



PORTLAND DEVELOPMENT CORPORATION
Board Meeting

DATE: Thursday, August 18, 2022

TIME: 4:00 PM

**LOCATION: THIS MEETING WILL TAKE PLACE REMOTELY USING
ZOOM.**

This meeting will be held remotely pursuant to the Remote Meeting Policy adopted by the Portland Development Corporation and as authorized under 1 M.R.S. 403-B because of the existence of an emergency or urgent issue that requires the Committee to meet by remote methods. Allow your computer to install the free Zoom app to get the best meeting experience. If you are not able to attend live, a recording will be available in the [Agenda Center](#) following the meeting.

The Portland Development Corporation Board meeting is not required to take public comment, and this will continue during remote meetings.

Zoom public meeting information and link below:

[https://portlandmaine-
gov.zoom.us/j/89623485960?pwd=TkZnb1N1bmZtVnBUWGJuVFld1Zodz09](https://portlandmaine-gov.zoom.us/j/89623485960?pwd=TkZnb1N1bmZtVnBUWGJuVFld1Zodz09)

Passcode: 624772

Or One tap mobile :

US: +13017158592,,89623485960# or +13126266799,,89623485960#

Or Telephone:

Dial(for higher quality, dial a number based on your current location):

US: +1 301 715 8592 or +1 312 626 6799 or +1 646 931 3860 or +1 929 205
6099 or +1 253 215 8782 or +1 346 248 7799 or +1 669 444 9171 or +1 669 900 6833

Webinar ID: 896 2348 5960

International numbers available: <https://portlandmaine-gov.zoom.us/j/kd9QZ3FUqY>

AGENDA

1. President's Comments

2. Review and vote on draft meeting Minutes for Board meeting held on August 4, 2022.
 - a. See attached draft Minutes.
3. Review and vote on Brownfield Assessment Grant application from Portland Housing Development Corporation for up to \$20,800 (Fund 278) for Phase III of its Front Street Development Project
See attached Memorandum and backup.
 - a. See attached Memorandum and backup.
4. Review and vote on request for modification of security/guaranty for loan made to Healthworx Properties, LLC on December 10, 2021, for \$126,000.
 - a. See confidential Memo and backup.

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 to discuss proprietary information regarding the above loan applications. After the executive session, the Board will vote in public session.
5. Other Items to be discussed/brought up by Board Directors and/or staff.
6. Next Regular Meeting Date: September 15, 2022

Minutes
Portland Development Corporation
Remote Zoom Meeting
Held on August 4, 2022

A remote meeting, via Zoom, of the Portland Development Corporation (PDC) Board of Directors was held at 4:00 p.m. on Thursday, August 4, 2022. Present from the Board were Directors Krista Cole, James Dowd, Eamonn Dundon, Jeff Hicklin, Thomas Mitchell, and Beverly Werber. Directors who could not attend included Councilor April Fournier, Blaine Grimes, Kierston Van Soest, Board President Julie Viola, and Danielle West. Present from the City staff were Interim Housing and Economic Development Director Mary Davis and Principal Adm. Officer Lori Paulette. Also present was loan underwriter Dave McLaughlin.

Item #1: Presidents Comments

In President Viola's absence, Board Treasurer James Dowd chaired the meeting and waived the President's Comments.

Item #2: Review and vote on draft meeting Minutes for Board meeting held on April 28, 2022.

On motion made by Mr. Hicklin, seconded by Mr. Dundon, the Board voted 5-0-1 (Dowd abstained) to accept the Minutes as published.

Item #3: Review and vote on loan application from Bar Harbor Lobster Co., d/b/a The Clam Bar for \$150,000

NOTE: 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 to discuss proprietary

information regarding the above loan application. After the executive session, the Board will vote in public session.

Ms. Davis introduced herself and thanked both Dave McLaughlin and Lori Paulette for stepping up in place of former Business Programs Manager Nelle Hanig's recent retirement from the City. Interviews have taken place for the vacancy and she hoped to have the position filled soon. She then gave a brief overview of the business and noted that this is a new loan request for \$150,000 for start-up costs for The Clam Bar's second location on West Commercial Street, with the first starting in 2012 in Bar Harbor. The owner, Garrett Fitzgerald, is present today for an overview, as well and to answer any questions.

