1. Agenda

   Documents: AGENDA 08.15.13.PDF

2. Packet

   Documents: DOWNTOWNPACKET081513.PDF

CITY OF PORTLAND, MAINE
Notice of Meeting

Portland Development Corporation

DATE: 8/15/2013
TIME: 4:00 PM
LOCATION: Room 209, Second Floor
Portland City Hall

AGENDA

1. President's comments.

   a) DPC Board Officers – Appointments at PDC Board Annual Meeting on September 19, 2013.
   b) Portland Technology Park Ribbon Cutting on September 18, 2013 at 10:30 a.m.

2. Review and accept Minutes of previous meeting held on May 16, 2013.

3. Review and recommendation regarding Development Action Grant request from Rufus Deering for public infrastructure work at 54 York Street in the amount of $20,935 for sidewalks, curb cuts, and ADA ramp.

   a) Note: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board may go into executive session discussion.

4. Review and recommendation regarding application submitted by Creative Portland and Creative Space for grant funding from the Portland Economic Development Plan Implementation Fund in the amount of $30,000 for post Art Space survey activities.

   a) Note: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board may go into executive session discussion.

5. Update on Brownfields Revolving Loan Fund

   a) See enclosed memo from Nelle Hanig

6. Establish subcommittee for Annual PDC/City Awards Program – Held in November

7. Marketing Discussion of PDC - All

8. Treasurer's Report – July 2013 – Jennifer Sporzynski

   a) Monthly Administrative Budget Report
   b) Loan Receivables Report
   c) Cash Management Report
   d) Delinquency Report (Note: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board may go into executive session discussion any of the loans listed on the delinquency report.)

9. Next Meeting Date: September 19, 2013

Jack Lufkin

Board President

CITY OF PORTLAND NOTICE OF MEETING

PORTLAND DEVELOPMENT CORPORATION

DATE:	Thursday, August 15, 2103
TIME:	4:00 p.m.
LOCATION:	Room 209, Second Floor Portland City Hall

A G E N D A

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9. Next Meeting Date: September 19, 2013

Jack Lufkin
President/Downtown Portland Corporation

Minutes

Portland Development Corporation

May 16, 2013

A meeting of the Board of Directors of the Portland Development Corporation was held on Thursday, May 16, 2013, at 4:00 p.m. in Room 209 on the second floor of Portland City Hall. Present from the Board were Directors Mayor Michael Brennan, Neil Kiely, Jess Knox, Dennis Martin, Mark Rees, Jere Shaw, Barry Sheff, and Jennifer Sporzynski. Board President Jack Lufkin and Directors Jill Hunter and Drew Swenson could not be present. Director Dennis Martin arrived as noted in the Minutes. Present from the City staff were Business Programs Manager Nelle Hanig, Planning Division Director Alex Jaegerman, Economic Development Director Greg Mitchell, Senior Executive Assistant Lori Paulette, and Associate Corporation Counsel Lawrence Walden.

Item #1: President's Comments

In President Lufkin's absence, Mr. Sheff chaired the meeting.

Item #2: Presentation of Congress Square Plaza proposal by representatives of the *Westin Portland Harborview* – for Board discussion and possible action.

Mr. Sheff introduced this item by noting President's Lufkin memo to the Board in the Agenda packet, highlighting the fact that the City Council, in 2009, passed an Order establishing the *Congress Square Redesign Study Group* (CSRSG), which group included a representative of this Board. The CSRSG last met August 1, 2012, and voted not to support proceeding with the event center hotel expansion, and that the plaza be redesigned in its entirety.

Mr. Sheff continued saying that there are letters in support of a hotel expansion in the packet from Greater Portland Landmarks and Creative Portland, also noting a third letter in support received from the Portland Museum of Art that was handed out to the

Board at today's meeting – copy attached.

Mr. Sheff said that the Board will hear a presentation from Rockbridge and then decide it wants to have a formal position on the proposal to sell a portion of Congress Square to Rockbridge, which position would be submitted to the CSRSG and the Housing and Community Development Committee (HCDC).

Mr. Rees said that he and Mayor Brennan would abstain in a position vote as they are involved in the approval and regulatory process of this proposal/project.

Mr. Sheff then noted that the PDC was formed in 1990 to promote economic growth in the public interest in the downtown, when it was then named the "Downtown Portland Corporation". It has since expanded City-wide, and changed the name to its current "Portland Development Corporation". Per its Bylaws, it recognizes the general purposes of the PDC to include supporting the City's economic development efforts that enhance and create business and employment opportunities including "making recommendations to the City Council with respect to, but not limited to, bond and tax increment financing, and the management, acquisition, disposal, and general land use of City of Portland property." (Section 2.1 General Purposes. C.)

The next step in the Congress Square proposal process is for a presentation by Rockbridge to the CSRSG on May 22nd. The CSRSG will then provide its recommendation to the HCDC at its May 29th meeting, at which time it may take action and make a recommendation to the City Council or outline a process for further consideration.

Mr. Sheff then introduced Bruce Wennerstrom, General Manager of the Westin Portland Harborview (WPH) (f/k/a Eastland Hotel), and Patrick Costin of Canal5Studio Architects.

Mr. Wennerstrom said that this is the fourth presentation today to various organizations and groups in Portland. The WPH is now undergoing a $50 Million renovation, which includes doubling the size of the "Top of the East", and restoration of historic features among many other items. It is moving a little bit ahead of schedule, with a soft opening expected December 2013.

Mr. Costin then presented a PowerPoint which showed the history of the Eastland from inception to date, and the proposal, in concept form, to use a portion of Congress Square Plaza, as well as a concept for a new public area for "Congress Square Plaza". This includes an access area for Paul Food Store's use and residential apartments.

Mr. Costin said that there are 22 open spaces on the peninsula, noting the open space in front of the Portland Museum of Art at 5,000 sq. ft., and open space in front of the Hall building at 2,900 sq. ft. The proposal for the new Congress Square Plaza would have 4,800 sq. ft. and would accommodate pedestrian flow of traffic. This 4,800 sq. ft. is almost the same size of public space there now if you take into consideration area now taken up by plantings and the stage. The proposal would bring it into scale with the other open spaces in the area. The ballroom is a 5,000 sq. ft. design.

Mr. Wennerstrom added that the ballroom was originally at 7,500 sq., ft., so it has come down in size and can accommodate 250-300 people for a sit down dinner, which is what is needed.

Mr. Costin said, again, that this a concept, and the City will hire its own design team for final design of the public area of the Plaza, noting that the traffic lanes may also be a factor in that design with, perhaps, a closure of the slip lane from High Street to Free Street.

Mr. Sheff then asked if there were any questions from the Board.

Mr. Martin asked about funding mechanisms the City had for design and construction of the new plaza.

Mr. Jaegerman said that the City has $50,000 in the budget for design and engineering. The construction funds would need to be pulled together once a design is finalized.

Mr. Shaw asked if there would be extra parking in the area, and Mr. Costin indicated that there would not be. Mr. Wennerstrom also noted the hotel is working with the adjacent garage where there appears to be room for hotel's parking needs.

Ms. Sporzynski asked about uses at the Event Center, and Mr. Wennerstrom said that it is intended to be multi-use from weddings to corporate events, to working with the City for use during festivals.

Mr. Kiely asked about the economic impacts, and Mr. Wennerstrom said that in working with the CVB, he learned that in 2012, there were 12 large events that had to be turned away from Portland because there was not enough space. He did not have concrete numbers in front of him, but an additional 12 large events in Portland would have had a large economic impact and spinoff impacts as well.

Mr. Knox said that he thinks it would be important for the PDC Board to give a position statement on this proposal.

Mr. Sheff, noting no further discussion, suggested a motion such as for the PDC to be represented on the CSRSG and further that the PDC Board supports entering into a public/private partnership with Rockbridge which includes the City selling a portion of Congress Square Plaza to Rockbridge.

The Board discussed that there would need to be identified public benefits associated with this sale. Public benefits could include, for instance, resolving a public burden that is there now, more welcoming location, and an open space compatible in scale with nearby open space, as well as the economic impacts from a renovated WHP and Event Center and the spinoff impacts. It was also noted that this is a concept and would be further refined through the development regulatory process – Planning Board and Historic Preservation. The public benefit aspects associated with the event center project would get more clearly defined through that process.

Mayor Brennan suggested that the draft motion by Mr. Sheff be broken into two motions, as he and Mr. Rees would need to abstain from the PDC's support of the proposal as previously noted.

On motion made and seconded, the Board voted unanimously to appoint PDC Board President Jack Lufkin as its representative on the CSRSG.

On motion made and seconded, the Board voted 6-0-2 (Brennan and Rees abstained) to support the City entering into a public/private partnership with Rockbridge, which includes selling a portion of Congress Square Plaza for the Event Center expansion, taking into consideration the public benefits associated with the sale.

Item #3: Review and recommendation regarding the Development Action Grant request from the Proprietors of Custom House Wharf.

> **NOTE: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board may go into executive session to review and discuss proprietary information. If so, after review and discussion, the Board will come out of executive session and vote on the Grant request.**

Ms. Hanig introduced the item saying that Development Action Grants (DAG) are designed to encourage economic development on the peninsula, providing up to $25,000 or 50% of the cost of public infrastructure, whichever is less. The request before the Board today is for the former Boone's location on Custom House Wharf, currently under renovation. It now needs a full sprinkler system, and the existing 4" water main cannot supply sufficient pressure for the system, so an 8" main would need to replace it, running from Commercial Street to the new restaurant. The cost of this infrastructure project is estimated to be $35,000; however, that portion in the public Commercial Street right-of-way is estimated at $23,000. The requested DAG grant, therefore, is half that amount or $11,500. She then introduced Ken McGowan, Treasurer/Proprietors of Custom House Wharf.

Mr. McGowan said that the current water main is over 120 years old and also feeds a fire hydrant. Now is a good time to replace the water main due to the pavement work currently being done on Commercial Street. The project proposed at $35,000 does not include getting water to the end of the pier, which is another 400 feet, so he appreciated the Board's time in considering this DAG. With this project, the timeline for opening Boone's is next month.

Mr. Rees asked if there were three segments to this project, i.e., 55 feet from Commercial Street to the private property line, then 145 feet to Boones, and then another 400 feet to the end of the pier.

Mr. McGowan said that that is correct. The Portland Water District (PWD) has agreed to split 50/50 from the private property line to the end of the pier.

Mr. Rees asked about the DAG funds, and Mr. Mitchell said that they are part of old UDAG funds that were reprogrammed for economic development.

Mr. Sheff questioned if this expense was part of the project's pro forma, or was this something the Planning Board added.

Mr. McGowan said that this started 9 years ago when they built at the end of the pier and the PWD indicated that there was a 6 inch water main. It turned out to be a 4 inch water main, this after architects and engineers based their plans on a 6-inch main. The new Boone's now needs the added pressure for the sprinkler system. PWD could replace it at their own expense but not until 2015, so if done now, it needs to be done privately and PWD has agreed to share the cost. Mr. McGowan said that to get this done now with the paving project on Commercial Street going on, he obtained the bids for the project and PWD has agreed to move forward. This work needs to be done in order for Boone's to get a certificate of occupancy.

Ms. Sporzynski asked if this request met the guidelines for the DAG, and Mr. Mitchell indicated that it did. The funds would be used for the public infrastructure in the right of way and would be leveraged with private investment. It will also help to spur job creation and opens the door for the infrastructure to go to the end of the pier.

Mr. Shaw asked if there was a needs test for DAGs, and Mr. Mitchell said that there is no needs test required.

Mr. Sheff said that he is struggling with this as PWD is a retailer of water and should fund their own infrastructure.

Ms. Sporzynski asked if utilities have been part of DAG requests before, and Mr. Mitchell said that in looking at the guidelines for the DAG program and past examples, including electrical utility, this meets the guidelines and leverages investment.

Mr. Knox added that natural gas is also a challenge. He suggested that this Board discuss how to help with utility issues.

Mr. Sheff agreed that that would be a good discussion for the Board.

Mayor Brennan commended Mr. McGowan for reinvigorating the wharf, and that he would be willing for the PDC to make this investment to support the development. It is a relatively small investment for the City for an important part of Portland.

Mr. Kiely agreed.

Mr. Sheff said that part of the role of the PDC is to support economic development.

There being no further discussion, a motion was then made and seconded to extend the DAG as recommended by staff. A vote was taken on the motion and it passed unanimously.

Mr. Rees thanked Greg Mitchell and Nelle Hanig for working on the project and bringing it to the Board.

Item #4: Review and accept Minutes of previous meeting held on April 26, 2013.

On motion made and seconded, the Board voted 5-0-3 (Kiely, Shaw, and Sheff abstained as they were not in attendance at that meeting) to accept the Minutes as presented.

Item #5: Treasurer's Report – April 2013 – Jennifer Sporzynski

A. **Monthly Administrative Budget Report**
B. **Loan Receivables Report**
C. **Cash Management Report**
D. **Delinquency Report (Note: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board may go into executive session discussion any of the loans listed on the delinquency report.)**

Ms. Sporzynski reported that the monthly administrative budget report is running under budget as is the norm; the Loan Receivables Report is self-explanatory with approximately $1.4 Million lent, and the outstanding principal balance of that amount is approximately $1.2 Million; the Cash Management Report shows an available balance of loan/grant funds to extend at just under $1.9 Million. This includes EPA Brownfields funds at just over $500,000, and Mr. Mitchell said that a report on this fund will be forwarded to the Board. Staff is working with EPA to update program guidelines and unlock funds.

Regarding the Delinquency Report, Ms. Sporzynski updated it by indicating that Eastman Industries is now current through the end of May, and PBJ has made a payment bringing it 5 months past due instead of 6.

On motion then made and seconded, the Board went into executive at approximately 5:35 p.m. pursuant to 1 M.R.S.A. 405(6)(F) AND 5 M.R.S.A. 13119-A, for loan monitoring and updates, as well as for Item #6(B) below. At approximately 5:40 p.m., the Board came out of executive session.

Item #6: Communication:

A. **Article in the *Portland Press Herald* regarding 410 Riverside Street.**
B. **Executive Session: Pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119—A, the Board will go into executive session for an update regarding loan to Undefeated Enterprises, Inc., d/b/a Mittapheap Market, 61 Washington Avenue.**

Mr. Mitchell noted the article in the May 7, 2013 *Portland Press Herald* regarding 410 Riverside Street, particularly highlighting towards the end the City's involvement in this loan as a ". . . major incentive for McCuda and truly succeeded in the program's goal of economic growth and job-creation,".

Mr. Sheff noted that another Board discussion could take place on marketing and getting the word out, telling positive stories of the PDC's work.

Nelle Hanig read an email she received from Rising Tide Brewing, copy attached.

There being no further business, the meeting was then adjourned at approximately 5:45 p.m.

Respectfully,

Lori Paulette

April 22, 2013

Dear Councillors Mavodones, Coyne, Suslovic, and Donoghue:

The redevelopment and expansion of the Westin Portland Harborview Hotel into Congress Square is a critical issue and a strategic opportunity for Portland to improve the use of the space and create a dynamic facility enhancing this gateway to downtown. The functionality and design of Congress Square have been discussed, studied, and re-designed, to no avail, for the past 20 years. The Portland Museum of Art and the surrounding businesses in the Arts District will benefit greatly from an event facility, a newly designed space for public art, and visitor-friendly outdoor areas. Taking into account this opportunity from RockBridge, along with what we hope is an aesthetically pleasing design that can be agreed upon by the appropriate committees and the public, the museum would like to see this project move forward through the City's development process.

