,328	2,305,697	2,288,041	2,269,296	2,249,394	2,228,266
Operating Reserve Balance	225,000	236,250	248,063	260,466	273,489	287,163	301,522	316,598	332,427	349,049	366,501	384,826

						Yr 15						
		12/30/28	12/31/29	12/31/30	12/31/31	12/30/32	12/31/33	12/31/34	12/31/35	12/30/36	12/31/37	12/31/38
Effective Gross Income		605,661	620,802	636,322	652,231	668,536	688,592	709,250	730,528	752,443	775,017	798,267
Less Operating Expense		528,726	544,588	560,926	577,754	595,086	612,939	631,327	650,267	669,775	689,868	710,564
Net Operating Income		76,935	76,214	75,397	74,477	73,450	75,654	77,923	80,261	82,669	85,149	87,703
Less RLP Repay		59,643	59,643	59,643	59,643	59,643	59,643	59,643	59,643	59,643	59,643	59,643
Less Other Repay		0	0	0	0	0	0	0	0	0	0	0
Cash Flow		17,292	16,571	15,754	14,834	13,807	16,011	18,280	20,618	23,026	25,506	28,060
Cash Flow per Unit		360	345	328	309	288	334	381	430	480	531	585
Debt Coverage Ratio(RLP)		1.29	1.28	1.26	1.25	1.23	1.27	1.31	1.35	1.39	1.43	1.47
MH Subsidy	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000	1,400,000
MH Interest Only Mortgage	828,266	805,834	782,018	756,733	729,889	701,390	671,132	639,009	604,904	568,695	530,253	489,440
Principal Balance(RLP)	2,228,266	2,205,834	2,182,018	2,156,733	2,129,889	2,101,390	2,071,132	2,039,009	2,004,904	1,968,695	1,930,253	1,889,440
Operating Reserve Balance	384,826	404,068	424,271	445,485	467,759	491,147	515,704	541,489	568,564	596,992	626,842	658,184

PORTLAND HOUSING AUTHORITY

COMMISSIONERS
Christian MilNeil, Chairperson
Shirley Peterson, Vice Chairperson
Siyad Ahmed, Commissioner
Mariar Balow, Commissioner
Evan Carroll, Commissioner
Faith McLean, Commissioner
Thomas Valleau, Commissioner

Mark B. Adelson
Executive Director

14 Baxter Boulevard
Portland, Maine 04101
Office: 207-773-4753
Fax: 207-761-5886
www.porthouse.org

June 12, 2015

Mary Davis
City of Portland - Housing and Community Development Division
389 Congress Street
Portland, Maine 04101

Subject: **58 Boyd Street Apartments**
Financial Capacity to Develop Affordable Housing

Dear Mary,

The purpose of this letter is to self-certify that Portland Housing Development Corporation (PHDC), an affiliate of the Portland Housing Authority, has the financial capacity to develop the 58 Boyd Street Apartments affordable housing development.

Pre-Development:
Portland Housing self-finances pre-development expenses with unrestricted funds, and is then reimbursed at the construction loan closing.

Construction Financing:
Portland Housing Development Corporation will seek financing from one of the Portland-area community banks. PHDC and PHA have long standing relationships with various community banks and will request proposals from these banks, including Gorham Savings Bank, Bangor Savings Bank, Norway Savings Banks and TD Bank. For our Bayside Anchor project, we had four banks competing to provide the construction financing. We have not been denied a construction loan on any previous project.

Permanent Financing
Portland Housing Development Corporation scored the second highest score of all LIHTC applications to MaineHousing in the 2014 application round. This project was also awarded first place in a national competition from Deutsche Bank and the Enterprise Foundation entitled “Lower the Cost of Housing” for creative ways to reduce both construction and operating costs in affordable multi-family housing

development. These are examples of the success that PHDC has had in the past, financing these types of projects.

PHDC also recently hired Jay Waterman as their new Director of Development. Jay has been developing affordable housing for over 15 years and was the Director of Development at Avesta Housing when that agency developed Logan Place, Fore River Apartments and the first phase of Pearl Place, among others. Jay has successfully submitted application for various financing sources for affordable housing including Low Income Housing Tax Credits, Federal HOME funds, Federal Home Loan Bank Affordable Housing Program grants and subsidized advances, HUD 202 grants, RD 515 funds and local and national foundation grants.

This HOME funds application would be the first commitment of funds for this project, but it is a critical piece as it allows the project to achieve extra points in MaineHousing's Qualified Allocation Plan for leveraged funds. The LIHTC application is due at MaineHousing on October 8, 2015 and then they should notify the project of an award of tax credits and HOME subsidy within 60 days of that application date. Please refer to the project schedule included in this application for the timeline for other financing commitments.

Respectfully Submitted,

Mark B. Adelson
Executive Director

58 Boyd Street Apartments

Analysis of Market Demand
June 2015

The development team has commissioned a market study for 58 Boyd Street Apartments in preparation for the October 8, 2015 LIHTC application to MaineHousing. However, PHDC and Avesta Management Corporation, as our management company, operate hundreds of affordable apartments. We experience firsthand the shortage of affordable and even market-rate apartments in Portland.

Our experience is corroborated by third-party analysis. In October 2014, Portland Housing hired the Signal Group to perform a market study for its Bayside Anchor development. The market study analyzed market rents as well as demand for studio, 1BR and 2BR apartments (the same mix of unit sizes as 58 Boyd Street, except for 3 bedroom units).