Mr. Fitzgerald thanked the Board for their time. He indicated that The Clam Shack in Bar Harbor is doing well, being there for 10 years now. Regarding the Portland location, he has been working on this for the last couple of years, with extensive renovations to the building there – basically brand new now from the ground up. Last piece is the deck in back and costs have gone up since that time, resulting in this loan request. He then described the layout and plans for the businesses, including a couple of OpBoxes and food truck.

Mr. Fitzgerald said that his bank, Bangor Savings, would not use his home in Bar Harbor as collateral because it was not his primary residence; he rents it out annually.

Ms. Werber asked about his lease terms for the Portland property, and Mr. Fitzgerald said that it is year to year with JBBrown who owns the property and he owns everything else which he can pack up and move at any time. JBBrown does not want a long-term lease, particularly with the new VA Headquarters right next door. He is in communications with JBBrown regularly, who has indicated that any future groundbreaking on that property would probably not occur in the next three to five years as there is nothing going on right now.

Mr. Dundon asked about an opening date if he had the money in hand now, and Mr. Fitzgerald indicated in about a month, month and a half.

Mr. Dowd asked about estimated total project costs and Winter operations costs. Mr. Fitzgerald described it as \$187,000, which, if turned down, he would use some funding from the Bar Harbor business and possibly a Home Equity Line of Credit. There is also the catering program for both locations year-round.

There being no further questions/discussion, a motion was made by Ms. Cole, seconded by Mr. Hicklin, to go into executive session at approximately 4:25 pursuant to 1 M.R.S.A. 405(6)(F) and 5 M.R.S.A. 13119-A to discuss proprietary information regarding this loan application. This motion passed 6-0. At approximately 4:48 p.m., the Board came out of executive session.

On motion made by Mr. Hicklin, seconded by Ms. Cole, the Board voted 6-0 to deny this loan request at this time.

Item #4: Treasurer's Report – June 30, 2022

The Board's consensus was to accept the report as presented.

Item #5: Other items to be discussed/brought up by Board Directors and/or staff.

Mr. Hicklin asked about possible in-person meetings, and Ms. Davis indicated that because of equipment needed to have hybrid meetings, only the City Council Chamber is equipped for this. Once more meeting rooms become equipped, more in-person meetings may be allowed. Only the City Council now has hybrid meetings.

There being no further business, a motion was made by Ms. Werber, seconded by Mr. Mitchell, to adjourn the meeting at 4:52 p.m. This motion passed 6-0.

Respectfully, Lori Paulette



MEMORANDUM

TO: President Julie Viola and PDC Board Members

FROM: Lori Paulette, Principal Adm. Officer

CC: Mary Davis, Interim Director

DATE: August 12, 2022

RE: **Portland Housing Development Corporation (PHDC) Application for a Brownfield Assessment Grant of up to \$20,800 for a Phase II ESA for the Third Phase of its Affordable Housing Project at its Front Street Location**

Project

This request is in regards to PHDC's third phase of redevelopment of its affordable housing project on Front Street.

Background

As background, the entire project includes demolishing 50 units of public housing on Front Street (in the East Deering neighborhood) that are at the end of their useful life. In their place, 105 units of affordable mixed-income apartments will be constructed with a significant amount of open space for use by residents. The level of affordability is for those earning less than 60% Area Median Income, by deed restriction, in perpetuity. The project is to be completed in three phases. Phase 1 includes 60 rental units in four buildings for a family/general population, at a total construction cost of \$13 Million. Phase 2 includes 45 rental units for seniors aged 55+ and disabled persons in one building, at a total construction cost of \$7.5 Million. Phase 3, the subject of this request, includes 8 homeownership units in 2 buildings with an estimated construction start date of Spring 2023. Total construction cost estimate to be provided at the Board meeting.

Previous PDC Brownfield Funding for the Project

For this project, the PDC has previously approved a \$125,000 Brownfield clean-up grant for Phase I, which funding has been entirely drawn down to date. This was approved at the April 16, 2020, Board meeting.

The PDC also previously approved, at its December 15, 2021, Board meeting, a \$200,000 Brownfield clean-up grant for Phase II, and this project is ongoing. At this time, no funds have been drawn down.