Sincerely,

Mark H.C. Bessire

Mark H.C. Bessire
Director

PORTLAND MUSEUM *of* ART Seven Congress Square, Portland, ME 04101 PH: (207) 775-6148 FAX: (207) 773-7324 *portlandmuseum.org*

Lori Paulette - New Jobs at Rising Tide

From: Nelle Hanig
To: Lori Paulette
Date: 5/24/2013 1:17 PM
Subject: New Jobs at Rising Tide

Lori,

Here's the email from Rising Tide that I read to the PDC. ....Nelle

>>> Heather Sanborn <heather@risingtidebrewing.com> 5/1/2013 9:18 PM >>>
Hi Nelle,

Just wanted to let you know that we've hired three new people (2 full time, and one at 25-30 hrs. per week) in the last couple weeks. Our staff is now 7 people (including myself and Nathan), and we're very excited for the summer (and for all the new people to get started)! I thought you might like to pass along this info to the PDC. Their loan money has been well spent so far!

East Bayside also continues to become *the* neighborhood to be in - we feel so lucky to have landed here. Food Truck Saturdays start this Saturday (12 to 5) - I hope you'll stop in if you get a chance!

Hope things are going well for you.

Cheers,
Heather

--
Heather Sanborn
Rising Tide Brewing Company
103 Fox Street
Portland, Maine 04101
207-650-0678
heather@risingtidebrewing.com

Visit us on facebook at Rising Tide Brewing Company
Follow us on twitter @risingtidebeer

Economic Development Department
Gregory A. Mitchell, Director

MEMORANDUM

To: President Jack Lufkin and PDC Board Members
From: Nelle Hanig, Business Programs Manager
Cc: Greg Mitchell, Economic Development Director
Date: August 6, 2013
Re: **Creative Space and Creative Portland Request for $30,000 Grant**
PEDPIP (Portland Economic Development Plan Implementation Program)

Results of Artist Space Survey
The Artist Space Needs Survey was completed in June 2013. The survey results, with executive summary, are attached. The Survey assessed the needs of artists relative to staying, returning to or locating in Portland. Among the findings were that younger and less affluent artists are most likely to be receptive to relocating/moving to Portland, though they are also most likely to identify barriers such as cost. This $11,500 project received $5,750 of PEDPIP grant funding provided to Creative Portland (CP). CP hired Critical Insights to conduct the project.

New Grant Request for Next Steps
CP and Creative Space are requesting a $30,000 PEDPIP grant for the purpose of funding various activities that they view as next steps post survey. While both organizations are applying for the grant funds, all project funds would go to Creative Space, with CP being the fiscal agent. The $60,000 project, to be completed over nine months, would include the following: 1) inventory existing creative space; 2) identify and assess properties that could be repurposed to creative space use; 3) quantify fit between artists' needs and available/potential creative space; 4) provide due diligence to ascertain barriers for use of existing creative space, including zoning and code issues; 5) create web-based clearinghouse of available properties; and 6) develop and implement an action plan for matching artists with available space, advising on repurposing space and relocating to new space.

Budget/Funding
The $30,000 grant request would be matched with $30,000 that Creative Space will raise from private donors and local foundations. With a total project budget of $60,000, 70% would be spent on salaries, 18% on professional services and 12% on office expenses.

Consistency with PEDPIP Objectives and Work Plan
In the area of Enriching the Creative Economy, the proposed project could help to "create incentives to establish and grow Portland's creative enterprises." The work plan items include:

- Creative incentives to attract and retain artists and entrepreneurs for development of live/work residences or common workspace and housing; and

- CP will access the feasibility of establishing a facility to house artists.

PEDPIP Funds
Remaining Program Funds $ 92,415;

Grants Approved To Date $157,585:

- Growing Portland Collaborative: $40,000 to Portland Regional Chamber
- 2 Degrees Portland: $10,000 to Creative Portland
- Branding Portland: $20,000 to Creative Portland
- Creative Portland Website Redesign: $16,500 to Creative Portland
- Creative Economy Metrics: $1,500 to Creative Portland
- Creative Portland Map & Guide: $5,835 to Creative Portland
- Artist Survey: $5,750 to Creative Portland:
- Slide Show on Successful Portland Entrepreneurs: $10,000 to Portland Regional Chamber
- Scorecard Update: $8,000 to Portland Community Chamber
- Portland Performing Arts Festival: $40,000

Attachments:

1) Application from CP and Creative Space – pp. 3 to 5
2) Project Timeline and Tasks – p. 6
3) Budget – p. 7
4) Creative Space Organization Description – pp. 8 and 9
5) Artist Space Survey pp. 10 to 42

Application

Portland Economic Development Plan Implementation Program (PEDPIP)

Please review PEDPIP guidelines before completing application.

Date: **July 15, 2013**

1. APPLICANT INFORMATION

Organization Name: **Creative Portland and Creative space**

Organizational Structure: __ Public ✓Not-for-Profit

Address: Creative Portland **110 Exchange Street, Portland, ME 04101**
Creative Space, 14 Hanover Street, Portland, ME 04101

Mailing Address (if different from above): Creative Portland **POB 4675, Portland, ME 04112; Creative Space POB 8118, Portland , ME 04104**

Website: **http://www.ci.portland.me.us/creativeportlandcorp.htm**

Primary Contact Person at Organization:
Creative Portland Jennifer Hutchins, Executive Director
Creative Space, Thomas E. Blackburn, Executive Director,

Phone Numbers: Work: **Creative Portland 855 -268- 2983** Cell: **207- 776 -5378; Creative Space 207-232-8134**

Email Address: **jhutchins@portlandarts.org**; **teblkbrn@maine.rr.com**

2. PROJECT INFORMATION

Project Description:

Creative Portland (CP) is the quasi-municipal, nonprofit entity charged with supporting the City of Portland's economic development efforts to develop and enrich the City's creative economy. Affordable, appropriate workspace for a wide range of artists has emerged as a critical priority for the creative economy.

CP applied for and received a matching grant from the PDC for an artist survey to assess the needs of artists to either stay, return or locate in Portland.. The results of that survey are attached. The Artist Survey conducted by Critical Insights, confirmed the substantial anecdotal information that affordable artist space is a priority among artists in Portland. In fact the lack of affordable artist studio space has resulted in an exodus of many artists to other communities who have a surplus of inexpensive space.

The survey was the first step in determining the extent of the artist and arts organization needs. The second step is establishing an inventory of existing studio or creative spaces as well as spaces that may be repurposed into studio or creative space. Once the inventory is commenced, a means of conveying this information to artists and other creatives seeking space is necessary . A website accessible from CP's website will permit browsers to view the available space with basic site specific information listed. The website is a living document and will be updated regularly. The website will also refer potential tenants or others interested in space to contact either CP or Creative Space (CSpace).

Finally, since artists are often challenged not only by locating space, but consumating the relocation to the new space. A process will be established to assist artist complete the relocation including referrals to available services and financial or other assistance for creatives. Attached to this application is a list of activities and services that CSpace provides, as well as the types of spaces that have been identified as needed by members of the creative economy. Modest fees will be negotiated with either the landlord or the tenant as the situation dictates. In order to become self sustaining, these fees will provide a source of income to CSpace in order to maintain the website and providing the services to artists and creatives.

There are many other properties with potential to be adaptively reused. These properties will be identified, and a plan developed to repurpose the properties to meet the creative space needs of Portland.

Because CP does not have the capacity to search out, technically assess, or repurpose real property, it has entered into a joint venture with a new nonprofit, CSpace , which was formed by several CP board members to specifically address artist and creative economy space needs. With funding for this project, CSpace will over the space of 9 months:

- Inventory existing studio/work and creative spaces
- Identify and assess properties that could be repurposed to creative space
- Quantify the "fit" between artists' needs and available/potential creative space
- Develop and implement an action plan for a matching/networking process that will, among other activities,
  - — recommend space options based on the specifics of artist activity
  - — connect groups for shared space
  - — advise on repurposing/remodeling existing space for new artistic use
  - — assist artists in completing the relocation by identifying resources and services to the artists to help them in this effort.
- Develop and launch a web-based clearinghouse as a platform to implement the matching process on an ongoing basis. The website will connect users with CSpace and CP for additional information, and services.

CSpace has been working with a half-dozen organizations on their creative space needs and goals, the majority of them referred by Creative Portland. Of particular note, CSpace has initiated discussions about establishing a Portland Arts and Enterprise Development Center(PAEDC) in a distressed neighborhood on the peninsula.

Deliverables and measurable outcomes of this planning and implementation grant include

- The inventory of existing studio/work spaces, occupancy rates, duration of wait lists, etc.
- The inventory and assessment of unique properties with potential for creative repurposing

- The web-based clearinghouse for matching/networking artists and groups to creative spaces available for occupancy or repurposing
- Specific plans with milestones for all current CSpace clients, with periodic progress reports on milestones achieved. Particular attention will be paid to the PAEDC, with the following milestones achieved during the term of this grant:
  — Business plan
  — Proforma income statement
  — Identification of potential sites,
  — Letters of support

Once the second phase of this project is completed, namely the inventory, assessment and action plan to assist artists and creatives CSpace will be financially self sufficient fees for services including managing the process of repurposing properties. The financial self sufficiency will permit the inventory and website to be maintained and updated.

Achieving the PEDPIP objective(s)

Explain how your project is consistent with a PEDPIP objective(s) or Work Plan and an eligible activity as described in the guidelines (see attached)?

This project address two layers of economic development objectives, those of the City's Economic Development Vision and Plan and the specific charges the City has made to the CPC in that document.

By creating artist spaces that are available, affordable, and appropriate, the project supports the City's economic development goals by facilitating the **expansion of the high-value creative economy, supporting creative job creation and retention, enabling creative business startups and expansion** (particularly through the PAEDC), **enhancing the City's image** as a center for creative innovation and entrepreneurship, and **contributing to the vitality of districts** in which new creative spaces are developed.

Driven by the results of the CP survey of artists' space needs (funded by PEDPIP) this project specifically supports CP on several fronts. **"Enriching the creative economy"** is achieved in many different ways, but the availability of creative space is the primary key to **creating incentives to retain and attract artists and entrepreneurs.** The amount of vacant space currently available—some of it unique—offers a signal opportunity to **protect and enhance community, cultural, environmental, architectural and natural assets.**

PROJECT FUNDING

Grant Amount Requested: **$30,000**

Applicant Match: **$30,000**
(Minimum 1:1 match with grant)

Match Source(s): **Private donors and local foundations interested in supporting the creative economy.**

Total Cost of Project: **$60,000**

Application Attachments

Creative Portland & Creative Space
PEPDPIP application

PROJECT TIMELINE

The timeline for the execution of the tasks set for in the application is 9 months from the approval of the application.

The tasks are:

1. Prepare an inventory of existing studio/work and creative spaces, with the site characteristics and cost . Accomplished by interviewing realtors, property owners and others.
2. Identify and assess properties that could be repurposed to creative space.
3. Quantify the fit between artist needs and available /potential creative space
4. Due diligence to ascertain the barriers for the use of existing studio or creative space; including zoning, code issues.
5. Create a web based clearinghouse that is compatible with Creative Portland's website. The website will list available properties in an easily accessed format with links to CP and the City's websites.
6. Develop and implement an action plan for a matching/networking process that will, among other activities,
    a. recommend space options based on the specifics of artist activity
    b. connect groups for shared space
    c. advise on repurposing/remodeling existing space for new artistic use
    d. establish an "Artist and Creative Relocation Resource Guide" that will assist artists and other creatives seeking to locate to Portland , and identify the resources and services available to them to assist in the relocation

Portland Economic Development Plan Implementation Program
(PEDPIP)

BUDGET: Creative Portland request
Project on Portland's Creative Spaces

Category of Activity	Amount	Total
Salaries		
Executive Director	$ 30,000	
Project Coordinator	12,000	
		$ 42,000
Office Expenses		
Office space and supplies	5,000	
Office supplies	900	
Service (printing, mail, internet, other)	1,350	
		7,250
Professional Services		
Due diligence	2,500	
Code analysis	2,500	
Database and website development and linkage	5,750	
		10,750
TOTAL		**$ 60,000**

CREATIVE SPACE
preserve. conserve. create.

Attachment A. Organization Description

Creative Space (CSpace) emerged in Fall 2012 from the recognition that space for creative people to live and work is critical to the Creative Economy. Without such space, Portland's ability to attract and retain artists, artisans, creative technologists, and other creative entrepreneurs is severely limited.

CSpace, with the unanimous support of Creative Portland, was formed specifically to address the kinds of real estate research, assessment, negotiation, and transformation that Creative Portland cannot as a quasi-municipal organization. CSpace, as an agile, discreet, and responsive organization, can act decisively as opportunities to realize those parts of Creative Portland's mission that address the creative economy's need for space. CSpace enables Creative Portland to achieve two of the goals set forth in Portland's Economic Development Plan: to "create incentives to attract artists and entrepreneurs" and to contribute to "the protection and enhancement of the community cultural, environmental, architectural and natural assets."

Mission Statement

To foster and enhance the creative economy in Portland, Maine, by

- preserving existing creative space that is in danger of loss through attrition or gentrification
- increasing the availability of affordable, appropriate creative space to meet the needs of artists, artisans, creative technologists, and other creative entrepreneurs
- facilitating the expansion of the creative economy by establishing an environment where the arts and technology can work in tandem

Specific objectives of CSpace include identifying unmet needs for creative space and developing strategies to meet those needs, promoting the adaptive reuse of existing buildings and spaces to suit creative purposes, and addressing the tendency of gentrification to reduce the availability of affordable space.

Space Needs of Portland's Creative Economy Space

Creative Portland commissioned a study of creative space in the greater Portland area, which was carried out by Critical Insights (results are attached). Analysis of the survey data indicates that a wide range of creative spaces will strengthen the creative economy of the City and the Region; in addition, CSpace has received a variety of requests for non-traditional spaces from a number of creative entities.

- **Studio/work space** for artists and other members of the creative economy
- **Live/work space** for artists, artisans, and performers

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- **Affordable incubator space** available on a short-term basis to allow individuals and organizations to develop a solid foundation for creative enterprises
- **Entrepreneurial space** for enterprises that have "matriculated" out of incubator space but still need affordable space to continue their projects/businesses
- **Performance/public assembly space** to satisfy the increasing need for performance and public assembly venues for a variety creative purposes
- **Affordable rehearsal space** for theatrical, dance, and musical performances
- **Display/market space** for artists, crafters, and others to promote and sell their output in a less-traditional, perhaps cooperative, venue
- **Production and community space** to promote crafts and goods production/marketing by new Americans and other immigrant groups, as well as space to celebrate ethnic cultures through weddings, dances, and other gatherings
- **Support and administrative space** with common amenities to reduce the overall cost of operations for arts and arts support organizations

Services

CSpace has already assisted a number of clients with their requests for creative space, and has entered discussion with other groups interested in developing creative space to support the creative economy. Based on this experience, CSpace has the capacity to provide essential services to Portland's creative economy.