The Bayside Anchor market study found that:

1. An estimated supply of 18,427 rental units in Portland, occupied and vacant, is inadequate for the projected demand of 18,831 units in 2019.
2. 5,860 households in Portland are income-eligible for the LIHTC units; 3,706 of those households need rental assistance to afford the higher range of LIHTC rents.
3. Of 48 rental apartment projects surveyed by the Signal Group for this study, only 6 properties did not have a wait list.
4. There were nine vacant units out of 3,049 subsidized units surveyed in Portland - an occupancy rate of 99% .
5. Market rents are $955 for efficiency units, $1,120 for one-bedroom units and $1,430 for two bedroom units (includes all utilities). Extrapolating for three-bedroom units, we estimate market rate rents are a minimum of $1,550.

Regarding the three-bedroom unit, Portland Housing Authority is the largest landlord for the immigrant community in Maine, that typically has larger family sizes. We have requests for larger units regularly and cannot find our clients enough 3-, 4-, and 5-bedroom units. We are absolutely sure the three-bedroom units will rent up immediately.

Portland , Westbrook and South Portland housing authorities have a combined waiting list for Section 8 vouchers of over 5,000 households.

PHA plans to include between 12 and 24 Project Based Section 8 Vouchers in the project to reach a more diverse income group for this property. While the targeting is from 50% of Area Median Income (AMI) to market rate units (above 100% AMI), having these vouchers will allow households with extremely low income to afford these apartments. As noted above, over 63% of LIHTC-eligible households cannot afford the required rent.

The 58 Boyd Street Apartment program includes rents targeted to a range of income

levels in recognition of the strong demand and need for apartments at all income levels. The table below summarizes the budgeted rents for the project in comparison to market rents. Note that even our market rate rents are targeted at least 10% below the true market rents for the area.

58 Boyd Street Apartments Comparison to Market Rate Rents in Portland

Type	AMI	# Units	Rent from Applicant	Market Rent	% Above or Below
Efficiency	50% LIHTC	3	$ 677	$ 955	-41%
	60% LIHTC	0	$ 813	$ 955	-17%
4	Market	1	$ 860	$ 955	-11%
1BR	50% LIHTC	10	$ 725	$ 1,120	-54%
	60% LIHTC	10	$ 870	$ 1,120	-29%
24	Market	4	$ 1,008	$ 1,120	-11%
2BR	50% LIHTC	3	$ 870	$ 1,430	-64%
	60% LIHTC	3	$ 1,044	$ 1,430	-37%
8	Market	2	$ 1,287	$ 1,430	-11%
3BR	50% LIHTC	6	$ 920	$ 1,500	-63%
	60% LIHTC	6	$ 1,094	$ 1,500	-37%
12	Market	0	$ 1,350	$ 1,500	-11%
Total/ Average		48	$ 960	$ 1,251	-30%

Portland, Maine Yes. Life's good here.

Planning & Urban Development Department

MEMORANDUM

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

FROM: Tyler Norod, Housing Planner, Housing & Community Development

DATE: July 2, 2015

SUBJECT: Review and Recommendation to City Council award of bid 65 Hanover/52 Alder Street – 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 disposition and provide direction to staff.

At the HCDC meeting on February 11, 2015 a RFP for housing development was approved by the committee. The RFP went out to the public on March 23, 2015. On May 7, 2015, one proposal was received. A review committee of city staff met on June 2, 2015 to review the proposal. The committee consisted of: Jeff Levine, Planning and Urban Development Department Director; Greg Mitchell, Economic Development Director; Mary Davis, Housing and Community Development Division Director; Katherine Earley, Public Services Engineering Services Manager; Tyler Norod, Housing Planner, and Rick Knowland, Senior Planner. The review committee's recommendations were presented to HCDC on June 10, 2015. HCDC chose to delay its vote requesting that staff work with Avesta to address the Committee's concerns related to phasing and homeownership.

Avesta Housing's Original Proposal:

Avesta Housing (Avesta) submitted the only response to the RFP for the 65 Hanover / 52 Alder Street site. The site is owned by the City of Portland and currently in use as part of the Department of Public Services (DPS) Bayside campus. Avesta's proposal consisted of a two phase project in which the land is transferred at no cost to help support the project's level of affordability. Phase I consists of approximately 40 units of affordable rental housing anticipated to serve mostly residents earning up to 50% to 60% of the area mean income (AMI). Phase I would also have the potential for up to 13 market rate rental units. The market rate units would provide diversification and additional stabilization for the project. Phase I would likely require the use of Affordable Housing TIF funds to enable the financial feasibility of the inclusion of the market rate units. By providing a significant portion of the development at a lower AMI the project will be

eligible to pursue Low Income Housing Tax Credit (LIHTC) funding to help cover the costs associated with the demolition of the existing buildings and remediation of the contamination on site. The cleanup of the environmental contamination is estimated to cost approximately $147,000.

Phase II will consist of approximately 20 two- and three-bedroom condominiums priced from $235,000 - $278,000 that will be targeted to buyers at 100% of AMI and below. Avesta believes that a market gap currently exists for high quality, energy-efficient homes in this price range which will allow the project to attract significant interest from future homeowners. Avesta suggests that the development of a high quality mixed-income rental property in Phase I will help stabilize the area for future housing development and be better positioned to attract homeowners interested in contributing to the areas growth.

Avesta may use multiple below-market resources as needed to fill potential gaps between the true cost of the home and the debt service ratio that buyers can afford. Affordability covenants and deed restrictions will be utilized to ensure compliance with the City of Portland's 90 year affordability requirement and other potential restrictions imposed by various funding services such as LIHTC and the Federal Home Loan Bank (FHLB).

The project will utilize car sharing, a fee-in-lieu-of-parking for 14 spaces, and also request an allowable reduction in parking that is typical of other affordable development projects controlled by Avesta. Phase I will provide 10 parking spaces and one car share to serve the building's residents. Based on Avesta's experience the project will require a parking ratio of 0.70 and would like to pay $91,000 into the Peninsula's Fee-in-lieu-of-parking Fund for the remaining 14 spaces. At full build out the project will have 31 total parking spaces devoted to both Phase I and II.