Current Request

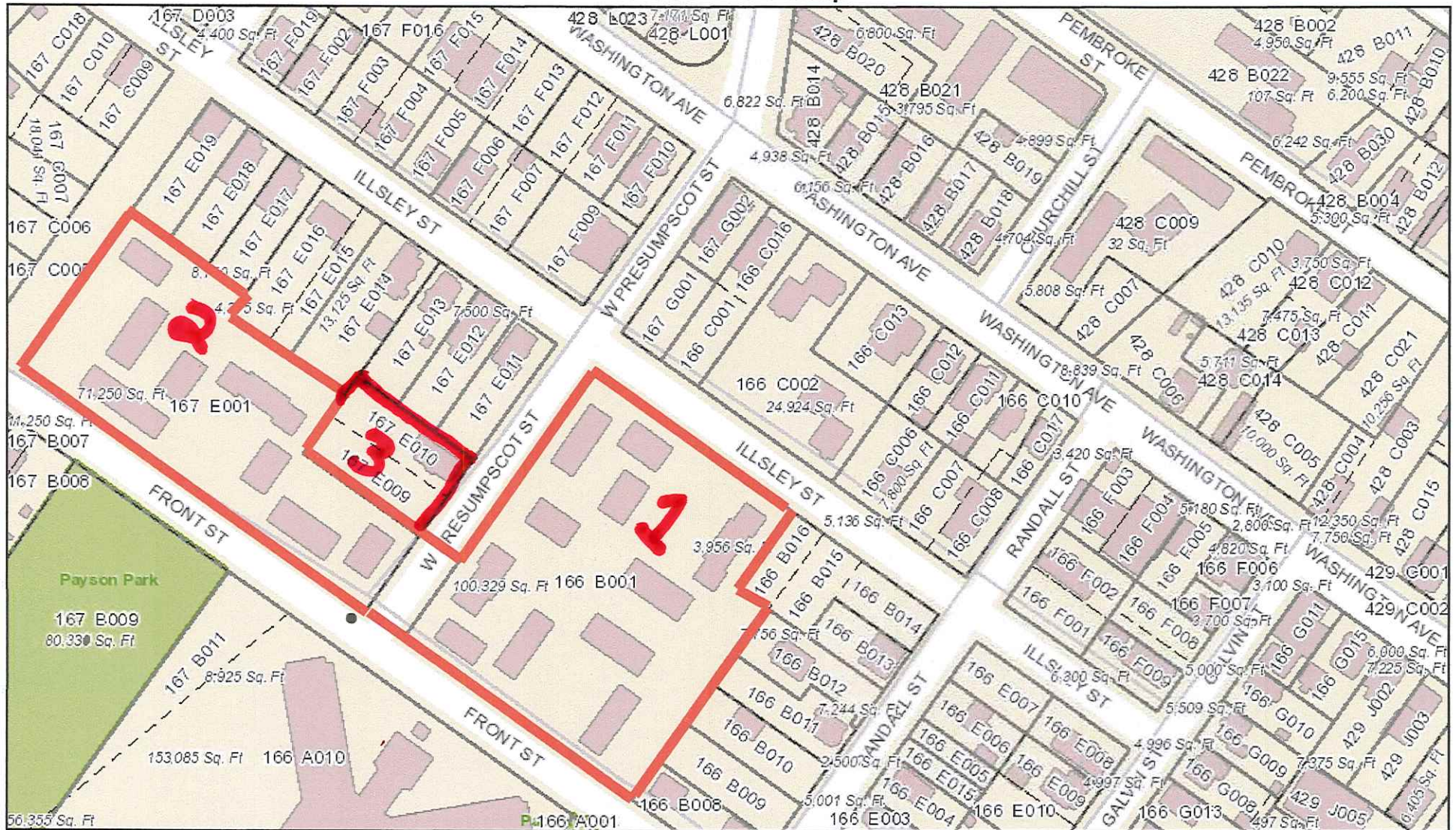
PHDC has applied for up to \$20,800 in Brownfield grant assessment funding for a Phase II ESA on the property located at 33 West Presumpscot Street (see map attached). Total construction cost estimate for this project to be provided.

With assessment grant requests, the PDC Board has given staff authority to approve these from its USEPA Assessment Grant Fund (Fund 281). The Cash Management Report for June 30, 2022, showed a remaining balance of \$34,159, from the original grant award to the City of \$250,000 which is exactly what USEPA wants to see – funds being used. With the current project commitments in Fund 281, there is approximately \$5,500 left, which is not enough to fund this request.

Therefore, staff is recommending using closeout funds for this project, Fund 278. These funds are the most flexible Brownfield funds as they can be used for grants or loans for assessment or clean-up. The balance of this Fund as of June 30, 2022, was just over \$310,000.