- Maintain a central inventory of creative-space assets, serve as a clearinghouse to match listings of available and needed creative space, provide a resource to real estate professionals working with members of the creative economy
- Acquire property rights to ensure that existing real estate assets are maintained and preserved through donations, acquisition, conservation easements, long-term leases, rights of first refusal, and options to purchase
- Develop new affordable space through acquisition and adaptive reuse or repurposing
- Forge partnerships with local individuals and entities to develop, manage and own creative space
- Provide consulting services to assist creative organizations with meeting space needs
- Assist property owners or tenants with converting vacant space to meet current and future creative needs, including development of financing strategies
- Establish a property management team to help organizations manage properties (including performance venues)
- Work in concert with local institutions of higher learning to expand the profile and horizons of the institutions and their graduates

CRITICAL INSIGHTS

RESEARCH FOR PRECISE PRAGMATIC DIRECTION

Artist Live and Work Space Needs Survey
Summary of Findings

Prepared for:

CREATIVE PORTLAND

June 2013

Focus Groups • Surveys • Public Opinion Polling

120 Exchange Street, Portland, Maine 04101

Telephone: 207-772-4011 • Fax: 207-772-7027

www.criticalinsights.com

Artist Survey Sponsorship

Creative Portland extends a special thanks to the following individuals and organizations for their support of this survey:

City of Portland

Portland Development Corporation

InterMed, P.A.

Bayside Community Development Corporation

Anonymous (2)

Creative Space

Ron Spinella and 3fish gallery

Tom Toye

United Way of Greater Portland

Jay York

Creative Portland also extends thanks to the many organizations, businesses and individuals supporting our work to attract people to Portland who value creativity, culture and the arts. To see a list of contributors, visit the "About Us" section at **www.liveworkportland.org**.

Executive Summary

- Overall, the receptiveness to the idea of new artist living and works space is highest among the younger and less affluent artists who are most likely to reside in the City of Portland. Portland residents (versus those who reside outside the Portland area) are most receptive to moving to a new work space in Portland.
- Fully 7-in-10 artists state that there is at least some need for artist work space in Portland. Fully 8-in-10 artists younger than 35 and those with an income of less than $30,000 suggest that there is a need for affordable work space in Portland.
- About half of artists are willing to consider renting affordable space; nearly all think the center for arts is a good idea for Portland. Younger artists (82%) are also most willing to consider renting affordable work space in Portland.
- Cost is, not surprisingly, the greatest barrier to moving to a Portland location. Even though younger and less affluent artists are most likely to be receptive to relocating to or moving to Portland, they are also most likely to identify barriers such as cost and a lack of employment opportunities.
- Additionally, there are large blocs of artists who are using space that does not meet their needs, with only 1-in-5 artists say that their work space completely meets their needs; 4-in-10 are displeased with the size of their work space (younger and less affluent artists <$30,000 are least likely to suggest that their living and work space meets their needs).
- About one-fourth of artists currently share their work space with other artists with a sizeable segment of about 4-in-10 who state it is a beneficial situation. Still, while more than half of artists younger than 34 years of age claim that they share their space with other artists, 4-in-10 of these younger artists indicate that it is a hindrance to them.
- In terms of currently living and work situations, 4-in-10 artists use work space within their homes; one-third rent or own space outside their home. Again, younger artists are least likely to have a designated space within their homes, but most likely to indicate that they work in their home, but have no designated area for their work.
- Almost half of artists prefer to have work space in a separate building and it is also the younger artists who prefer to have their work space in a separate building.
- Artists are evenly split in whether they plan to make changes, or to improve or move their work space; cost and finances are the drivers of artists' plans. Notably, 1-in-5 expect an increase in cost for living space (a majority expect a 5% to 25% increase) and an increase in the cost of their work space.
- Natural lighting is important to most artists, as well as storage space. A general purpose studio is selected most often as an important amenity, and given the high proportion of fine artists, gallery space is also mentioned as important.
- The 100 square foot space is least popular among artists, while artists are split in their preference for the 313 sq. ft. and 625 sq. ft. spaces. Though artists are split in whether they would be likely to rent/lease or purchase one of the spaces, younger artists are significantly more likely to say that they would.
- A strong majority of artists (7-in-10) claim that they would consider at least partial ownership of a condo or cooperative.

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Introduction

In 2011, the City of Portland released its first comprehensive Economic Development Vision and Plan, establishing "Enrich the Creative Economy" as one of its core objectives and identifying Creative Portland as the lead organization in this effort. To accomplish this goal, Creative Portland was charged with creating incentives to attract and retain artists and creative entrepreneurs to the city. Recognizing that affordable space to live and work can be a valuable incentive, Creative Portland sought to assess the need for, and feasibility of, affordable live/work space for artists and creative entrepreneurs in the City of Portland.

Last year, Creative Portland raised funds from several public and private sources to contract with Portland-based Critical Insights on a survey of artists in the region about their attitudes, perceptions, and perceived needs for living and working spaces in the City of Portland. The results of this survey are meant to guide city officials, Creative Portland, private developers and other organizations as they pursue infrastructure developments targeted at this particular market group.

Methodological Overview

Number of respondents	Dates Research Conducted	Error Margin		Response Rate	Length of Survey
		90%	95%		
300	March 20^{th} and April 22^{nd}, 2013	+/- 4.7	+/- 5.7	6%*	14 minutes

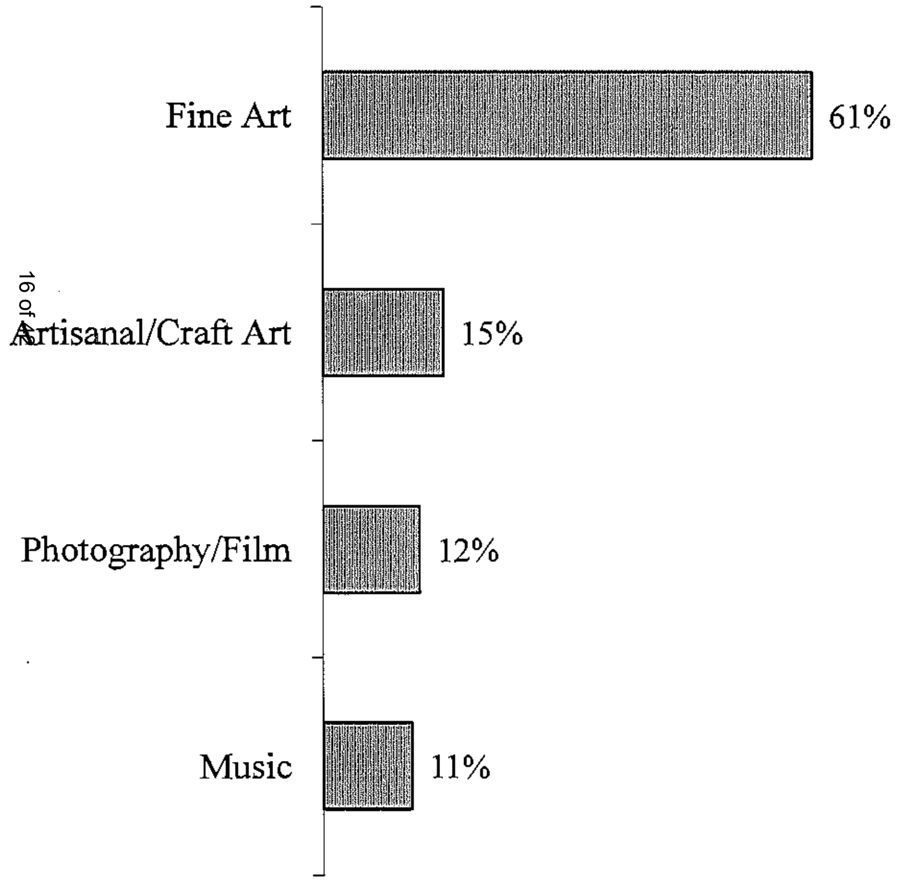
- The survey instrument for the study was developed collaboratively between Critical Insights and Creative Portland.
- A total of 300 surveys were completed online.
- Respondents were selected for inclusion using the internal database of targeted artists provided by Creative Portland.
  - An additional subset of artists were targeted via proprietary membership info among other organizations who provided the survey link to their members.
- All potential participants were provided with ample opportunity to respond to the survey. After the initial email solicitation, a series of follow-up reminders were sent seven and 14 days later.
- Artists who reside in the City of Portland, Greater Portland Area, Southern Maine as the Mid-Coast/Western regions of Maine were targeted for inclusion in the survey

*Note: response rate is an estimate only due to the unknown response among artists who were sent a survey link only, and results could not be tracked.

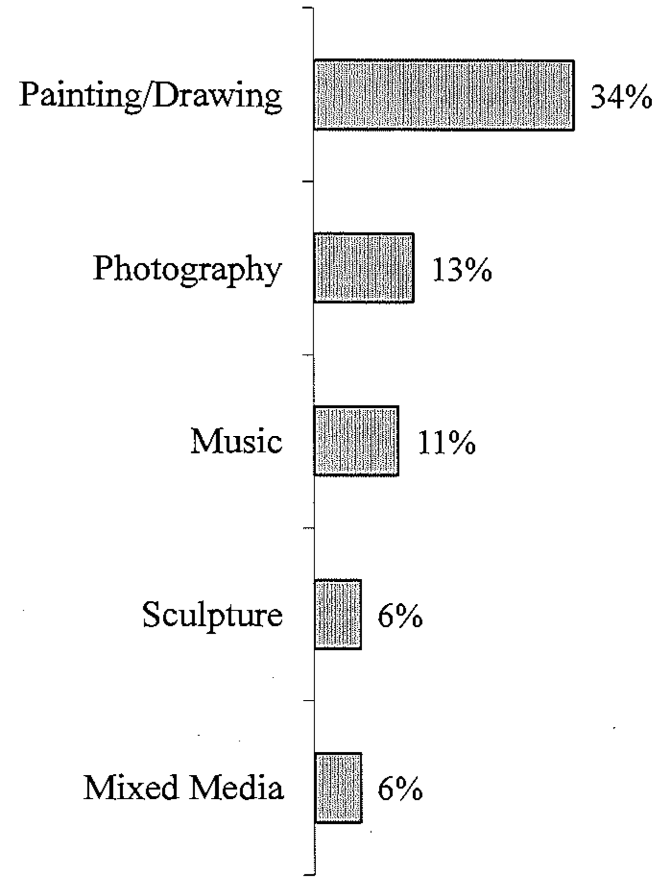
Type of Art

6-in-10 artists surveyed work with fine art, with fully one-third painting or drawing.

Which of the following best describes the type of art you work with?



What is your primary type of creative work?*



**Note: top mentions only.*

Nearly all artists are involved in other types of art.

Please select all other types of creative work in which you are involved?

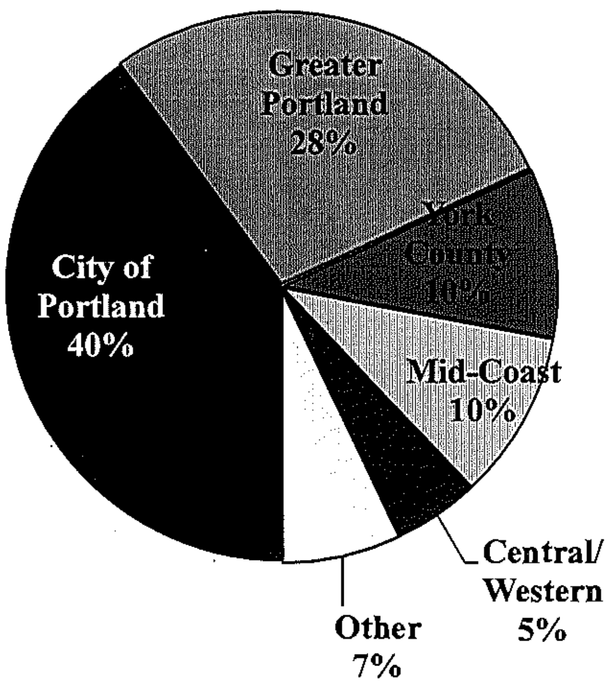
Creative Work	%
Painting/Drawing	46%
Mixed Media	33%
Photography	30%
Arts education/instruction	29%
Design	24%
Graphic Arts	24%
Sculpture	20%
Art Gallery	19%
Printmaking	19%
Crafts	16%
Arts Advocacy	15%
Computer/Multimedia/New Media	15%
Music	15%
Woodworking/Metalworking	14%
Video/Film	13%

Creative Work	%
Arts Administration	11%
Poetry/Literary Arts/Creative Writing	10%
Jewelry Making	10%
Fiber Arts	9%
Performance Art	9%
Architecture	6%
Ceramics	6%
Culinary Arts	6%
Dance/Choreography	5%
Folk and traditional art	5%
Theater Arts/Acting	5%
Storytelling	4%
Archiving/Curation	4%
Glass	4%
Foundry/Casting	3%

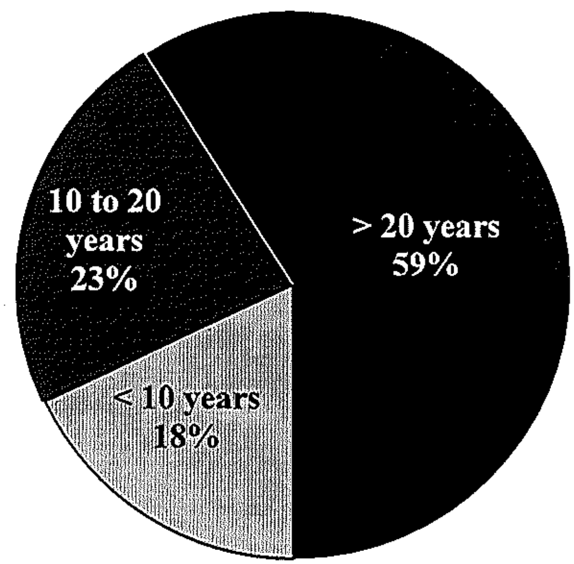
Current Live and Work Space Situation

Younger and less affluent artists are most likely to reside in the City of Portland.

Where do you reside in Maine?