The developer will be seeking an Affordable Housing TIF for this project and has requested that the site be transferred at no cost to assist in the creation of affordable units.

<u>Avesta's Revised Proposal</u>:

As recommended by HCDC, staff met with Avesta to ascertain how their proposal may better respond to concerns and questions raised by the Committee. In response, Avesta identified four topics that addressed HCDC's concerns as they related to land value, timing, site considerations, and workforce housing and homeownership.

Avesta, after reviewing the available data and preliminary discussions with their environmental consultants, asserted that the environmental cost associated with the clean-up of the sight and HCDC's clearly expressed goal of creating work force housing do not

afford the project the ability to purchase the land. Perceived additional costs to the developer have the potential to increase the cost of housing to the end consumer and are therefore incongruent with the larger goal of providing workforce housing.

Avesta stated that it is prepared to move forward aggressively with its environmental due diligence immediately following the execution of a purchase and sale agreement. Subsequent to that work they would submit an application for LIHTC funding in October of 2015. Avesta believes the term of any potential Agreement should be long enough to allow Avesta to apply for low income housing tax credits in 2015 and 2016, if they are unsuccessful in obtaining tax credits during the first funding round.

Avesta also proposed an increase in the number of market rate rental units from 13 to 15 in an effort to meet the Committee's goal of providing a diverse range of housing types. In addition, Avesta is willing to broaden the income requirement for homeownership to include households at 120% of AMI.

Avesta understands the Committee's concern related to the timing of the homeownership phase. To that end, Avesta will begin marketing the homeownership simultaneously with the start of construction of the rental units. Construction of the homeownership units would then commence upon obtaining the required pre-sales for financing.

Furthermore, Avesta is willing to consider the recording of a reverter clause that would allow the ownership portion of the site to be deeded back to the City if Avesta hasn't developed an ownership project after an agreed upon period of time. In addition to the reverter clause and contingent upon the completion of the rental portion of the project, Avesta would pay the City a sum to be negotiated if the homeownership phase is not commenced after the agreed upon period of time.

The total city investment remains the same as previously proposed to the Committee at the June 10th meeting, which is listed below:

City Investment/unit $22,532 City Investment/sq ft $22

STAFF RECOMMENDATION

As you may recall, the RFP addressed several criteria for any proposal including but not limited to the use of funds, the leveraging of other public and private resources, terms of affordability, design compatibility, readiness, financial feasibility, development experience, management capacity, and unit mix.

At this time, staff is recommending two potential options for the Committee to pursue. The first option is to not approve Avesta's modified proposal and to delay the reissuance of a more tightly defined RFP until there is greater clarity for the future of the surrounding DPS properties.

The second option would be to recommend to the Council approving the purchase and sale of the property to Avesta with the provisions included in Avesta's revised proposal including the reverter clause and its financial commitment. Other details would need to be included such as dividing up the land into two separate development parcels that could be developed independently, along with any necessary easements for access, parking, or any other development needs. The reverter clause and the potential financial penalty for failing to complete a homeownership project should provide the necessary flexibility, incentive and protection to provide a certain comfort level for the Committee and development team to move forward with this revised proposal.

City of Portland

65 Hanover Street and 52 Alder Street
RFP # 7215

Submitted by:

Avesta Housing Development Corporation
307 Cumberland Avenue
Portland, Maine 04101

AVESTA HOUSING

1. Project Summary

Avesta Housing Development Corporation is excited to submit this proposal in response to the City of Portland's RFP #7215 for the Development of Affordable Housing. This proposal reflects our commitment to developing affordable housing in Greater Portland for over 40 years and builds on efforts to transform this part of Portland from its post-industrial heritage into a diverse and vibrant urban neighborhood.

Cornerstone to this vision is ensuring the people who work in this community are able to afford to live on the Portland Peninsula. In accordance with the city's New Vision for Bayside, Avesta Housing plans to maximize this site under the current zoning by providing an additional 65 units of affordable housing to serve a diverse group of people. Avesta has given careful consideration to the existing conditions of the site and neighborhood to shape this phased development proposal.

Phase 1 will provide 40 units of affordable rental housing largely serving residents from 50% to 60% of area median income, with a recommendation to include up to 13 market rate units for additional diversification and economic stabilization. The market rate units do not enhance the financial performance of the project and all units could be affordable; however, we believe having a diversity of housing prices reflects sentiments shared by the larger Bayside Neighborhood. A request for an Affordable Housing TIF is included in this proposal which enables the mixed income scenario to be financially feasible. The development of mixed-income rental housing provides workforce housing and also allows Avesta to obtain the required financial resources for the redevelopment of this site. By leveraging Low Income Housing Tax Credits (LIHTC), Avesta is able to raise a sizeable portion of the potential capital required for the demolition of the existing buildings and the environmental cleanup required on this brownfields site. In addition, Avesta believes the development of a high-quality mixed-income rental property provides a strong foundation for the second phase of the project, which consists of homeownership opportunities.