PHDC is an outstanding developer of affordable housing and staff recommends providing this grant request of up to \$20,800 for Phase III of their Front Street project.

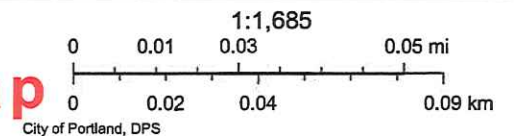
Attachments: Map of Project Area w/Phase 1, 2, and 3 Noted
Assessment Application
Ransom Task Work Order



5/13/2019, 10:08:04 AM

— Override 1

Front Street Project Phase Map



Portland, Maine



Yes. Life's good here.

Assessment Application Form

City of Portland Brownfields Assessment Program

The Environmental Protection Agency (EPA) defines a brownfield as "real property, the expansion, redevelopment, or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant". **The City of Portland's EPA-funded Brownfields Assessment Program provides opportunities for eligible properties to be assessed at no cost to the applicant with the objective of identifying the presence or absence of contamination.** The information collected can be utilized to assist in making decisions with regard to redevelopment – e.g. purchasing, marketing for redevelopment or identifying health concerns.

Applications should be filled out in full and returned to the City of Portland's Economic Development Department to ljn@portlandmaine.gov or 389 Congress Street, Room 308, Portland, Maine 04101. Contact Lori Paulette with any questions at either ljn@portlandmaine.gov or (207) 874-8683.

Applicant Information

Name: Portland Housing Dev. Corp. Contact (Name/Title): Jay Waterman, Director of Dev.

Mailing Address: 14 Baxter Blvd. Portland ME 04101

Daytime telephone number: 207-221-8009 Email: jwaterman@porthouse.org

Site Information

Site Name: Front Street Phase 3 Address: 33 West Presumpscot St. Portland ME 04103

Current Owner if different from applicant/Mailing Address: _____

Property Size: 0.334 ac Map: 167 Block E Lot: 9-10 (attach a Tax Map); Zone: R-5

Site History/Environmental Concerns

Current Site characteristics and use(s): Vacant lot used for contractor lay-down area

Describe any existing onsite structures/buildings: None (temporary storage boxes on site)

Former or prior site use(s)/owners Sharon Kiley, homeowner of 2-unit multi-family building

Is there any known or potential contamination on site? If yes, please explain _____

The Property is located in an area of known urban fill. Adjacent properties have been found to have lead and PAH exceedences in soil.

Any previous site investigations? If yes, please explain and email copy_____

PHDC completed a Phase I ESA on December 3, 2018.

Has the site ever maintained underground storage tanks? ___Yes___No^X___Unknown

If yes, please explain:_____

Do you have access to the property?_Yes_No. If yes, explain the mechanism and/or attach documentation. If not, can it be obtained?_Yes, property is owned by PHDC

Historical Designations, if any (listed Historic Site/Landmark/District):

None

Site Redevelopment Potential

Describe Proposed Redevelopment/Reuse Plans (recreation, residential, commercial, etc.) and attach if available: Residential redevelopment of 8 homeownership units in two buildings already approved by

City Planning Board.

What is the project timeline? Construction start Spring 2023

How is the project being funded? Please describe potential funding sources and amounts available for site cleanup: Brownfields potentially funded through City or GPCOG RLF funds; homes built with

MaineHousing subdivision program funds and City HTF funding.

Community Benefits

Why do you think this site should receive City of Portland Assessment Funds? _____

The marketability of homeownership units will be much better with known clean-up of soils

How would redevelopment of this site benefit the community? Is there community support for this project? Area residents wanted homeownership to compliment the 105 units of rental housing in Phases 1 & 2.

Is there potential for job creation/workforce/affordable housing, and/or creation of public open space? Homes will meet City Workforce Housing Program requirement income restrictions and create housing for

moderate-income residents of Portland. Homeownership units are very scarce in Portland.

Please attach any additional information that you believe would be helpful in evaluating this site for City of Portland Assessment Funding. The program's general site selection criteria are available at on the City's website at_____.