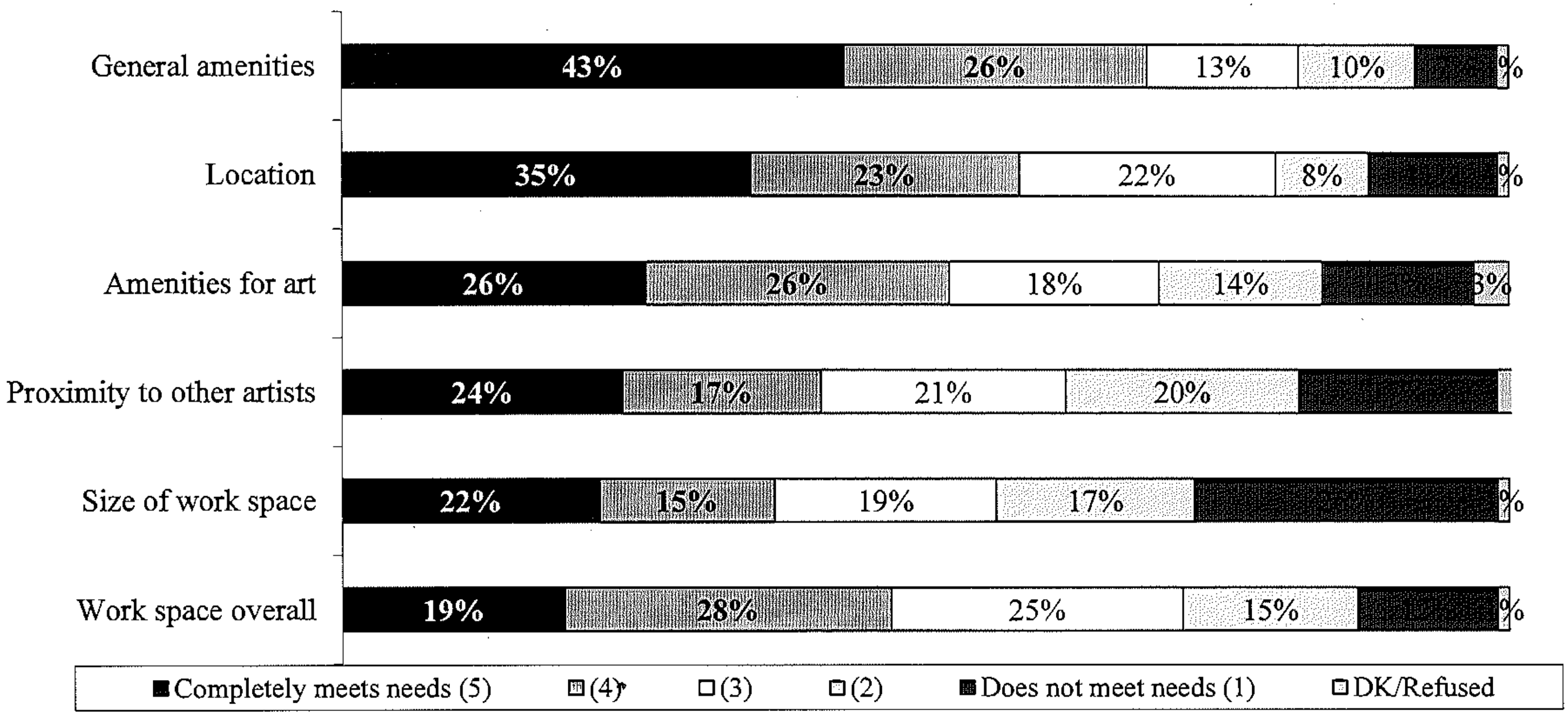
How many years have you lived in Maine?



Only 1-in-5 artists say that their work space completely meets their needs; 4-in-10 are displeased with the size of their work space.

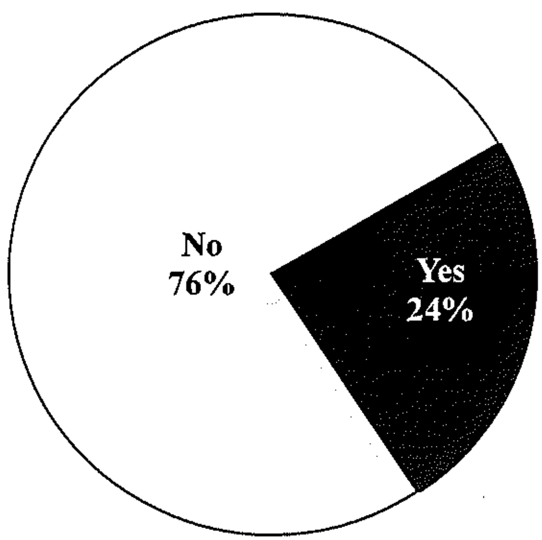
Next, we would like to discuss your current living and work space. For each of the following, please indicate how well your current needs are being met with your current work space:

Younger (< 34 years of age) and less affluent artists (<$30,000) are least likely to suggest that their living and work space meets their needs.

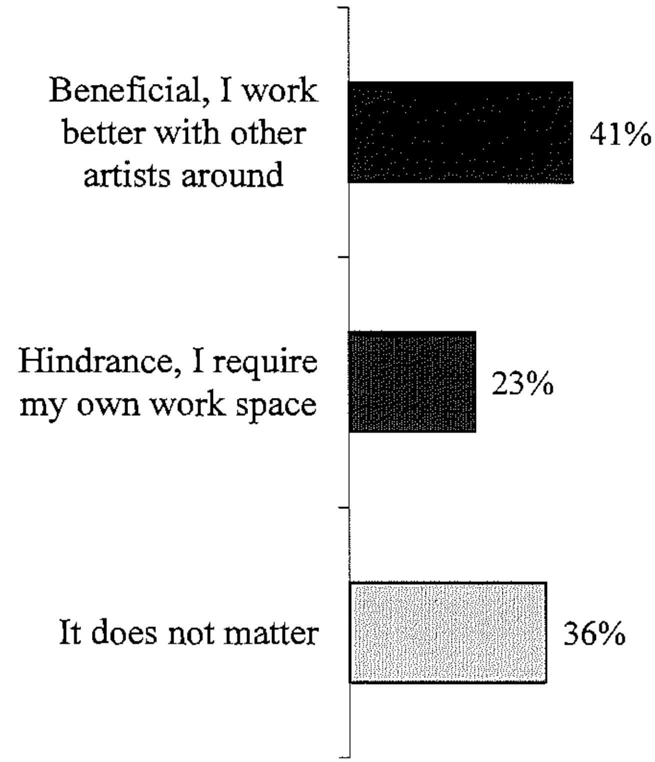


About one-fourth of artists share their work space with other artists; 4-in-10 state it is a beneficial situation.

Do you share your work space with other artists?



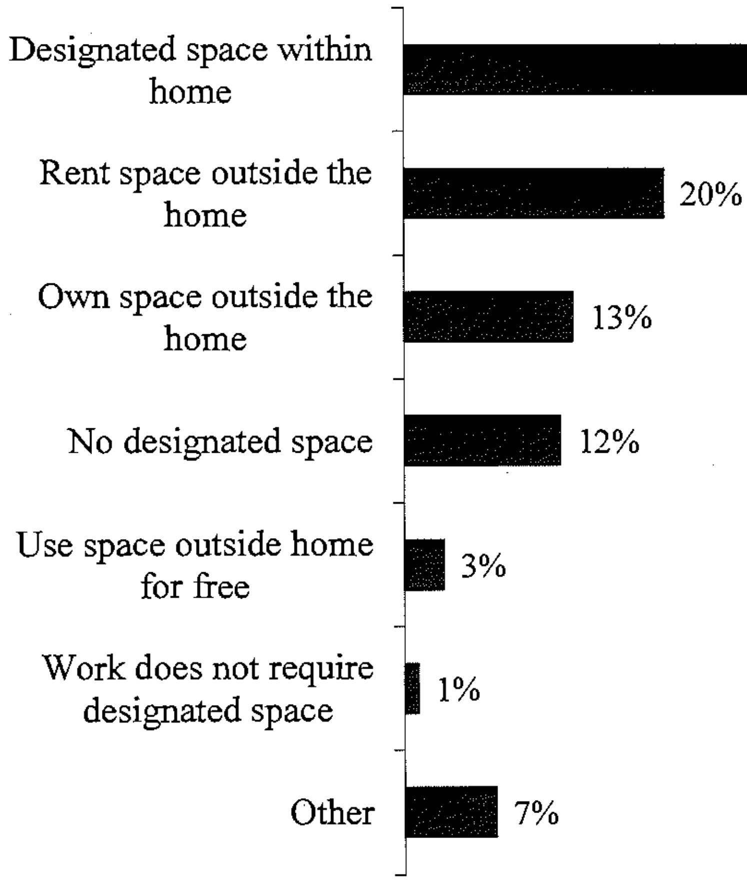
Is sharing your space beneficial or a hindrance to your ability to work?



While more than half of artists younger than 34 years of age claim that they share their space with other artists, 4-in-10 of these younger artists indicate that it is a hindrance to them.

4-in-10 artists use work space within their homes; one-third rent or own space outside their home.

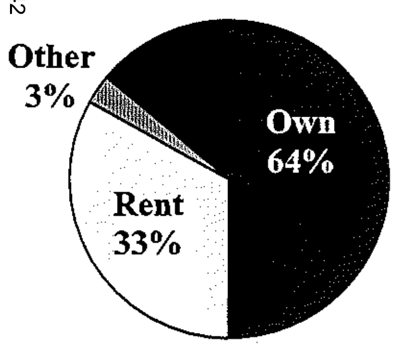
Which of the following best describes the space that you use for your art?



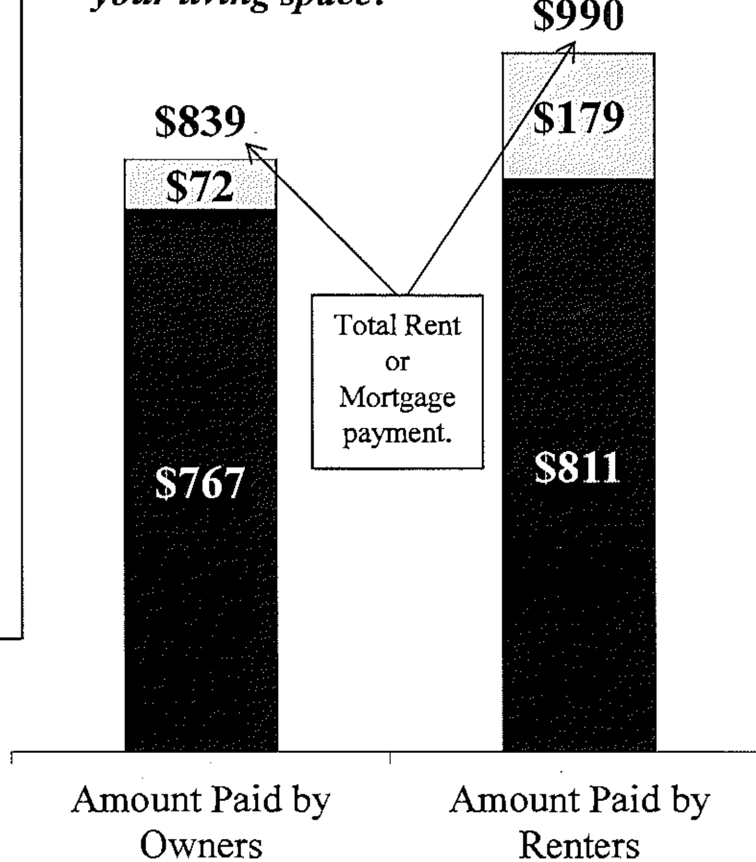
Again, younger artists are least likely to have a designated space within their homes, but most likely to indicate that they work in their homes, but have no designated area for their work.

Home owners tend to spend less on their living/work space, but are willing to pay more to upgrade their work space.

In terms of your current living situation, do you currently own or rent your home?

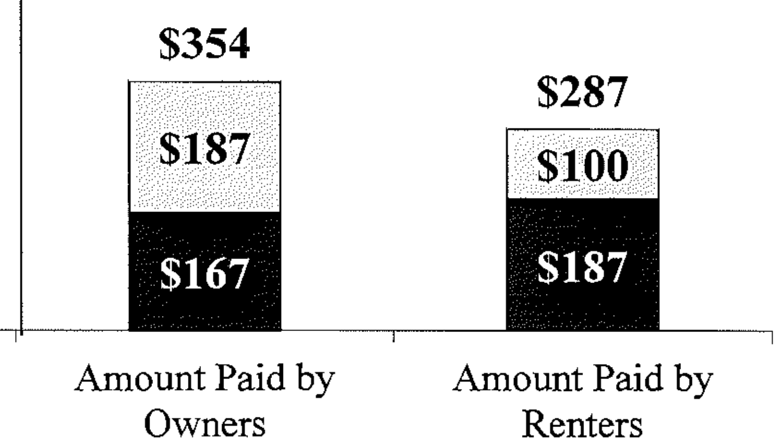


Besides the amount you are currently paying for your <u>living space</u>, what additional amount would you be willing to pay in order to improve or upgrade your living space?



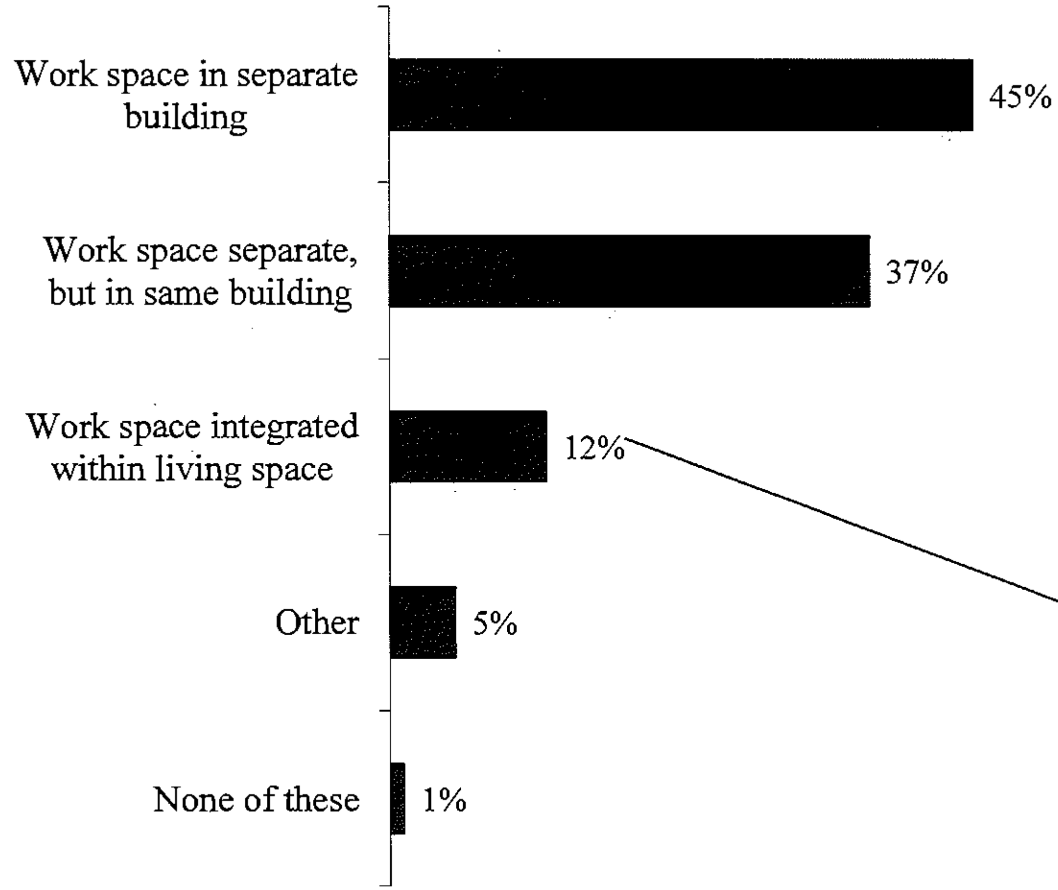
What additional amount would you be willing to pay in order to improve or upgrade your <u>work space</u> to better meet your needs?

Note: 44% of artists pay no additional amount for their work space.