Once the site has been stabilized and invigorated with new housing and residents, the neighborhood will be well-positioned to attract homeowners interested in contributing to the area's growth. Phase 2 will consist of 20 two- and three-bedroom condominiums priced from $235,000-$278,000 that will serve individuals 100% of AMI or below. Market research indicates a dearth of high-quality, energy- efficient homes in this price range, and prospective homebuyers will see this site as an opportunity to take that next step to homeownership. For some of the residents living in the rental housing at 65 Hanover, 52 Alder will be a logical next step. Avesta will utilize our NeighborWorks HomeOwnership Center to provide additional resources such as credit counseling, pre-purchase home buyer education, and down payment assistance to prospective buyers. Although homeownership at 52 Alder will be available to anyone meeting the income requirements, as part of our marketing plan we will utilize our existing network of Portland renter households to attract and assist those who are ready to make the transition to homeownership. We are excited to provide this opportunity to allow residents who are ready and interested to reap the benefits of homeownership, including additional autonomy and equity building.

Avesta may utilize multiple below-market resources as needed to fill potential gaps between the true cost of the home and the debt service ratio that buyers can afford. Affordability covenants and deed restrictions will be utilized to ensure compliance with the City of Portland's 90 year affordability requirement and other restrictions imposed by the funding sources such as LIHTC and the Federal Home Loan Bank (FHLB).

In 2012 Avesta successfully completed the Adam's School Condominiums on Portland's West End. Similar to the proposed project the site was a brownfield site owned by the City of Portland. Our completion of Adam's School Condominiums demonstrates our ability to navigate the multitude of challenges involved with developing a contaminated site. Furthermore our experience working with the Adam's School Condominium owners provides invaluable insight into the marketing, sales and management required of an affordable home ownership project.

The Architect and Developer will utilize their extensive experience working with neighborhood groups and the Portland Planning Board to design a project that will complement existing structures while incorporating design concepts to provide full accessibility and energy efficiency. The design will promote an active street frontage to invite interaction with the community. The design proposes the closing of Lancaster Street to automobiles between Hanover and Alder Streets to create a pedestrian friendly space. A combination of cobblestone pavers, sidewalks lined with trees and benches will provide a reprieve from automobiles on this narrow passageway. Parking will be behind the buildings with an entrance on Alder Street. We will be utilizing a car share, a fee-in-lieu–of-parking for five14 spaces, and also a request for an allowable reduction in parking that is typical of our affordable housing developments and congruent with larger discussions to deemphasize the automobile. Additional plantings will be provided on Alder Street to screen parking from the street view. Incentives will be provided to encourage alternate transportation by providing bike racks and bike rooms. The scale of the building will be commensurate with supporting architecture blending in both mass and height to nearby buildings. Avesta proposes two buildings varying in height from 3 to 4 stories with stepping facades to create depth and interest. An elevated glass bridge will connect the buildings and create a courtyard space beneath. The glass connection will also introduce permeability of the larger structure. The development will feature a super-insulated building envelope and systems that meet or exceed Portland's Green Building Codes. In fact, several of our new projects nearby, including Pearl Place, 409 Cumberland and Oak Street Lofts incorporate numerous green building standards and certifications, including solar arrays and building envelope systems, which reduce long-term energy consumption and the corresponding operating costs.

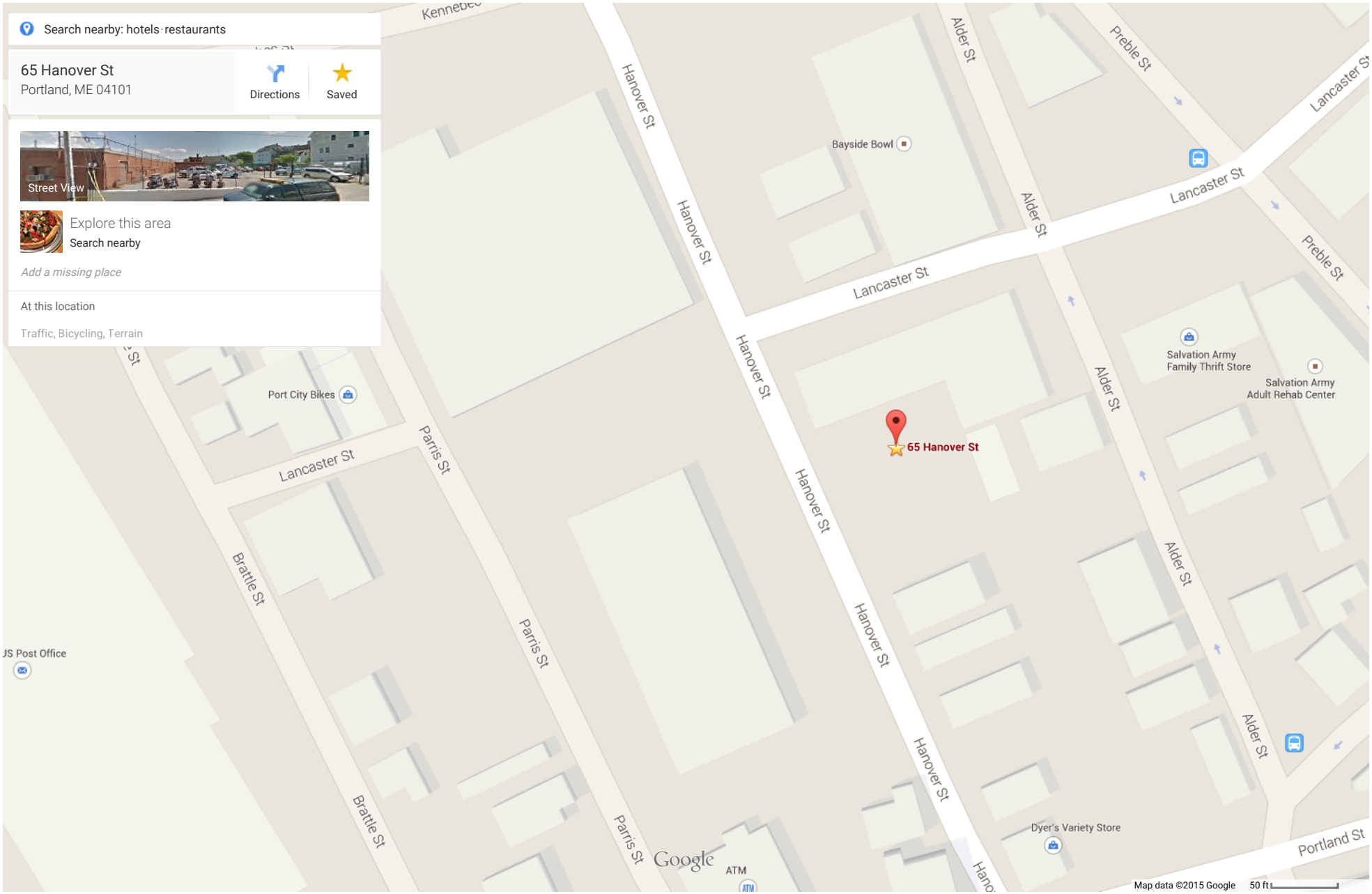
S.W. Cole has been engaged as Avesta's environmental consultant on the project and has provided an initial protocol for determining the level of environmental contamination on the site. Our pro forma allows for the expenditure of $147,000 relative to environmental costs; however, additional due diligence such as a Phase 2 Environmental Report, additional soil borings and hazardous material testing will be required to develop an accurate scope and cost of work. We will also be inquiring into the availability of funds from the Brownfields program to assist with the environmental costs. Findings that result in additional cost beyond the budgeted $147,000 may require additional subsidy to maintain financial feasibility.