DocuSigned by:

Cheryl A. Sessions

Applicant Signature

8/11/2022

Date



Task Order

400 Commercial Street, Suite 404, Portland, Maine 04101, Tel (207) 772-2891, Fax (207) 772-3248

Andover, Massachusetts □ Portsmouth, New Hampshire □ Hamilton, New Jersey □ Providence, Rhode Island

www.ransomenv.com

To: *Lori Paulette, Principal Administrative Officer, Housing and Economic Development Department, City of Portland*
From: *Stephen Dyer, Ransom Consulting, LLC*
Date: *August 11, 2022*
Project: *Task Order 002 – Phase II Environmental Site Assessment (ESA)
Kiley Parcel
33 Presumpscot Street, Portland, Maine
City of Portland Brownfields Revolving Loan Fund Closeout Funds*

In accordance with our Agreement along with its Terms and Conditions with the City of Portland, dated February 18, 2021, Ransom has prepared the following task order under the City of Portland's Environmental Protection Agency (EPA) Brownfields Assessment and Revolving Loan Fund (RLF) Programs.

Scope of Services for Task Order 002 – Kiley Phase II ESA:

This task order is for the completion of a Phase II ESA for the Kiley Parcel located at 33 Presumpscot Street in Portland. The Portland Housing Development Corporation (PHDC) owns the property and it will be redeveloped with the Phase 3 portion of the Front Street Apartment Project. This Site will be the location of the home ownership portion of the overall project.

PHDC completed a Phase I ESA on December 3, 2018 prior to its purchase of the property on March 29, 2019. PHDC submitted the Site to the Maine Department of Environmental Protection (MEDEP) Voluntary Response Action Plan (VRAP) program, and the MEDEP has indicated that they would like a focused Phase II ESA to be completed at the Site to confirm the soils are, in fact, similarly contaminated as the those for the adjacent VRAP Site at 37 and 63 Front Street. To accomplish the Phase II ESA objectives described above, Ransom will complete the following scope of work:

- **Eligibility Form.** Ransom's project manager will prepare an EPA Brownfields Site Assessment Eligibility Form for City's review and approval. Because this Phase II ESA will utilize close-out funds, this is not required to receive EPA approval.
- **SSQAPP and HASP.** Ransom will prepare a Site-Specific Quality Assurance Project Plan (SSQAPP) and Health & Safety Plan (HASP) for the Site. The SSQAPP will describe the Site's conceptual site model, standard sampling procedures to be followed and the objectives for the sampling. A draft version of the SSQAPP will be submitted to the MEDEP for review and approval. Because you are using RLF close-out funds, we have assumed there will be no U.S. EPA review and approval. The HASP will be prepared and used by Ransom staff in accordance with OSHA requirements.
- **Phase II Field Work.** Ransom will complete the Phase II ESA field work which will include the following:

- a. Ransom will oversee the completion of four direct-push (i.e., GeoProbe®) soil borings (B101 through B104) in order to evaluate the potential presence of contaminants.
 - b. Soil samples collected will be field screened for the presence of total VOCs to parts per million/volume (ppmv) concentrations, using a PID, equipped with a 10.6 eV lamp. Soil samples will also be field screened for the presence of RCRA Metals using an x-ray fluorescence (XRF) meter in accordance with MEDEP SOP# RWM-DR-025.
 - c. Ransom will collect and submit soil samples for laboratory analysis, depending on the field screening results and visual and olfactory evidence of contamination. At this time, we anticipate submitting at least one soil samples from each of the four borings for laboratory analysis for RCRA metals and PAHs. Two additional soil samples will be collected from the upper horizon of onsite soils and submitted for waste characterization parameters to determine and facilitate future off-site soil disposal. We will also collect appropriate QA/QC including a minimum of 5 percent duplicate samples.
- Ransom will prepare a summary report for the Phase II ESA in general conformance with ASTM 1903-19 and submitted to the MEDEP and EPA for their comment. This report will also include a discussion of QA/QC for the data received.

Schedule:

We anticipate beginning this work within 2 weeks of receiving authorization to proceed. After initiation, the Phase II ESA will take approximately 4 weeks to complete.

Estimated Cost:

All work performed as part of this Task Order will be billed on time and material basis in accordance with our Agreement dated February 18, 2021, and will not exceed **\$20,800**, without additional authorization from the City of Portland. A breakdown of costs is presented below:

Task	Task Description	Ransom Fees	Subcontractor Fees
01	Eligibility	\$300	
02	SSQAPP & HASP	\$3,900	
03	Field Work	\$4,600	\$7,100
04	Report	\$4,900	
TOTAL ESTIMATED COST:		\$20,800	

Stephen Dyer will serve as day-to-day project manager and the City's direct contact for this project.

Approved:

Lori Paulette, City of Portland

Date