Almost half of artists prefer to have work space in a separate building.

When thinking about your living and working spaces, which of the following scenarios would you prefer:



It is also the younger artists who prefer to have their work space in a separate building.

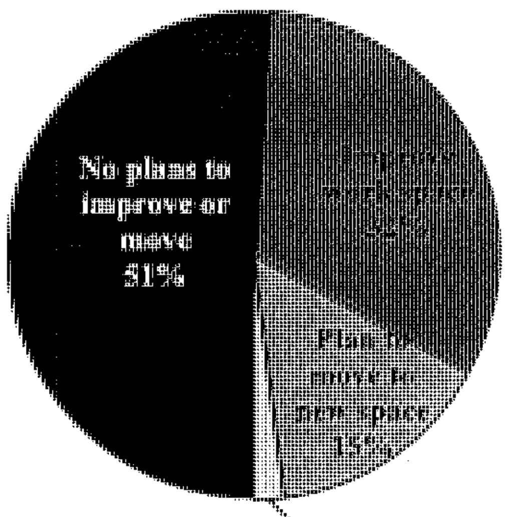
What is the maximum amount you would consider paying each month, not including utilities, for a combined live/work space?

Average Amount: $947

Note: 51% of artists who prefer combined work and living space cannot provide an amount.

Artists are evenly split in whether they plan to make no changes, or to improve or move their work space; cost and finances are the drivers of artists' plans.

In the coming year, do you plan to make improvements to your primary work space or move to a new location?



What factors are impacting your decision to change/not to change your work space?

It's almost impossible to find good studio space in Portland. My current studio is in Portland. It's adequate for my needs. My big problem now is storage space for my paintings. I would move if I could find a larger space in a central location in Portland but I doubt such a space exists at a price I could afford. Nonetheless, I always keep my eyes and ears open, just in case. Twice I had to find a new studio, either because the building was sold or closed by the City of Portland. A bummer!

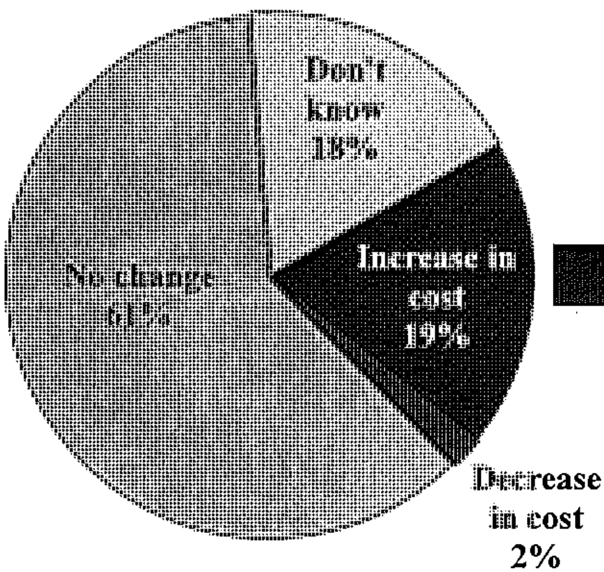
I currently live and work in a 450 sq. ft. area. High ceilings and large windows, for that I'm lucky, but there is really not adequate space to work on larger pieces or any storage space. I like the set up right now that I live alone and my studio is private, and I can roll out of bed and begin painting, or paint until I drop at night. But looking at larger spaces automatically jumps me up to a rent that I just cannot afford. $800 and above. Ideally I'd like to keep the rent of the space exactly where it is around $620-$650. And I simply need a larger open concept studio space, especially since I'm working on murals now. I will require larger space for larger pieces and larger rolls of canvas etc. And of course $ is always a factor.

I have been in a series of temporary workspace trying to find a workable solution without the funds to really invest in an outbuilding that would be specific for work. Currently I am not feeling there is adequate light, safety, storage in the space I had set up. It is still a work in progress. I would be tempted to move back out of the home if there were really a small low cost clean with good light space available downtown. I think there should be spaces that range from hobby cost (very small $75 / month to the upper end for real functioning artists who make their full living from work. I think the best scenario would come from a condo model for work spaces. Allowing affordability but also the feeling that you are building equity just by owning your specific space. If it was built simply, masonry versus stick built with good insulation and PV on the roof, overhead could be minimal, allowing for increased value over the years, vacancy and turnover would be decreased and almost nil. I could see several of these kinds of buildings supporting a range of artists not just the trust fund type of artist.

Lack of artist studios in Portland area. Lack of affordable workspace available. High cost of studio space in relationship to income. Needs: 250-350 square feet. Natural light (no basements), Parking, 1st floor or elevators (accessible), secure building/lockable studio space.

1-in-5 expect an increase in cost for living space; half of whom expect a 5% to 25% increase.

In the coming year, do you anticipate any changes in the cost of your living space?

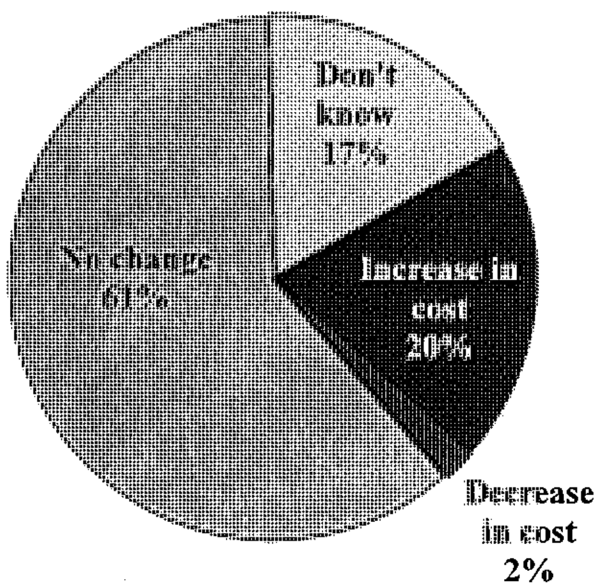


How much will the cost of your living space increase?

Response	Percentage
< 5%	2%
5% to 10%	34%
11% to 25%	14%
> 25%	9%
Don't know	14%

Similarly, 1-in-5 expect an increase in the cost of their work space, though increases in work space costs tend to be lower that living space increases.

In the coming year, do you anticipate any changes in the cost of your <u>work space</u>?



How much will the cost of your <u>work space</u> increase?

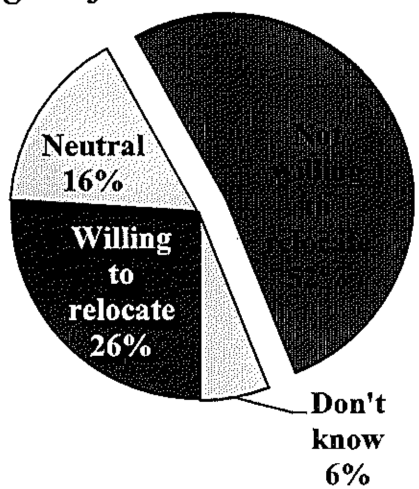
Response	Percentage
< 5%	24%
5% to 10%	25%
11% to 25%	16%
> 25%	13%
Don't know	23%

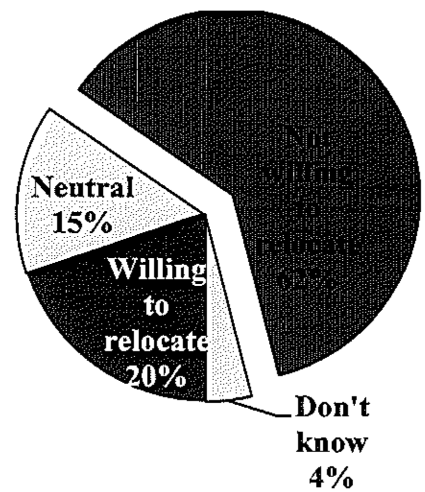
Portland residents appear most receptive to moving to a new work space in Portland.

How willing would you be to relocate /move to a work space in the City of Portland that is specifically designed for artists?

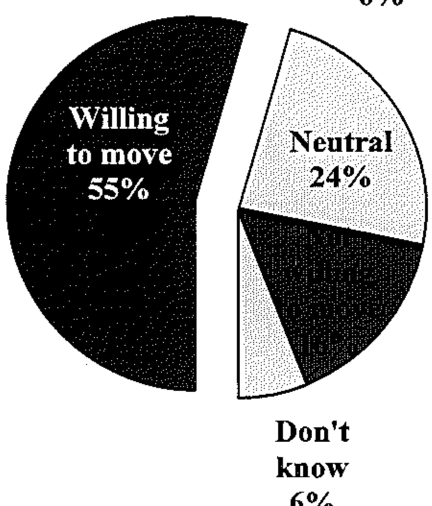
How willing would you be to relocate /move to a live/work space in the City of Portland that is specifically designed for artists & their families?

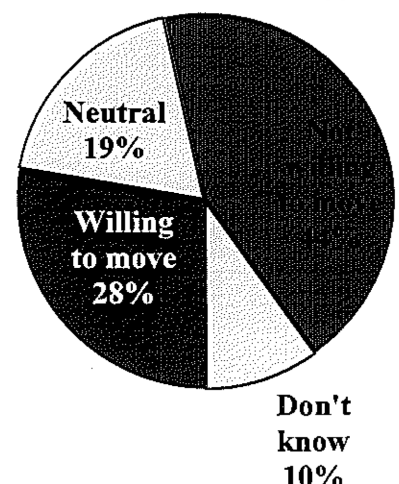
Reside outside Portland





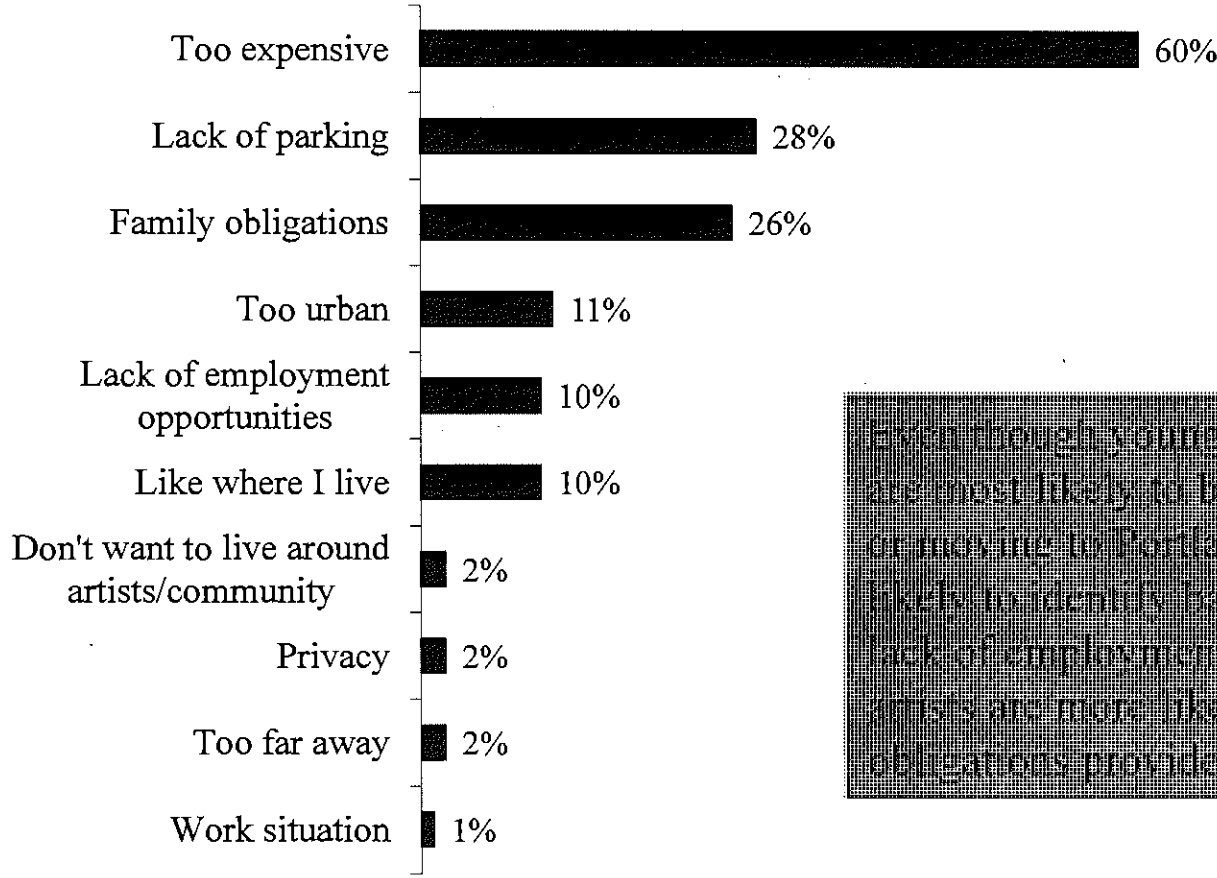
Reside within Portland





Cost is, not surprisingly, the greatest barrier to moving to a Portland location.

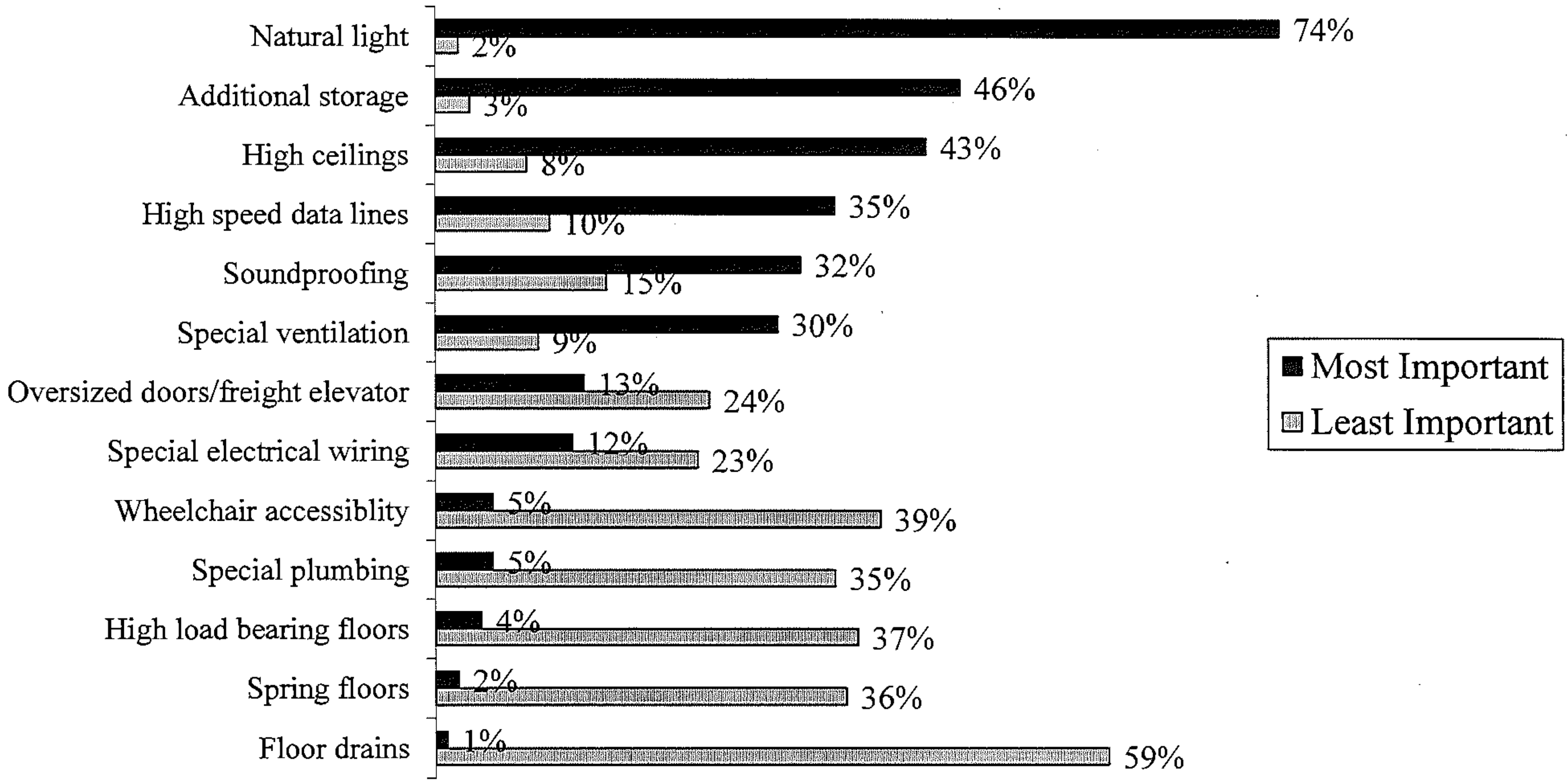
What are the greatest barriers or impediments to moving or relocating to a location in Portland that is specifically designed for artists?