Assuming acceptance of this proposal by the City of Portland in the summer of 2015, we will immediately begin pursuing the required funding for a construction start in June 2016. Please see project schedule for additional information

1. Architectural and Site Plans

Documents Included:

- Site Renderings
- Site Plan and Unit Layout by Floor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Lancaster St
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65 Hanover St
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Parris St
Brattle St
US Post Office
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PHASE 1 - AREA CALCULATIONS

1ST FL:	7,227 GSF
2ND FL:	10,611 GSF
3RD FL:	10,611 GSF
4TH FL:	10,611 GSF +
	39,060 GSF

9 EFFICIENCY UNITS
24 ONE BEDROOM UNITS
12 TWO BEDROOM UNITS +
TOTAL = 45 UNITS

PHASE 2 - AREA CALCULATIONS

1ST - 4TH FLOOR	5,413 GSF x 4 +
	21,652 GSF
BRIDGE 585 GSF x 3	1,755 GSF +
	23,407 GSF

TOTAL = 20 UNITS

1 1ST FLOOR
1/16" = 1'-0"
0 4'-0" 8'-0" 16'-0" 32'-0"

65 HANOVER & 52 ALDER

Portland, Maine

MAY 4, 2015

A1.1

ARCHETYPE architects
48 Union Wharf Portland, Maine 04101

1 | 2ND - 4TH FLOOR
1/16" = 1'-0"
0 4'-0" 8'-0" 16'-0" 32'-0"

65 HANOVER & 52 ALDER

Portland, Maine

MAY 4, 2015

A1.2

ARCHETYPE architects
48 Union Wharf Portland, Maine 04101

2. Soil Management Plan

S.W Cole will prepare the soil management plan and other environmental consulting services required of the subject site. Please see their full profile in the Team Summary -Tab 8.

Established in 1979 in Bangor, Maine, S. W. Cole Engineering, Inc. (S.W.COLE) provides services in the following major areas: geotechnical engineering, construction materials testing and special inspections, and geo-environmental services. We are a team of more than 80 engineers, scientists and technicians which annually provides services on more than 1,800 projects.

In our history of more than 35 years, we have worked with a wide variety of complex geologic and subsurface conditions throughout New England. We have had the opportunity to work with a varied clientele, including architectural and engineering firms, contractors, healthcare providers, public and private educational institutions, governmental agencies and municipalities, and commercial, industrial and individual clients. Our geologists, engineers and construction materials technicians take a hands-on approach and understand the impact of subsurface conditions on construction budgets and schedules. Seven regional offices give us the ability to utilize the knowledge and experience of all our professionals with ease as well as the flexibility to schedule services in a responsive manner.

3. Project Completion Schedule

65 Hanover and 52 Alder Phase 1

A. Site	
RFP Approval	8/1/2015
Environmental Review	9/1/2015
Site Acquisition	10/1/2015
Zoning Approval	1/1/2016
B. Financing	
Construction Loan Commitment	2/1/2016
Permanent Loan Commitment	2/1/2016
Other Sources Committed	2/1/2016
C. Plans and Specifications	
50%	2/1/2016
90%	4/1/2016
100%	5/1/2016
D. Construction Loan Closing	6/1/2016
E. Construction Start	6/1/2016
F. Substantial Completion	5/1/2017
G. Completion of Construction	6/1/2017
H. Lease Up.	
Beginning	6/1/2017
Sustained (95%) Occupancy	9/1/2017

65 Hanover and 52 Alder Phase 2

A. Site	
RFP Approval	N/A
Environmental Review	N/A
Site Acquisition	N/A
Zoning Approval	3/1/2017
B. Financing	
Construction Loan Commitment	3/1/2017
Permanent Loan Commitment	3/1/2017
Other Sources Committed	3/1/2017
C. Plans and Specifications	
50%	4/1/2017
90%	5/1/2017
100%	6/1/2017
D. Construction Loan Closing	6/1/2017
E. Construction Start	7/1/2017
F. Substantial Completion	6/1/2018
G. Completion of Construction	6/1/2018
Sustained (95%) Occupancy	
H. Marketing and Sales	
Marketing Materials Complete	4/1/2018
5 Total Units Sold	11/1/2018
10 Total Units Sold	3/1/2019
15 Total Units Sold	7/1/2019
20 Total Units Sold	10/1/2019

9. Financial Feasibility

Phase 1: Financial Information

Phase 1 is the rental project consisting of 45 units.