Even though younger and less affluent artists are most likely to be receptive to relocating to or moving to Portland, they are also most likely to identify barriers such as cost and a lack of employment opportunities. Older artists are more likely to say that family obligations provide a barrier to relocating.

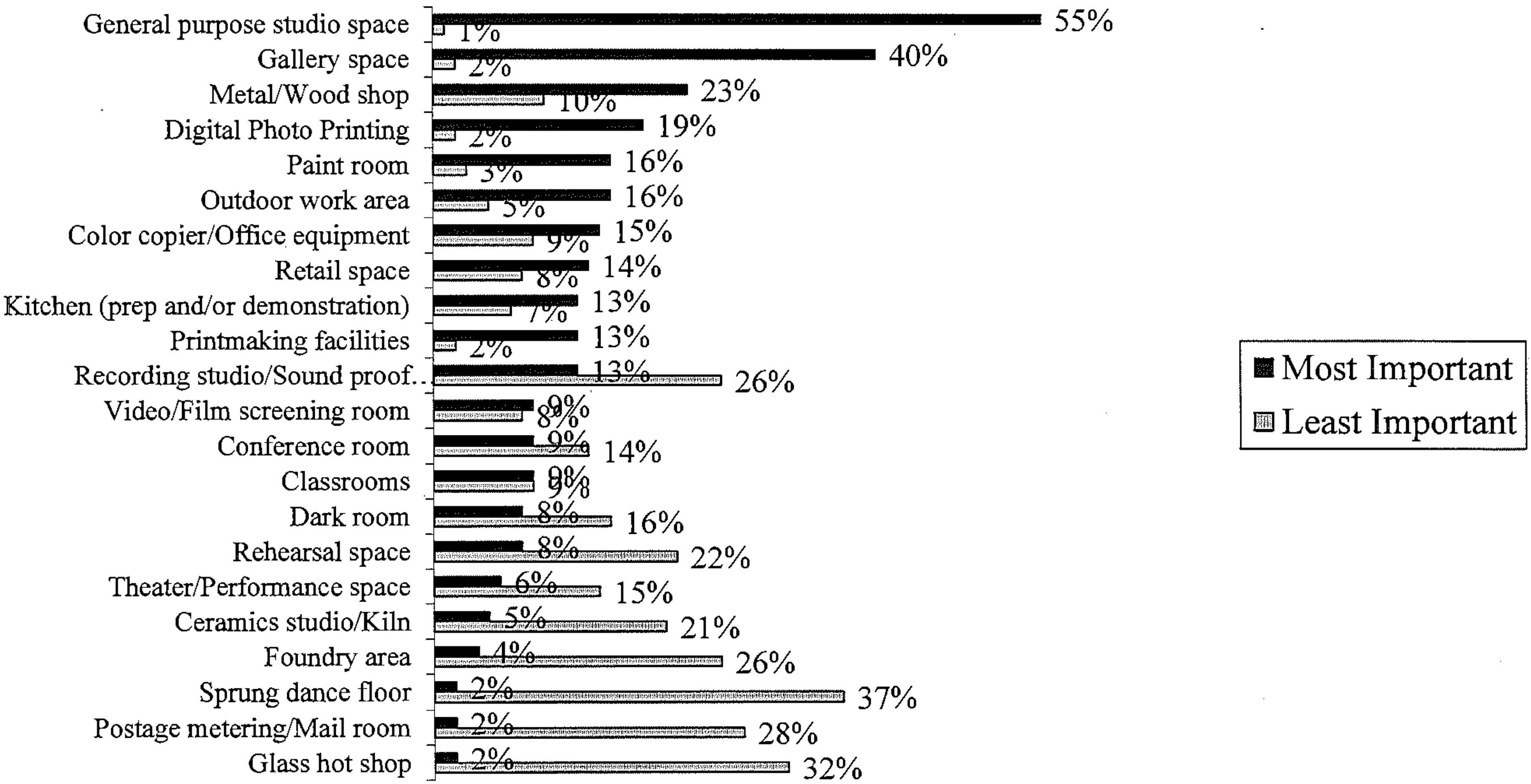
Natural lighting is important to most artists, but nearly half cite having storage space; floor drains is least important.

Among the following items related to your work space, please select the 3 that are <u>most important</u> and the 3 <u>least important</u>?



A general purpose studio is selected most often as an important amenity, and given the high proportion of fine artists, gallery space is also mentioned as important.

Among the following amenities please select the 3 that are <u>most important</u> and the 3 <u>least important</u> to your work space?

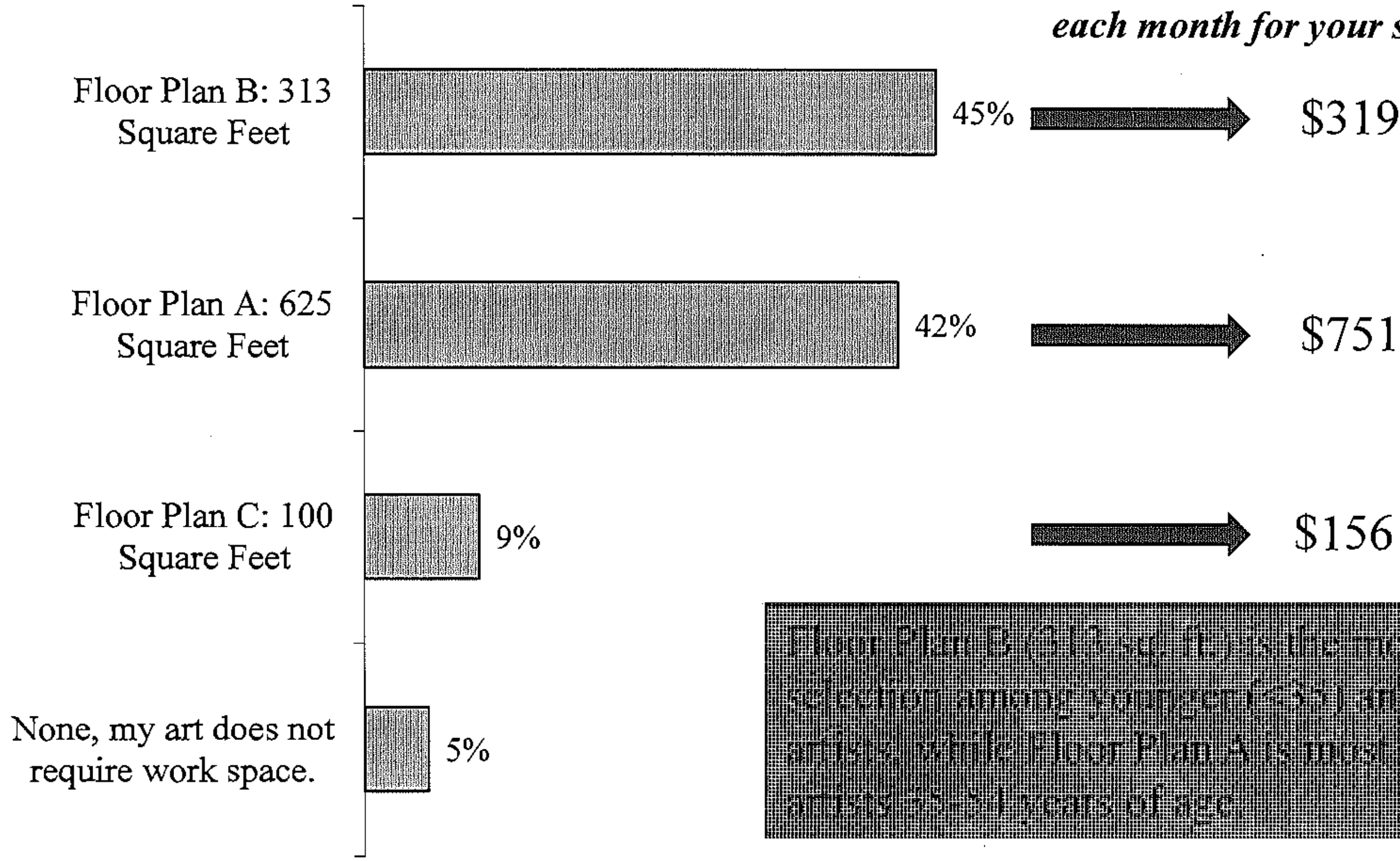


Floor Plan Preferences

The 100 square foot space is least popular, while artists are split in their preference for Floor Plan A versus Floor Plan B.

Using the above diagrams for reference, please select which space would best meet your needs?

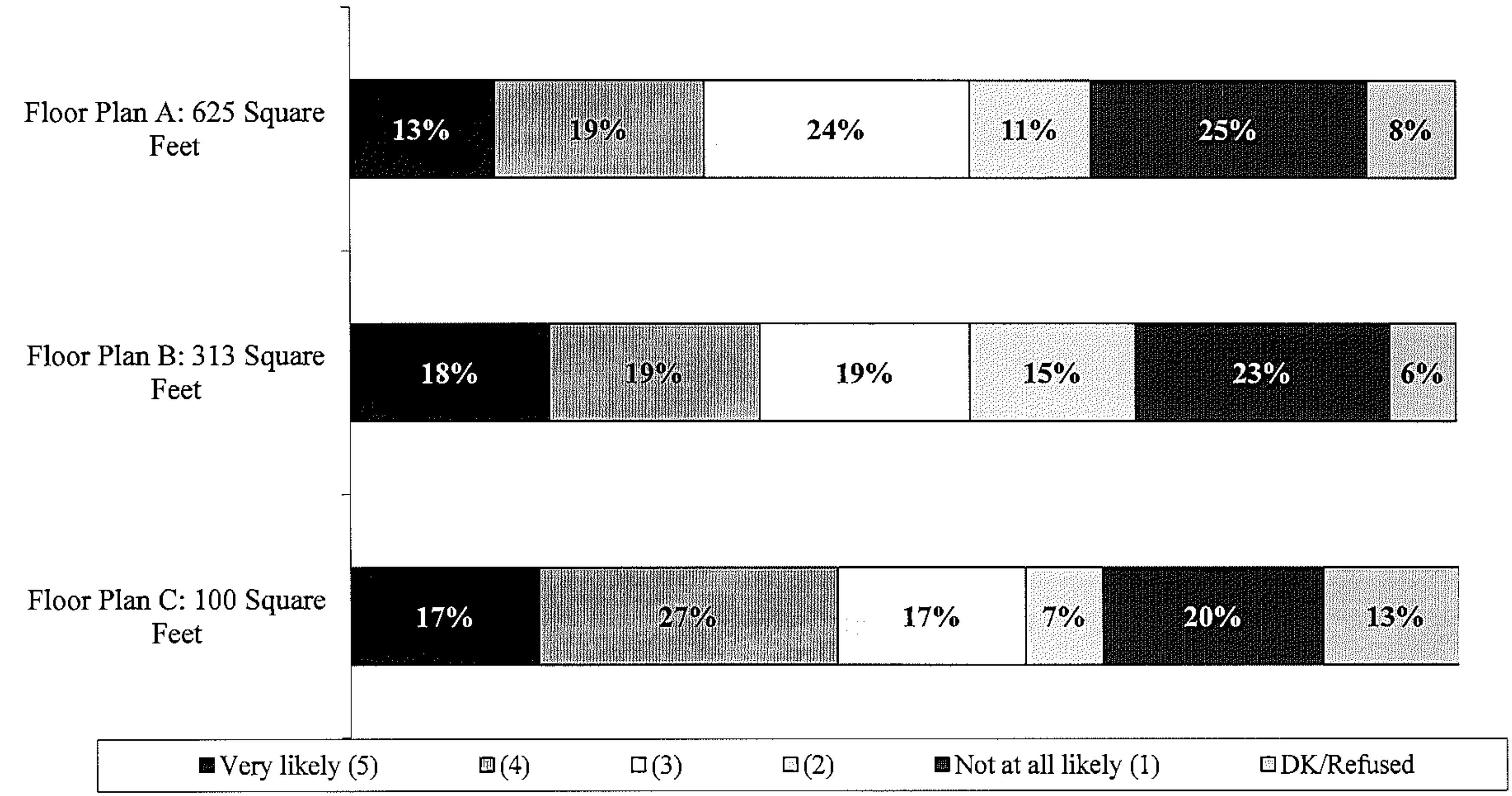
What is a reasonable amount to pay each month for your selection?



Floor Plan B (313 sq. ft.) is the most popular selection among younger (<35) and older (65+) artists, while Floor Plan A is most popular among artists 35-54 years of age.

Though artists are split in whether they would be likely to rent/lease or purchase one of the spaces, younger artists are significantly more likely to say that they would.