Sources and Uses of Funds

The project will be funded using three different funding sources from Maine Housing – Low Income Housing Tax Credits (LIHTC), Subsidy and Interest-only mortgage. The project will use 9% LIHTC equity, packaged with subsidy and mortgage from Maine Housing. The Maine Housing mortgage will be interest-only at 6.00% interest rate for 30 years. The development is not seeking any funding sources from the City of Portland.

The funds will be used towards construction (hard) costs, soft costs, financing fees for tax credits, project reserves (operating deficit reserves, pre-funded replacement reserves, tax & insurance reserves) and developer's fees.

A brief summary of the sources and uses of funds for the development is provided below:

SOURCES & USES OF FUNDS	
Sources of Funds	**Amount**
MH subsidy	$1,320,000
MH Interest-Only Mortgage	$1,751,303
Tax Credit Equity	$5,184,234
Total Sources	**$8,255,537**
Uses of Funds	**Amount**
Acquisition Costs	$0
Construction Costs	$6,120,959
Soft Costs	$972,448
Financing Costs	$67,897
Developer Fee	$725,000
Reserves	$369,233
Total Uses	**$8,255,537**

*Note: The project will be providing 10 parking spaces and 1 car share for all the units in Phase 1. The project will need a parking ratio of 0.70 based on our experience. Hence, the project will be paying into the Peninsula Fee-in-lieu-of-parking Fund for the remaining 14 parking spaces. The project soft costs include a Payment in Lieu of Parking Fees of $91,000.

Operating Budget

The operating budget of the project is as follows:

Operating Budget for Year 1	
Rental Income	463,740
Vacancy (5%)	(23,187)
Other Income (Laundry)	4,500
Other Income (TIF)	27,750
Effective Gross Income	**472,803**
Administrative Expenses	61,906
Utilities	80,000
Maintenance Expenses	79,000
Taxes & Insurance	70,000
Resident Services	12,558
Reserve Funding	20,250
Operating Expenses	**323,714**
Net Operating Income	**149,089**

Additional financial information is attached in Addendum E.

Proforma Operating Statement

The 20 year proforma shows positive cash-flow through Year 20. The property has a positive cash flow throughout the 20 year term, and has a healthy Debt Service Coverage Ratio.

PROFORMA OPERATING INCOME AND EXPENSE STATEMENT			TRENDING ASSUMPTIONS		ANNUAL RENT INCREASE:		2%	ANNUAL EXPENSES INCREASE		3%
	Yr 1	**Yr 2**	**Yr 3**	**Yr 4**	**Yr 5**	**Yr 6**	**Yr 7**	**Yr 8**	**Yr 9**	**Yr 10**
Effective Gross Income	472,803	482,259	491,904	501,742	511,777	522,013	532,453	543,102	553,964	565,043
Less Operating Expense	323,714	333,426	343,428	353,731	364,343	375,273	386,532	398,128	410,071	422,374
Net Operating Income	149,089	148,833	148,476	148,011	147,434	146,739	145,921	144,974	143,893	142,670
Less Debt Service (Maine Housing)	105,078	105,078	105,078	105,078	105,078	105,078	105,078	105,078	105,078	105,078
Cash Flow	44,011	43,755	43,398	42,933	42,356	41,661	40,843	39,896	38,814	37,592
Debt Coverage Ratio	1.42	1.42	1.41	1.41	1.40	1.40	1.39	1.38	1.37	1.36
PROFORMA OPERATING INCOME AND EXPENSE STATEMENT, continued										
	Yr 11	Yr 12	Yr 13	Yr 14	Yr 15	Yr 16	Yr 17	Yr 18	Yr 19	Yr 20
Effective Gross Income	576,344	587,871	599,629	611,621	623,854	636,331	649,057	662,038	675,279	688,785
Less Operating Expense	435,045	448,096	461,539	475,385	489,647	504,336	519,466	535,050	551,102	567,635
Net Operating Income	141,299	139,775	138,090	136,236	134,207	131,994	129,591	126,988	124,177	121,150
Less Debt Service (Maine Housing)	105,078	105,078	105,078	105,078	105,078	105,078	105,078	105,078	105,078	105,078
Cash Flow	36,221	34,697	33,011	31,158	29,129	26,916	24,513	21,910	19,099	16,072
Debt Coverage Ratio	1.34	1.33	1.31	1.30	1.28	1.26	1.23	1.21	1.18	1.15

Phase 2: Financial Information

Phase 2 of the development will consist of 20 affordable home ownership units. All units will be affordable to households at or below 100% AMI.

Sources and Uses of Funds:

The project will be funded using a bridge construction loan which would be paid off using proceeds from the sale of the condominiums. A breakdown of sources and uses is provided below.

SOURCES OF FUNDS			
Unit Size	**# of units**	**Sale Price per unit**	**Total Sales**
2 BR	8	$ 235,000	$ 1,880,000
3 BR	12	$ 278,000	$ 3,336,000
Total Sources			**$ 5,216,000**

USES OF FUNDS	
Acquisition Costs	$ -
Construction Costs	$ 3,703,329
Soft Costs	$ 574,419
Financing Costs	$ 313,253
Developer Fees	$ 400,000
Sales & Marketing	$ 225,000
Total Uses	**$ 5,216,000**

Loan Program

Maine Housing's First Home Program provides low fixed rate mortgages to help Maine people buy homes of their own – often with little or no down payment. Affordable mortgages are offered at a low annual interest rate of 3.25% to 4.00% for a term of 30 years to the targeted population.

Affordability Analysis

Based on the income levels of households at 100% AMI, we have determined that the sale price of the condominiums will be affordable to them. We have assumed that households could pay 35% of their annual income towards their housing expenses. Please see below an affordability analysis for 2 BR and 3 BR condominiums.

2 BR AFFORDABILITY		
Income Level for Family of 2 at 100% AMI	$	61,875
Affordable Mortgage 30% (Annual)	$	14,850
Other Housing Expenses (taxes, insurance, condominium fees)	$	6,924
Total Housing Expenses	**$**	**21,774**
% of total income in housing expenses		35%
Affordable Mortgage Size	**$**	**256,787**

The sale price of a 2BR condominium is **$235,000**. A family of two persons at 100% AMI can afford a mortgage of $256,000. Hence, a 2 BR condominium is affordable to a household at or below 100% AMI.

3 BR AFFORDABILITY		
Income Level for Family of 4 at 100% AMI	$	74,250
Affordable Mortgage 30% (Annual)	$	18,563
Other Housing Expenses	$	7,500
Total Housing Expenses	**$**	**26,063**
% of total income in housing expenses		35%
Affordable Mortgage Size	**$**	**320,983**

The sale price of a 3BR condominium is **$278,000**. A family of four persons at 100% AMI can afford a mortgage of $320,000. Hence, a 3 BR condominium is affordable to a household at or below 100% AMI.

12. Market Demand Analysis

Market demand for Rental Housing

Maine renters experience challenges finding affordable housing. Statewide, 87,000 households are spending more than 50% of their income on their housing. In Portland, more than 70% of renter households are unable to afford the average two-bedroom rent of $1,310. That means nearly 13,000 families in the city are struggling to find housing that's affordable to them.

Avesta Housing witnesses this shortage of affordable housing firsthand. In 2014, more than 3,000 households sought affordable housing through Avesta. However, due to limited resources, Avesta was only able to provide homes to 339 households. Currently, there are more than 2,500 households on Avesta's waiting lists. A full market study will be completed prior to the financing of the project.

Market Demand for Affordable Homeownership

As indicated previously, Avesta Housing believes that this site requires additional stabilization and revitalization prior to the development of a successful homeownership project. However, with that work completed, market indicators are very positive for the proposed phase 2, which includes homeownership opportunities serving residents from 80% to 100% of AMI. A current market analysis of 2 bedroom condominiums sold on the Portland peninsula demonstrates an average sale price of $335,352 per unit; the median price was $300,700. Further analysis indicates that the average sale price for new construction of a similar unit type increases the average sale price to $485,500. The market analysis demonstrates the importance of two factors in determining price: location and quality of product. Buyers want new and well-planned living spaces with quality finishes. 52 Alder Street will compete well relative to the demand for a quality product. However, the project location will act as a downward adjuster on price, being perceived as less desirable than other Portland neighborhoods. The target pricing of the proposed homes ($235,000-$278,000) is well below the average price of other comparable sales, and this differential should help offset potential concerns regarding location. Furthermore, the price point creates additional demand with the introduction of new buyers who could not afford the comparable prices.

In addition to the consideration of comparable sales, the penetration rate for units of similar size is very favorable with only an estimated 3.5 months of available inventory. In summary, the current market trends indicate a growing demand for the proposed housing. The escalating prices on the Portland peninsula will encourage buyers to look at new locations, bringing future opportunity to the Bayside Neighborhood. Additional market analysis can be provided upon request.

16. Land Use Regulations

65 Hanover & 55 Alder: Compliance with Land Use Regulations

The proposed development of 45 residential apartments and 20 condominiums complies with land use regulations pursuant to the B-2b zoning ordinance. The B-2b Zone allows Multi-Family & Two Family Residential, Combined Live Work space; Combined Artist Residence Studio Space and Neighborhood Commercial. The allowable density is 435 square feet of lot area per dwelling unit. At approximately 30,000 square feet (the two combined lots), the allowable number of units is 68, compared to the proposed 65.Therefore, the proposed project meets the density restriction. In addition to being a permitted use at the appropriate density, the proposed project complies with all the Dimensional Requirements and Performance Standards within the B-2b zone. The proposed project requires no conditional approvals or variances. The architectural and landscape design will be harmonious with the surrounding neighborhood, utilizing scaled entries, screened parking, appropriate green buffers and sidewalks.

Parking: The standard ratio for parking in the B-2b zone is 1 parking space for every dwelling unit. However the City Planning Board has the authority to reduce this requirement for affordable housing developments per section 14-332.2 (b). Avesta will be requesting a parking ratio of 0.7 for each rental dwelling unit, requiring 32 parking spaces. We will also utilize a car share service, reducing the required parking to 24 spaces. Ten of the 24 required spaces will be provided on site, and Avesta will pay a fee in lieu for the remaining 14 spaces. The homeownership development will provide 20 parking spaces as required for the 20 units.