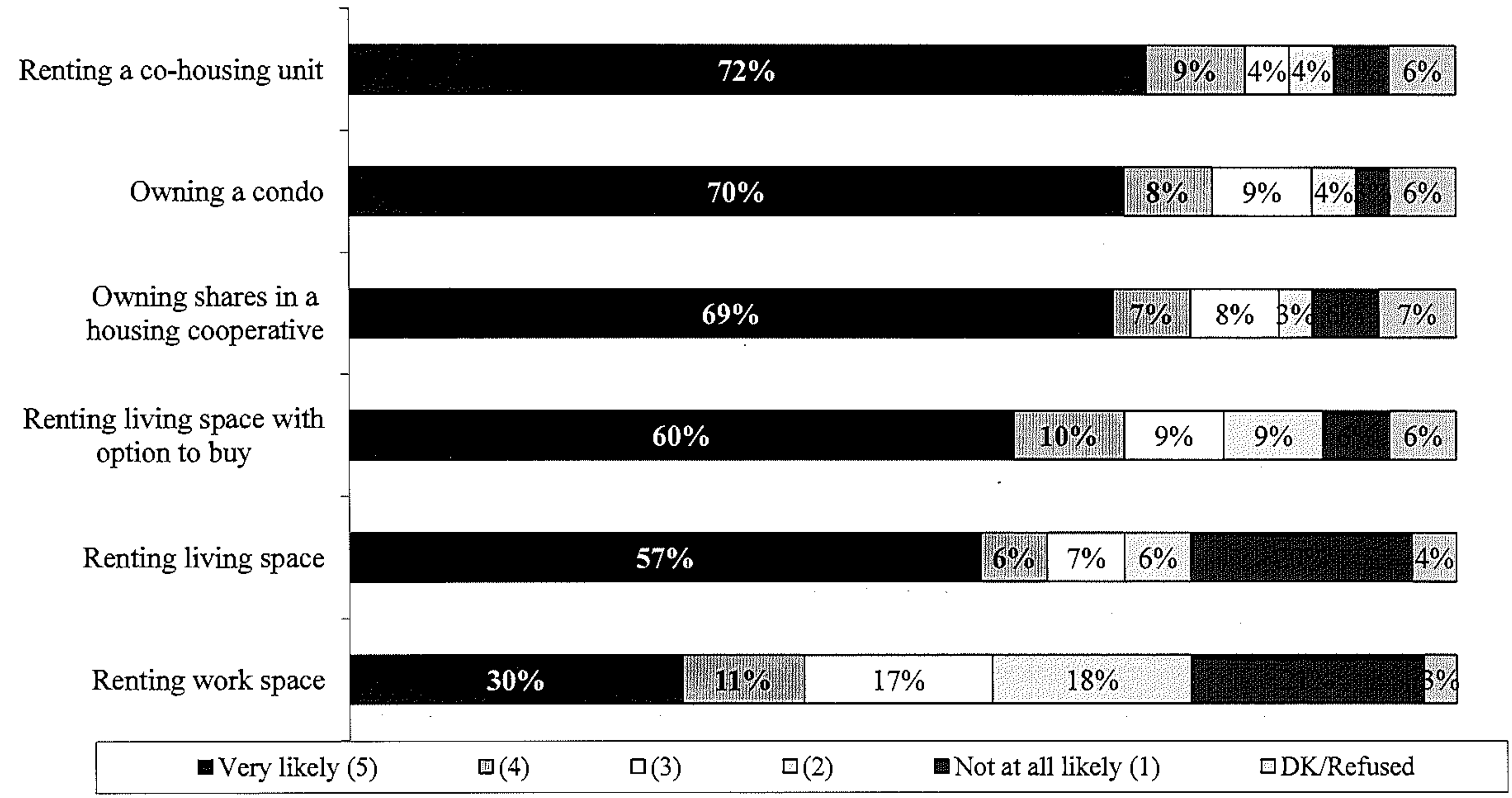
How likely would you be to rent/lease or purchase this type of space?



Likely Future Living/Work Space Scenarios

7-in-10 artists claim that they would consider at least partial ownership of a condo or cooperative.

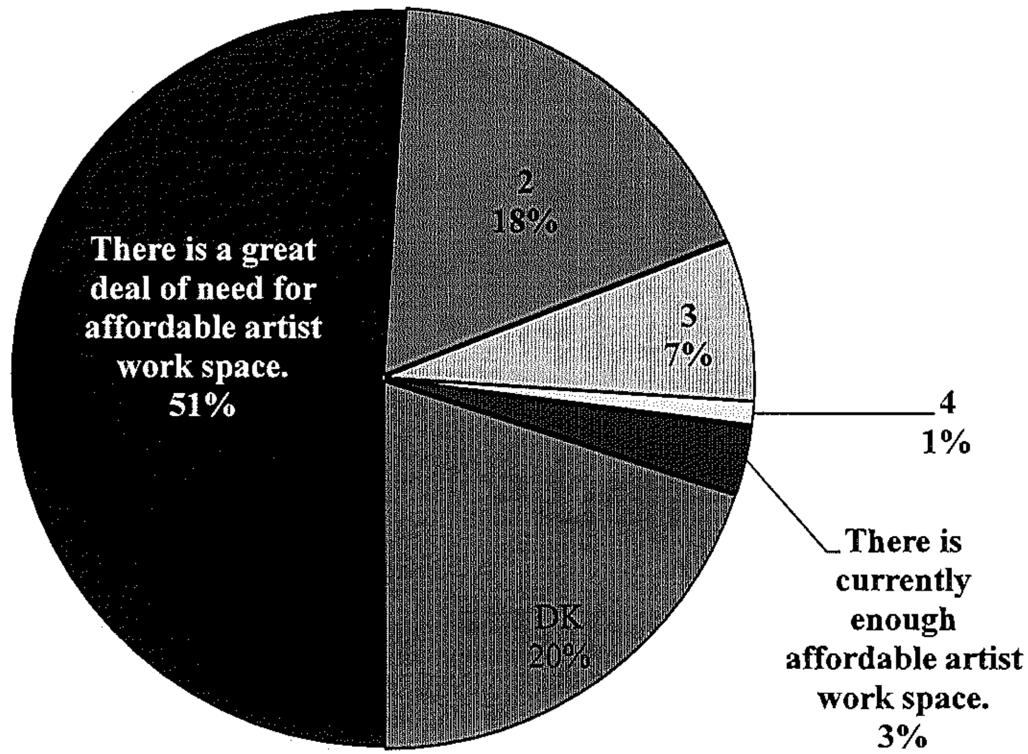
How likely are you to consider each of the following in the next 2 years:



Also, 7-in-10 artists state that there is at least some need for artist work space in Portland; 1-in-5 are unable to form an opinion.

In your overall opinion, how much of a need is there for affordable artist work space in the City of Portland?

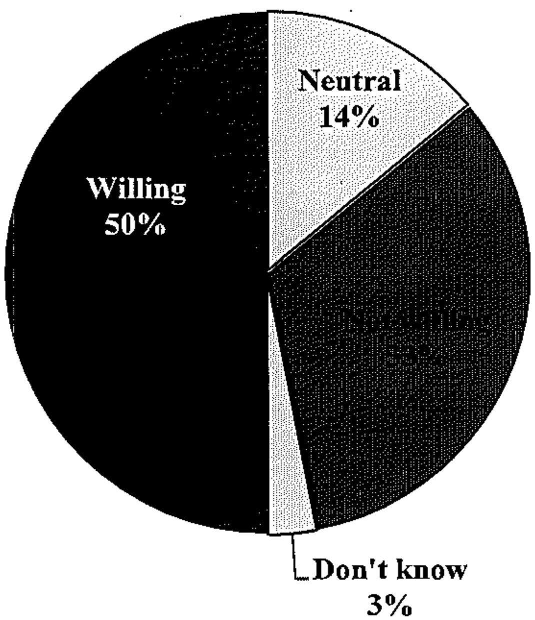
Fully 8-in-10 artists younger than 35 and those with an income of less than $30,000 suggest that there is a need for affordable work space in Portland.



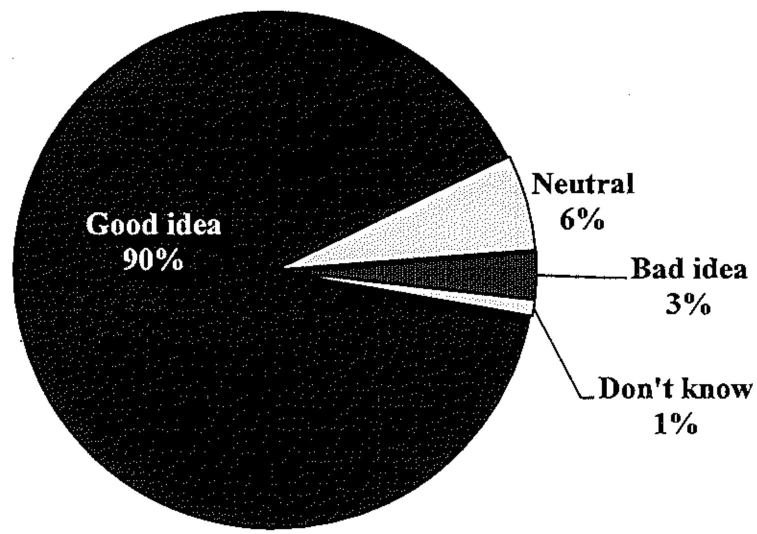
About half of artists are willing to consider renting affordable space; nearly all think the center for arts is a good idea for Portland.

Overall, how willing would you be to consider renting affordable work space in an arts facility located in the City of Portland?

There is currently a proposal to bring a Center for Arts to the City of Portland that is similar to the Torpedo Factory in Alexandria, Virginia. Typically, centers for arts have many different forms, functions and names. Some of the key functions include: studio space, performance space, gallery/display space, public function venues and administrative space. Using a scale of 1 to 5 where a 1 is "a very bad idea" and a 5 is "a very good idea," what is your opinion of bringing a Center for Arts to the City of Portland?



Younger artists are also most willing (82%) to consider renting affordable work space in Portland.

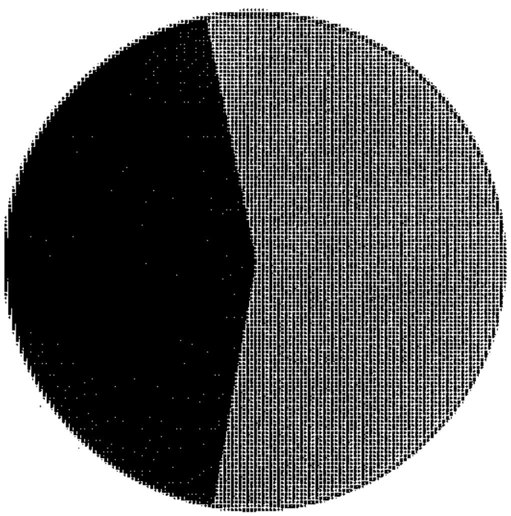


Sample Profile

Household Composition

What proportion of your overall income is derived from your creative work?	Percent
10% or less	50%
11% to 20%	11%
21% to 30%	8%
31% to 40%	4%
41% to 50%	7%
51% to 60%	1%
61% to 70%	4%
More than 70%	17%

Respondent Gender and Age



Into which of the following categories does your age fall?	Percent
18 to 24	4%
25 to 34	15%
35 to 44	16%
45 to 54	19%
55 to 64	29%
65+	17%

Socio-Economic Dimensions: Education and Income

What is the highest grade or year of regular school or college that you have completed?	Percent
Less than high school	1%
Graduated high school	2%
Post high school, technical	1%
Some college	11%
Graduated college	42%
Some graduate school	18%
Graduate school degree	27%

Which of the following broad groups includes your entire household's approximate total yearly income before taxes?	Percent
Less than $20,000	17%
$20,000 to $30,000	18%
$30,000 to $40,000	9%
$40,000 to $50,000	10%
$50,000 to $60,000	11%
$60,000 to $70,000	11%
$70,000 to $80,000	5%
$80,000 to $90,000	5%
$90,000 to $100,000	6%
$100,000+	7%

Economic Development Department
Gregory A. Mitchell, Director

MEMORANDUM

To: President Jack Lufkin and PDC Board Members
From: Nelle Hanig, Business Programs Manager
Cc: Greg Mitchell, Economic Development Director
Date: August 9, 2013
Re: Update and Information on the Portland Brownfields Cleanup Revolving Loan Fund (RLF)

Purpose

This memo is intended to provide information to the PDC on the status of the Portland Brownfields Cleanup Revolving Loan Fund (RLF) and on next steps for the use of these funds for cleaning up contaminated sites in Portland.

Background on Portland's Brownfields Funds

The U.S. Environmental Protection Agency (EPA) granted the City of Portland a total of $855,000 to capitalize a Brownfields Revolving Loan Fund (RLF), $500,000 in 1999 and another $355,000 in 2006. The City lent out a total of $497,000 for three Brownfields cleanup projects, each of which was paid back. Another $29,647 was spent on other eligible programmatic costs. The original loan amounts and their purposes are as follows:
:

- $150,000 – Chestnut Street Extension
- $138,000 – Parking Lot, 161 Marginal Way
- $209,000 – Chestnut Street Lofts

A total of $328,352 had remained unexpended for grants or loans and went back to EPA.

Current Status of Brownfields Fund

At this time, the Portland Brownfields RLF contains approximately $503,000, all funds that have been used for prior cleanup activities. Before re-using these funds for brownfields projects, a closeout agreement from EPA is required, that specifies terms and conditions for their continued use.

On July 2, 2013 the EPA executed a Closeout Agreement (attached) with the City for $209,000 of its brownfields funds. This agreement allows the City to retain these closed-out funds as program income and use them for eligible brownfields cleanup as well as assessment activities. Closed-out funds carry with them fewer EPA requirements, terms and conditions, allowing for a more streamlined process for their use. The remaining $294,000 of City brownfields funds cannot be used until an executed closeout agreement is in place for them. Staff is working with EPA to advance a decision as soon as possible on a second closeout agreement.

Next Steps

At the September meeting, staff will provide, in marked revision format, modified Brownfields Fund Guidelines for Closed-Out Funds. The PDC will be asked to review and recommend the modified guidelines to the City Council for its approval. Policy issues will be highlighted for discussion, while other aspects of the guidelines will be required by EPA.

Attachment
Closeout Agreement Between U.S. EPA and City of Portland

CLOSEOUT AGREEMENT BETWEEN UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 1 AND THE CITY OF PORTLAND MAINE CONCERNING CLOSEOUT OF ASSISTANCE AGREEMENT BF-97145801

I. Introduction

This agreement presents the closeout procedures for EPA Brownfields Revolving Loan Fund (RLF) assistance agreement number: BF-97145801 awarded under CERCLA 104(k), and sets forth the terms and conditions for continued management and use of program income that is generated post-closeout. This closeout agreement has been prepared in accordance with the provisions of 40 C.F.R. Part 31.

As of the effective date of this signed Closeout Agreement, EPA acknowledges that the City of Portland has met the substantive requirements of this RLF assistance agreement, and the City of Portland agrees to take over the management of all post-closeout program income, and use and track those funds in accordance with the requirements of this Closeout Agreement.

II. Required Assistance Agreement Closeout Documents and Reports

Within 90 days after the completion date of assistance agreement number BF-97145801, the following documents and reports must be provided to EPA:

1. Final Federal Financial Report (SF-425)
2. Final Lobby and Litigation Certificate (EPA Form 5700-53)
3. Final Minor-Owned Business Enterprise/Women-Owned Business Enterprise Report (EPA Form 5700-52A)
4. Final Report, including:
    a. A cover page including: the grant recipient's organization, the annual report number (i.e., 1, 2, or 3), the dates of the reporting period, the person/organization preparing the report, and the date of submission.
    b. A summary of all loans and/or subgrants made during the performance period of the assistance agreement, and the status of each as of the effective date of this closeout agreement.
    c. All cleanup reports and cleanup complete documentation that were completed as of the effective date of this closeout agreement. Also provide a list of all reports and documentation still pending as of the effective date of this closeout agreement.
    d. A final budget summary table for the grant
    e. A list of all relevant Property Profile Forms that have been updated in ACRES

III. Program Income

1. Accrued program income (in the form of loan principle repayments, interest payments, and program fees) remaining as of the effective date of the final Federal Financial Report will be retained by the city in accordance with the Agency exception of 40 C.F.R. 31.50(d)(2).