19. Site Photos

NO
PARKING
ANY
TIME

GMC
2521
FLEET SERVICES

DRAFT 2015 HOUSING & COMMUNITY DEVELOPMENT COMMITTEE MEETING CALENDAR

Meetings: 2nd & 4th Wednesday of each month

As of June 303, 2015

July	**July 8** Review and recommendation to City Council to Amend Purchase and Sale Agreement with Patrons Oxford Insurance for land sale at Portland Technology Park HOME Fund Proposals Review and Recommendation to City Council award of bid and Purchase and Sale Agreement for 65 Munjoy Street. Reed School Re-Use Task Force Recommendations Review and Recommendation re: 65 Hanover/52 Alder Street disposition/development proposal Land Swap Agreement for City tax-acquired property in exchange for portion of J. B. Brown property at Canco/Quarry Road to support relocation of a portion of Public Services out of Bayside. Tentative: Executive Session – Possible TIF Requests
	July 22 Canceled
August	City "Amethyst Lot" discussion/direction for future uses. Tentative: Review and recommendation to City Council regarding 84 Free Street Lease in the Spring Street Garage
	August 12 Review and Recommendation to City Council award of bid and Purchase and Sale Agreement for 157 Brackett Street Executive Session: Provide guidance to staff on lease negotiations regarding the New England Ocean Cluster House project at the Maine State Pier.
	August 26 Canceled
September	Short Term Rentals - Air bnb. Lodging house as an alternative to emergency shelter Update on City-owned lot at 98 High Street. India Street lot. Police Parking lot. Begin discussion related to Riverside Street area wide needed public infrastructure status and improvements. Waterfront TIF District geography amendment discussions, including consideration of Portland Company as TOD TIF Discussion. Riverwalk TIF District Reduction Amendment – Discussion and direction to staff. Update of Tax Acquired Properties for Development Opportunities/Coordinate with Trust for Public Land Executive session to discuss: Wilmot Street matter resolution.
	September 9
	September 23
October	
	October 14
	October 28
November	Note: November 11 is Veteran's Day and November 25 is the day before Thanksgiving Portland Economic Development Plan Implementation - Update

	November 11?
	November 25?
December	FYE 2015 Annual City-Wide TIF District Activity Report 2015 Calendar Year HCDC Accomplishments Report Proposed 2016 HCDC Work Plan
	December 9
	December 23

2015 HOUSING & COMMUNITY DEVELOPMENT COMMITTEE MEETING CALENDAR
Final Agenda/Completed Work

January	**January 14** Review and Approval of Revisions to Guidelines for Lead Safe Housing Program Housing Study Report Update, Review and Approval of Proposed Rosa True School Housing Transaction Communication: Spring Street Garage/Bid for Broker for leasing Retail/Office Space; Portland Technology Park/RFP for Brokers ~~Executive Session: Possible Disposition of City-Owned Property at 157 Brackett and 176 Clark Streets~~
	January 28 Review and vote to recommend to City Council on award of bid and purchase and sale agreement for Cliff Island tax-acquire parcel. Review of 65 Hanover/52 Alder Street Feasibility Report and possible recommendation on RFP/Deed Options Housing Study Policy Response- Direction from HCDC ~~Review, Discussion and Possible Approval of RFP for 157 Brackett~~ Postponed to a later date.
February	**February 11** Responses to Munjoy Street RFP Review and recommendation to City Council award of bid and Purchase and Sale Agreement for 71 Hanover Street Review of Revised RFP for 65 Hanover/52 Alder Street and possible recommendation to issue Executive session: Guidance to staff on Ready Seafood Lease amendment review at Portland Ocean Terminal
	February 25 HCDC Housing Production and Affordability Forum.
March	**March 11** Review and recommendation to authorize staff to enter into Commercial Broker Agreement for sale of property at Portland Technology Park. Review and guidance to staff re: proposed IZ ordinance Review and guidance to staff re: ordinance changes to encourage and enable housing development Review and Approval of FY15-16 Affordable Housing Application Process. Housing Program Budget Recommendation to City Council. Housing Trust Fund Annual Plan Recommendation to City Council. **Executive Session**: Provide guidance to staff for property acquisitions to support relocation of Public Services out of Bayside; and, direction regarding possible tenant lease negotiations related to City-owned Spring Street Parking Garage commercial space.

	March 25 Review and recommendation to City Council to authorize Ready Brothers Lease Amendments at Portland Ocean Terminal. **Executive Session**: Provide guidance to staff for (a) Amendments to Shucks Lobster lease at Portland Ocean Terminal; (b) proposed lease with New England Ocean Cluster House at Portland Ocean Terminal; and (c) Nova Star Cruises proposed lease amendments. Review and guidance to staff re: ordinance changes to encourage and enable housing development Review of Affordable Housing TIF Program - Postponed
April	**April 8** Loan Term Amendment – Avesta 134 Washington Avenue Project Rosa True approval of additional funding and lease terms Review and referral to Planning Board for public hearing of ordinance changes (Inclusionary Zoning and Others Items) to encourage and ensure housing development including changes to Division 30 (Affordable Housing) Review of Affordable Housing TIF Program - Postponed
	April 22 CDBG Allocation Committee Funding Recommendations. Review of HUD 5-Year (2015-2020) Consolidated Plan and FY 15-16 HUD Annual Action Plan. Review and Comment/Recommendation to City Council if necessary: Improvement to CDBG process. Review and vote to City Council to authorize Amended and Restated Lease with Nova Star Cruises at Ocean Gateway. Executive Sessions: DPS Bayside Relocation guidance. Review and referral to Planning Board for public hearing of ordinance changes to encourage housing development
May	**May 4 Special Meeting** Review and vote to City Council to authorize Amended and Restated Lease with Nova Star Cruises at Ocean Gateway.
	May 13 Review, Discussion and Possible Approval of RFP for 157 Brackett Area-wide Affordable Housing TIF District discussion/Review of Affordable Housing TIF Program
	May 27 - Cancelled
June	**June 10** Review and recommendation to City Council to authorize Purchase and Sale Agreement for City purchase of 250 Canco Road for relocation of a portion of Public Services out of Bayside. Review and recommendation to City Council to amend Bayside TIF District to expand allowable uses of City TIF revenues, including sea level rise study funding, among others. AHTIF Request Avesta Housing 17 Carleton Street
	June 24 – Cancelled