2. All current and future program income accrued after the effective date of the final Federal Financial Report shall be considered "retained program income". All retained program income must be managed separately, so it may easily be tracked, and shall be made available for continued operation of a Revolving Loan Fund for Brownfields cleanups and/or other Brownfields activities (as specified in Section III.5 below).

3. Brownfields cleanups or assessments financed with retained program income must be consistent with Brownfields eligibility provisions and site eligibility limitations contained in the terms and conditions of the original assistance agreement BF-97145801.

4. As provided in 40 C.F.R. 31.25(h), all other federal requirements do not apply to the activities funded with the retained program income.

5. EPA encourages that the primary use of retained program income be for providing loans for Brownfields cleanups. In addition to Brownfields cleanup loans, retained program income may also be used to fund the following Brownfields activities:

   a. Cleanup Subgrant agreements,

   b. Phase I Environmental Site Assessments performed in accordance with EPA All Appropriate Inquiries Final Rule or ASTM E1527-05 (or the most current version),

   c. Phase II Environmental Site Assessments and cleanup planning activities, and

   d. Programmatic costs to manage and oversee the work being performed.

6. All assessment and cleanup work funded with retained program income must continue to be performed in accordance with state environmental rules and regulations, and all cleanup sites must be enrolled in the appropriate state voluntary cleanup program.

7. Retained program income shall not be used for site inventory work and meeting cost share requirements for federal and state grants.

IV. Continued Post-Closeout Reporting Requirements

1. Annual Reports shall be required for the first 5 years following the effective date of this closeout agreement. The annual report shall include the following information:

   a. A cover page including: the grant recipient's organization, grant number, the annual report number (i.e., 1, 2 or 3), the dates for the reporting period, the persons/organizations preparing and submitting the report, and the date of the report submission.

b. A summary of the activities conducted during the reporting period, a list of reports and documents generated during the reporting period, and a budget summary table reflecting the expenses incurred and program income received.

c. Site data consistent with information requested in current Property Profile Forms or a list of sites created and/or updated in the ACRES database.

V. Continuing Records Retention Requirements

The grant recipient must maintain adequate accounting records for how retained program income is managed and spent as well as all other appropriate records and documents related to the activities conducted using retained program income.

All records and documents must be retained for a period of three (3) years following termination of this closeout agreement per Section VI below.

VI. Termination of this Agreement

Termination of this closeout agreement occurs when all retained program income has been expended. The grant recipient shall notify the Agency in writing when this occurs and certify that all funds have been expended in accordance with the terms and conditions of this closeout agreement. The notification should provide the relevant grant information specified in Section IV item 1.a of this agreement. The Agency has 90-days from receipt of this notification to submit any objections to the termination of this closeout agreement. If the Agency does not object within that time period, then this closeout agreement will terminate with no further action.

VII. Modifications

This closeout agreement can only be modified in writing by agreement of the EPA and the grant recipient. Oral or unilateral modifications shall not be effective or binding.

VIII. Enforcement of this Agreement

If the grant recipient expends retained program income in a manner inconsistent with this Closeout Agreement, then the Agency may take actions authorized under 40 C.F.R. Section 31.43.

IX. Severability

If any provisions of this Closeout Agreement are invalidated by a court of law, the parties shall remain bound to comply with the provisions of this Closeout Agreement that have not been invalidated.

X. Points of Contact

1. The point of contact at the City of Portland for all items in this Closeout Agreement shall be:

   Richard Knowland
   Senior Planner
   City of Protland
   389 Congress Street
   Portland, ME 04101
   207-874-8725
   RWK@portlandmaine.gov

2. The point of contact at EPA for all items in this Closeout Agreement shall be:

   Alan Peterson
   Brownfields Project Officer
   Office of Site Remediation & Restoration
   US Environmental Protection Agency, Region 1
   5 Post Office Square, Suite 100
   Mail Code OSRR07-2
   Boston, MA 02109-3912
   617-918-1022
   peterson.alan@epa.gov

XI. Signatures

This Closeout Agreement becomes effective on the date of the signature of the U.S. EPA award approval official.

On behalf of the City of Portland:

Date: 12/19/12

Mark Rees
City Manager
City of Portland
389 Congress Street
Portland, ME 04101

Finance Director
City of Portland, Maine

On behalf of EPA:

Date: 07/02/13

James T. Owens
Director, Office of Site Remediation and Restoration
US Environmental Protection Agency, Region 1
5 Post Office Square, Suite 100
Mail Code OSRR07-5
Boston, MA 02109-3912

CLOSEOUT AGREEMENT BETWEEN UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 1 AND THE CITY OF PORTLAND MAINE CONCERNING CLOSEOUT OF ASSISTANCE AGREEMENT BF-97145801

Attachment A

1. Background
   a. On September 15, 1999, EPA awarded assistance agreement BL-98110701 under CERCLA Section 104(d) to the City of Portland for $500,000 with a project completion date of September 30, 2004.
   b. The purpose of assistance agreement BL-98110701 was to capitalize a brownfields revolving loan fund. Monies in this assistance agreement were available as loans and subgrants to eligible recipients for cleanup work on brownfields sites.
   c. On October 14, 2004, assistance agreement BL-98110701 was amended to extend the project period to September 30, 2005 (Amendment 1).
   d. On October 19, 2005, assistance agreement BL-98110701 was amended to extend the project period to September 30, 2006 (Amendment 2).
   e. On August 1, 2006, assistance agreement BL-98110701 was transitioned under CERCLA Section 104(k) to assistance agreement BF-97145801 in the amount of $182,352.00 (the available amount remaining on BL-98110701 at the time of transition) with a project completion date of January 31, 2011. The ability to transition RLF assistance agreements is set forth in CERCLA Section 104(k)(3)(D).
   f. On September 20, 2006, assistance agreement BF-97145801 was amended to add $355,000 in supplemental funding (Amendment 1).
   g. EPA and the City of Portland agree to memorialize the terms of their Closeout Agreement on how the City of Portland will use the retained program income after closeout of assistance agreement BF-97145801.

2. Representations of the City of Portland
   a. EPA Funds. As of the date of this Closeout Agreement,
      i. $855,000.00 has been awarded to capitalize a brownfields revolving loan fund.
      ii. $497,000.00 has expended on 3 loan(s) to qualified borrower(s) for:
         1. $150,000.00 – Chestnut Street Extension (under BL-98110701).
         2. $138,000.00 – Parking Lot, 161 Marginal Way (under BL-98110701).
         3. $209,000.00 – Chestnut Steet Lofts (under BF-97145801)
      iii. $29,647.44 has been expended on other eligible programmatic costs.
      iv. $328,352.56 remains unexpended and was de-obligated from the assistance agreement.
   b. Program Income. As of the date of this Closeout Agreement,
      i. $209,000.00 in program income has been generated from loans made with the funds from this assistance agreement.
      ii. $0.00 in program income has been expended on loans to a qualified borrower and on other eligible costs.
      iii. On September 28, 2011, EPA's Office of Grants and Debarment approved an exception to grant regulation 40 CFR 31.50(d)(2) allowing the City of Portland to retain the program income accrued under assistance agreement BF-97145801 for

use on eligible brownfields cleanup and assessment activities agreed upon in this negotiated Closeout Agreement.

Portland Development Corporation
Operating Report FY14
For Month Ending
7/1/2013

Operating transfer from EDF **28,522**

Total Funds Available **28,522**

FY14 Expenditures	Budget	Current Month	Year to Date	Percent of Budget	Balance
Administrative Services	575	0	0	0.0%	575
Postage	300	0	0	0.0%	300
Travel, Training, Meetings	3,000	0	0	0.0%	3,000
Contractual services	11,400	0	0	0.0%	11,400
Operating Transfer to Fin.	9,647	0	0	0.0%	9,647
Advertising	2,000	0	0	0.0%	2,000
Auto Expense Reimb.	100	0	0	0.0%	100
Printing & Binding	650	0	0	0.0%	650
Office Supplies	850	0	0	0.0%	850
Total FY14 Expenditures	**28,522**	**0**	**0**	**0.0%**	**28,522**

Downtown Portland Corporation
Schedule of Loans Receivable
For the Month Ending July 31, 2013

Cust #	Ln #	Account No. & Name	Date of Loan	Maturity Date	----Committed/Disbursed Funds----- Original Loan	Not Yet Disb.	Total Disb .	Outstanding Princ. Bal.
		Portland Business Fund 271 (UDAG):						
5706	1319	Rising Tide Brewing Company	4/18/2012	4/1/2019	115,111	0	115,111	105,129
		Sub-Total PBF (UDAG)						**105,129**
		Portland Business Fund 272 (Restricted - CIP):						
3826	1007	Kennebec St. Properties	04/25/06	9/1/2013	67,500	0	67,500	53,814
4349	1078	Mayflower Pottery	2/25/2008	7/1/2015	25,000	0	25,000	8,003
4500	1127	Tomaks, LLC	3/27/2008	3/1/2014	75,000	0	75,000	65,733
4698	1167	Bangkok Thai	11/13/2009	1/1/2014	35,000	0	35,000	4,244
5496	1288	Museum of African Culture	10/3/2011	10/1/2016	15,500	0	15,500	14,217
3763	955	Eastman Industries	4/19/2012	4/6/2017	34,800	0	34,800	34,298
		Sub-Total PBF (Bonds)						**180,310**
		Portland Micro Capital Fund 271 (Unrestricted):						
3995	1000	Happy Tails, Inc.	11/1/2006	10/1/2013	25,000	0	25,000	1,025
4740	1180	PBJ Empire, LLC	2/24/2010	3/31/2015	7,500	0	7,500	3,994
4760	1185	DSM, LLC	4/7/2010	5/1/2013	18,500	0	18,500	7,151
5147	1244	Gorgeous Gelato LLC	11/19/2010	12/1/2014	25,000	0	25,000	9,722
5320	1263	Dobra Tea	4/8/2011	4/1/2016	15,000	0	15,000	8,221
5708	1320	Veranda Asian Market LLC	4/19/2012	4/1/2017	50,000	0	50,000	44,411
5837	1341	Back Bay Skate	9/10/2012	9/1/2017	12,500	0	12,500	10,656
6113	1379	EcoHome Studio, LLC	4/11/2013	4/1/2018	15,000	0	15,000	14,276
6120	1380	Portland Trading Co. LLC	4/26/2013	8/1/2018	15,000	0	15,000	14,955
6133	1381	Maine Bio-Fuels, Inc.	5/24/2013	6/1/2018	25,000	0	25,000	25,000
6180	1382	Undefeated Enterprises, Inc.	6/27/2013	7/1/2018	25,000	0	25,000	25,000
		Sub-Total Micro Capital Fund						**164,410**
		Creative Economy Fund 271 (Unrestricted):						
5615	1308	Studio Management Corp.	1/20/2012	2/1/2017	26,000	0	26,000	20,479
		Sub-Total Creative Economy Fund						**20,479**
		FAME Fund 277:						
3763	956	Eastman Industries	4/19/2012	4/6/2017	34,800	0	34,800	34,298
5862	1351	Peaks Island Fuel	10/1/2012	10/1/2017	61,000	0	61,000	58,695
		Sub-Total FAME Fund						**92,993**
		FAME SSBCI 279:						
5939	1356	Apothecary By Design LLC	11/8/2012	11/1/2017	200,000	0	200,000	187,051
5748	1327	Fermentation & Distillation	4/25/2012	10/1/2017	165,000	0	165,000	144,604
5836	1340	251 Woodford Street LLC	8/31/2012	9/1/2017	165,000	0	165,000	160,903
6199	1390	Inn at Diamond Cove LLC	7/10/2013	7/1/2018	200,000	0	200,000	200,000
		Sub-Total FAME SSBCI						**692,559**
		Real Estate Investment Fund 271(Unrestricted):						
6104	1378	McCuda, LLC	4/19/2013	4/1/2018	200,000	0	200,000	197,161
		Sub-Total RE Invest						**197,161**
		Grand Total Loans					**1,653,211**	**1,453,040**
		Allowance for uncollectable loans at 15%						217,956
		Total with Allowance for uncollectable loans:						**1,235,084**

CITY OF PORTLAND, MAINE
PORTLAND DEVELOPMENT CORPORATION
DELINQUENCY REPORT
MONTH ENDING JULY 31, 2013

Loan	Payment Past Due	# of Payments	# of Days Past Due*	Outstanding Principal Balance	# of Times Past Due In Last 12 Reports (excluding present mo.)
Back Bay Skate	$239	1	17	$10,656	0
Happy Tails, Inc.	$1,025	2	181	$1,025	12
Kennebec St. Properties	$505	1	18	$53,964	3
Maine Bio-Fuel**	$475	1	31	$25,000	0
Museum of African Culture	$218	2	61	$14,217	10
PBJ Empire LLC	$1,174	8	243	$3,994	12
Portland Trading Co.	$75	1	31	$14,955	0
Studio Management Corp.	$987	2	61	$20,479	12
Veranda Asian Market	$2,985	3	92	$44,411	9
TOTALS:	**$7,444**			**$178,045**	

*Reflects number of days after 1st of month due date. Also, this report lists only loans that have not paid before the 15th of each month.
**City billing error.

Portland Development Corporation
Cash Management Report
For Month Ending June 30, 2013

	CIP	UDAG		FAME	FAME	Brown-		Year-to-Date				Business Assistance Grant Prgm for Job Creation
		271			SSBCI	field		Principal/Interest				
	272	(Unrestricted)		277	279	278						
	(Restricted)	Loans/PDAP	PEDP Bal			(PET)	TOTAL	Restricted	Unrestricted	FAME	SSBCI	
Beginning Cash Bal. July 1, 2013	**517,229**	**879,859**	**250,000**	**281,491**	**252,917**	**502,756**	**2,434,252**					100,000
Plus:												
Principal payments received	2,585	9,572		781	6,851							
Interest payments received	1,136	3,615		664	3,370							
Interest Income					26							
Other												
Sub-Total Cash Available	**520,949**	**893,046**		**282,936**	**263,164**	**502,756**	**2,462,851**	-	-	-	-	
Less:												
Year-End Adjustments					(200,000)							
Disbursements - Loans/PDAP Grants												
PEDPIP Grant Committed*			-157,585									
Sub-Total Cash Available 7/31/13:	**520,949**	**893,046**	**92,415**	**282,936**	**63,164**	**502,756**						
Less Reserves for:												
Beautification Program (EC0301)		(72,000)										
Ptld ED Plan Imple. Fund (EC1201)		(181,335)										
Portland Dev. Action Grant (EC0302)		(64,731)										
Transfers not yet recorded (UDAG Int)		(3,615)										
Grants/Loans Approved/Not Disb.												-30,000
Annual Admin Payment to FAME												
Reserve for Administration												-14,375
Total Ending Loan/Grant Cash Bal. 7/31/13:	**520,949**	**571,365**		**282,936**	**63,164**	**502,756**	**1,941,170**					**55,625**

*Note: Of the 157,585 Committed, $68,665 has been paid to date.